



# Aged Care Employment

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Jenny Price  
Productivity Commission  
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Dear Ms Price

## Aged Care Employment

The Community and Public Sector Union (CPSU-PSU Group) represents the people working for the Aged Care Quality and Safety Commission (ACQSC) and is committed to providing a strong voice for our members in key public policy and political debates. We welcome the opportunity to make a submission to this Productivity Commission inquiry into Aged Care Employment.

The use of labour hire by ACQSC for front-line roles is extensive. It is becoming the preferred mode of employment and reflects a trend of indirect employment occurring across the aged care sector. The CPSU has previously raised these concerns in a range of forums including to the Aged Care Royal Commission and parliamentary inquiries. Copies of these submissions have been included as attachments to this submission.

Historically, the role of the regulator was to support its front-line staff conduct regulatory activities. These included regular site audits and assessments of residential and home care and the management of aged care service related complaints. Staff in these roles used to make up the bulk of permanent full-time positions. However, under the previous regulatory body (Australian Aged Care Quality Agency), there was a significant move towards using contractors.

Since the formation of ACQSC on 1 January 2019, labour hire and third-party program contractors have increasingly been used to deliver front-line regulatory roles such as auditing, and complaints management instead of recruiting permanent staff to do these roles. Permanent staff in these areas see this as privatisation by stealth.

ACQSC now has a significant portion of its current workforce employed as labour hire or contract work positions. According to the most recent Annual Report, as at 30 June 2021, the agency had 238 contractors or labour hire, the equivalent of 28% of the total workforce.<sup>1</sup> The agency reported, on average, 42% of staff performing audit activities (registered quality

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<sup>1</sup> Aged Care Quality and Safety Commission (2021). Annual Report 2020-21. Retrieved from <https://www.agedcarequality.gov.au/sites/default/files/media/acqsc-annual-report-2020-21.pdf>

assessors) are or have been labour hire staff.<sup>2</sup> This is despite the total cost of a labour hire worker at the ACQSC entailing an average mark up of 26% above the total cost of an APS employee.<sup>3</sup>

Since late 2020, because of a range of budget measures, ACQSC has been given a significant increase in ASL numbers. It was hoped these positions would be used to recruit a permanent front-line workforce. This would have allowed the regulator to build capacity and improve experience across its workforce. Instead, it recruited executive level staff and created supporting business units rather than recruiting to strengthen its core function of front-line regulation.

The CPSU has consistently raised concerns with the ACQSC regarding the recruitment and retention of permanent front-line regulatory staff. Permanent front-line staff have regularly cited excessive workloads, inadequate training, and the high turnover of staff and how it impacts on the quality of their work. For example, quality assessors (who conduct on site audits) are over-stretched, overworked, generally unsupported and are frequently completing their assessment related work (such as report writing and travel) in their own time. Our members consistently report that ACQSC does not have sufficient front-line staff to complete set work. This has been exacerbated by the impact of the COVID 19 pandemic.

Morale has been undermined in part by the large turn-over of assessor staff which sees a loss of long-term experienced staff, and the increased reliance on the use of labour hire staff. This is affecting the enforcement of the existing regulatory framework. This is a complex work area requiring knowledge, experience and skills to assess against the Quality Standards and ensuring our elders are receiving the quality of care and services they are entitled to. Relying more and more on a contracted workforce is short sighted and makes it incapable to build a sustainable regulatory presence. In the three years of its existence the Commission is going backwards in this area, increasingly relying on unskilled and inexperienced third party contractors to deliver its core services.

Members working in the complaints area have told the CPSU that at times there have been over 300 cases in the unallocated complaints queue, some older than 50 days before they are passed to a complaints officer. In a bid to reduce the number of unallocated cases, the Commissioner had told staff that there was to be no more than 50 unallocated cases in the queue at any one time, without hiring additional staff the consequence of this has been that any unallocated cases over the 50 are allocated to complaints officers at the EL1 level, thus not showing on the queue. As one member explained to the CPSU, *"This is just smoke and mirrors without addressing the underlying problem – insufficiency of permanent staff to manage the numbers of complaints being made to the Commission."*

EL1 members have told the CPSU they can have between 30-80 cases in their name at any one time. It is not uncommon for complaints officers to have complaints older than 150 days. The CPSU also notes that the 2022-23 ACQSC Portfolio Budget Statement indicates that ACQSC did

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<sup>2</sup> 2020-21 Additional estimates, Question on notice no. 329, Portfolio question number: SQ21-000344, Community Affairs Committee, Health Portfolio.

<sup>3</sup> 2020-21 Additional estimates, Question on notice no. 306 Portfolio question number: SQ21-000321, Community Affairs Committee, Health Portfolio

not meet its key performance indicator of resolving 80% of complaints in 60 days with only 71% completed within the timeframe.<sup>4</sup>

Despite long-standing concerns about failure to employ more permanent staff and the use of contractors to do core work, the 2022-23 Budget provides \$18.3 million over 2 years from 2021-22 to extend arrangements for the “third party” Quality Assessor surge workforce to conduct residential aged care site audits.<sup>5</sup> The outsourced workforce will be used to undertake 1,443 residential aged care quality audits in 2022–23. This over reliance on contracted staff does not retain long-term regulatory capability for the ACQSC.

While the 2022-23 Budget has included a sizeable projected increase in ASL for the ACQSC, the CPSU notes that the 2021-22 Budget also projected a significant increase in ASL which was not realised. The CPSU has concerns that the sizeable increase announced in the 2022-23 Budget will not be met and instead there will an ongoing and continued use of labour hire and third party program agencies to meet its core regulatory functions.

Rather than constant one-off extensions in funding for an outsourced surge workforce, the ASL cap in the ACQSC needs to end and there must be a commitment to convert labour hire jobs to permanent APS staff. The certainty of permanency and more time to do their work properly will reduce turnover, strengthen capacity of the ACQSC workforce and lead to better and more timely enforcement of the regulatory framework.

For further information, please contact Osmond Chiu, Senior Policy and Research Officer

Yours sincerely

Beth Vincent-Pietsch

Deputy Secretary

Community and Public Sector Union

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<sup>4</sup> Aged Care Quality and Safety Commission (2022). 2022-23 Portfolio Budget Statements. Retrieved from <https://www.health.gov.au/sites/default/files/documents/2022/03/budget-2022-23-portfolio-budget-statements-aged-care-quality-and-safety-commission.docx>

<sup>5</sup> Commonwealth of Australia (2022). 2022-23 Budget Paper 2. Retrieved from [https://budget.gov.au/2022-23/content/bp2/download/bp2\\_03\\_payment.pdf](https://budget.gov.au/2022-23/content/bp2/download/bp2_03_payment.pdf)