

Submission in Response to the Productivity Commission's Draft Report: Caring for Older Australians

**Submission by the Health and Community Services Union Tasmania
(Tasmania, No.1 Branch of Health Services Union)**



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1 Introduction

About HACSU Tasmania

The Health Services Union Tasmania Number 1 Branch (HACSU Tasmania) covers workers in all areas of health and community services in Tasmania. HACSU is Tasmania's largest union, with almost 8000 members in all settings in health and community services.

HACSU Tasmania covers aged care workers in both residential and community care settings in Tasmania. HACSU Tasmania's membership in aged care is around 2500 members in all occupations, and this membership is evenly spread geographically. HACSU Tasmania takes the view that Aged Care is not provided by any particular occupation but jointly by all workers at a facility or in a community care setting.

HACSU Tasmania represents the majority of direct care and support workers employed in the residential and community aged care industry in Tasmania. HACSU coverage in the aged care sector includes Registered Nurses, Enrolled Nurses, Carers, Personal Carers, Nursing Assistants, Cleaning, Catering, Laundry staff and Grounds staff.

The predominant occupation in aged care in Tasmania is an Extended Care Assistant (ECA) or Personal Care Worker (PCW), with well over 50% of the workforce being made up of personal care workers. In the provision of aged care in a community setting, the personal care workforce constitutes a far greater number of the workers in Community Aged Care.

Personal care staff are employed as care assistants, extended care assistants, personal carers, personal care workers or support workers. These workers exist throughout the health and community services industry, and work in areas such as hospitals, aged care, disability services, community services and medical practices, however the majority of personal care workers are in the aged care industry.

2 Summary

This submission is in response to the draft report *Caring for Older Australians* released by the Productivity Commission on 21 January 2011. A significant proportion of this submission is similar to that of HSU East as we take the same view on not all but many issues.

The focus of this submission will be on workforce issues.

HACSU strongly supports the identification by the Productivity Commission of workforce shortages as one of the major shortfalls of the current system. We agree with some of the reasons identified for this, including low wages, high administrative loads and strenuous work.

However, we believe it is important that the Productivity Commission goes further in its analysis and recommendations to provide appropriate guidance and assistance in developing a sustainable aged care workforce.

We note that examining the future workforce requirements of the aged care sector is one of the seven particulars the Productivity Commission has been asked to specifically address.

We therefore consider that it would be most useful if the Commission examines more fully the issues relevant to the workforce in its final report

We suggest that if the Productivity Commission's report describes and identifies the composition of the aged care workforce, investigates staff to resident ratios and acknowledges the current and potential

roles and responsibilities of all of the workers in the paid aged care workforce (as the Productivity Commission has done in taking up the needs of informal carers), it will provide valuable pointers on recommendations and action.

This overview could then form the backdrop for more in-depth discussion and analysis in the final report on aged care workforce structure and issues, the diversity of the workforce, range of skills required and services performed in aged care, and strong recommendations in relation to matters which flow from workforce structural issues, particularly wages and conditions, skills development, certification and career advancement.

Such analysis and recommendations would provide a road map for sustainable reform of the aged care workforce.

The current draft recommendations addressing the workforce (listed at **Attachment A** to this submission) are too narrow.

Firstly, there are concerns with the concept of competitive wages. It is widely recognised that the health and community sector as a whole is undervalued. Aged care workers need to be paid a wage that is not only competitive, but fair.

A comparative level of wages for aged care employees based on market comparisons (for most workers in aged care, this will be through Enterprise Bargaining (EB) outcomes in other, unrelated, industries), should be established by the proposed Regulation Commission as a general target or aspirational level for expected EB outcomes in aged care. Scheduled care prices should take account of this level.

Secondly, the recommendation for wage increases relies on an assumption that if aged care providers receive more money, they will automatically pay workers the wages their work requires. Our experience has shown that this assumption is unfortunately not a reality. Funding for aged care providers should be predicated on the level established by the proposed Regulation Commission, and also be conditional on such outcomes being delivered by aged care providers concluding enterprise agreements.

Thirdly, by focusing primarily on nurses, the draft recommendations largely ignore the situation of the approximately 70% of the workforce who provide direct care for older people, and the approximately 23% of the total aged care workforce who provide indirect care in residential facilities. (Based on DHA 2010 data.)

These matters are discussed in more detail further in this submission.

In discussing workforce issues, we have proceeded from a client-centred and enablement approach for older people. We believe that the type and structure of workforce needs to be based on this approach i.e. respect for the rights and dignity of the client.

3 A Person-Centred and Enablement Approach - Principles of Residing in an Aged Care facility

Most older people prefer to live in their own home for as long as possible. Even when they are quite frail, if they have the support of their local community and of informal and formal carers, they can stay in their own home for a very long time.

Helping older people to stay in their home not only meets some of their own legitimate social needs, but greatly assists in reducing the costs of aged care in general to government.

This worthy social preference makes great economic sense.

When people move into an aged care facility, it is often because their support system has diminished, or because a crisis in their health or frailty (often a fall) makes it impractical for them to continue to care for themselves, especially if they live alone.

A fundamental principle of HACSU is that those people who reside in aged care facilities reside, in effect, in their own home.

Aged care residence operations and workforce structures need to reflect this fact, so that residents have the best care and staff support to ensure that they live dignified lives. This includes a right to respect, privacy and, so far as possible, the encouragement of independence.

We fully acknowledge that many aged care residents are frail or have particular chronic health issues. Despite this, many people in aged care facilities can function well if they have help with daily living tasks, or are shown different ways to perform those tasks; a caring environment where they are able to mix socially with other people; and where there is appropriate access to clinical and medical assessment and treatment as required.

It is essential that aged care facilities do not over- medicalise or over-institutionalise residents. Living in an aged care residence does not mean that residents require constant acute clinical or medical supervision. Aged care residents are not patients in hospitals. Indeed, staff and management in hospitals often complain that older people, who do not need constant medical supervision, remain in hospitals because there is no room in an appropriate facility to take them.

Being placed in an over-medicalised or over-institutionalised environment leads to unnecessary dependence and passivity, learned helplessness, and can lead to other medical conditions such as depression.

It can result in poorer quality of life for older people living in a supported environment. It can reduce their choice and control over their lives on simple daily matters such as whether they are allowed to get themselves a cup of tea when they feel like it.

The services and support that residents of aged care facilities require, which dramatically improve their quality of life, do not necessarily come from medical or clinical interventions.

In addition, an over-medicalised or over-institutionalised model of care can lead to inefficient distortions and rigidities in the workforce; and add to the overall cost to government and the community in providing care.

Recommendation

That a new dot point be added to the Productivity Commission's proposed aims of the aged care system (under current draft recommendation 4.1), viz:

“That aged care operators and facilities should adopt a client-centred and enablement approach to care. They should acknowledge as a fundamental human right that individuals who reside there are residing in their own home, and should be entitled to the dignity, respect and, so far as possible, choice due to someone who is being cared for in their own home.”

4 Wages

HACSU is pleased to see the recognition by the Productivity Commission that low wage levels is one of the most important issues facing the development of a sustainable and skilled workforce in aged care.

We do consider, however, that the Commission needs to acknowledge that the most immediate and urgent attention needs to be given to increasing the wages of these low paid workers, and that employers receiving additional funding from government and other sources need to address this matter as a matter of priority.

Aged care is a people-focussed sector caring for some of the most vulnerable in our society. It is not a sector which simply deals with inanimate goods, such as the consumer goods sector.

The services undertaken by aged care workers is critically important to ensuring that the oldest, most frail and vulnerable people in our community have a decent quality of life and appropriate care. Much of an aged care workers' work is physically, mentally and emotionally demanding.

They are the people in the front line who see an older person most regularly, who provide the regular care which enables older people to function in their homes or to have as active and comfortable a life as possible in a residential facility. They are often the most regular face-to-face human contact many older people have. They encourage older people to keep active and also provide much of the human contact and comfort which helps relieve many older people of loneliness and depression.

In addition, aged care workers such as carers and nurses are the ones who regularly alert other health professionals or family about when an older person may need additional health assessment.

In this sense, they are an essential component in a preventative health strategy. The Australian government has repeatedly emphasised the importance of moving to a preventative health model to achieve both economic and social benefits.

Despite the importance of their role, their wages do not come close to reflecting their level of responsibility.

For example, under the Aged Care Award their pay rates range from just \$15.92 per hour for support staff to \$18.68 per hour for qualified supervisors. This does not reflect the skill or professionalism of the dedicated workers who provide this essential service. This is not much above the minimum wage level of \$15 per hour for an unskilled worker. Their current wage levels are therefore shocking.

Workers in a public hospital in Victoria classified as a Extended Care Assistant (ECA) (unqualified) earn \$22.16 per hour. There is therefore a potential difference in pay of \$237.12 per week with aged care workers .

Clearly aged care workers are some of the lowest paid of all workers in Australia. Low wages and lack of career progression results in high turnover of staff, lack of incentive to improve qualifications, and often the loss of the most experienced and skilled staff. In addition, workers employed in the sector are often employed as casuals, which means, amongst other things that they are not guaranteed any particular minimal amount of hours, regular rosters or time of work, sick leave or annual leave.

For workers who earn such poor wages, these conditions result in profound cumulative disadvantage which means that they have minimal control over their lives and virtually no careers. They are not like apprentices who, while earning very low wages for a period of time, can hope at the end of their apprenticeship to earn higher wages or set up their own businesses.

It is noteworthy that most of those in the aged care workforce are women. Feminised and caring work is typically lower paid and lower status. Low paid caring jobs affect women's lifetime earning capacity, superannuation, and their capacity to cope financially in older age.

If lower paid aged care workers see no way to progress in their industry, and they are doing more difficult and stressful work than people in other sectors such as retail, they will naturally tend to leave for those other sectors. Those who stay do so often out a sense of loyalty to older people and a desire to care for people and give back to them.

This is an unsustainable basis on which to structure such an important, large and growing industry.

Australian Bureau of Statistics data reported in *The Australian Financial Review* on 28 January 2011 indicated that workers in mining, IT and utilities have won pay rises of up to 15% since 2008. Workers employed in aged care on the award rate have seen average incomes rise by less than 5%.

The Productivity Commission has proposed the establishment of a new regulatory agency - the Australian Aged Care Regulation Commission (AACRC). Its proposed role will be, amongst other things, to establish an independent mechanism for assessing the cost of delivering care and setting scheduled prices accordingly. The price the Regulation Commission uses as an input into its mechanism for costing care will become a key determinant in the wages workers receive. This must be a fair wage for all workers in the sector.

HACSU submits that a comparative level of wages for aged care employees based on market comparisons (for most workers in aged care, this will be through Enterprise Bargaining (EB) outcomes in other, unrelated, industries), should be established by the proposed Regulation Commission as a general target or aspirational level for expected EB outcomes in aged care. Scheduled care prices should take account of this level. Funding for aged care providers should be predicated on the level established by the proposed Regulation Commission, and also be conditional on such outcomes being delivered by aged care providers concluding enterprise agreements.

We are concerned at the limited scope of the only draft recommendation on wages in the Productivity Report, R11.2.

The recommendation assumes that if aged care providers receive additional funding through scheduled care prices, funding will flow through automatically to aged care staff to provide competitive wages (vis a vis other sectors).

There are many excellent care providers who have struggled to continue to provide quality care to their clients and support for their staff in a largely underfunded system.

However, not all aged care employers are good employers who value their staff, irrespective of the funding available. Delivering the largest profit possible can often be a much more powerful motive.

There are also many other reasons why a provider may decide not to pass on money as a pay increase.

We note the report in *The Age* on Monday 21 February 2011 that Mission Australia admitted in a Fair Work Australia hearing recently that it did not use all money it received for pay increases from the Queensland Government after the handing down of 2009 Queensland equal pay order on its Queensland workers' pay. *The Age* had quoted a Mission Australia spokesperson as saying that some of that money had, instead, been "invested .. in Queensland services". The basis for their reasoning appeared to be that they did not want to pay Queensland workers more than they paid their workers in other states.

We therefore urge the Commission to recommend that the Regulation Commission when assessing and recommending scheduled care prices, not only take into account the need to pay competitive wages to all staff by specifically establishing comparative standards, but also that payment of scheduled care prices should be conditional on aged care providers concluding enterprise agreements which in fact provide competitive wages and conditions with other sectors. This will give a real incentive to employers to negotiate on competitive wages and conditions.

In addition, draft recommendation 11.2 as it currently stands emphasises nurses out of all care workers who deserve wage increases. As we have outlined earlier, we strongly support additional pay for nurses, but this should be as well as to the vast majority of workers in aged care, and not at the expense of developing a properly structured aged care workforce which incorporates a range of health workers who can deliver the best services to clients.

All aged care health worker roles are interdependent, and the recommendation should reflect a properly structured, integrated pay regime across the industry.

Recommendation

That the Productivity Commission recommend in relation to wages that:

- the most immediate and urgent attention needs to be given to those who are lowest paid, and that government and employers need to address this issue as a priority
- a comparative level of wages for aged care employees based on market comparisons (in most cases EB outcomes in other, unrelated, industries), should be specifically established by the Regulation Commission as a general target or aspirational level for expected EB outcomes in aged care
- funding for aged care providers should be predicated on the wages level established by the Regulation Commission, and also be conditional on such outcomes being delivered by aged care providers concluding enterprise agreements.

5 Workforce Structure and Analysis

The Productivity Commission has been silent on the issue of workforce structure in aged care, and of pathways for aged care workers to progress and upgrade their skills.

The Commission should provide workforce analysis and comment on workforce structure, and the development of appropriate aged care structures and careers, with pathways from most junior to senior positions.

We believe that attention to this issue would be one of the most effective ways to increase the quality of aged care, as well as efficiency, effectiveness and productivity in the industry.

We note that the Commonwealth Department of Health and Ageing provides some data. It estimates, in its submission to the Productivity Commission's inquiry, that there are currently more than 305,000 people employed in the delivery of aged care services, with 205,750 people employed in the residential care sector and 98,395 people employed in the delivery of community care (see their Table 5, reproduced below).

Table 5: Aged care workforce – Estimated numbers of employees, by occupation and sector, 2010

Level of worker	Residential care workforce	Community care workforce
<i>Registered nurses</i>	26,355	8,500
<i>Enrolled nurses</i>	19,170	2,000
<i>Personal carers / Community care workers</i>	99,715	68,815
<i>Allied health</i>	11,620	4,415
<i>Non direct care staff</i>	48,890	15,085
Total	205,750	98,395

More detailed analysis and breakdown of the industry could include:

- the range of occupations and positions (including breakdowns within each grouping of types of staff eg allied health includes a range of professional workers such as physiotherapists); and use of different nomenclature in each state (e.g. Extended Care Assistant, Personal Carer etc)
 - type of work done by each category
 - percentage of workers by category
 - average income earned at each level
 - gender by category
 - average age of workers by occupations
 - CALD background if available. (Many lower paid workers in the aged care industry come from a CALD background.)

It is important to outline the type of work performed by different workers in aged care. This provides a real picture of the diversity of the workforce, an understanding of the complex work undertaken, and the heavy workloads, of a number of aged care workers.

This sort of analysis provides an opportunity to re-design jobs, incorporate multi-skilling, and provide a career path to more effectively use existing people resources in an aged care setting.

The range of work performed by a Personal Care Worker, for example, demonstrates that such a worker has significant and sophisticated skills which should be fully utilised and retained.

A possibility of progression for all workers through the levels of the aged care industry would encourage the development of:

- on-going skills development, including relational skills
- a strong training and accreditation system
- a sense of aged care as a specific profession.

A viable career path would strengthen the industry's capacity to attract and retain people with commitment to the industry, appropriate training and experience. It would ensure the retention of significant knowledge and expertise developed over a long period of time in the one industry, as a person progresses in their career.

The recommendations the Productivity Commission has made about the workforce in the current draft Report place major emphasis on the nursing profession and management roles as the primary focus for wage increases or skills development.

This focus neglects the diversity of the workforce. There are virtually no recommendations on allied health workers, personal carers or non-direct care staff (eg cooks and cleaners).

Based on DHA figures provided above, it appears that the recommendations largely ignore the roles of the other approximately 70% of the workforce who provide direct care for older people, and the approximately 23% of the total aged care workforce who provide indirect care in residential facilities.

HACSU fully accepts and supports that aged care requires doctors and nurses. HACSU proudly includes these categories of health care professionals in its coverage. We believe their wages, conditions and career progression in the aged care area need to be improved.

However, this should not be at the expense of or by largely ignoring the vast majority of workers who are at the front line in providing care on a daily basis to older people, often doing the most physically demanding, emotionally stressful and challenging work.

We are also concerned that the focus of the Commission's report and recommendations on nurses and those about to enter management roles might distort workforce issues and what a proper and efficient framework should be for the care of older people, because it does not take a holistic approach. It may encourage an over-institutionalised and over-medicalised model of caring for older people, incorrectly framing what older people's needs are, and how to meet their needs. Advocacy groups for older people indicate that their members prefer an enablement approach to care.

HACSU considers that there is significant benefit to individual residents in aged care, the aged care industry, staff themselves, and government bottom lines, in ensuring that there is an appropriate mix of aged care staff.

We suggest that if the Productivity Commission's report describes and identifies the composition of the aged care workforce, and acknowledges the current and potential roles and responsibilities of all of the workers in the paid aged care workforce (as the Productivity Commission has done in taking up the needs of informal carers) it will provide valuable pointers on recommendations and action.

We believe that if the Productivity Commission takes this holistic approach to the workforce and produces recommendations for the development of a rewarding career structure, with proper wages, conditions, and skills training and certification, where paid workers can progress within the aged care industry

- Australia will be able to develop a sustainable, cost effective and high quality workforce
- it will be possible to overcome the current and projected labour shortages which have been identified
- we can build a reliable and skilled workforce from the pool of labour available currently in Australia will provide a more sustainable option than seeking to import labour from overseas, with all the inherent problems associated with this approach.

Recommendation

That the Productivity Commission provide a detailed workforce analysis of the aged care industry in its final report, including:

- the range of occupations and positions
- type of work done by each category
- percentage of workers by category
- average income earned by category
- gender by category
- average age of workers by occupations
- CALD background if available.

That if a full analysis is not possible in the time frame, that the Productivity Commission provide as much detail as possible in its final report, and that it urge that this be undertaken as soon as possible by another Government agency.

This workforce analysis would provide the basis, in consultation with employers and relevant unions, to:

- re-design jobs to more effectively use existing people resources in the aged care setting
- make recommendations on training and investment on training in the industry
- provide a robust career structure for workers from the lowest levels through to management and nurse levels of aged care
- form the basis for negotiations on wages and conditions in the sector.

That development of a career structure should be accompanied by emphasis on certification at each level, with emphasis on the VET system, with appropriate opportunity for recognition of prior learning (RPL).

That legislation in all relevant jurisdictions should spell out that direct care workers with appropriate qualifications should be able to have delegated to them the ability to administer prescribed packaged medicines.

6 Staff to Resident Ratios

The Productivity Commission has failed to explore Staff to Resident ratios. The Productivity Commission should investigate and recommend introducing minimum staff to resident ratios. We believe that these ratios contain sufficient flexibility to account for the diversity of residential aged care facilities as well the needs of residents throughout the day.

We believe that attention to this issue would be one of the most effective ways to increase the quality of aged care, as well as efficiency, effectiveness and productivity in the industry.

There is strong evidence that quality of care is highly dependent upon adequate direct care staffing levels. If staffing levels are not adequate then the quality of care is compromised and risks the safety of residents.

Many academic studies have suggested that “minimum” staffing levels may reduce the likelihood of quality problems in several areas but higher preferred minimum levels existed above which quality was

improved across the board. (Nova Scotia Department of Health, 2002: 8.) Aged care workers experience under-staffing daily. A lack of staff puts pressure on workers, leads to physical and mental stress and most importantly, leads to a diminishing quality of care for residents.

There has been a steady decrease in the relative size of the residential aged care workforce:

The National Institute of Labour Studies "October 2008 report Who Cares for Older Australians: A Picture of the Residential and Community Aged Care Workforce, 2007¹⁵ reveals a reduction in the size of the workforce relative to the number and dependency levels of residents. Between 2003 and 2007 the number of aged care places increased by 12.5%, the number of residents requiring high care increased 4.5% to 70% yet the full-time equivalent of direct care employees only increased by 11.9% (Martin & King).

As a result, a decline in the quality of care is inevitable.

In order to qualify for accreditation providers of residential aged care facilities must continuously comply with the expected outcomes set out in the *Quality of Care Principles 1997*. Outcome 1.6 of Schedule 2 of the Principles requires that *"there are appropriately skilled and qualified staff sufficient to ensure that services are delivered in accordance with these standards and the residential care service's philosophy and objectives"*.

Although Outcome 1.6 requires appropriately skilled and qualified staff sufficient to deliver quality care there are no mandated staff to resident ratios and there has been little research undertaken in Australia to determine appropriate staffing levels. Most States in the USA have mandated minimum staff to resident ratios. There is a strong relationship between staffing levels and quality of care.

Determining appropriate staffing to resident ratios is complex and must take account of various factors including the facility's built environment, time of day, staff skill mix, resident case mix and the location of the facility. There is sufficient overseas evidence supporting the proposition that quality of care outcomes are significantly compromised if staffing ratios fall below critical levels. Despite this, there is a dearth of Australian research into staffing ratios currently applying in residential aged care facilities and the minimum staffing levels that are necessary to achieve acceptable quality of care outcomes.

Recommendation

That the Productivity Commission investigate and recommend introducing minimum staff to resident ratios. HACSU recommends that these ratios contain sufficient flexibility to account for the diversity of residential aged care facilities as well the needs of residents throughout the day.

7 Qualifications, training and skills development

Front line aged care workers are with residents on a daily basis and who have close contact with them, who often have the most influence on their day to day quality of life and well-being. In addition, they are able because of their regular contact with residents to alert clinical staff to possible problems or deterioration in a resident's condition.

If one accepts the premise that older and frail people, even in high care facilities, are residents in their own homes, and have a range of capabilities, then it is essential that those who are caring for them should be properly trained and qualified.

Currently there is no requirement for Certification or qualifications required to become a personal carer or community care worker in the aged care sector.

However, a study in 2007 (Who Cares for Older Australians: A Picture of the Residential and Community-Based Aged Care Workforce (National Institute of Labour Studies, Flinders University 2007)) indicated that 65% of personal carers had a Certificate 3 in Aged Care. This is now generally viewed as the base qualification for personal carers. Some 13% of the workforce had a Certificate 4 in 2007.

HACSU strongly supports the requirement for certificate level qualifications for aged care workers. Certification would be a useful way for workers in the industry to take on higher level duties and progress to higher level positions.

It would be helpful if the Commission recommended that workers in the industry hold as a minimum a Certificate 3 in aged care.

We would like to see the Productivity Commission include in its recommendations the importance of the VET system as an excellent way to increase skills and certification for aged care workers and others working in aged care.

Skills Australia has been established to advise the Australian Government on current, emerging and future workforce skills needs and workforce development needs. It sees the VET system as a major way of dealing with both skills shortages and joblessness. It has recommended in its report on *Australian Workforce Futures: A National Workforce Development Strategy* (March 2010) a major injection of funding into the VET system to improve the capacity of vocational education and training. (The Weekend Australian Financial Review, *Skills: a work in progress* Feb 5-6, 2011 p34.)

Increased resources devoted to VET would develop skills and qualifications quickly and enable greater participation by those workers who gain qualifications through the Australian government sponsored and supported VET system in aged care.

It would also be helpful if some further incentives were given to assist workers to obtain these qualifications. Given the low rates of pay of aged care workers, it is more difficult for them to find the money to complete a training course than it is for higher paid workers. This in turn means that their real skills and potential are not recognised.

The current rates of incentive provided for completion of Certificate 3 and 4 courses are much lower than those for nurses, who are higher paid. We believe the incentive rates must be increased, or free courses and free recognition of prior learning (RPL) assessments must be introduced.

However, certification will only be of value if workers are guaranteed decent wages and conditions, better staff/resident ratios, manageable workloads, and that their increased skills are recognised through rights to career progression within the aged care profession.

We are disappointed with the Productivity Commission's draft recommendation 11.3 on skills development.

This recommendation highlights only a very narrow group of people, ie nurse practitioners and potential managers, and provides no rationale for why these groups have been singled out for special mention. It is particularly puzzling, given that nurse practitioner positions largely do not feature in aged care.

As noted earlier, approximately 70% of direct care staff are personal carers or community care workers. It is essential that the training and development needs of these workers as well as nurses are considered and bolstered, particularly given their low rates of pay and therefore limited capacity to pay for training and assessment themselves.

We think it is important that the Productivity Commission's final recommendations in this area place a much stronger emphasis on skills development for **all workers** in the aged care industry, rather than emphasise two areas only.

Recommendation

That the Productivity Commission recommend that:

- more resources be devoted to skills development and training in the aged care sector, equitably applied across all segments of the workforce
- skills development and training be based on a proper workforce analysis of the sector and workforce needs
- much greater emphasis be given to the VET sector in meeting the needs of the industry, in line with Government policy on using VET to deal with projected skill shortages
- all aged care direct-care workers have a minimum Certificate 3 qualification to work as a personal carer
- the current rates of incentive provided for completion of Certificate 3 and 4 courses be increased, given the low rates of pay of people who undertake these courses, and hence their reduced capacity to pay for the courses
- the Government bear the costs of recognition of prior learning (RPL) costs for workers already engaged in the industry to be assessed for Certificate 3

8 Teaching Aged Care Services

Draft Recommendation 11.4

The Australian Government, in conjunction with universities and providers, should fund the expansion of ‘teaching aged care services’ to promote the sector among medical, nursing and allied health students.

HACSU supports the draft recommendation that the Australian Government and others should fund the expansion of „teaching aged care services“ to promote the sector among medical, nursing and allied health students.

It is disappointing that there has been no mention of the VET system, however, and of the important role they can play in this area.

Recommendation

That the role of the VET system in expanding “teaching aged care services” to promote the sector should be included in recommendations to do with teaching aged care services.

9 Workforce Shortages

The Productivity Commission has flagged in the draft report the issue of workforce shortages in aged care.

With Australia’s rapidly ageing population the need for residential care will also increase quickly. The workforce itself is also older. It is essential to act now to develop appropriate industry structures, and to establish attractive career structures.

HACSU believes that if the aged care industry:

- develops decent wages for those at the lowest levels
- develops appropriate workloads
- ensures that there is a robust workforce structure and
- pays urgent attention to job design which ensures
 - that those at lower levels have the opportunity to acquire skills and progress through higher levels and competencies
 - there is a career pathway for individuals to progress through the aged care system

then the projected workforce shortages raised by the Productivity Commission can be overcome.

The Prime Minister stated in early February 2011 that there are about 600,000 people currently unemployed and that about the same number seeking additional employment in Australia. This includes men of prime working age and women who have had children. She said it was vital that we unlock the potential of our labour market, calling the high number of unemployed “not only a social tragedy but an economic risk.” (The Weekend Australian Financial Review, *Skills: a work in progress* Feb 5-6, 2011 p34.)

The Productivity Commission has also raised the issue of reduced numbers of informal carers and volunteers as older people are required to work longer hours, through both Government policies (eg increase of age to 67 for entitlement of aged pension) and a need to provide for their own needs in a longer retirement. However, we also know that age discrimination is rampant, significantly reducing older people's workforce participation.

There is an opportunity for those older people who wish to remain in work, or retrain, to take up positions in the aged care sector.

The VET system would provide a pathway for people seeking work to enter the aged care workforce.

Recommendation

That the Productivity Commission recommend that the government actively use the Skills Commission and VET system to retrain and encourage discouraged workers and unemployed workers to enter the aged care workforce.

10 Marketing Campaign

In addition, we consider that the Australian Government should also increase educational and marketing campaigns to advertise the benefits of working in the aged care sector.

The campaigns could target particular groups of potential workers, and could build on work already being done in the area. They could also use latest or most appropriate technology to reach different target groups.

For example, the Community Services and Health Industry Skills Council supported the creation of the website <http://www.careerthatmatter.com.au>.

The website is excellent and widely used in schools to promote the sector as a place to work. Further features could be added.

A project could be funded to professionally showcase the diversity of aged care roles in the industry: for example, community aged care case managers, quality managers, registered and enrolled nurses, office managers, personal care workers, diversional therapists, occupational therapists, physiotherapists, respite coordinators, and day therapy workers, and cleaning, cooking and maintenance.

Such a project could develop a high quality YouTube video that focuses on aged care and shows what fun the sector can be; the breadth of rapid career paths; the career opportunities and the benefits overall of working in aged care. A range of actual workers in the aged care industry could be used as positive role models.

A separate campaign could focus on encouraging underemployed workers and those seeking more work to consider the aged care industry. The campaign could alert them to the advantages of undertaking

training in the VET system to qualify them as aged carers, and to upgrade their skills to progress in this field. Funds could be made available from government to retrain people in this area.

A specifically-designed program could be directed to particular groups of people such as those from CALD and indigenous backgrounds, where there is a need for carers from those backgrounds.

Recommendation

That the Australian Government should undertake an education and marketing campaign advertising the benefits of working in the aged care industry to encourage new recruits

- particularly directed to those who can undertake training in the VET system to qualify them as aged carers, and to upgrade their skills to progress in this field
- aspects of the campaign could be directed to particular groups, such as young people; the unemployed; and those from CALD and indigenous backgrounds, where there is a need for carers from those backgrounds.

11 Aged CALD

There is an increasing number of older people who come from Culturally and Linguistically Diverse (CALD) communities. Many arrived in Australia in the 1950s to 1970s, recruited to work as semi and unskilled workers to provide labour for our manufacturing industries.

Many of these people now require care, either at home or in residential facilities. Some older CALD people find they revert to their first language as they get very frail or suffer from dementia. This places special requirements on care providers to ensure that older people from CALD backgrounds are not socially isolated.

It is important that CALD people have access to services which are appropriate to them.

In addition, special efforts should be made to recruit people from CALD backgrounds into the aged care workforce.

HACSU considers there may well be opportunity to recruit people from CALD backgrounds from those who are underemployed or unemployed, as a result of decreased employment in other sectors, such as manufacturing.

With appropriate bridging training, their cultural and language skills would be of great assistance in building a diverse workforce in aged care.

Recommendation

That particular attention be given to attracting CALD and indigenous workers into the industry, including through the VET system.

12 Importing Workers - Migration

We note that the Australian Prime Minister in early February 2011 spoke of the social and economic costs of under employment and unemployment in Australia, and the need to assist people back into the workforce, or to find more work.

We request that the discussion by the Productivity Commission on workforce issues need to address the matter of how unemployed people can be assisted into aged care positions to reduce reliance on importing workers specifically to work in aged care.

When Australia has about 600,000 people unemployed, and about the same number underemployed, there is a huge opportunity to assist these Australians find careers in aged care, provided they are given improved wages, conditions, career development and access to appropriate aged care training.

This would be another effective method of dealing with projected labour shortages.

If the structural issues in aged care are not addressed, no amount of importing of overseas workers will provide a sustainable aged care work force. These migrants will simply leave to take up better paying jobs when the opportunity presents itself.

Recommendation

Noting that approximately 5% of the Australian workforce is unemployed, the Australian Government encourage the unemployed to train to enter the aged care workforce, before turning to immigration to deal with projected labour shortages.

13 Licensing of Personal Carers

HACSU is opposed to the licensing of personal carers in aged care. This would result in significant additional administrative burdens on the aged care sector without appreciable gain.

HACSU believes that investment in training and qualifications of aged care workers is a more effective mechanism to promote good individual behaviour than a system of licensing individuals. Excellent training and qualifications would be the best guarantee of quality of care, protection of residents and promotion of their safety.

Licensing systems also imply that sanctions would apply or action can be taken against those licensed. The implication of this approach is that individual workers carry the burden and responsibility of service provision issues beyond their control.

Making the overall protection of residents and promotion of their safety clearly the responsibility of the aged care provider would provide a much more robust system of responsibility and sanctions than a focus on sanctions against individual workers.

There are currently legal means available by which to sanction individual behaviour that is criminal or negligent. If it is considered that further protection is required, these could be strengthened. For

example, there might be further policies and codes to require reporting of abuse of residents. Current police checks required for employment in the industry could be examined to ensure they are adequate.

HACSU publicly advocates compulsory reporting by staff and others of elder abuse.

A separate licensing and sanctioning system only serves to shift the responsibility from aged care providers to individual poorly remunerated and overworked staff.

Promoting quality care is a complex task involving wholesale structural changes to our current aged care system. We believe that promoting the workforce initiatives we have recommended in this submission will better tackle stakeholder concerns than a national licensing system for personal carers.

Recommendation

That the Productivity Commission specifically recommend that no licensing system be introduced for personal carers.

14 Summary of Recommendations

1. That a new dot point be added to the Productivity Commission’s proposed aims of the aged care system (under current draft recommendation 4.1), viz:
 - a. “ That aged care operators and facilities should adopt a client-centred and enablement approach to care. They should acknowledge as a fundamental human right that individuals who reside there are residing in their own home, and should be entitled so far as possible to the dignity, respect and choice due to someone who is being cared for in their own home.”

2. That the Productivity Commission recommend in relation to wages that:
 - the most immediate and urgent attention needs to be given to those who are lowest paid, and that government and employers need to address this issue as a priority
 - a comparative level of wages for aged care employees based on market comparisons (in most cases EB outcomes in other, unrelated, industries), should be specifically established by the proposed Regulation Commission as a general target or aspirational level for expected EB outcomes in aged care.
 - funding for aged care providers should be predicated on the wages level established by the Regulation Commission, and also be conditional on such outcomes being delivered by aged care providers concluding enterprise agreements.

3. That the Productivity Commission provide a detailed workforce analysis of the aged care industry in its final report, including:
 - the range of occupations and positions
 - type of work done by each category

- percentage of workers by category
 - average income earned by category
 - gender by category
 - average age of workers by occupations
 - CALD background if available.
4. That if a full analysis is not possible in the time frame, that the Productivity Commission provide as much detail as possible in its final report, and that it urge that this be undertaken as soon as possible by another Government agency.
 5. This workforce analysis provide the basis, in consultation with employers and relevant unions, to:
 - re-design jobs to more effectively use existing people resources in the aged care setting
 - make recommendations on training and investment on training in the industry
 - provide a robust career structure for workers from the lowest levels through to management and nurse levels of aged care
 - form the basis for negotiations on wages and conditions in the sector
 6. That the Productivity Commission investigate and recommend introducing minimum staff to resident ratios. HACSU recommends that these ratios contain sufficient flexibility to account for the diversity of residential aged care facilities as well the needs of residents throughout the day.
 7. That development of a career structure should be accompanied by emphasis on certification at each level, with emphasis on the VET system, with appropriate opportunity for recognition of prior learning (RPL).
 8. That legislation in all relevant jurisdictions should spell out that direct care workers with appropriate qualifications should be able to have delegated to them the ability to administer prescribed packaged medicines.
 9. That the Productivity Commission recommend that:
 - more resources be devoted to skills development and training in the aged care sector, equitably applied across all segments of the workforce
 - skills development and training be based on a proper workforce analysis of the sector and workforce needs
 - much greater emphasis be given to the VET sector in meeting the needs of the industry, in line with Government policy on using VET to deal with projected skill shortages
 - all aged care direct-care workers have a minimum Certificate 3 qualification to work as a personal carer

- the current rates of incentive provided for completion of Certificate 3 and 4 courses be increased, given the low rates of pay of people who undertake these courses, and hence their reduced capacity to pay for the courses
 - the Government bear the costs of recognition of prior learning (RPL) costs for workers already engaged in the industry to be assessed for Certificate 3.
10. That the role of the VET system in expanding “teaching aged care services” to promote the sector should be included in recommendations to do with teaching aged care services.
 11. That the Productivity Commission recommend that the government actively use the Skills Commission and VET system to retrain and encourage discouraged workers and unemployed workers to enter the aged care workforce.
 12. That the Australian Government should undertake an education and marketing campaign advertising the benefits of working in the aged care industry to encourage new recruits
 - particularly directed to those who can undertake training in the VET system to qualify them as aged carers, and to upgrade their skills to progress in this field
 - aspects of the campaign could be directed to particular groups, such as young people; the unemployed; and those from CALD and indigenous backgrounds, where there is a need for carers from those backgrounds.
 13. That particular attention be given to attracting CALD and indigenous workers into the industry, including through the VET system.
 14. Noting that approximately 5% of the Australian workforce is unemployed, the Australian Government encourage the unemployed to train to enter the aged care workforce, before turning to immigration to deal with projected labour shortages.
 15. That the Productivity Commission specifically recommend that no licensing system be introduced for personal carers.

ATTACHMENT A - RELEVANT DRAFT RECOMMENDATIONS FROM THE PRODUCTIVITY COMMISSION'S REPORT

Draft Recommendation 11.2

The proposed Australian Aged Care Regulation Commission (draft recommendation 12.1), when assessing and recommending scheduled care prices, should take into account the need to pay competitive wages to nursing and other care staff delivering aged care services.

Draft Recommendation 11.3

The Australian Government should promote skill development through an expansion of courses to provide aged care workers at all levels with the skills they need, including:

Advanced clinical courses for nurses to become nurse practitioners

Management courses for health and care workers entering management roles.

Draft Recommendation 11.4

The Australian Government, in conjunction with universities and providers, should fund the expansion of 'teaching aged care services' to promote the sector among medical, nursing and allied health students.