



A•S•U
Australian Services Union

ASU Submission

Jobs for the Future in Regional Areas

Senate Standing Committees

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Terms of reference

On 31 July 2019, the Senate resolved to establish a Select Committee into the Jobs for the Future in Regional Areas. The committee will inquire and report on the following matters:

- a. new industries and employment opportunities that can be created in the regions;
- b. the number of existing jobs in regional areas in clean energy technology and ecological services and their future significance;
- c. lessons learned from structural adjustments in the automotive, manufacturing and forestry industries and energy privatisation and their impact on labour markets and local economies;
- d. the importance of long-term planning to support the diversification of supply chain industries and local economies;
- e. measures to guide the transition into new industries and employment, including:
 - i. community infrastructure to attract investment and job creation;
 - ii. the need for a public authority to manage the transition;
 - iii. meaningful community consultation to guide the transition; and
 - iv. the role of vocational education providers, including TAFE, in enabling reskilling and retraining;
- f. the use of renewable resources in Northern Australia to build a clean energy export industry to export into Asia; and
- g. any related matters

The Australian Services Union

The Australian Services Union (ASU) is one of Australia's largest unions. The ASU was created in 1993. It brought together three large unions – the Federated Clerks Union, the Municipal Officers Association and the Municipal Employees Union, as well as smaller organisations representing social welfare workers, information technology workers and transport employees. The ASU has members in every state and territory of Australia and in almost every regional area, working in a wide variety of industries and occupations, including:

- Social, community and disability services
- Local government
- State government
- Transport, including passenger air and rail transport, road, rail and air freight transport
- Clerical and administrative employees in commerce and industry generally
- Call centres
- Electricity generation, transmission and distribution
- Water industry
- Higher education (Queensland and South Australia)

The ASU in the community and disability services sector

The ASU is the largest union of workers in the social, community and disability services sectors. Our members predominantly work in non-government, not-for-profit and faith-based organisations that support people experiencing or at the risk of experiencing crisis, disadvantage, social dislocation or marginalisation. Of specific relevance to this Inquiry, the ASU represents workers who are employed in sectors including, but not limited to:

- Disability services, including residential care
- Aged care services
- Community transport services
- First Nation People's services
- Family support services
- Health and mental health services
- Crisis accommodation for women, children, families, young people and men
- Sexual assault, domestic and family violence services

- Youth and child protection services
- Out of home care for children and young people at risk
- Homelessness, housing and tenancy services
- Alcohol, gambling and other drugs of addiction and rehabilitation services
- Migrant and settlement services
- Community legal services
- Community and neighbourhood services
- Policy, research and advocacy services

These ASU members are highly skilled practitioners. They hold qualifications in law, psychology, management, social sciences, welfare work, disability work, social work, youth work, child protection, aged care and community work, mental health, drugs and alcohol counselling, financial counselling and a long list of other specialist qualifications. Our members also include clergy of many faiths.

Our submission

Our submission considers the opportunities and challenges of the future of work in Australia's regions. We address the Committee's terms of reference by considering how regional areas can take advantage of the changing workforce profile as it moves away from primary and secondary industries to service industries and what is needed to facilitate shifts in skills to enable workers and communities to benefit from the jobs of the future in regional areas. In specific terms, our submission provides evidence that:

1. Regional Australia has a changing workforce profile, moving from primary and secondary industries to the services sector
2. The highest growth in the services sector in regional Australia is in the health, community, and disability services sector
3. Unlike the vicissitudes of primary and secondary industries, the health, community and disability services sector is not only sustainable, but growing into the future, with an infinite number of clients seeking to participate, particularly in the NDIS, with hypothecated federal funding ensuring that the Scheme will continue to grow into the future
4. Regional Australia already has a skilled workforce that can be upskilled to take advantage of the opportunities provided in the high growth health, community and disability services sector
5. There are already skills shortages in regional Australia that preventing regional communities from taking full advantage of the enormous job creation and other opportunities presented by the high growth health, community and disability services sector
6. The ASU proposes a training model for addressing workforce development issues in the disability sector to enhance its potential as an engine of growth in regional areas

The issue of future work is inextricably connected to regional economies, the health and wellbeing of regional workers and their communities, the growth and/or decline of industries and occupations and the ways in which national, state and regional education and training systems respond to these changes. Our submission considers options for responding to these changing regional labour markets and how to best prepare the regional workforce for future jobs. Facilitating shifts in the local skills base will help enable local workers to benefit from the jobs to come in the industries projected to grow.

Regional Australia has a changing workforce profile

Like many other countries, the face of the Australian workforce has changed dramatically over recent decades. In particular, changes in the workforce due to automation and digital technologies have meant challenges for policy makers at all levels of government in regions as they consider how to address issues around job creation and reducing unemployment.

In Australia, reports estimate around 40 percent to 44 percent of jobs being highly susceptible to automation.¹ At the same time, some jobs in certain industries have been growing at a slower pace or declining, while others are seeing rapid growth. For instance, the net number of jobs in agricultural

¹ The Future of Regional Jobs. Regional Australia Institute, April 2019 SIP.2018.2.1.2

production in regional areas is expected to decrease in the coming years, while jobs in Health Care and Social Assistance (health, community and disability services sector) are projected to have the largest increase. The impact of these changes varies considerably across different parts of regional Australia.

The latest available industry employment data indicates that services industries have made sustained significant contributions to employment growth in both regional and metropolitan areas over the five years to August 2018, led by the health, community and disability services sector (up by 306,200 or 22.2 percent). In fact, *the health, community and disability services sector is projected to make the largest contribution to employment growth (up by 250,300 or 14.9 percent), as the sector adjusts to full implementation of the National Disability Insurance Scheme (NDIS), the ongoing ageing of the population and increasing demand for childcare and home based care services.*²

*Very strong employment growth is projected to continue for professionals (up by 325,800 or 10.9 percent) and community and personal service workers (230,300 or 17.5 percent), consistent with strong projected growth in the service industries that are leading employers of these occupational groups.*³ Health Care and Social Assistance (*health, community and disability services sector*) makes the largest contribution to projected employment growth within all states and territories, with NSW and ACT leading this growth in human services employment. Among regional areas, employment growth over the five years to 2023 is projected to be strongest (in percentage terms) in NSW (74,600 or 5.9 percent).⁴

Regional Australia has a skilled workforce

The Australian Bureau of Statistics (ABS) classifies occupations according to five skill levels commensurate with the following qualification(s) or where relevant work experience with training may be a substitute for formal qualifications:

- Skill level 1: Bachelor's degree or higher qualification
- Skill level 2: Advanced Diploma or Diploma
- Skill level 3: Certificate IV or Certificate III with at least two years on-the-job training
- Skill level 4: Certificate II or III
- Skill level 5: Certificate I or secondary education⁵

It is projected that 90 percent of employment growth in Australia will be in skill levels 1-4, highlighting the importance of education beyond school. In fact, Skill level 4 occupations are projected to make the second largest contribution to total employment of 256,900 (or 7.9 percent). This employment growth is driven by the *Community and Personal Service Workers* group, featuring occupations such as community, aged care and disability services workers, representing an increase of nearly 70,000, or 40 percent. Occupations with the strongest projected employment growth are dominated by higher skilled occupations (skill level 1) or require some training but have a strong emphasis on human interactions (skill level 4).⁶

Highlights of regional skills⁷

- There is a clear trend that the younger you are, even if you live in regional Australia, the more likely you are to have completed Year 12.
- VET completion rates are generally higher for regional Australians than for metropolitan Australians.

² Department of Employment Projections to May 2023 based on the forecasts and projections for total employment published in the 2018-19 Budget Papers

³ Australian Govt: Dept of Jobs and Small Business (2018) Employment Projections: Employment Outlook to May 2013, pp -6

⁴ *ibid*, pp 10-11

⁵ Australian Bureau of Statistics: https://www.abs.gov.au>ausstats>abs@_nsf>opendocument

⁶ *ibid*, pp8-9

⁷ Regional Australia Institute: The Future of Regional Jobs, April 2019 SIP.2018.2.1.2 p 12

- Some regions have seen big increases in key measures like Year 12 completions. These regions have often devised and resourced initiatives themselves that contribute to this increase.
- Regional cities with universities have much higher rates of tertiary qualifications amongst 20-29-year olds compared with other regional areas.
- Research by the Regional Universities Network (RUN) shows that between 2013 and 2016, 69 percent of employed undergraduates and 55 percent of employed postgraduate level graduates from RUN member universities worked in regional areas upon graduation.

Regional Australia has a skills shortage in key growth areas ⁸

There are signs of the re-emergence of skills shortages in some regions where the number of vacancies has grown by over 16% in just two years. A closer look at the mix of occupations in demand shows that there are significant similarities across regions. This will mean intensifying competition across regions to secure the people that each region needs in order to grow.

There is evidence that regional areas can find it difficult to address skills shortages by attracting and retaining workers from other areas due to a perception of poor infrastructure, services and amenity. Addressing issues around job security, career development, education and training, good wages and salaries are therefore vital, both in terms of capacity building for the local workforce and attracting and retaining workers from other areas in order to allow regional areas to support the skills needed in growth sectors of the workforce.

Longer term, healthcare and social assistance (community and disability support services) is expected to require another 85,000 workers in regions through to 2023. With long lead times on professionals in these industries it is vital that action starts now to create the skills development pathways. These new areas of job growth require a policy focus on ensuring people in regional areas are ready and equipped with the right skills, knowledge and aspiration to successfully engage in and drive these growth areas in their local communities.

In its report, *The Future of Regional Jobs*, the Regional Australia Institute lists ten regions with the greatest projected increase in jobs. In most of these regions, job numbers are expected to be driven mainly by health care and social assistance. Together, these regions account for around 86,000 new jobs between 2019- 2023.

The top ten regions:

- Gold Coast
- Sunshine Coast
- Newcastle and Lake Macquarie
- Capital Region NSW
- Geelong
- Richmond-Tweed
- Hunter Valley (excluding Newcastle)
- Illawarra
- Cairns
- Mackay

Newcastle and Lake Macquarie are projected to have the highest growth in regional Australia, expected to grow by 13,607 jobs by 2023, driven largely by around 6,584 health care and social assistance industry jobs (community and disability support jobs).⁹

⁸ Ibid pp12-22

⁹ Ibid pp 28-30

Summary:

The vacancy trends and future job projections show that there is jobs growth and jobs growth potential in regional Australia. Across a range of industries that have a need for a mix of high skill and low skill workers. While regions may not experience a similar scale of jobs growth to metro areas, the health, community and disability services sector is expected to be the major contributor in most regional areas. Meeting the job demand in regions with suitable skilled workers will be fundamental to the ability of regions to take on these job growth opportunities.

Given rapid growth in demand for similar types of workers in different regions, it is very likely that there will be intense competition for workers with similar skills sets over the next five years. With vacancy rates increasing sharply already in some regions, just to meet current demand for skilled labour, and there is the additional consideration of replacement for people who leave these industries.

The projected net increases of over 80,000 health, community and disability service workers in the next five years will be a significant challenge for regions to meet. The net additional new jobs will be filled through a mix of relocations by Australian workers, new migrants, training and entry and re-entry of workers to the in-demand industries. The challenge for policy makers is to ensure that workers who already live in regional areas have a real opportunity to participate in the jobs growth and other opportunities that accrue to the projected economic benefits to those regional communities. It is also vital for regional areas to attract and retain workers in growth industries. Key to this process is the provision of training opportunities that will allow young people and others entering the job market, as well as existing workers in regional areas to upskill to take advantage of new jobs offered in growth sectors like the health, community and disability services sector. It is also vital for workers outside regional areas to have the opportunity to upskill so that there is sufficient incentive for them to move to regional areas in order to take advantage of career opportunities as well as the many other advantages offered by living in a regional area.

The community services sector – an engine of growth in regional areas

Most not for profit organisations in the disability and community sector rely entirely or almost entirely upon government for their income. This income is paid in regular grant cycles and funds are expended entirely for the employment of staff and the delivery of programmes to the community which are deemed by government to be essential for the safety and wellbeing of individuals, families and communities.

The community services sector is undergoing dramatic change.¹⁰¹¹¹²¹³¹⁴¹⁵

- It has the highest growth rate in the Australian workforce
- Approximately 80% of the workforce is female
- The workforce will have doubled between 2015 and 2020 – particularly in the disability services sector
- Around 33% of the disability support workforce is in full time employment
- Around 60% of the community services workforce is in full time employment
- A very high majority of the workforce is Award dependent
- A very high majority of the workforce is employed in the not-for-profit sector and is entirely or almost entirely dependent upon government for its funding; and therefore
- While the immediate 'employer' for most of our members is most likely to be a not-for-profit organisation, the effective employer is whichever level of government funds the organisation.

¹⁰ Evidence to the Equal pay case 2012 (Australian Services Union)

¹¹ Department of Human Services, 2017-18 Budget papers

¹² Australian Government Workplace Gender Equality Agency, September 2016

¹³ Workforce Issues in the NSW Community Services Sector, University of NSW (2017)

¹⁴ Australian Institute of Health and Welfare Working paper: Information relating to the community services workforce Canberra

¹⁵ ABS Job Outlook: <https://joboutlook.gov.au/occupation?search=alpha&code=4231>

Procurement in the community and disability services sector:

Social and community services have historically been at the forefront of responding to social issues of the day and providing opportunities for individual and families to participate in and shape their community. In its earlier years the role of government was primarily built around the development of infrastructure and industry, and not the delivery of human services. This led to the organic development of community organisations providing community and welfare services with the Commonwealth and State governments funding these organisations. Community services have often been the instigator and innovator for many community service delivery models.

The not-for-profit (NFP) social and community sector is important for its economic contribution, particularly in regional areas, for its growing public value in implementing government programs and delivering government services, and for its enormous role, extending far beyond the public funding that it receives, in creating a fairer and more civil society.

Most Not-For-Profits are small to medium sized organisations generally with less than 100 employees. They provide crucial and unique services, developed out of close interagency collaboration, long and deep connections to their communities and a wealth of experience in service delivery. By working collaboratively Not-For-Profits are able to draw on community strengths and bring together government, private and philanthropic resources to solve what are often complex problems that are unable to be solved by one organisation, program or intervention alone. The potential benefits of NFPs delivering human services is well recognised by governments. A survey of government agencies by the Productivity Commission¹⁶ found that the top four motivations for engaging NFPs in the delivery of human services were that NFPs:

- provide flexibility in service delivery
- are better able to package the service with other services for the target client group
- give value for money
- are representative of the clients the program is targeting.

Quality of services is paramount:

In relation to procurement of human services, a major concern of the ASU is the marketisation of human services delivery, which refocuses organisations on budget “efficiency”, with a quest for budgetary savings, often overshadowing the commitment of the organisation to quality of service delivery. We are concerned that profit motives and cost reduction will inevitably lead to the erosion of the quality services that are provided to clients in need. In a bid to win tenders, organisations may underestimate the true cost of service provision. This means poor quality services for clients and communities, and increased workloads for staff where the service is successful in winning a contract but without the necessary funds for human and other resources that are needed to deliver a quality service.

Through individualised funding models service providers learn quickly that in order to attract clients and therefore government funding, they must offer the cheapest product. Inevitably this means they employ lower skilled (and therefore lower paid) workers, who will have less time to spend on each client and have bigger workloads. Large for-profit organisations can more easily thrive in an individual funding environment. They have the advertising budgets and economies of scale to market their service to users.

Community connected and responsive:

The not-for-profit social and community services sector brings a history of knowledge, expertise and lessons learnt from the long-term commitment to an issue, client group or local community. They have their own history, values and identity, and this is often tied to the local community. NFPs have the capacity to not only be closely connected with their local community but to also understand the needs and be flexible in meeting those needs in a responsive and timely manner.

¹⁶ <https://www.pc.gov.au/research/ongoing/report-on-government-services>

Over the years many NFP community services have been responsive and adaptive to unrecognised needs resulting from market or government failure. This is because they often provide services which may be too politically sensitive for governments to directly offer - for example, assistance for asylum seekers, needle injecting centres and support services to sexual health workers. They also offer specific services and initiatives for those in our community that may face extensive vulnerabilities - for example, CALD, indigenous and the LGBTIQ communities. Local community-based organisations are able to give voice to the needs of these communities as well as creating opportunities to invest back into the organisation.

Competitive tendering:

The 1990s saw governments move to use competitive tendering approaches in the social and community services sector. The idea behind competitive tendering is that it forces organisations to compete against each other in a competition to determine which one is able to provide a particular service for the lowest price for government.

Competitive tendering does not work in the social and community services sector, for the following reasons:

It is inefficient and expensive

Services are often required to outlay capital to hire specialist tender writers. This is a significant barrier for smaller locally based and run social and community services. There are also significant costs incurred by government in the development of tender processes, most of which goes directly to the private sector.

It does not promote diversity of service provision or competition

Evidence shows that where competitive tendering has been used, the result is overwhelmingly the consolidation of service providers. Smaller local social and community organisations are cut out of funding opportunities and their local knowledge and experience in supporting vulnerable people, built up over decades, is lost.

The community services sector operates in a fixed labour cost environment

This means that efficiencies can only be derived from reductions in quality of service, skills of staff or working conditions and security.

It does not foster innovation

A competitive funding environment means services are likely to be less willing to work together sharing data, information and outcomes. Competitive tendering also disincentivises experimenting with new approaches, particularly if those things do not easily match up with the criteria and metrics used to allocate funding.

The increasing role of for-profit enterprises in the sector:

A market driven environment will likely create a lucrative market for private providers, with a business model geared around their priority to turn a profit for their shareholders. It is a gross misuse of public funds for businesses that operate for-profit to be able to obtain taxpayer funding to deliver essential government services for vulnerable, disadvantaged and marginalised people, and to be able to make profit from this work.

The not-for-profit community services sector is purpose-driven rather than market driven. There is little impetus for private profit-making businesses to invest in many of the areas that community based NFPs have traditionally supported: community development, community strengthening, and research.

Workforce implications in the community services sector

Federal and state governments have argued that individual contracts, which are the preferred model of employment of for-profit organisations - put users front and centre and will lead to improvement in quality by providing users with 'choice' about the services they access. However, ongoing downward

pressure on social and community services sector funding has led to a sector that has a large component of casual workers, or other forms of insecure employment such as short-term contracts.

The so-called user choice models of service delivery that mark health, community, aged and disability services lead to 'on-demand' workforces employed on insecure and fixed-term employment contracts. This model of funding has directly led to:

- a significant proportion of employees in the sector being engaged on a part-time and/or casual basis;
- a significant proportion of employees being engaged on temporary contracts;
- limited access to paid overtime;
- high turnover of employees leading to very limited access to long service leave;
- low wages meaning limited accumulation of superannuation benefits;
- high levels of unpaid work;
- employees undertaking unpaid training in the employees' own time.

The increasing reliance by governments upon competitive tendering in the social and community services sector has forced organisations in the social and community services sector into a competition to 'win' funding to deliver a service for the lowest price for government. This contested model means that, in order to attract government funding, organisations must offer the cheapest product. Inevitably this means they employ lower skilled (and therefore lower paid) workers, with less time to spend on each client, and bigger workloads. The introduction of private, for-profit enterprises in the human services sector has redirected organisations from a primary motive to deliver the highest possible standard of service, to the maximisation of profit for its owners and shareholders.

Case study:

A recent and notorious example of not for profit community based services competing with private, for profit providers was the 2016 tender process for the provision of specialist sexual assault and domestic violence trauma counselling at 1800RESPECT, in which an internationally acclaimed not-for-profit provider, RDVSA was forced to compete with a multi-national private health fund, MHS. The health fund won the tender and the pay, conditions and service provided to some of the most vulnerable people in the country have all declined markedly. A Senate Inquiry into the process recommended that the procurement process should be referred to the Commonwealth Auditor General and subsequent state government Inquires into the new service have been damning.

Summary and recommendations:

1. In the procurement of human services in the not-for-profit sector, federal and state governments should set an appropriate 'price floor' as a minimum for tenders, which will provide for adequate and safe staffing levels, and fair and reasonable wages and conditions, at least in accordance with the current Award and reflecting wage increases in line with FWC determinations
2. There should be no further marketisation of the disability, community and social services sector
3. There should be an end to competitive tendering as a means to allocate funding to the disability, community and social services sector
4. No private for-profit corporation should have a role in the delivery of social community services
5. Future funding in the not-for-profit community and disability services sector should be provided on a secure and sustainable basis so that it can continue to deliver international best practice standards of services to vulnerable people and communities.

The National Disability Scheme – an engine of jobs growth in regional areas

The National Disability Insurance Scheme (NDIS) is one of the most important social reforms in Australian history, delivering choice and control for people with disability and driving economic improvements by creating new business and employment opportunities. To assist providers to deliver these services, the NDIS is expected to be one of the largest job creation opportunities in Australian history, with up to an additional 90,000 full time equivalent employees (FTE) needed between 2016 and 2020¹⁷. This will include a mix of highly skilled positions and a large number of roles that do not require formal qualifications. Through this growth, the NDIS also provides a unique opportunity to build a diverse workforce, which reflects the needs of all NDIS participants. As a result of the reforms to how disability supports are delivered and the increased funding, the NDIS is expected to deliver large economic benefits, particularly in regional Australia.

The NDIS Market and Workforce Strategy (the Strategy) outlines the Government's approach to NDIS market and workforce development. The *Strategy* states that the vision for the NDIS is for a disability support system where participants are empowered as consumers to select services and supports appropriate to their individual needs....This can only be achieved if the NDIS market is effective, with market settings capable of sustaining businesses and workers to provide innovative, person-centred services, enabling participants to choose supports to best meet their needs.¹⁸

The NDIS workforce:

The Productivity Commission estimates the disability care workforce will need to approximately double from the 2014–15 level to meet the demand created by the NDIS.¹⁹ This means that one in five jobs created in Australia over the transition period will need to be disability care jobs.²⁰

Approximately 71 percent of newly created jobs are expected to be support worker roles, 12 percent allied health service roles, 11 percent case and social worker roles and 6 percent managerial roles.²¹

The Government's long-term vision is for a capable and adaptable NDIS workforce, with workers pursuing attractive career pathways. This vision will require a mature market of diverse and strong providers delivering effective on-the-job capability development for workers, along with appropriate and accessible formal training pathways. In the short-term, this requires Government investment in supporting providers to develop their workforce, coordination to improve formal qualifications, and better collaboration between existing initiatives, including employment services.²²

Developing workforce capacity:

The rapid growth of the NDIS workforce has resulted in rising demand for workers with relevant skills and experience. The new Code of Conduct and NDIS practice standards set the expectations for the manner in which supports and services under the NDIS will be delivered. The Code and Practice standards require NDIS providers and support workers to have the skills necessary to deliver the supports that they are providing.

¹⁷ The scale of job creation is expected to exceed previous major national projects, including: National Broadband Network required 25,000 FTE 2017–2025; BER School Building Program 22,971 FTE 2009–10; Snowy Hydro Scheme 22,500 FTE 1950-70; China Free Trade Agreement 5,400 FTE 2014-2035.

¹⁸ Australian Government: Department of Social Services: Growing the NDIS Market and Workforce 2019 p 6 <https://www.dss.gov.au/disability-and-carers-programs-services-for-people-with-disability-national-disability-insurance-scheme/growing-the-ndis-market-and-workforce-strategy>

¹⁹ Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs, Study Report*, October 2017, p. 319.

²⁰ Productivity Commission, *National Disability Insurance Scheme (NDIS) Costs, Study Report*, October 2017, p. 319.

²¹ Research conducted By the Department of Social Services and Alphabeta using focus groups, February 2019

²² Growing the NDIS Market and Workforce 2019, Australian Government, p 15: <https://www.dss.gov.au/disability-and-carers-programs-services-for-people-with-disability-national-disability-insurance-scheme/growing-the-ndis-market-and-workforce-strategy>

Evidence from both Australia and internationally, from the disability support sector and from other human service industries, demonstrates conclusively that high quality support services are dependent on high quality employment standards and training for those who provide those services. Implementation of the NDIS has relied on the sector to recruit, retain and train the growing pool of workers with the required skills to meet the challenges of consumer-directed support. To maximise the potential of the NDIS to deliver a suite of high-quality, individualised services to hundreds of thousands of individual participants, the system desperately needs a strong and immediate strategy to facilitate ongoing investments in workforce development, training, and job quality.²³

With increases in the cost of education and training, job outcomes are critical for many students. This is particularly true in regional areas. Research by Universities Australia has shown that a higher proportion of regional students in 2017 were experiencing financial hardship during their studies when compared with major cities' students. Regional students are placing a high financial and often personal cost on completing their studies and job outcomes on graduation are crucially important.²⁴ This underlines the importance of understanding not just the needs and aspirations of employers, but the skills and aspirations of workers in a situation where jobs can disappear, drastically reduce or change significantly. It is therefore crucial when considering future work issues to engage with workers themselves and with their communities as key stakeholders affected by changes in the regional economy in the process of planning for the future. This process of practical consultation is the best means to develop an informed policy to support positive regional transitions to future work. It is also the best means by which to develop a comprehensive and focused analysis of the skills needs of workers and industry alongside the capacity of the education and training sector.

Case study:

Margaret is a disability support worker in the Hunter Valley. She was an experienced nurse before becoming a disability support worker and has worked in the sector for many years. She is now employed by a large disability support provider and works as an internal trainer. Margaret speaks passionately about her work: 'There is a vicious cycle in this sector. People want to make a career as a disability worker. They know that they need to be trained to do the sort of specialised work that is needed. They want to do that training. But they can't do it because they are employed only on a casual basis with short contracts and so have to work for several organisations just to make ends meet. This means that they can't refuse a shift because they can't risk losing that job. If they can't get time off, they can't do training. If they don't do training, they can't get more shifts – because they don't have the specialised training needed for the work. How do they win? I know one young man who is a father of three young children. He is never at home. He is too scared to knock back a shift because he needs the work to pay the rent and feed his kids. How can he plan to do training, or do anything with his kids or even take a day off when he or the kids are sick? This is no way to attract people to this sector. He might just give up and look for work elsewhere – why would he stay in this sector if he has no security, no prospects and is missing out on seeing his kids grow up? That would be a real pity because he's a great disability support worker.'

Skills can be perceived as a key driver of regional prosperity and as a means to address social and economic change. In such circumstances, regions often face significant skills challenges associated with an ageing workforce, displaced workers, youth unemployment, disadvantaged communities, and the need to cater for the demands from new and emerging industries. In addressing these matters, regional and industrial planning should be carried out in conjunction with targeted skills programs. In this context, some form of partnership approach to skills development and implementation is necessary for successful outcomes.²⁵ This partnership strategy must ensure:

- Wages and working conditions attractive enough to recruit and retain tens of thousands of new workers.
- Good job quality, including employment security, autonomy and recognition.

²³ A Portable Training Entitlement System for the Disability Support Services Sector (2018) R Ryan, J Stanford
The Australia Institute Centre for Future Work

²⁴ Universities Australia (2017) available at: <https://www.universitiesaustralia.edu.au/Media-and-events/submissions-and-reports/students-finances-survey-2017>

²⁵ The Future of Regional Jobs. Regional Australia Institute, April 2019 SIP.2018.2.1.2

- The development of a range of appealing career paths in the sector, so that workers can see a positive long-term future working in this field.
- A systematic strategy for training, qualifications and workforce development.²⁶

Case Study:

Terry is an experienced disability support worker in the Far West of NSW. He says: Training is essential. We need a partnership of some sort with TAFE so that we can have proper accredited training that is specialised to the disability sector. We can't rely upon the providers for this sort of training and it definitely needs to be provided by TAFE rather than a private company. We need skills that we can take with us no matter where we work and only TAFE can do that and be relied upon to provide the training at the right standard. All employers would respect training that was provided by TAFE. No one really respects so-called training from private companies – you have no idea who they are, whether they will be there in six months' time and what standard they are teaching. No. It has to be TAFE.

Data obtained through the NDS confirm that the disability support workforce is extraordinarily concentrated in casual, part-time, and very insecure positions. Most recent data (NDS 2018) indicates that:

- 81 percent of the workforce are in part-time positions
- 42 percent of workers fill casual jobs
- Staff turnover is extremely high: around 25 percent per year for the workforce, and over 35 percent per year among casual employees
- The average number of hours that employees work in the course of a week is low and falling down to just over 20 hours per week
- Less than 10 percent of the disability support workforce are employed on a full-time and permanent basis
- Many workers work irregular hours in multiple locations²⁷
- Many do not receive minimum legal compensation (including for time spent traveling between locations, and other essential job functions)²⁸

The workforce reflects a high concentration of women workers, and older workers: 70 percent are women, and 44 percent are 45 years or older. This is particularly the case in regional areas. The advancing age of the existing disability support workforce only reinforces the need for a comprehensive and ongoing training system for the industry, in order to replace the skills and experience of those older workers who will be retiring within the next few years. In contrast to disability support workers, allied health workers in the sector tend to be younger (64 percent are aged between 25 and 45) and are much more likely to be employed on a permanent basis.²⁹

The precarious instability of work in the sector highlights the need for a systematic and comprehensive approach to training. It is impossible to imagine that the NDIS will be able to fulfil its potential in improving the lives of people with disabilities, on the basis of a workforce that is so overwhelmingly employed in casual, part-time, high-turnover roles. Workers need an opportunity to accumulate skills, and that requires some basic assurances of stability and predictability in future employment. By providing disability support workers, even those working for multiple employers or moving to new positions, with a mechanism to accumulate recognised and portable qualifications, the training strategy proposed here could play an important role in stabilising and uplifting the whole sector's employment practices.³⁰

²⁶ *ibid*

²⁷ NDS (2018) reports that only 35% of permanent employees (19% of the total workforce) are employed on a full-time basis, implying that just 7% of the workforce fills permanent full time positions.

²⁸ Macdonald F., Bentham E., and Malone J. (2018) Wage Theft, Underpayment and Unpaid Work in Marketised Social Care in Economic and Labour Relations Review 29 (1) pp 80-96

²⁹ Ryan R and Stanford J (2018) op cit p 13

³⁰ *ibid* pp 13-14

The NDS data also confirm that, in the face of increasing demand driven by the NDIS rollout, there is strong growth in employment in the sector of around 11 percent per year (NDS, 2018). While positive, this growth masks two significant concerns. The first is that growing employment is being driven almost entirely by a growth in casual employment.

The growth in casual employment in the sector was 26 percent per year, compared to just a 1.3 percent per year increase in permanent employment.³¹ The second is that turnover issues remain a huge concern. As indicated earlier, there are current skills shortages across regional areas that are very difficult to fill. Despite having a locally skilled workforce, regional areas have real difficulty in providing accessible training opportunities that would allow local workers to upskill in order to take advantage of new job opportunities. Similarly, new workers and those re-entering the jobs market find difficulty accessing appropriate training that would allow them to apply for local jobs or move to another region in order to apply for jobs in growth areas such as the health, community and disability services sector.

These issues are exacerbated by the poor pay, lack of job security and demanding nature of the work in this sector, resulting in high turnover rates, which compound recruitment difficulties. In the March 2017 quarter, 76 percent of responding organisations had advertised a vacancy to fill a direct support worker role. Of these, 35 percent remained unfilled. The most common reasons given for difficulties in filling vacancies was a lack of suitable or qualified candidates. This general response masks issues that reflect the (un-)willingness of candidates to accept employment in the sector in line with the wages and conditions being offered. These include poor wages and conditions of employment, lack of permanent and full-time roles, and the necessity of working irregular/non-social hours and shift work.³²

Case study:

Terry is an experienced disability support worker. He has worked in the sector for ten years after having worked in other industries. He now works in the NSW Far West. Terry says: Disability support workers in our organisation is employed on a permanent part time basis. I have a contract to work 84 hours per month but have never worked 84 hours. I usually work around 130 hours per month because there is so much work to do and they just can't get enough people for the shifts. I used to get one week end off per month. Now they are saying they can't give me that. That would mean I would never see my family on the weekend. At the same time, I have a colleague who works in the Northern Territory for the same organisation. He is only employed as a casual because he hasn't done the training, he needs to be able to work with anyone. That means he has to work for four organisations at once, juggling all of the rosters so that he doesn't lose any of the jobs. He is feeding three kids and can't afford to give up any work in case they won't offer him any more work. There is no chance at all for him to do any training so his situation will never get any better.

All of these factors reinforce the conclusion that this sector desperately needs a comprehensive training strategy to provide the workforce with all the skills necessary to fulfil the promise of the NDIS and to allow people entering the workforce for the first time, re-entering the workforce, or considering moving within or across regions to develop the skills necessary to take advantage of the exponential increase in jobs that is occurring in regional areas.³³

Building workforce capacity to improve the quality of service in the NDIS:

The delivery of high-quality supports to people living with disability has been one of the key policy-aims of the NDIS. Measures put in place to do this include the Quality and Safeguarding Framework, mandatory Terms of Business for registered providers (mostly focused on provider business processes), and a Code of Conduct for providers and support workers. The framework includes both developmental measures to help strengthen the capabilities of people with disability, disability workers

³¹ NDS (2018) Australian Disability Workforce Report: February 2018. Sydney: National Disability Services

³² Ryan R and Stanford J A Portable Entitlement Training System for the Disability Support Services Sector. The Australia Institute Centre for Future Work 2018 pp 12 - 15

³³ ibid

and suppliers of supports under the NDIS, and preventative and corrective measures to ensure appropriate responses to problems that arise.

QSF measures are targeted at individual NDIS participants, as well as the workforce and providers. In relation to workforce skills, the framework includes the following components:

- Developmental: Building a skilled and safe workforce – with the attitudes and skills that meet the needs of participants.
- Preventative: Screening workers – to help ensure that they keep people with disability safe and ensuring workers have the skills for specific roles through provider quality assurance and registration.
- Corrective: Monitoring worker conduct through screening, serious incident reports, complaints and breaches of the Code of Conduct.^{34,35}

Action taken by government to give effect to these measures, however, has been predominantly focused on preventative and corrective measures, rather than developmental ones. The draft Framework sets out an expectation that recruiting and training staff is the employer's responsibility noting the importance of employers ensuring that workers have the right attitudes, knowledge and skills to effectively support participants. It rejects the importance of qualifications being held by people doing support work in favour of the view that the right "attitudes" are more important. It does, however, introduce a compulsory orientation/induction module for the sector, for registered providers and their employees, as well as registered sole traders. Providers would be required to demonstrate that their workers have undertaken or are scheduled to complete the induction module, either as an e-learning module or as part of their workplace induction and training processes. The QSF introduces for the first-time training and development requirements for the sector but leaves the responsibility for addressing these solely with providers.³⁶

The Quality and Safeguarding Framework is heavily reliant on screening and investigating complaints and incidents. An alternative approach, which the Union strongly supports would place emphasis on investment for capacity-building: attracting people into the industry by supporting long term development of a skilled workforce through providing opportunities for training to allow workers to deliver high quality services that make a difference in the lives of people with disability.³⁷

Summary:

The implementation of the NDIS has brought about significant change in the disability support sector. The roll-out requires a substantial rate of workforce growth (likely doubling total employment) over the next 5 years. However, providers are not able to attract suitably qualified workers into the sector; poor pay and working conditions, weak employment security, and limited access to training and development opportunities are significant factors behind this failure. At the same time, pricing caps introduced through the NDIS restrict the ability of sector providers to overcome any of these underlying conditions. While the provision of high-quality services is at the heart of the success of the NDIS, little attention or resourcing has been provided to assist providers to recruit and train the new workforce. The Productivity Commission has warned that insufficient workforce growth poses a risk to a successful full roll-out and will compromise the quality of support that has been promised to people living with disability.³⁸

³⁴ Australian Government Department of Jobs and Small Business Employment Outlook

³⁵ Ryan R and Stanford J (2018) op cit

³⁶ ibid

³⁷ Ryan R and Stanford J (2018) op cit pp 18-20

³⁸ Productivity Commission (2017) National Disability Insurance Scheme (NDIS) Costs: Study Report Overview. Canberra: Australian Government

Individual capacity building³⁹

Because of the scale of investment necessary, we suggest the need for individual training in three stages, as summarised in the table below. The first stage would be provision of basic induction training for new recruits to disability support roles. This would be closely followed, in Stage 2, by larger-scale funding for those new hires (if they stay with their jobs) to complete foundation qualifications (Certificate III) at public or selected non-profit RTOs, as will now be required under our proposed mandatory qualifications scheme. Then, in Stage 3, investment is directed towards ongoing and continuous upgrading of the qualifications of workers throughout their careers, through a portable training entitlement.

Ensuring coherence and quality within this three-stage structure will require planning and close administrative oversight. Therefore, we also recommend the establishment of a Disability Services Training Administration (DSTA) to oversee the CBF's training investments, coordinate with other agencies within the vocational education and training system, and oversee administration of accumulation and spending of training credits (through individual training accounts for each disability support worker).

STAGE ONE	<p>Immediate induction training for new disability support recruits.</p> <ul style="list-style-type: none"> • CHCSS00081 for new recruits; available through TAFES and not-for-profit RTOs. • Existing skill set supplemented by workplace experience and training in Code of Conduct and QSF. • To be completed within 6 months of initial employment
STAGE TWO	<p>Foundation training.</p> <ul style="list-style-type: none"> • Certificate III. • RPL costs also covered for existing employees to gain recognition. • To be completed within 18 months of initial employment.
STAGE THREE	<p>Portable training entitlement for ongoing upgrading.</p> <ul style="list-style-type: none"> • Entitlements accumulated based on compensated NDIS hours worked. • Portable and flexible; leads to recognised qualifications. • Selection of courses controlled by individual workers.

Stage One: Induction to Disability:

There is an urgent need for an increase in the numbers of workers with sufficient skills to be employed in the industry. Through the CBF, the NDIA would cover the full cost of compulsory induction training in order to address the urgent need for recruitment of a skilled workforce. There is precedent for this approach, in federal government's funding provided for people training for early childhood education during the early 2000's.

³⁹ The development of a Portable Training Entitlement System for the Disability Support Services Sector is an initiative of The Centre for Future Work at the Australia Institute. The proposal has been developed in consultation with members of the ASU who are disability support workers and other disability specialists, together with Dr Rose Ryan and Dr Jim Stanford. All credit and acknowledgement for this work is made to these people. The section in this submission in which we develop this idea is entirely the work of these people, for whom we hold infinite respect. The document can be accessed in full at: https://www.tai.org.au/sites/default/files/ASU_Training_Report_Formatted.pdf

The intent of the investment is to ensure that:

- Funding is delivered separately from the NDIS pricing model (which pays for delivered services).
- A large number of new recruits can access and complete training in a short time.
- Providers have certainty about the quality of teaching/learning/assessment that new hires are receiving.
- Workers that have successfully completed the training have a better understanding of the service requirements that are expected of them; and having achieved an accredited qualification are incentivised to consider a long-term investment in their employment in the sector.

Stage Two: Foundation Qualifications:

In addition to immediate induction training, newly recruited workers must also gain a complete foundation in the knowledge and skills to enable them to provide the high quality, flexible, and individualised supports expected by the NDIS. We recommend the introduction of a registration scheme for disability support workers based on a minimum qualification level at Certificate III level. The NDIA's CBF would cover the cost of in-class teaching and resources (including wage continuation for the workers enrolled in the course); wages paid during on-the-job placement time would be covered by the employers. Stage 2 funding would also cover the cost for existing workers to have previous training and work experience assessed through the RPL process, to further boost the number of workers with formal foundation-level qualifications.

Stage Three: Portable Training Entitlement for Continuous Upgrading:

Stage Three would address the need for developing specialised and advanced vocational streams for the industry, on the basis of ongoing and continuous upgrading of credentials and career paths. This would be achieved by:

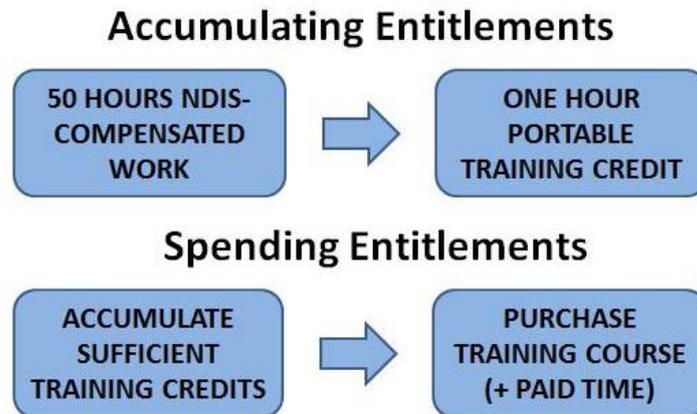
- Establishing an entitlement to paid training, vested with each individual worker, accumulated on the basis of NDIS-funded hours worked.
- Establishing corresponding vocational qualification pathways that extend beyond Certificate IV into specialist Diploma, Advanced Diploma, and University-level qualifications.
- Defining specialised and sub-specialised career paths, integrated with graduated pay scales, so that workers can ultimately get credit for their accumulating qualifications.

To this end, we propose the introduction of a training entitlement, with all workers (including those working on a casual basis) accumulating credit for one hour of paid training, for every 50 hours of NDIS-compensated work. These credits would be "banked" through individual accounts maintained by the DSTA, allowing workers to gain credit for work performed for various or multiple employers. At a 1-for-50 rate of accumulation, this scheme would allow an employee working average hours of work in the industry (around 20 hours per week, according to NDS, 2018) to engage in one 3-day training course (or 21 hours of training) per year. Credits could only be "spent" on Units of Competence that are part of the Australian Qualifications Framework and delivered through public or selected non-profit RTOs.

Upon becoming employed in a disability support role, workers would supply their unique student identifier (already required as part of the national education and training system) and details of existing qualifications to the DSTA. The DSTA would then create a learning account for each individual, searching previous training records to identify any Units of Competency that might allow the worker to apply for RPL. Workers and their employers would then be notified of the requirement to enrol in and complete the *Induction to Disability* skill set within 6 months. Employers would be required to complete quarterly returns identifying how many hours of NDIS-compensated work each worker has worked over the course of the previous quarter, and their pay; this record of hours worked is converted into credits for paid hours of training at the 1-to-50 ratio.

These credits are available to "purchase" training in the future, with workers choosing the specific topics and timing for training; workers would be paid for the time spent in training by the NDIA

(through the CBF), at the average rate of pay they experienced on NDIS-compensated work over the previous year. Once a worker enrolls in a qualifying course, credits would be “debited” against a worker’s account.



We propose that participation in Induction and processes for RPL are not offset against training credits. Many other professions have also established requirements and funding mechanisms to support career-long training and upgrading by workers, on the basis of a certain number of required development days each year (including teachers, many medical and allied health occupations, and others). The proposal here to establish a system to support continuous upgrading for disability support work follows the same logic: in an occupation in which the skills and knowledge of service providers is essential to safe and quality care, it is essential that those providers have opportunity to continuously upgrade those skills, develop specialisations, and keep up with new knowledge and leading practices in their field. Of course, the accumulation and spending of training credits as described would be a minimum entitlement only.

Should workers and/or providers elect to make additional investments in training above the minimum entitlement at their own expense, that is acceptable, and those additional qualifications (so long as they are attained at approved public and non-profit RTOs) would be fully recognised within the sector’s vocational qualification system.

There are several important benefits of this portable training entitlement system. Newly-hired workers will begin accumulating training credits as soon as they have completed their required foundation certificate;20 existing employees would begin accumulating credits as soon as the scheme is implemented. Disability support workers accumulate credits for work with any employer (including if they work for multiple employers); they would even accumulate credits when providing services as sole traders directly to individual NDIS participants. This flexibility and continuity is essential because of the fluid and insecure work practices that typify the sector, all the more so as the NDIS market system is implemented. Workers employed on a casual basis, or who switch employers (for example, because of changes in personal circumstances for the participants they were working for), or workers providing services directly to NDIS participants (rather than being employed by a provider organisation), are all equally able to accumulate training credits.

The portable training entitlement system is also fully compatible with the flexible, individualised model of service which underpins the whole NDIS model. After all, the NDIS is organised on the principle that services must be tailored to the specific needs of each participant. For that goal to be realised, it is essential that the workforce providing those services is fully capable of providing a comprehensive range of needed, individual services. This will require ongoing upgrading and development of specialised career paths in dozens of specific sub-disciplines. By endowing individual disability support workers with the opportunity to customise their own advanced vocational path and qualifications, informed by the emerging needs of NDIS participants communicated through the market system, the portable training entitlement system will play a critical role in developing a workforce that can meet the expectations of flexible, individualised care that motivated the creation of the NDIS in the first place.

A critical component of this program is to develop a system of qualifications and matching career paths in a systematic and integrated way. Existing workers who do not have a qualification equivalent to the Certificate III or IV with disability specialisms will be encouraged to complete those or an equivalent qualification (or apply for RPL) as a priority; new workers will be required to complete one within the first 18 months of their employment. Once those basic qualifications have been completed, workers then have personal flexibility in how to use their accumulating training credits. They could be used to pay for any relevant skill sets and qualifications under the Australian Qualifications Framework, or alternatively to undertake specialist courses in specific conditions affecting people with disability, therapists using different modalities, other training that may assist participants with specific needs, or relevant personal development activities which individual workers may be interested in. In conjunction with existing VET governance practices, higher-level qualification pathways will be defined so that workers' ongoing training can be reflected in recognised, portable qualifications.

Sector capacity building

In addition to these three stages of training opportunities for individual employees, the program would also provide direct funding to provider organisations for selected workplace-level training initiatives, as well as establishing a system to consistently administer course curriculum and related qualifications. There are two specific sector-wide priorities which would be addressed and supported by the CBF:

The first is to address concerns that have been expressed regarding the variable and inconsistent quality of training and assessment in existing training programs for disability services, and about the ability of existing RTOs to teach the new competencies associated with the NDIS model of consumer-directed support. The CBF would support up-front investments in curriculum, resource, and professional development by publicly funded and selected non-profit RTOs to upgrade their capacities in these areas.

There is an even greater need for ongoing investments to ensure that provider organisations are able to provide continuous training and supervisory support to their workforce as the transition occurs to the NDIS delivery model. Priorities would include the development of practice standards, establishing new systems for team meetings and supervision, and more. Support by the CBF for these organisation-level capacity enhancements would be delivered on a grant basis, with interested provider organisations and RTOs submitting applications, and resources allocated from budgeted amounts by an independent jury of sector experts appointed by the DSTA.

A common misperception of work in disability services is that it is unskilled and that workers in the industry do not need any special qualifications to work within it. This stands in contrast to the view of clinicians, social workers, disability specialists and participants themselves: namely, that this work requires sophisticated communications skills, a high level of emotional intelligence, and (depending on the complex and varied needs of the participant) specialist knowledge (for example, in relation to particular medical conditions, dealing with challenging behaviour, or understanding the side-effects of medications). In addition to multiple and complex needs, people with disabilities may also need support in managing multiple and complex interactions with government and non-government agencies in the course of addressing their housing, medical, and educational support needs.⁴⁰

Case Study:

Margaret is a former nurse, experienced disability support worker and now trains other support workers in a large disability provider in the Hunter Valley. Margaret says: Ten years ago before the NDIS, you were required to have qualifications to work with people who have complex physical and behaviour needs. Ten years later we have the same people, with the same needs, but somehow, they are not entitled to have a person work with them who is qualified to do so. What has changed? You can't save someone in a diabetic coma, or having an epileptic seizure, or who is vomiting faeces with a first aid certificate. It is reckless, dangerous and negligent to expect a worker to cope with that sort of thing. It also says something about the people you're working with - that they are just not worth having a qualified person caring for them. That's just not right. That is not what the NDIS was supposed to be about.

⁴⁰ Op cit R Ryan and J Stanford (2018)

At present there is no requirement for disability support workers to have any minimum industry-relevant qualification. However, analysis of the skills and qualifications of the existing workforce in the lead-up to the introduction of the NDIS confirms that many are in fact very well-qualified. An on-line survey conducted by the Australian College of Community and Disability Practitioners (ACCDP) in 2019 reflects other industry research that found a very high level of skills and qualifications among disability sector workers.

The ACCDP reports that 20% percent held a Bachelor's or Master's degree 27% percent held a Diploma-level or graduate Diploma, qualification, and 45% percent had Certificate III or IV level qualifications.⁴¹

The NDIS pricing model has had significant consequences for training and development in the sector. The most significant of the concerns voiced by our members has been a cut-back in the time allocated for training; team meetings having all but disappeared; supervision has been severely curtailed; and large numbers of casual workers are being newly employed with almost no supervision at all. These concerns have been corroborated by employers, over a third of whom agreed that support staff were not paid to attend regular team meetings or attend training and development activities.⁴²

Case study:

Mary is an experienced disability support worker on the NSW South Coast. Her organisation recently made all its disability support workers redundant due to the NDIS pricing policy, which only funds these positions at a level 2 under the SCHADS Award. The organisation has always employed well qualified and experienced workers on a permanent basis and paid them at a level 4 under the SCHADS Award. The organisation had also always provided clinical support, supervision and training for its workers and regular staff meetings for in service training and support. None of these are now possible for the organisation, which relies upon casuals rather than permanent employees and no longer provides the supervision or training that was once an important feature of employment with the organisation. Mary says: There is no job security for the workers and no stability for the people they are working with. Mistakes are made because there is never enough time for proper hand overs or briefing on people who might have complex needs. I remember one worker who thought they were going to provide support to a person with a physical disability only to be told by the GP that the person had a very serious mental health issue – not a physical disability. I know of another case where a client lives 30 kms out of town in an isolated area. That person has very serious mental health issues. Police and the Clinical Team refuse to visit alone – always attend him in pairs – but we are expected to go out there alone. We used to do proper risk assessments and the organisation supported us to do specialised training that we needed to work with these complex cases. Now those things just don't happen. This is just not safe – not for the worker, not for the person we're working with and definitely not good for the sector. We used to have a wellness program for the workers – this is very stressful work. That no longer exists. It's a case of giving an agency worker a set of car keys and saying 'off you go'. Why would any person want to come and work in this sector with no job security, no training and then put into dangerous situations like that?

While they declined to be formally interviewed for this submission, it is with the deepest of concern that we must report having been asked by members on more than one occasion for Union support in identifying self-defence classes for members working in the sector.

Unfortunately, the reality is that rhetoric about the need for a well-skilled workforce as an essential part of the NDIS has never been matched by the reality of implementation. A well-trained workforce is essential for achieving the quality of support promised by the system, and the opportunity for the disability services sector to realise its full potential as an engine for regional workforce growth and capacity building. However, the experience so far in Australia supports international findings that consumer-directed delivery models tend to pay little attention to the need for long-term workforce

⁴¹ Australian College of Community and Disability Practitioners August 2019

⁴² Cortis N., MacDonald, F., Davidson, B., and Bentham, E. (2017) Reasonable, necessary and valued: Pricing disability services for quality support and decent jobs. Sydney: SPRC Report 10/17; Social Policy Research Centre UNSW

development. Market forces cannot autonomously resolve these fundamental shortcomings; it will require pro-active attention and fiscal support to lead the ongoing investments in skills upgrading that the sector requires.⁴³

A national training framework for the disability services sector

There is no doubt of the need for a large-scale and long-term investment in training for the disability support sector to support implementation of the NDIS. Without this, the sector cannot attract sufficient numbers of workers to provide either the quantity or quality of support services needed in order to meet increasing demand. Inability to attract labour is symptomatic of a poorly functioning labour market in the industry. Lack of specified minimum skills requirements means that barriers to entry are low, even for people who have few employment alternatives. It sends a signal to prospective employees that the work is undemanding, when in fact this is far from the truth. Unrealistic expectations about what is required of workers in turn leads to high turnover. In addition, as we have discussed previously, many potential employees are discouraged by poor wages and conditions in relation to work demands, lack of employment security and few opportunities for advancement.

Case study:

Craig is a young man with a double degree in special Education and Disability Studies. He works for a medium sized provider in the Riverina area. Craig is married and would like to start a family and buy a home. He says: I love the work I do. My colleagues are amazing and our clients are extraordinary. Many of my colleagues are also very well qualified. Like me they could get jobs easily somewhere else, but we are really committed to the work that we do. The problem is that the pay is so bad that most of us have to either work another job to make ends meet or rely upon our partner's income to pay the bills. When I first started working here, I wasn't even being paid at Award rates. That took two years to sort out. As a casual I am being paid \$26.50 per hour – that is even less than the NDIS price. Even though we love the work that we do, not many of my colleagues think about this as being a long-term career. We just can't afford it into the long term – not if we want to ever have children or buy a home. It has only been in the last six months that we have been getting our rosters more than a day in advance. Sometimes I would just get my roster the night before my shift. I have been employed here as a casual for more than three years and the way they handle rosters and our pay has made me really anxious. I can't prepare properly to work with clients if I don't know who I am working with until the last minute. There is no chance to prepare and no chance for a proper hand over. This really is not an ideal way to work.

Even the managers say to me – why are you still here – you could work anywhere – but I really love the work that I do. People give up because of the pay and the insecurity so it is hard to recruit new people. Sometimes I have to stay with a client after my shift and wait for the next person to arrive. The client can't be left alone, and they can't find someone to get there at the end of my shift. They are now employing new people straight out of school without any training or qualifications. They are lovely people, but you can't do this job just because you're a nice person. If I didn't live in a regional area there would be more chance to look for another job in the sector but there aren't many options – so this means I don't know how long I can stay in this work.

A national training system is the best means to deliver qualifications to address national labour shortages – particularly those in regional areas, which are less likely to have the resources and infrastructure to provide the range of training necessary. A national scheme also helps to achieve portability of VET skills across the nation, thus promoting labour mobility, particularly within and between regional areas. It also ensures consistency in training outcomes, so that individuals do not face barriers when moving between jurisdictions and jobs.

⁴³ *ibid*

Other advantages of a national training system include:⁴⁴

- responsiveness: to industry, individual and community needs.
- equity: of access, participation and outcomes for individuals.
- quality: in training delivery and learning outcomes.
- efficiency and public value: for government-funded VET to be efficiently priced and steered to skills areas that support job outcomes, where this would not be the case if left entirely to enterprises and individuals.
- sustainability: by funding the VET system through shared investment by governments (where there is public value), enterprises (private value) and individuals (private value).
- transparency: to enable better understanding of the VET system among students so they are able to navigate the system and make informed decisions.

The foundation for training in the disability support sector should be rooted in national qualifications, accredited on the Australian Qualifications Framework, developed by the appropriate industry regulatory authority on the basis of Units of Competence taught by Registered Training Organisations that have been quality assured by ASQA. The argument that having a national system reduces local flexibility cannot be sustained.

Summary and Conclusions

The community and disability services sector is the fastest growing workforce in regional Australia. However, governments at all levels must be prepared to invest in training if this potential engine of growth is to be realised.

The disability services sector requires an available workforce with the skills and training necessary to deliver the services that are required. It also requires stable, well paid work with secure career paths. Current policy settings place a large degree of responsibility on disability support workers, without providing them with the support or quality working conditions they need to deliver high quality services. This is particularly the case in relation to training and skill development.

Immediate investments are needed simply to recruit and train the large number of additional workers that are needed for the national roll-out in coming years. In the longer term, investment is also needed to ensure continuous upgrading of the skills and qualifications of the workforce. This requires a change in the culture of the industry, including a core commitment by its government funders, that recognises training as an investment, and not just a “cost”. Initial and ongoing training must be seen as a necessary part of delivering high quality support services to people with disability.

The proposal for a comprehensive, well-funded training system fits well with the flexible nature of service delivery envisioned under the NDIS. Workers undertake a range of different tasks, for different NDIS participants, depending on shifting needs and demand patterns. Without a training ecosystem that recognises and adapts to that highly mobile work context, the industry will chronically underinvest in training and skills provision, to the detriment of both workers and participants.

There is huge potential for sustainable employment growth in regional areas in the community and disability services sector. This enormous potential, however, is put at risk by a failure to recognise the contribution made to this goal by a dedicated and skilled workforce, securely employed and paid fairly, and capable of delivering the best-quality services possible.

The training and skills development structure that has been described here is feasible, pragmatic, and affordable, and consistent with the founding vision that motivated the development and implementation of the NDIS. By emphasising that a commitment to quality benefits all participants in the sector – people with disabilities, workers, providers, and ultimately government itself – a consensus can be built that investing a very small proportion of total costs (less than a cent in each dollar of NDIS funding) in ongoing training will help to achieve the full potential that the NDIS’s architects hoped for.⁴⁵

⁴⁴ Kaye Bowman and Suzy McKenna Research Report (NCVER) January 2016. ISBN 978 1925173 437 The Development of Australia’s National Training System: A Dynamic Tension between Consistency and Flexibility

⁴⁵ Ryan R and Stanford J (2018) op cit

Recommendations

1. Foundation training should be based on qualifications registered through the Australian Qualifications Framework.
2. All training should be conducted by public or selected non-profit RTOs, with quality audits undertaken by ASQA. Incremental funding should be prioritised towards TAFES as the highest-quality publicly funded RTOs.
3. Vocational pathways should be extended through the development of qualifications at Diploma and Advanced Diploma level on the Australian Qualifications Framework.
4. Content of the new compulsory induction should be reviewed in consultation with all stakeholder organisations, including representatives of people with disabilities and include information about the AQSC *Code of Conduct*.
5. It should be compulsory for employers to support workers to successfully complete the induction programme within 6 months of being newly employed. Assessment standards should apply.
6. An accreditation and registration regime should be introduced based on the achievement of a minimum foundation qualification at Certificate III level; with the proviso that newly employed workers enrolled in a Certificate III could apply for provisional registration for up to 18 months.
7. An independent Capacity Building Fund (CBF) should be established under the NDIA, jointly endowed by the Commonwealth and State governments, separate from the funding mechanisms associated with the NDIS unit pricing system.
8. The CBF would cover the full costs of compulsory induction and foundation training for newly hired disability support workers and the cost of completing RPL procedures for existing workers, as a means of quickly boosting the number of skilled workers in the industry.
9. The CBF would cover the costs of a portable training entitlement system, under which disability support workers accumulate credits for paid training hours and then utilise those credits to enrol in qualifying courses.
10. The CBF would fund organisation-level investments in training capacity, by both public and qualifying non-profit RTOs, and by disability service providers.
11. Parties to the SCHADS Award should consider how to develop and implement an extended structure of classifications and pay that will reflect the accumulating advanced vocational qualifications attained by disability support workers under the proposed portable training entitlement.
12. The SCHADS award should explicitly recognise the right of disability support workers to utilise their paid training entitlements in working hours, on course and vocational streams of their choice.
13. The Quality and Safeguards Commission should include an independently constituted Disability Services Training Administration (DSTA), with responsibility for tracking the portable training entitlement for workers across the disability support sector, and regulatory oversight of curriculum, training and quality assurance (in collaboration with relevant VET authorities)⁴⁶

⁴⁶ R Ryan and J Stanford (2018) op cit

The ASU in local government

The ASU is the largest local government union in Australia with members in every State and Territory of Australia, as well as in most regional centres.

The ASU has been involved in local government and local communities across Australia for over 120 years. During this time the ASU has developed an extensive knowledge of local networks, processes, local needs and solutions.

In many rural and remote communities, local government is often the primary economic driver and the only level of government providing essential social and community services. It is estimated that 55% of councils are located in rural remote or regional areas.⁴⁷

The provision of employment opportunities through local councils can bring significant benefit, particularly as a result of the spending power of workers in their local area. Indeed, a study published by the former Australian Centre of Excellence for Local Government (ACELG)⁴⁸ highlighted the economic and social benefits that can flow on from local government employment.

These include:

- local governments are particularly important employers in rural and regional areas and the economic strength of these regions is increased by the capacity of local governments;
- compared with other levels of government (and other sectors) the workforce is numerically significant and offers a range of high quality jobs and long term career opportunities across Australia. This can have significant flow on effects in regional areas such as opportunities for ongoing training and career path development, and keeping a young family in the area and a part of the community;
- with the pending retirement of a senior male cohort, women will soon appear in the most senior management roles in local government if they are supported with continued flexible work opportunities and provided with developmental opportunities;
- local government supports diversity and Indigenous employment more actively than other spheres of public sector employment.⁴⁹

To this above list, we can add that a local council presence, with its diverse range of services, helps community members link in with other community members as they access services near to home and it presents opportunities to attract health, education, transport and community services and infrastructure to the local area.⁵⁰

Workforce implications for local government

Apprentices and trainees

Local government has an important leadership role to play in creating regional jobs, developing local economies and building regional communities that are attractive places to live.

Rural councils across Australia face a variety of challenges in their workforce development, including small populations, an ageing workforce and difficulties accessing staff with the right skill sets.⁵¹

The retention of apprentices and trainees in local government is also a challenge with apprenticeship numbers decreasing by 63.2% and traineeship numbers decreasing by 60.9% between 2012 to

⁴⁷ Australian Local Government Association, Local Government Workforce and Future Skills Report, September 2018 [Online] Accessed at: https://cdn.alga.asn.au/wp-content/uploads/Skills-Plan_ALGA.pdf

⁴⁸ ASU Report, Our local – A history of local government services and building community resilience, 2016

⁴⁹ Ibid.

⁵⁰ Australian Centre of Excellence for Local Government, Profile of the Local Government Workforce [Online] Accessed at: <https://opus.lib.uts.edu.au/bitstream/10453/42142/3/Profile-of-the-Local-Government-Workforce.pdf>

⁵¹ Centre for Local Government, Expanding apprenticeships and traineeships in local government: a resource guide for councils, 2018

2017.⁵² It is widely acknowledged that Australia does not have enough apprentices in local government to meet future needs.⁵³

It is essential that rural and regional councils offer suitable entry-level employment pathways as apprenticeship and traineeship programs play an important role in up-skilling the workforce and keeping young people in the community. Specifically, they provide local opportunities to achieve a formal qualification.⁵⁴

Consideration should be given to increasing the currently available federal and state grants or subsidies to ensure apprentices and trainees are provided with the most attractive job package.⁵⁵ Alternatively incentives to take on an apprenticeship or traineeship, which are not necessarily of monetary value, should also be considered.

The impact of contracting out

Privatisation has the potential to have severe consequences for communities and local workers. Reductions in local employment can have a particularly destructive impact on regional and rural economies if local council jobs (and their spending power) go to outside contractors who spend their money elsewhere.

Already there is a realisation that contracting out of services provides scarce consideration for long term planning and skill shortages. Indeed much of the contracting out of the services in local government is responsible for the skills shortages in the industry.

The best guarantee to regional employment is for local government to be seen as a foundation stone for regional employment. The best guarantee to this is the assurance that the jobs will remain in a town long term and with local government as the principal employer. Long term commitment to regional jobs means long term commitment to local government support and structures and the necessary Federal and State funding to achieve these commitments.

Contracting out has seen a movement away from training and preparing for the future. Therefore to support the local government workforce it is essential to invest in the training and development of council staff.

A recent Local Government Workforce Report⁵⁶ found that 75% of Rural and Rural Remote councils cited the cost of sending staff away to training (travel costs) as their biggest challenge. In addition, many reported their reluctance to release staff to training due to their current workloads.⁵⁷

A more strategic approach to training and development is needed. Training opportunities for rural and remote local government workers needs to be offered locally as well as better planning and adequate resourcing of the sector, to offer the much needed training opportunities to solve the skills crisis.

⁵² Australian Local Government Association, Local Government Workforce and Future Skills Report, September 2018 [Online] Accessed at: https://cdn.alga.asn.au/wp-content/uploads/Skills-Plan_ALGA.pdf

⁵³ Ibid.

⁵⁴ Centre for Local Government, Expanding apprenticeships and traineeships in local government: a resource guide for councils, 2018

⁵⁵ Ibid.

⁵⁶ Australian Local Government Association, Local Government Workforce and Future Skills Report, September 2018 [Online] Accessed at: https://cdn.alga.asn.au/wp-content/uploads/Skills-Plan_ALGA.pdf

⁵⁷ Ibid.