



United Voice Submission:

Productivity Commission

National Disability Insurance Scheme (NDIS) Costs

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Authorised By Jo Schofield, United Voice National Secretary
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About United Voice

United Voice is a union of workers organising to win better jobs, stronger communities, a fairer society and a sustainable future. Members work in a diverse range of industries including disability support, aged care, early childhood education and care, cleaning, hospitality, healthcare, security, emergency services and manufacturing.

A large number of United Voice members work in the public sector or in publicly funded sectors. Many United Voice members are in low-paid and under-valued employment, and all rely on government to provide access to quality public services, to ensure a secure retirement, and to monitor and regulate economic activity to ensure a fair and equitable society.

Whilst coverage and titles may differ on a state basis, nationally United Voice has many members who work in the disability sector. As the people working in the disability sector on a daily basis, our members appreciate the opportunity to have their opinions, concerns and experiences considered as part of this inquiry.

“I love this industry. It’s not about coming into work, doing an 8 hour shift and leaving. It’s so much more than that. For some people we can be their eyes, their ears or their hands”.

- Disability Support Worker

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Introduction

United Voice members working in disability support are at the coal face of the impact of the NDIS. This makes them uniquely placed to understand the impacts of this significant reform on their work and on the quality of support provided. Furthermore, their experiences can shed light on the workforce challenges raised in the Commission's Issues Paper, which are critical to the overall sustainability and integrity of the scheme.

As the Commission acknowledges, the full roll out of the NDIS, combined with the general increase in demand for disability support services, will place substantial pressure on the workforce to meet demand. The disability sector is characterised by an ageing workforce, attraction and retention issues and jobs with low pay, insecure hours and limited career opportunities. This combination of factors hinders the sustainability of the workforce into the future.

We must act now to create quality jobs that provide quality support. The alternative will be a further devaluing of the work in this sector, driving down the quality of disability support provided and threatening the scheme's viability.

Given our belief that the workforce is key to delivering and sustaining a high quality NDIS, this submission will focus on workforce issues and how they relate to NDIS costs.

Subsequently, this submission addresses a selection of the Commission's questions related to market readiness. In doing so, it describes the existing poor working conditions that have created ongoing workforce recruitment and retention issues. Specifically this includes low wages, inadequate and unpredictable working hours, limited career progression, physically, emotionally and psychologically demanding work, and inadequate supervision. Following this, it highlights the impact of NDIS pricing on worsening job quality, which will likely further aggravate recruitment and retention issues, as well as further jeopardise quality service provision.

“I am unsure about what our work will look like in the coming 12 months. So many changes and they are not always for the better for workers or clients unfortunately. Nobody seems to care about the workforce. Just a number now.”

- Disability Support Worker

The feasibility of disability support workforce growth

The capacity of the disability support sector to implement the NDIS and meet the aspirations of the sector relies on there being a skilled and experienced workforce. As the Commission notes, the current estimate of the required workforce expansion is 70,000 workers over the next two to three years, which would suggest a workforce of 140,000 FTE workers by 2019.

This impressive level of required growth will need to occur in the context of similarly increased workforce requirements in the health sector and importantly the aged care sector. Growth predictions for aged care estimate an increase over the coming 30 years of some 700,000 workers, resulting in a 1 million strong workforce by 2050. These dynamics will increase competition for workers with similar skills and it should also be noted that these workforces are converging as providers increasingly offer both aged care and disability support.

Factors affecting the supply and demand of disability care and support workers: workplace conditions

The Commission has requested information on the factors that affect the supply and demand of disability care and support workers. It is United Voice’s main contention that the nature of working conditions in the sector that are responsible for the documented attraction and retention issues, leading to a shortfall of workers. Disability support work is currently characterised by a range of conditions that are not conducive to quality jobs. The poor working conditions impacting disability support jobs, outlined below, are low wages, inadequate and unpredictable working hours, limited career progression, physically,

emotionally and psychologically demanding work, and inadequate supervision. In the context of difficult working conditions, the low pay and society's general undervaluing of care work makes it an unattractive career option to consider, and leads existing workers to churn through multiple employers or consider exiting the industry. Importantly, we also highlight that the NDIS, in particular its pricing structure, appears to be worsening conditions in the sector in terms of wages, working hours, work intensity and supervision.

Low wages

"I am a qualified disability worker in community and am very upset that no matter how many years I have worked or how many qualifications I have, money never goes up and never gets recognition. I would tell people not to go into this industry as you are not paid or recognised."

- Disability Support Worker

"Pay rates are disgusting: grade 2 is \$20:20/ hour for the work we do and the skills"

- Disability Support Worker

The low wages of disability support workers are a significant problem for the industry and are recognised by providers and workers as an obstacle to staff recruitment and retention.

Inadequate or unpredictable hours and contingent employment arrangements

"Casualisation of the workforce, erosion of entitlements, amount of work, efficiency of rostering, complexity of the current award, take home pay and inability to support my family, the cost of rent/living expenses where my work is ... are all areas I am concerned about"

- Disability Support Worker

Low wages are compounded by the prevalence of part time and casual work in disability support. The sector is dominated by a part-time and casual workforce and full time employment is relatively uncommon for direct support workers.

The pervasiveness of part-time and casual employment creates insecurity and impacts the total take home pay of these workers, making the sector relatively unattractive for potential workers who are looking for full-time employment.

Unpredictable and inadequate hours are also a significant feature of disability support work, which negatively impacts on job quality and thus the quality of support provided.

Casualisation rates remain at around 40%¹ compared with the whole of workforce average of about 25%. The National Institute of Labour Studies found in its evaluation of the NDIS that;

... providers were reported to be offering contract or casual positions at lower wage rates of pay and skill levels. Some increased casualisation in the workforce was perceived to be leading to higher levels of turnover and churn in the sector and reducing the quality of services for people with disability.²

With no guaranteed level of regular earnings, a worker has no certainty over meeting bills and planning for the future. The need to respond to calls to attend work, frequently at short notice, disrupts life outside work and places particular strain on families and arranging care for children.

Consequently, United Voice would welcome the Commission's proposal that part-time and casual workers be transitioned to permanent and full time positions. We would argue that the positive impacts on recruitment and retention, and therefore continuity of care and service quality, would enable this to be a viable option for providers.

Workloads and inadequate time

"As a carer, I feel I am placed in impossible and stressful work situations - there are so few carers available that I feel compelled to accept work hours & travel times (often unpaid) due to a sense of obligation and loyalty to my clients. During many services, there is insufficient time to complete all I need to do & if I exceed the

¹ NDS State of the Disability Sector Report 2016.

² National Institute of Labour Studies. Evaluation of the NDIS Intermediate Report September 2016, p. 47.

allocated time, I am not paid. I know my clients are very grateful and value my commitment but I feel carers are being taken for granted & have no voice at all."

- Disability Support Worker

"Myself and other support workers have insufficient time to carry out all of the responsibilities of our role, particularly with regards to organisational admin and reporting requirements."

- Disability Support Worker

Workloads and inadequate time to do the job is one of the most often cited concerns of our members. United Voice members are concerned that they do not have time to do their job properly, that they rush from client to client preventing them from providing quality support.

Members regularly cite instances of working unpaid overtime in order to do their job to their satisfaction, complete tasks or just to be able to spend some time with those they are providing support to.

Limited career progression

The structure for the direct support workforce is very flat with limited career progression opportunities.

The United Voice project *Securing Workforce Sustainability for Successful Reform*³ identified potential personal care career paths in aged care, where there are similar issues to those in disability support work, that would;

- Increase the number of levels in a generalised career pathway that recognise increasing responsibility and care for clients and employees, and enable the acquisition of further experience and expertise in a care role.
- Create the potential for carers to specialise within care roles, for example employment support.

³ United Voice. *Securing Workforce Sustainability for Successful Aged Care Reform*. 2014

- Provide lateral pathways into allied health roles and disability (for aged care workers) or aged care (for disability workers).

The work from this project was mapped against disability support work and found to be relevant in creating career pathways in the disability sector.

Limited career pathways are compounded by the fact that additional training is not often linked to wage progression. A large proportion of the disability support workforce hold formal qualifications and regularly undertake additional training, most of which is not recognised in wage increases.

This wage injustice comes at the same time as direct support workers are reporting workload intensification. The NDIS cannot expect workers to continue to increase their skills and training without rewarding them in a meaningful way through wage increases and career progression.

Demanding work conditions, including the physical, emotional and psychological difficulty of the work

Disability support work can be physically and emotionally hard. Disability support work is quite physically taxing on the worker.

The portrayal of disability support work can gloss over some of the more fundamental aspects of the requirements to provide support for people with a disability. Failing to recognise these aspects results in an undervaluing of the skills and competencies required to work in the sector. In particular negating the clinical, interpersonal and communication skills needed. Integral to exercising these skills is the requirement to maintain the dignity of the person receiving support, despite the particulars of the circumstances and situation in which this labour is performed.

Inadequate supervision and training

“There is a greater risk for staff as working conditions may be unsupervised, or [they are] working for inexperienced managers – i.e. people running their own support packages. There is a risk of an increasingly casualised workforce meaning you have no job security.

Initial rollouts are having money thrown at them. However this is likely to decrease as more people are rolled out into the programme.”

- Disability Support Worker

An increasing complexity of support and higher expectations from people who use services means that workers are often placed in demanding situations without immediate support. Appropriate qualifications and access to quality ongoing training and education is essential to ensure that all workers across the sector have the required knowledge and skills to carry out their role to a high standard.

Capacity of the NDIS to create quality jobs

“The NDIS has turned an industry which use to be about caring and nurturing into an industry which only cares about profit for the provider”

- Disability Support Worker

In addition to the longstanding issues with workplace conditions in this sector, it is particularly concerning that the current NDIS pricing structure is intensifying these issues at a time when the workforce needs to expand significantly.

Wage rates

The assumed level of disability support worker is set at SACS level 2.3. The NDIA in explaining the setting of this level states that it is the ‘reasonable minimum qualification and experience level’.⁴ Setting wage levels at this minimum has obvious problems. It provides no scope for providers to offer wages above this rate, it does not address the already low wages in the sector and therefore it does not address attraction and retention issues. The NDS *State of the Disability Sector Report 2016* noted providers’ concerns with low wage rates:

⁴ NDIA. Final Report of the NDIS Joint Working Group. 6 August 2014

“Compared to the Australian labour force as a whole, jobs in disability are less likely to offer either a living wage or job security. Jobs in the disability sector are more likely to include fewer hours with the average at 22 hours per week. Across all industries the Australian average is 35 hours per week. A significant proportion of disability workers earn a living by combining two or more short-hours jobs together.

This can adversely affect the quality of service, with a worker’s commitment and focus split and their responsiveness to each individual employer constrained. For people with disability, being supported by the same person(s) tends to correlate with high-quality care. Although workplace bargaining theoretically offers the means for employers and workers to negotiate flexible local solutions that assist everyone, lean pricing is making this hard to achieve in practice.”⁵

Setting prices at a minimum level only serves to perpetuate an undervaluation of disability support work.

Working hours and job security

Casualisation and the unpredictability and fragmentation of working hours described earlier has also been exacerbated under the NDIS arrangements which have increased flexibility, choice and control over when services are delivered, and by whom, as well as the introduction of unit pricing. While United Voice recognises that providers need some degree of flexibility to meet the fluctuating demands of NDIS participants, this must be carefully managed to not place increased risks and insecurity on workers. It is essential that participant’s needs are balanced with workers’ workplace rights. Furthermore, this must be better managed in order to address staff retention issues in disability service provision.

Time allocation of support workers

The pricing structure assumes that, excluding leave, a support worker is working directly with participants for 95% of their time. Allowing only 5% of paid time to undertake administrative duties, training and development, supervision, induction, peer support, etc. is clearly inadequate.

⁵ NDS State of the Disability Sector Report 2016, p 28.

At the same time, the NDIS Quality and Safeguarding Framework recommends mandated induction training for the workforce, the recent Senate inquiry into abuse and neglect in disability likewise recommended mandated rights based training and increased training requirements.⁶ Delivering a quality NDIS will require a skilled and experienced workforce that has access to ongoing training and knowledge acquisition. In lieu of this being factored into an hourly rate, workers will be increasingly pressured to undertake basic training and knowledge gathering in their own time.

Supervision ratio

A supervisory ratio of 1:15 (moving to 1:18) further exacerbates issues of quality as supervisors are stretched and support workers have limited access to supervision. In particular, setting the level of support worker at SACS 2.3 would suggest these will be entry level workers and would need greater supervision than more experienced workers.

Group service provision

Setting the price of group service provision on a 1:2 or 1:3 staff recipient ratio at the same level as 1:1 assumes there are no additional complexities in dealing with multiple participants. Depending on the participant, this may be the case, however it is also highly likely that in fact complexity is increased with more than one participant which would necessitate workers having greater experience and skill than at the minimum required level.

Recent Australian research has also shown that providers, in the early experiences of the NDIS, are increasing casualisation, reducing certainty of hours and minimum engagement periods, and looking for ways to reduce wages, such as directly employing independent contractors.⁷

⁶ Senate Community Affairs references Committee. Violence, abuse and neglect against people with disability in institutional and residential settings, including the gender and age related dimensions, and the particular situation of Aboriginal and Torres Strait Islander people with disability, and culturally and linguistically diverse people with disability. Report 25 November 2015

⁷ Macdonald, F., & Charlesworth, S. (2016). Cash for care under the NDIS: Shaping care workers' working conditions?. *Journal of Industrial Relations*, 58(5), 627-646.

Quality jobs = quality disability support

The Commission noted the importance of understanding the impact of workforce issues on service delivery. All of the workforce conditions described above impact negatively on job quality which in turn, not only impacts recruitment and retention, but also the quality of disability support provision. There is also research evidence to support this link between job quality and care quality, although much of this research has focused on the aged care sector specifically.⁸ It can be expected, however, that this relationship is transferable to the disability services sector.

In consultation with our membership, United Voice has defined quality in the disability support sector, which is presented in Figure 1 below. Producing quality jobs as defined would support a vision of quality support in the sector as well as assist in the recruitment and retention of a skilled and professionalised workforce. Fundamental to this is addressing the perceptions of the low value placed on care work, which the Commission acknowledged. While the Commission has raised the role of skilled migration to address the shortfall in workers, this would only enable providers to delay addressing the underlying structural issues that lead to workforce shortages.

Figure 1: Quality jobs and care in disability support: United Voice definition

The provision of quality disability support is intrinsically linked to those who provide the support. A well trained well paid professional workforce is a workforce that provides quality support.

Quality support from the perspective of recipients is that which:

- *Involves a positive relationship between the worker and support recipient;*

⁸ For example: Cortis, N., Meagher, G., Chan, S., Davidson, B., & Fattore, T. (2013). Building an industry of choice: Service quality, workforce capacity and consumer-centred funding in disability care. *SPRC Report*, 2, 13; Netten, A., Jones, K., & Sandhu, S. (2007). Provider and care workforce influences on quality of home-care services in England. *Journal of aging & social policy*, 19(3), 81-97; Lewis, J., & West, A. (2014). Re-shaping social care services for older people in England: policy development and the problem of achieving 'good care'. *Journal of Social Policy*, 43(01), 1-18.

- *Provides autonomy and choice to the recipient;*
- *Promotes independence;*
- *Includes leisure activities, social interaction and personal time;*
- *Provides dignity and allows for individuality;*
- *Feels safe and secure, especially if support is delivered in the home, consistency of workers is important here.*

These are all aspects of support that can be provided by trained, professional well paid workers who have adequate time to spend with recipients and manageable workloads.

Quality jobs that provide quality support are those that provide:

- *Appropriate skills and training. Specialised training, can offer both better support outcomes and career paths for workers.*
- *Adequate time to do the work. Time pressures in support work are bad for recipient and the worker, eroding worker health and safety and wellbeing and commitment*
- *Appropriate pay to reflect the skills and experience professional workers bring to the environment*
- *Secure work that provides both predictable hours and adequate hours that ensure a decent life and work life balance*
- *Established pathways for career progression.*
- *Recognition of the skills required to provide quality disability support.*
- *The right to work in a safe or secure environment.*

United Voice has also made a number of submissions to a variety of inquiries providing recommendations to create quality jobs in both disability support and aged care (where there are similar workforce characteristics and conditions and similar concerns about attraction and retention and quality service provision in a growth environment). In brief some of these recommendations are that:

- the government implement a workforce regulation scheme in consultation with workers and providers, this scheme should have streams for both the disability support and aged care workforce.

- the Commonwealth Government mandates access to ongoing professional training and career development to all disability support workers, acknowledging that a stable quality workforce of professionally trained, qualified and dedicated workers is a vital safeguard for preventing abuse, violence and neglect of older persons and ensuring the delivery of high quality care.
- workers in disability support receive an appropriate wage reflective of their skills and the essential work they perform in providing quality disability support. This wage must not only exceed the minimum wage but must constitute a living wage for all workers in the sector.
- Government support is provided for disability support providers to develop and trial care worker career paths linked with wage progression.
- the Government fund the development and implementation of a national workforce development strategy produced in consultation with all sector stakeholders to establish the sector as a viable professional career choice, to ensure the sustainability of a quality workforce of professionally trained, qualified and dedicated workers.

Conclusion

United Voice is concerned that current NDIS pricing will not ensure the quality delivery of the NDIS. Until and unless pricing can reflect the capacity to create quality jobs the delivery of the NDIS is at risk. The disability support sector is already characterised by high levels of casual employment, low wages, inadequate hours, and inadequate training to name a few. The attraction and retention demands of a growing NDIS will not be met if these workforce conditions persist. An NDIS pricing structure that inhibits quality from the outset is not one that can meet the designs of the scheme to transform the delivery of quality disability support to people living with disability.