



4th March 2016

Committee Secretary
Senate Standing Committees on Community Affairs
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Submission: The Future of Australia's Aged Care Sector Workforce

Thank you for the opportunity to comment on the Future of Australia's aged care sector workforce. The Illawarra Forum has consulted with its members and stakeholders to develop this submission. While the opinions offered reflect the Illawarra and Shoalhaven regions, we feel confident that many of the issues raised will be echoed across NSW, particularly in regional areas.

About the Illawarra Forum

The Illawarra Forum is the peak body working for community services organisations and for communities in the Illawarra and the Shoalhaven. We support community organisations, promote expertise and innovation in community development, foster industry development and advocate for social justice.

For more than twenty years, the Illawarra Forum has taken a leadership role in the local community services sector, which is a major employment sector in the region, and currently consists of more than 300 organisations across the Illawarra and Shoalhaven areas of NSW.

As part of our leadership role, we engage with those organisations, services and individuals engaged in supporting community members aged over 65 to collect their opinion, expertise and recommendations.

The Illawarra Forum works closely with numerous organisations which provide support to vulnerable people across the region including:

- Home Support services;
- Residential services;
- Services for people with disability;
- Services for individuals and families with multiple layers of social and financial disadvantage;
- Support for victims of domestic violence and sexual assault ;

- Youth work programs;
- Social housing and homelessness services;
- Community health services, including mental health and drug/alcohol services;
- Community legal centre services
- Community development and community capacity building programs.

The Illawarra Forum welcomes the opportunity to submit to the Senate Community Affairs References Committee.

About the Illawarra

The Illawarra and Shoalhaven covers approximately 5784 square kilometres sprawled along the south east coast of New South Wales. The region is extremely diverse, with urban centres such as Wollongong City (NSW's third largest city), Shellharbour City, and Nowra; large suburban sprawl, many outlying villages, and rural areas.

Wollongong Local Government Area covers an area from Helensburgh in the north to Lake Illawarra in the south. Wollongong has a population of approximately 200,000, spans an area of 714km sq, and is the third largest city in New South Wales (Sydney and Newcastle are 1st and 2nd largest respectively), and the tenth largest city in Australia.

Shellharbour Local Government Area ranges from Albion Park Rail to Dunmore, has a population of approximately 66,000, and spans an area of 154km sq.

Kiama Local Government Area covers an area of 256km sq from Minnamurra River in the north to Gerroa in the south. Approximately 21,000 people live in the Kiama LGA.

Shoalhaven Local Government Area, with a population of approximately 98,000, consists of forty-nine towns and villages over an area of 4,568 km sq on the South Coast of New South Wales. This geographic area also includes the Jervis Bay Territory with an important Aboriginal community at Wreck Bay.

ABS data indicates the Illawarra region (encompassing Wollongong, Shellharbour, Kiama and Shoalhaven) has a higher than average population of people over 65 years of age, particularly in Kiama 18.8% and Shoalhaven 21.2% (NSW 13.8%). By 2031, the population of the region is expected to increase by 65,000, one in four of whom will be aged over 65.¹

¹ *Your Future Illawarra Draft Regional Growth and Infrastructure Plan* NSW Planning & Environment October 2014

The Illawarra Shoalhaven Medical Local in their *Population Health Profile 2013* estimate that by 2021 there will be a 32% increase in the population 65+ and a 52% increase in the population 85+ (which is higher than the State and Australian averages).²

This data clearly shows that the issues facing the aged care industry will vary significantly across the region. Urban areas such as Wollongong and Shellharbour should have ready access to a substantial workforce, provided the industry can attract and retain appropriately trained staff. However the geographic spread of areas like the southern Shoalhaven raises challenges to attracting and adequately supporting locally based workers who are able to provide services to people living in isolated towns, hamlets and rural properties.

Current composition

The Community Services and Health Sector continues to be Australia's largest and fastest growing employer with the vast majority of direct care staff in both residential (89%) and community (greater than 90%) aged care settings being female.

The Industry is part of the largest employment sector in the Illawarra, and 35% growth is projected over the next ten years. Currently, in the Shoalhaven, 4,784 people are employed in the Health and Community Services Industry (14% of all employed). In Wollongong 11,112, (or 13.4%) and Shellharbour 3,579 (13.1%) are employed in the industry (ABS 2013)³. These figures show that not only is this our biggest area of employment, but that we currently exceed the state average of 11.6% (ABS 2013).

With the increase of people reaching retirement age, another consideration which arises is the high levels of retirement from the health and community services industry. Currently workers in this sector have an average age of over 50 years, with more than half the workforce being 45 years+. This in effect means that there will soon be more people becoming consumers than becoming workers. This trend will put increasing pressure on our already strained workforce.

Workers employed in the aged care sector generally have high levels of work-related qualifications and the workforce is increasingly multicultural. In 2012, over 86% of direct care workers in residential aged care and community aged care held post-secondary qualifications. Other languages other than English are spoken by 23% of care workers in residential and 16% of care workers in community aged care.⁴

While the bulk of the aged care workforce is made up of care and support staff, it is important to recognise the many other administrative, hospitality, property services and professional workers who work in the industry.

² Illawarra Shoalhaven Medicare Local

³ Australian Bureau of Statistics www.abs.gov.au

⁴ 'The aged care workforce 2012 final report'. Canberra: DoHA.

Future Workforce Requirements and interaction with the Broader Sector

Taking into account the ageing workforce and the growing need for increased number of aged care workers, the Illawarra needs to attract and retain some 200 to 500 new workers into the sector every year in caring roles alone. Nationally, statistics suggest an increase from 127,000 in 2013 to 167,000 in 2018⁵.

Both an opportunity and a threat for the aged care industry is the nearly 90,000 new jobs which are expected in NSW after the roll out of the NDIS. It is important to explore opportunities for staff across both ageing and disability sectors, in order to identify ways to build a workforce which supports both industries, and does not 'cannibalise' staff across sectors. The newly introduced Certificate III in Individual Support is recognition of the similar skills required in support staff across the aged and disability sectors.

According to government projections, there is a need for additional 75,000 residential and 85,000 Home care packages from 2013 – 2023.⁶ Based on these projections, it is estimated that there will be a need for an additional 55,770 full time equivalent care workers from 2013 to 2023.

Statistics show that the Illawarra region has an ageing population growing at a rate higher than the national average and has limited care services available. 17% of the Illawarra population is over 65 (NSW 15%) rising in 20 years to 23% (NSW 20%). The dependency ratio is set to rise from 26% to 39%, outpacing the average for NSW. While the Illawarra has one of the highest unemployment rates in NSW it still experiences problems in filling positions within Aged Care⁷.

The focus on customer choice and the movement towards wellness models e.g. Consumer Directed Care, enablement and reablement etc presents new challenges in terms of attracting new workers and creating new, more flexible staffing models which enable innovation in service delivery.

It is highly likely that the workforce of the future will need to be flexible and agile, able to transition back and forth between home support, residential care, and even disability care. There will also be increasing demands on staff to manage medication in both community and residential care as the acuity of service users increase.⁸ This might increase the scope of workers to become nurse practitioners and it makes sense to support transition of current staff members into these types of roles.

⁵ ACIWAG Careers Expo Event Outline Rationale

⁶ Aged Care Financing Authority. (2013) 'Inaugural report on the funding and financing of the aged Care Sector' Australia DoHA

⁷ Illawarra Regional Workforce Planning Strategy for the Aged Care Sector

⁸ Productivity Commission (2011) 'Caring for older Australians'

Challenges in attracting and retaining aged care workers

In 2014 the Community Services and Health Industry Skills Council (CS&HISC) developed a Workforce Innovation Network (WIN) program to address the challenges in attracting and retaining workers in the aged care sector. The Illawarra was one of 10 pilot sites to receive a program which aimed to strengthen the sustainability of aged care provision and workforce development at the regional level.

Through this program the Illawarra Regional Workforce Planning Strategy for the Aged Care Sector was developed (June 2014). The Aged Care Illawarra Workforce Action Group (ACIWAG) was established to oversee the execution of the Strategy.

The Aged Care Illawarra Workforce Action Group (ACIWAG) is a partnership project of Aged & Community Services NSW & ACT (ACS), the Illawarra Forum, NSW Dept Industry State Training Services, NSW Department of Premier and Cabinet, RDA Illawarra & TAFE Illawarra. To date, ACIWAG have initiated a range of activities to support the implementation of the Strategy including:

- Survey of service providers regarding their current and projected workforce;
- Updates on ACIWAG's work at ACS meetings;
- Development of a wide range of resources (eg. careers advisor toolkits, promotional videos, website, etc) to promote the sector;
- Profile-raising through the development of strong relationships with job service providers, training providers and school careers advisers;
- Participation in the Department of Social Services' Stocktake and Analysis of Commonwealth-Funded Aged Care Workforce Activities; and
- Organised the inaugural Illawarra Aged Care, Community Care and Disability Services Careers Expo on 5 May 2015 in Wollongong with over 500 attendees and 30 exhibitors (a further Expo is planned for 5th April 2016).

One key challenge which has been identified is the poor public perception about the aged care sector and the range of careers and career pathways that it offers. Aged care careers are generally regarded as very low status, which is remarkable since it is highly likely that those of us who are lucky enough to grow old will undoubtedly rely on these workers in the future.

Another challenge is the salary structure and the relatively low rates of pay for workers across all levels, but most particularly at the support worker level. Indeed, it may be argued that the poor rates of pay both reflect and augment the low level of regard in which the industry is generally held.

We recommend that the Australian Government invest in a national workforce development

strategy for the aged care sector which includes awareness campaigns to change public perceptions and promote the variety of career paths within the sector (some examples of resources developed locally are attached).

Factors impacting aged care workers - Remuneration, working environment, staffing ratios, education and training, skills development and career paths

A significant number of workers in the industry are employed under the Social, Community, Home Care and Disability Services Industry Award. This award is currently being reviewed by the Fair Work Commission. Despite the handing down of the Equal Remuneration Order by the Fair Work Commission on 1st February 2012 to remedy inequities in pay, increases were to be implemented over 8 years, meaning that workers are currently still receiving low levels of remuneration.

The sector is also heavily reliant on casual and part-time workers, and measures must be implemented to make these positions attractive to a new workforce. For example, the transportability of benefits and police checks across employers would make a huge difference to workers on low incomes. Transportability would allow carers to stay in the sector yet receive entitlements such as Long Service Leave even if they change employer.

The role of RTOs, work placement, quality and consistency of qualifications

Employers locally have expressed concern over the lack of consistency in the quality of training across RTOs. This is detrimental not only for the industry, but also for those aspiring workers who put time and effort into earning a qualification, only to realise when they apply for jobs, that their training has not adequately prepared them for the workplace.

Work placement is an important part of quality training to gain worthwhile qualifications. However, work placements can be onerous for employers if students are not well prepared. RTOs must work closely with employers to ensure the 'best fit' for student placements in terms of interest, aptitude and fit with workplace culture. RTOs also need to provide adequate support to students, and communicate effectively with students and host employers to ensure successful placements.

Future aged care workers will increasingly need highly developed communication skills both verbal and non-verbal, and if possible, to offer other languages other than English. Technology is increasingly important in the work of the sector, so workers will also need to

be trained in the use of technology.

Many workers will need business and management skills to understand new concepts such as unit costing and contract management. And learning must be valued by organisations as a way of increasing their worker capacity, and as a way of rewarding staff and keeping them connected to the employer. Learning and development opportunities must be available for career development pathways and to maintain professional currency.

Finally, while training and qualifications are important, it is equally important to attract the 'right' people to work in the industry. Many organisations are focusing on elements such as personality traits, the soft skills such as empathy etc, and fit with organisational culture. The 'right' employee can then be trained and attain the necessary qualifications through a traineeship or similar 'on the job' training scheme. It has also been recognised that being matched with a workplace mentor creates better outcomes for the trainee/new team member.

The Role of Government

The Australian Government clearly has a key role as funding agency and regulator of the aged care sector. The rapidity of change in policy and approaches to service delivery has been a challenge for the sector, and it is important that government continue to support sector support and development activities to ensure all providers are abreast of changes, and are able to translate policy to service delivery.

Sector support and development programs should continue to be regionally based so that activities are based on the needs of the region, and are nimble and flexible enough to respond quickly to sector requirements. Sector support and development should also be resourced to adequately facilitate professional development and support activities which build competence in the sector to support special needs groups including Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse groups, and lesbian, gay, bisexual, transgender and intersex people.

While the Australian Government has primary responsibility for the provision of services for older people, it is also important to recognise that many NSW Government policies can impact on the future of the aged care workforce, for example, the recent roll out of the 'Smart and Skilled' VET policies. Few would argue that the Smart and Skilled roll out has been confusing, and in many cases contradictory. Many people are now afraid to sign up for new training because of fear of being charged high fees. While fees have now been reduced in many high needs areas, including community services, there is wide-spread perception in the community that vocational education and training is now prohibitively expensive.

Challenges in Regional Towns and Remote Communities

As outlined at the beginning of this submission, the Illawarra and Shoalhaven regions are quite diverse. While the cities of Wollongong and Shellharbour are of sufficient size to supply the workforce needs of their aged care sectors (provided they can attract workers to the sector), regional towns such as Nowra and the more remote hamlets struggle with their own issues including the ability to attract workers with the range and depth of skills required.

Regional areas often struggle to recruit an adequate workforce. For example, one local aged care provider has repeatedly highlighted the challenges in attracting and retaining staff for one of its residential properties located approximately an hour's drive from Wollongong. Despite frequent recruitment drives, the organisation has been unable to source sufficient staff locally. In desperation, the organisation advertised these positions in Wollongong, offering to transport workers from Wollongong to the facility at the organisation's expense. In addition, they offered a small monetary incentive for travelling out of the region to work.

Despite these incentives, and despite the Illawarra region having higher than average unemployment statistics, the service provider was still unable to recruit the requisite workers, and has no choice but to rely on agency staff. In addition to being far more expensive than permanent employees, the use of agency staff can have a negative impact on workplace culture and morale. The lack of permanent staff can also be unsettling and unrewarding for consumers, as there is no consistency in who is providing the service, and little opportunity to build bonds of trust and friendship.

For home support providers, a key challenge is creating a business model which is both economically sustainable and truly client centred. When support workers are travelling large distances between clients, this travel time will have to eat into either organisational profits, or client packages. While there is concern about clients having to receive services which fit with the providers timing, rather than receiving the services in a way which truly suits their needs, there is also a concern for the job satisfaction of the employee. This is particularly of concern in rural and regional areas where there may be little or no choice of providers, and clients have no option but to accept unsuitable service, or miss out all together.

Finally, workers in rural and remote areas will often work completely remotely from their head office and supervisor. With the advances in technology, we are already seeing workers whose only connection to their employer is via a tablet or laptop. Workers may receive their schedule via an electronic device which then also acts as a monitoring device so that the employer can see where the worker is, and how long they spend with a client. This can be very isolating and unrewarding, and can have negative effects on worker health and wellbeing and morale. As a worker with high degrees of emotional labour, if you never see your supervisor or even peers, how do you do the necessary debrief and information share

to enable you to deal with client issues? And if you never see a supervisor, how do you get direction, support and supervision?

Thank you for the opportunity to comment on the future of the aged care sector workforce. This is an important issue for our region, and our members. For further information about this submission, please contact nicky@illawarraforum.org.au or 02 4256 4333.

Sincerely,



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References

'Aged Care Financing Authority. (2013) *Inaugural report on the funding and financing of the aged Care Sector* Australia DoHA

Australian Bureau of Statistics www.abs.gov.au

Australian Government Department of Health and Ageing (DoHA) *The aged care workforce 2012 final report*. Canberra

Illawarra Regional Workforce Planning Strategy for the Aged Care Sector

Illawarra Shoalhaven Medicare Local *Population Health Profile 2013*

NSW Planning & Environment October 2014 *'Your Future Illawarra Draft Regional Growth and Infrastructure Plan'*

Productivity Commission (2011) *'Caring for older Australians'*

Attachments (via mail)

'A Good Days Work' Careers toolkit. Designed for use by careers advisors, Job Active providers, RTOs etc. Includes 'A Good Days Work' DVD and handouts. This is part of a range of resources designed to raise the profile of the sector, and encourage prospective workers to seek more information about working in the sector.

'Along the Way' booklet explaining the enablement/wellbeing consumer directed approach to service delivery through the use of consumer stories. This is part of a range of resources targeted to employers for use with workers and prospective workers in the aged and disability sectors.