



## Council of Social Service of New South Wales

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22 July 2005

Health Workforce Study  
Productivity Commission  
PO Box 80  
Belconnen ACT 2616

Dear Sir or Madam,

Please find attached the Council of Social Service of NSW (NCOSS) submission to the Health Workforce Inquiry.

While NCOSS is aware that there are major issues and concerns with the health workforce, including allied health and the oral health workforce, there are many organisations and individuals that have a greater depth of understanding of these issues and are therefore better placed than we are to provide an informed submission to this inquiry.

However NCOSS would like to highlight the ongoing issues with the lack of health professionals, especially allied health, oral health and health workers in Non Government health Organisations, which is continually raised with NCOSS when we conduct our rural and regional visits each year.

NCOSS, in this submission, has focused on a specific aspect of the Health Workforce and that is the Health Non Government Organisation (NGO) workforce. Health NGOs are a core part of the health delivery system and in similar ways to other parts of the system face difficulties in hiring and retaining staff. This is exacerbated by the low levels of pay that Health NGOs have to offer their staff in comparison to similar positions within the public health sector.

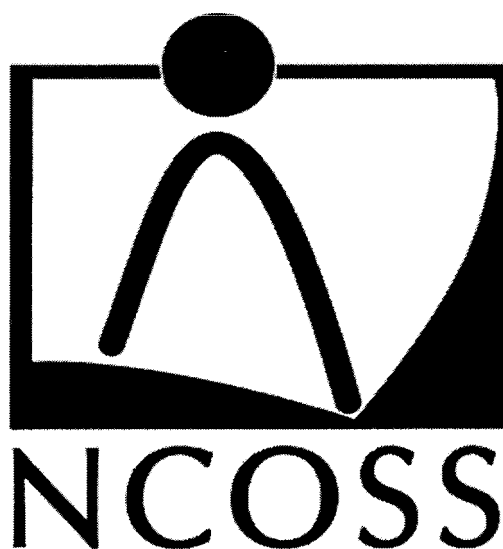
NCOSS commends the Productivity Commission in looking at this essential issue and we look forward to reading the final report.

If you have any further questions please do not hesitate to contact Samantha Edmonds, Senior Policy Officer (Health) on either (02) 9211 2599 ext 116 or [samantha@ncoss.org.au](mailto:samantha@ncoss.org.au).

Yours Sincerely

Gary Moore  
Director

# Submission to the Productivity Commission The Health Workforce



July 2005

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## About NCOSS

The Council of Social Service of NSW (NCOSS) is an independent non-government organisation and is the peak body for the non-government human services sector in NSW. NCOSS works with its members on behalf of disadvantaged people and communities towards achieving social justice in New South Wales.

It was established in 1935 and is part of a national network of Councils of Social Service, which operate in each State and Territory and at Commonwealth level.

NCOSS membership is composed of community organisations and interested individuals. Affiliate members include local government councils, business organisations and Government agencies. Through current membership forums, NCOSS represents more than 7,000 community organisations and over 100,000 consumers and individuals.

Member organisations are diverse; including unfunded self-help groups, children's services, youth services emergency relief agencies, chronic illness and community care organisations, family support agencies, housing and homeless services, mental health, alcohol and other drug organisations, local indigenous community organisations, church groups, and a range of population-specific consumer advocacy agencies.

## Background

There are an estimated 700,000 non-profit, the majority of which are Non Government Organisations, in Australia that make a significant contribution to the economy. The Australian Bureau of Statistics data from 1999 - 2000, shows that they account for \$20.8 billion, or 3.3% of the GDP. *If, "the value of volunteer labour is taken into account, then the contribution of non-profits to the economy grows to \$29.7 billion, or 4.7 per cent of GDP. To put this sector into perspective, the 3.3 per cent contribution to GDP in 1999-00 was greater than the contributions made by the electricity, gas and water industry, the accommodation, cafes and restaurant industry and the cultural and recreational services industry. If the value of volunteer labour is included, the non-profit sector is bigger than both the agriculture and the mining industries (ABS 2002, p. 7 quoted in Silencing Dissent).*

The non-profit sector is a major employer and accounted for 6.8% of total employed persons in 1999 - 2000. In addition that large number of volunteers that work in this sector provided, *"an estimated 558 million hours of work, the value of which was estimated to be more than \$8.8 billion for 1990-00 (ABS 2002, pp. 19-20).*

## The Health Non Government Organisation (NGO) Workforce

The Health NGO sector provides a broad range of front line health services, ranging from treatment services to early intervention and prevention services. The sector is extremely diverse, reflecting the wide range of community health needs.

Health NGO services are a vital component of mainstream health services and in many cases they provide core services which have not historically been, or would not be, provided by the public sector.

The Health NGO Sector has a broad range of strengths that includes the ability to provide a cost effective service. NGOs are very effective in mobilising community resources and therefore providing health services at a significantly lower cost than mainstream providers. All NGOs are managed by a volunteer management committee, which often includes professionals providing expertise and advice in specific health areas.

However another factor contributing to this cost effective service provision is the unfortunately low wages that NGOs have to pay their staff as a result of low government funding. Health NGO staff are usually paid substantially less than equivalent public or private sector arrangements. As a result it makes it very difficult to attract and retain staff, which in turn results in the worker providing a large portion of their services for no cost - this is often not sustainable.

As well, many health NGOs do not have the funds available to employ suitably qualified specialist clinicians and health workers because of their salary costs. For example health NGOs that work in the area of rehabilitation would be keen to employ specialist psychiatric trained nurses to assist with clients that have both a mental illness and a substance dependency and to assist with the provision of medications to these clients. Some clinicians will work at a reduced cost or on a pro bono basis however this is not sustainable for them and so most will only do this for short periods of time.

Therefore a significant barrier to the recruitment and retention of health NGO staff, or specialist clinicians working in an NGO, is the lack of funding to provide salary levels that recognise the skills and qualifications of the staff member. Funding limitations also limit the extent of NGOs ability to be involved as much as they would otherwise like to be (or be expected by others to be), in the operational delivery of strategies and action plans where the public health partnership includes, in theory at least, full involvement of the affected communities and their representative organisations.

A low level of funding also means that staffing levels have to be reduced whenever operating costs or wages escalate. Thus the health NGO sector's capacity to provide services to the community is also reduced.

Many health NGOs specifically target marginalised groups in their community. Their flexible structures and client focused ethic makes them particularly well suited to responding to the needs of these groups. The work is especially important as many marginalised groups do not use mainstream health services, or do not use them until they are seriously ill. This places people at risk of hospitalisation from conditions which are preventable or readily managed through early intervention.

Therefore Health NGOs provide a range of essential front line health services. While some provide treatment services, many are focused on early intervention and prevention work. One of the outcomes of this is a reduction in the need for acute care services. For example, reduced rates of hospitalisation for people with a mental illness, more effective care in the community resulting in reduced rates of hospitalisation for people with chronic illnesses and preventing drug and alcohol related harm particularly in relation to young people.

## **Recommendations**

1. To support the capacity of health NGO staff to access professional development the Government should provide access to NGOs, at no, or a very reduced cost, to its training and resources.
2. Increase funding to NGOs to ensure that they are able to employ specialist clinicians at a rate that is equivalent, at a minimum, to a similar position in the public health sector.
3. Increase funding to NGOs to enable them to offer a more competitive salary and working conditions to other health NGO staff that is equivalent to the public health sector.
4. Remove industrial barriers to NGO staff taking on government funded positions and secondments. This also prevents secondments from Government health services into the NGO sector.

## **Organisations Consulted**

Hepatitis C Council  
Mental Health Association NSW  
Network of Alcohol and other Drug Agencies  
We help Ourselves

## **References:**

Maddison, S., Denniss, R. and Hamilton, C., "Silencing Dissent: Non Government Organisations and Australian Democracy," The Australia Institute - Discussion Paper Number 65(June)2004.