



SUBMISSION

Submission to the National Skills Commission: Care Workforce Labour Market Study

Introduction

TAFE Directors Australia (TDA) welcomes the opportunity to make a submission in response to the National Skills Commission's Care Workforce Labour Market Study.

TDA is the peak national body which represents Australia's national network of publicly owned Technical and Further Education (TAFE) institutes and university TAFE divisions. Australia's network of TAFE institutes is the largest and most diverse component of the Australian tertiary education sector, with campuses in central business districts, suburban, regional, rural and remote locations. Many institutes offer further services throughout the Asia-Pacific and other offshore regions.

TDA notes that the Care Workforce Labour Market Study requested by the Prime Minister was in response to the findings of the Final Report of the Royal Commission into Aged Care Quality and Safety (the Report).

Workforce observations

The scale and impact of the problems identified in aged care identified by the Royal Commission are extensive, with an estimated one-third of aged care residents receiving sub-standard care.

Workforce conditions and capability is a central theme in the Report which notes that inadequate staffing levels, skill mix and training are principal causes of substandard care. In terms of workforce observations, the Report found that:

- the workforce is underpaid and **undertrained**
- aged care workers often **lack sufficient skills and training** to cater for the needs of older people receiving aged care services
- the sector has **difficulty attracting and retaining well-skilled people** due to:
 - **low wages** and **poor employment conditions**;
 - lack of investment in staff and in **staff training**;
 - limited opportunities **to progress** or **be promoted**; and
 - **no career pathways**.

The Report notes that despite best intentions, aged care workers simply do not have the requisite time, knowledge, skill and support to deliver high quality care¹.

¹ See p76 of [Aged Care Royal Commission Final Report: Summary](#)

Overview of the Issues

The scope of the terms of reference for this study are wide as are the issues impacting upon the supply and quality of aged care workers, with many compounding upon each other.

At the core, however, is supply and demand considerations. In the context of depressed wages and sclerotic wage bargaining, there is little incentive to work in aged care. As the submission will later show, the wage return from the VET qualification designed to support workers into aged care is little beyond the minimum wage. Reliance on migration as the source of (low-skill) workers is paused while borders are closed, so the labour supply response cannot solely be based on migration.

Neither is the potential of progression into higher paying roles through education and training a drawcard. The reality is two-fold. VET qualifications, which are a signal of a person's commitment to the care industry as well as their skills for individual care and support, fail to set a platform for higher roles. The very flat pyramid of roles presented in the table below show there is little structural options for progression to higher roles.²

Table 1 Percentage of staff time by professional designation in Study One

	% of individual care time	% of shared care time	% of total time
Registered Nurse	8%	11%	9%
Enrolled Nurse	4%	5%	5%
Allied Health	1%	1%	1%
Recreation Officer/ Diversional Therapist	4%	5%	4%
Personal Care Assistant	76%	71%	74%
Other	6%	7%	7%
Total	100%	100%	100%

On the surface, it is tempting to impose new responsibilities on personal care workers through existing qualifications to diversify or lift care levels in view of the predominance of their role in the workforce, however, this is inconsistent with the logic of VET qualifications. Responding to questions from commissioners along these lines a VET witness said:

Certificate III was never intended nor could it be intended to provide solutions to all of those complex problems [dealing with an ever-increasing number of people with higher and complex needs]. It's to be part of a multidisciplinary team working with certificate IV level graduates, with diploma graduates, with degree and masters qualified graduates and I think expanding [the] role and expectations of a Certificate III-level worker is incongruent with what a Certificate III-level worker can do.³

² Drawn from evidence of Prof Kathy Eagar, Director, Australian Health Services Research Institute, University of Wollongong to the Royal Commission into Aged Care Quality and Safety: <https://agedcare.royalcommission.gov.au/system/files/2020-06/WIT.0459.0001.0001.pdf>

³ Ms Eastman, Witness Royal Commission into Aged Care Quality and Safety: <https://agedcare.royalcommission.gov.au/media/13526>

Regulation of entry to core occupations may go some way to solve a quality issue but may also dampen entry rates to the detriment of care to older Australians, if there is no commensurate wage return. However, it may be the only way to bring standing to the occupation and higher wages as a result. Careful consideration and modelling of the impacts of regulated entry to aged care is required.

On classic demand grounds, as proffered by the Governor of the Reserve Bank, labour shortages may be the only source of wage increases which may in turn add to supply of entrants to the aged care industry. There are other factors that may act against that outcome, such as the working conditions and prevalence of casualised work. And while borders are closed and demand for labour is high across the economy it is more likely prospective candidates will seek out other more accessible roles in other industries.

Rather than a focus on training as the sole solution, it is better to start with wages and work conditions. Serious questions need to be asked about the utility of current VET qualifications if they simply slot graduates into poor paying positions and with few options for progression. On public policy grounds the investment of public funds to support an industry with very little return to graduates leads to a reasonable conclusion that the training effort should be paid for by the industry, as it is benefiting them.

Nevertheless, VET qualifications can be restructured to meet public interest requirements and wage benefit to the graduate. This means that qualifications should have wider purpose and outcome options.

These are difficult to conceptualise in the current VET system so dominated by a competency model which frames the tasks required of a role with little regard to productivity in the workplace or progression, both of which should lead to wages growth.

Employers are justified in expecting a productivity dividend from a qualified worker. The fact there is no wage dividend arising from the qualification point to lack of regard to the qualification or, worse, exploitation of the qualification by the industry.

Overall, these roads lead back to Government. The wages and productivity solution rests with higher expectations of workforce preparation through vocational education which will require public funding. Ultimately, governments will need to share the contribution toward increased staffing costs for quality aged care, although moderated by productivity returns.

The VET sector has several roles in contributing to the solution.

The government announced intentions to establish skills enterprise organisations as the aggregation point for planning and design of skilling strategies for industries. In the case of aged-care the Human Services Skills Organisation is a pilot of this model, while Industry Reference Committees with the professional support of SkillsIQ has charge of current qualification design and renewal.

The new skills enterprise entities need to take on roles that are broader than forecasting demand for roles and simply prescribing tasks into the training package construct.

The current reliance on qualifications as the solution to what are workforce structure and work role issues will not solve the underlying issue.

In return for public funding to fulfil the functions delegated by governments, the industry owners of skills enterprises should be assigned responsibility for a broader workforce redesign role, with the express purpose of negotiating productivity-based improvements to qualification to draw out wage improvements. This is important as the industry through the skills enterprises are assigned sole rights for determining qualifications (in terms of regulation of accreditation and certification) with the risk of capturing the returns solely to the industry. Other options include greater contestability in qualification design responsibilities but there appears to be little appetite for this approach.

The last word in this overview goes to the very nature of the education and training that can help solve the inadequacy of care. At the core of a service industry, especially in care, is the capability of the person delivering that care. While the bulk of this submission focuses on the work of the personal care assistant in an institutional setting these workers will work in other settings such as in homes and community settings. This highlights even further the need for these workers to be confident independent operators.

The current approach to competency-based training (CBT) which seems to celebrate the codification and assessment of procedural tasks fails in many regards for the expectations of families and aged care clients for a standard of personalised care.

The dilemma of CBT and the training package model is the one-to-one match between competency and occupation⁴. The design means that the training outcomes terminates at that occupation. Lack of progression within the industry, as discussed earlier, means that a person needs to train again for a related occupation, which is made more difficult if credit arrangements are poor.

A serious examination of new approaches to teaching and learning based on professional practices underpinned by good clinical knowledge has the potential to bring new capabilities into the sector and would justify higher wage returns and progression within the industry.

The challenges presented by the Royal Commission but also the increased expectation of individualised support offers the opportunity to reconceptualise vocational education preparation for these roles.

Qualification design trials currently underway in the sector risks perpetuating this dilemma if the focus is solely on the occupation and a competency approach to the vocational education effort.

TDA commends the NSC to contemplate the Australian Skills Classification (ASC) as an instrument to get to the heart of the skills required in the care industry, including the core competencies which focus on inter-personal skills which underpin effective care. Using the ASC as the starting point for design of vocational preparation allows for a stronger focus on

⁴ See this reference for the theoretical underpinning of CBT as applied in Australia - <https://www.voced.edu.au/content/ngv%3A8182>

key skills and core competencies for application in wider settings across occupations and with reduced redundancy.

The hope of TDA is that the broader themes presented in the submission provides a base for considering the complex demand and supply issues at stake in building up the quality of aged care all older Australians deserve.

The remainder of this submission expands on this overview.

Vocational Education and Training (VET) in the aged care sector

The vocational education and training (VET) sector prepares a large majority of the aged care sector workforce including personal care workers and enrolled nurses. The CHC33015 Certificate III in Individual Support is considered as the entry level qualification to work in aged care, although many personal care workers in the current system have no formal qualifications at all.

According to NCVET 2019 data (latest available), the Certificate III Individual Support was the qualification with the highest number of enrolments (out of the thousands of VET qualifications available) with a total of 76,930 enrolments. This includes 13,510 at TAFE institutes, 52,440 at private providers and 8,950 community education providers⁵. For TAFEs, the Certificate III Individual Support is the 6th most popular qualification. For private Registered Training Organisations (RTOs), the Certificate III in Individual Support is the most popular qualification (i.e. has the highest number of program enrolments) out of all of the qualifications that they deliver. Other VET qualifications related to the aged care sector include:

- CHC43015 Certificate IV in Ageing Support
- HLT33115 Certificate III in Health Services Assistance
- HLT54121 Diploma of Nursing (Enrolled Nurse)

The Bachelor of Nursing (Registered Nurse) is delivered predominantly by universities but also delivered by some dual sector and non-university higher education providers (NUHEPs).

TDA is receiving some anecdotal feedback through its TAFE networks that enrolments in the Certificate III Individual Support have declined since the onset of COVID. It remains to be seen whether enrolments in the Certificate III qualification will be affected by the negativity in the aged care sector generated by the COVID-19 pandemic and by the Royal Commission findings. The 2020 NCVET data is due out in August 2021.

The findings of the Aged Care Royal Commission also call into question the quality of the training for personal care workers. A cursory glance on [MySkills.gov.au](https://myskills.gov.au) shows that the median course duration for the Certificate III Individual Support is 9 months. However, of the 485 Registered Training Organisations (RTOs) approved to deliver the Certificate III Individual Support, some providers deliver the course in as little as 12 weeks, while others can take

⁵ [NCVER Total VET Students and Courses 2019](#)

anywhere between six months to two years. Pricing of courses can also vary considerably with some evidence that for-profit providers delivering cheaper courses in shorter timeframes.

Having some of the most vulnerable people in the community being cared for by staff whose training and education can vary this significantly, without an assurance on quality, presents risks to the aged care workforce.

Appropriate skills mix and worker expectations

The report [Educating the Nurse of the Future—Report of the Independent Review into Nursing Education](#) by Emeritus Professor Steven Schwartz (2019) provides the following table to summarise nursing related education in the Australian Qualification Framework. In the table, “AINs” refer to Assistants in Nursing which covers a broad range of job titles including aged care workers, disability support workers, personal care assistants, care support workers etc. which have all been classified as AINs in Table 1 below. The Schwartz review notes that there are no formal regulations regarding the training of AINs. Some employers require AINs to hold vocational certificates in health care, but others do not.

Table 1. Nursing-related education in the Australian Qualification Framework

Type of Practitioner	AQF level	Qualification
	1	Certificate I
	2	Certificate II
Some AINs	3	Certificate III
	4	Certificate IV
Entry level Enrolled Nurse (EN)	5	Diploma
EN with additional education	6	Advanced Diploma; Associate Degree
Entry level Registered Nurse (RN)	7	Bachelor’s degree
RN with additional education, & Re-entry programs	8	Honours degree; Graduate Diploma; Graduate Certificate
Graduate RN, Graduate Entry RNs & Nurse Practitioners (NP)	9	Master’s degree
Doctor of Nursing	10	Doctoral degree

Source: [Educating the Nurse of the Future—Report of the Independent Review into Nursing Education](#) by Emeritus Professor Steven Schwartz (2019), p10.

Having the appropriate skills mix in place in aged care facilities is therefore an important consideration for future workforce planning. Recommendation 86 from the Aged Care Royal Commission in particular acknowledges this. It sets the minimum staff time standard for residential care and requires approved providers to engage registered nurses, enrolled nurses, and personal care workers for at least 200 minutes per resident per day for the average resident, with at least 40 minutes of that staff time provided by a registered nurse. The recommendation further specifies that the minimum staff time standard should allow

approved providers to *select the appropriate skills mix for delivering high quality care in accordance with their model of care.*

The Report also strongly emphasises the complex environment within which aged care workers are expected to operate e.g. routine care, complex care, dementia, palliative care, mental health issues, dealing with relatives of aged care residents, dealing with grief and loss as well as organising, communicating, problem-solving and working in a team.

It is questionable as to whether a set of task-based competencies adequately prepares an individual for the multitude of challenging workplace scenarios that entry-level aged care workers must deal with daily. Similarly, realistic expectations need to be set for a worker with a Certificate III qualification. There are no entry requirements in the training package for the Certificate III in Individual Support and when someone completes the qualification, which includes a 120 hour (approximately 4 week) work placement, they are a beginning worker in the aged care sector. As a graduate of this course starting their first full time job after graduating, they can expect [a median wage of \\$41,600](#) which is about the same rate of pay as a cleaner.

Is it feasible or fair to keep adding more and more requirements relating to complex issues such as mental health and dementia care to a Certificate III qualification? However, the practice of delegating tasks to personal care workers which should be undertaken by registered nurses has led to the current proliferation of sub-standard care in the sector. While the Report recommended that a Certificate III should be the mandatory minimum qualification required for personal care workers performing paid work in aged care, the government did not accept this recommendation in their [response](#), and it is currently subject to further consideration.

Entry pathways, further learning and articulation

In terms of pathways and incentives for further study, unless there are favourable wage outcomes attached to a higher level of qualification (e.g. a Certificate IV, Diploma etc), there is currently no real incentive for an individual to pursue further education or training beyond the entry level Certificate III.

The [NCVER 2020 National Student Outcomes Survey](#) data shows that the median salary of those employed in their first full-time job after completing the Certificate IV Ageing end up with the same median starting salary as the Certificate III Individual Support (\$41,600).

For those already employed before training, again the median annual salary of those employed full-time after training is the same for the Certificate III Individual Support as for the Certificate IV Ageing (\$46,900).

The NCVER 2019 data also shows that 54 per cent of students studying the Certificate III in Individual Support make up the two lowest quintiles on the index of relative socio-economic disadvantage (IRSD) while the average across all VET qualifications is 37 per cent for the bottom two quintiles of relative socio-economic disadvantage. Students undertaking the Certificate III in Individual Support are also predominantly female.

The onus is on the industry representatives and the Human Services Skills Organisation to create a flow both into and through the aged care system underpinned by the clear incentive of a wage outcome. Currently the wage outcome for a personal care worker with a Certificate III Individual Support is little more than the minimum wage which does not make this an attractive pathway for those starting out in their careers.

In terms of supply and demand of the future care workforce, one potentially useful pathway to explore is the pathway from a Certificate III in Individual Support to the Diploma of Nursing and then potentially onto the Bachelor of Nursing.

There are three legally-protected nursing titles in Australia: Enrolled Nurses, Registered Nurses and Nurse Practitioners. Enrolled Nurses, who must complete a VET Diploma of Nursing (with a duration of one year to 18 months), work under the supervision of Registered Nurses. Registered Nurses practise independently and hold bachelor's level qualifications (3 year degree). Nurse Practitioners are educated at the master's degree level to manage entire episodes of health care. Approximately 80 per cent of nurses are Registered Nurses, 20 per cent are Enrolled Nurses, and less than one per cent are Nursing Practitioners.

There may be some students from disadvantaged backgrounds and cohorts (e.g. indigenous) who do not believe themselves capable of becoming a nurse. However, after completing a Certificate III in Individual Support they may find that they excel in a care role and are eager to advance to the Diploma of Nursing qualification. Anecdotally, TAFE member institutes indicate that this can and does occur.

In terms of attraction and retention, the title of the entry level qualification should also be reviewed to make it more accessible and attractive. A qualification in "Individual Support" may not be well understood or appeal to prospective students and those looking for a career change.

Some Diploma of Nursing graduates are content to remain as Enrolled Nurses, whereas others are keen to articulate into the Bachelor of Nursing degree. Enrolled Nurses are usually offered one year of credit towards the Bachelor of Nursing but this is at the discretion of the university enrolling the student. Clearer articulation pathways between VET and universities would better facilitate and encourage this progression. The Advanced Diploma of Nursing has very few enrolments as it does not offer any clear career progression or better wage outcomes for enrolled nurses. The purpose of the Advanced Diploma of Nursing also needs some consideration.

Workforce attraction, retention and development

An industry-led system

It is important to note that the VET system in Australia is an industry-led system. Industry develop and approve all of the competencies in VET qualifications. While industry want qualified VET graduates to meet their employment needs, it is concerned that wages do not grow exponentially. Increasingly more and more units of competency and prescriptive assessment requirements are being incorporated into a qualification without any

corresponding increase in wage outcomes due to expanded roles. Similarly, increasing mandatory work placement hours increases the cost of delivery, yet there is no public contribution to cover these additional costs.

Many aged care providers have started to charge education providers for work placements. Industry control how many hours a student must spend in the workplace and what must get assessed in the workplace and then industry charge an education provider for those workplace hours. If industry is going to mandate work placements, then employers must be ready financially and organisationally to facilitate and offer at no cost the work placements which they say are needed for a high-quality workforce.

Ensuring that care sector qualifications are fit for purpose

It is clear from the findings of the Aged Care Royal Commission that the current training package framework does not give learners the kind of thinking abilities and background knowledge that will prepare them for an effective contribution to a rapidly changing and complex work landscape⁶ as found in the aged care sector.

The Aged Care Royal Commission Report is a watershed moment for how Australia educates, trains and supporta the aged care workforce. It cannot be more of the same. There is a strong call from across the sector for a fundamental rethink of how vocational education responses are structured. The current approach to training packages and competency-based training design is not broad enough to prepare people to be pro-active learners capable of adapting and evolving within their workplace or throughout their career.

To be a competent worker is not simply a matter of completing one procedure after another, but having an understating of why the procedure was required to be performed and the knowledge behind that⁷.

The transactional approach of competency-based training (if delivered by a quality training provider in a realistic timeframe), may go some way in assuring that the graduate has the requisite skills and knowledge to perform certain tasks. However to professionalise and lift the quality of the workforce, the intervention must go beyond competency to capability.

While competency is transactional, capability gives an individual the agency to be a reflective, ongoing leaner. Capability is the knowledge, aptitude and attitude of the individual which has a lifetime return and, just like reading and writing (and now digital), is the springboard for adaptability across a career. On economic grounds, capability makes sense. It has a far longer shelf-life which can be applied in more domains, whether in work, enterprise, citizenship, or democracy. Competency can continue to frame training for process aspects of a job (where they remain) but there is an opportunity now to develop a new form of qualification guidance which builds capability and better reflects the intent of vocational education.

⁶ Hodge, S. (2018), [The problematic role of CBT in Australian VET](#), University of Melbourne, p4

⁷ Hodge, S. (2018), [The problematic role of CBT in Australian VET](#), University of Melbourne, p3

A complete review of the appropriateness of the current qualifications relating to the care sector needs to occur. The review should consider the benefits of a broader foundational qualification for the care sector focused on person-centred approaches to care and support with wage outcomes linked to further study and specialisations. This would also assist with the transferability of skills across different job roles and sectors which are important factors in workforce attraction and retention.