

Aged Care Workforce Remote Accord Submission on the Productivity Commission Aged Care Employment Study

This submission seeks to provide feedback on the Productivity Commission Aged Care Employment Study, and particularly on the potential impact of further regulation of agency workers on remote and very remote service providers.

The Aged Care Workforce Remote Accord

The Aged Care Workforce Remote Accord (the Remote Accord) is a group of service providers delivering aged care services in regional and remote areas of Australia.

The Remote Accord was formed based on the belief that every community—including those in remote and very remote areas of Australia—has an equal right to accessible, high quality aged care services. The Remote Accord saw its genesis in the '*A Matter of Care: Australia's Aged Care Workforce Strategy*' report; Strategic Action 11 recommended that the Government and industry support the establishment of a Remote Accord.

The overall objective of the Remote Accord is to achieve an adequate, robust, and appropriately skilled and supported workforce that meets the current and future care needs of older people living in remote and very remote Australian communities

Workforce issues in remote Australia

Although there are workforce challenges across the whole aged care sector, employers in remote and very remote locations face acute and unique workforce and service delivery challenges compared to those in other locations.

These include but are not limited to worker safety issues related to the immense distances required for travel, accommodation, appropriate facilities and equipment, isolation from other services, and the need for an understanding of Aboriginal and Torres Strait Islander culturally appropriate service delivery and health approaches. These factors, coupled with the constraints of the funding, compliance, and regulatory environment for aged care services, contribute to complexity in recruiting, retaining, training, and managing a high-quality and culturally appropriate aged care workforce in remote and very remote areas.

There are difficulties recruiting workers from less remote locations, as attracting staff to remote communities is challenging. There are also difficulties recruiting from local communities, where

levels of education and community engagement may not be high, and roles in aged care may be seen as inaccessible. Whilst many potential local workers can provide the physical services (cooking, cleaning, transport), have a sound knowledge of culturally appropriate service delivery and may even know the person in care, they are often lacking the education levels to meet compliance requirements.

As a result of the difficulties of workforce attraction, retention and training in remote and very remote areas, 59.7% of residential facilities in remote areas and 81.1% of those in very remote areas were experiencing skill shortages, resulting in the highest level of reported workforce shortages across the nation for Registered Nurses – 55.2% remote and 58.5% very remote, and for personal care attendants in both remote and very remote areas at over 37% (anecdotally these figures have worsened during the Covid-19 pandemic).¹

Similar to residential facilities, Home Care and Home Support outlets in remote and very remote areas experienced higher rates of reported skill shortages, with 43.8% of services in remote areas having skill shortages and 51.4% in very remote areas, with higher skills shortages for Registered Nurses and Community Care Workers than all other areas of the country. Within Home Care and Home Support the time to fill vacancies in remote areas for Registered Nurses was 6.7 weeks. For Community Care Workers the average vacancy was 3.6 weeks for remote areas and 6.2 weeks for very remote areas.

The use of agency staff

Given the significant challenges in attracting and retaining appropriately trained staff in remote and very remote areas, agency staff are used at times to ease crises and attempt to meet staffing shortfalls. However, agency staff are not an ideal solution and can create further challenges for service providers.

Agency staff in remote areas are overwhelmingly not from remote areas and are not embedded in the culture of an organisation. As such they may not share the same commitment to organisation values as other staff. Agency staff also often have limited understanding of the particular cultural contexts of remote and very remote services and their communities, where cultural care and safety is paramount. Additionally, agency staff generally have very high turnover rates and are very expensive for service providers. This is particularly challenging when 67% of outer regional, rural and

¹ Kostas Mavromaras, Genevieve Knight, Linda Isherwood, Angela Crettenden, Joanne Flavel, Tom Karmel, Megan Moskos, Llainey Smith, Helen Walton and Zhang Wei, *THE AGED CARE WORKFORCE, 2016 March 2017*, Pg. xvii

remote facilities are currently operating at a loss², with more than 43% recording a cash loss, and an increasing number of smaller providers are seeking to leave the industry³.

The use of agency staff by remote and very remote service providers is a symptom of the systemic workforce challenges those areas face. Agency staff are used as a stopgap to attempt to keep services open and are not viewed by services providers as a solution to the entrenched workforce attraction and retention issues faced in remote settings.

The risk of increased regulation regarding the use of agency staff

Despite the challenges presented by the use of agency staff in remote and very remote services, further regulation of the use of agency staff will only create additional difficulties for already struggling remote service providers. Until the underlying causes of workforce sustainability in remote areas are addressed, the need for short-term stop-gap solutions will unfortunately remain high.

The regulatory environment is already incredibly burdensome for remote and very remote service providers. Currently, remote and very remote service providers face the same administrative and regulatory burdens that mainstream service providers face, but with far less resources available to overcome that burden. New staff who are attracted to work they envision as being caring and person-centred are quickly overwhelmed by the administrative challenges they face daily. This problem is compounded in remote and very remote areas where, while a local workforce would be an ideal solution from both a cultural and sustainability perspective, potential local workers struggle with lower rates of literacy and numeracy than metropolitan workers. In these contexts, the regulatory environment aimed at protecting local services users actually creates a barrier to attracting culturally appropriate local workforces.

Without meaningful efforts to address the overwhelming challenges being faced by remote service providers, any further regulation only serves to create additional barriers. Worker conditions in remote and very remote areas must be improved in order to attract and retain an appropriate workforce. The Remote Accord advocates that provisions be made in the Home Care and Disability Services Award 2010 and the Nurses Award 2010 to explicitly identify a schedule of entitlements and benefits applicable to workers in MMM6-7 locations to reflect the additional cost burden associated with working in these locations. Funding allocations must be increased in reflection of increasing award wages, and legislation is required to ensure that funding and service agreements in MMM6-7 locations include a district allowance for trips home and additional leave for staff. Additionally, we

² *Aged Care Financial Performance Survey Sector Report* (StewartBrown, September 2020)

³ *2019 Report on Funding and Financing in the Aged Care Sector* (Aged Care Financing Authority, 2019)

argue for the creation of an affordable housing program for care sectors workers in remote and very remote areas (inclusive of aged care workers as well as health, disability, community workers etc.), and the reconciliation and promotion of funding, training, and development pathways for remote services and workers.

Until significant action is taken to address these challenges, the use of agency staff will continue as an unfortunate but necessary step in keeping remote and very remote services running. Without significant action to address these issues, further regulation will only serve to burden struggling service providers further.

Models to address sustainable employment and retention of Aged -Care Workforce

The Remote Accord has recently made an application to the Department of Health to fund the development of a range of models that are applicable to MMM6-7 locations to achieve sustainable employment and retention of an Aged-care Workforce. This project will explore the full range of allied health services required in these communities, the synergies between the workforce requirements of each service, the service delivery constraints and the possible solutions.

Part of this project is to explore all methods of employment and support to these workers. It is possible that a regional model could provide the best single source of recruitment, training, on-site support and relief that these locations can draw upon.

Any future regulation that restricts the flexibility the regional, remote and very remote locations need to meet future demands, would be very unfortunate.