

Slide 1



The slide features the Australian Government logo at the top center, with the text "Australian Government" and "Department of Education, Employment and Workplace Relations" below it. The main title "Profile of the Aged Care Workforce" is centered in a large, bold, blue font. Below the title, the text "Aged Care Sector Forum" and "Central Coast-Hunter Region" is centered in a smaller blue font. The date "February 2012" is centered at the bottom of the text area. At the bottom of the slide, there is a decorative graphic consisting of several overlapping, semi-transparent colored shapes (orange, yellow, green, blue, purple) on the left, and a solid light beige bar extending across the width of the slide.

Australian Government
Department of Education, Employment and Workplace Relations

**Profile of the
Aged Care Workforce**

Aged Care Sector Forum
Central Coast-Hunter Region

February 2012

**Australian Government
Department of Education, Employment and Workplace Relations**

Australian Labour Market

- **The Australian labour market was reasonably soft over the year to January 2012.**
 - Over the last 12 months employment increased by a modest 37 400 (or 0.3 per cent) to stand at 11 463 900, a record high
 - The unemployment rate remained unchanged over the past 12 months at 5.1 per cent in January 2012 (and remains below the rate in most other advanced economies)
 - The participation rate decreased from 65.9 per cent in January 2011 to 65.3 per cent in January 2012



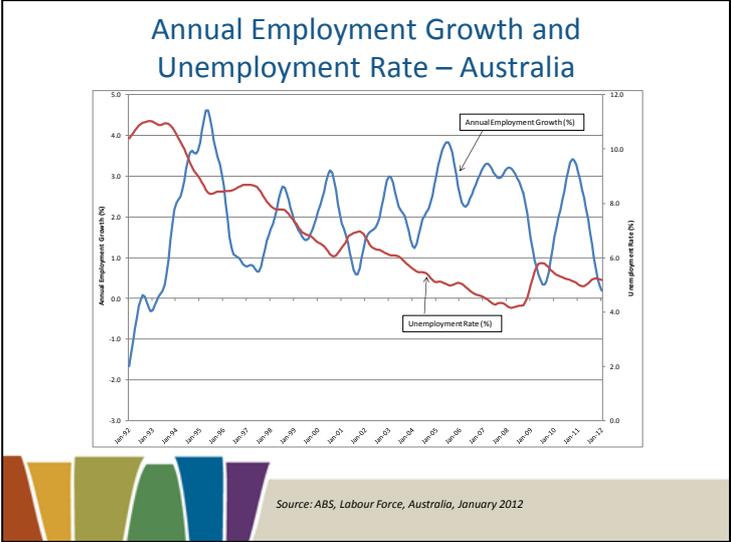
Source: ABS, Labour Force, Australia, January 2012

Australian Labour Market

Source: ABS, Labour Force, Australia, January 2012, cat. no. 6202.0

Effect of the Global Recession

- Unemployment rate in Australia increased from 4.3 per cent in September 2008 to 5.9 per cent in June 2009;
- Over the same period employment increased by a modest 1600.



Annual Employment Growth and Unemployment Rate - Australia
Source: ABS, Labour Force, Australia, January 2012, cat. no. 6202.0. Trend Data.

Health Care and Social Assistance Industry

- **Despite the Global Recession, employment in Health Care and Social Assistance has remained resilient**
 - Consistent long term growth (up by 49.9% over 10 years compared with 25.4% for all industries)
 - Largest employing industry in Australia
 - Projected growth of 4.5% per annum over the five years to 2015-16 compared with 2.1% for all industries



Source: ABS, Labour Force, Australia, November 2011; DEEWR Industry Employment Projections, 2010

Health Care and Social Assistance Industry

Source: ABS, Labour Force, Australia, Detailed, Quarterly, November 2011 cat. no. 6291.0.55.003.

- The Health Care and Social Assistance industry is now the largest industry in Australia, employing 1 343 400 workers in Nov 2011;
- This industry has shown consistent long term growth, in the ten years to Nov 2011, the Health Care and Social Assistance industry increased by 49.9 per cent (447 500) compared with 25.4 per cent for all industries;
- In the year to Nov 2011 Health Care and Social Assistance also remained resilient with employment growth of 51 100 (up by 4 per cent compared with 0.6 per cent for all industries trend growth).

Source: DEEWR, Industry Employment Projections, 2011

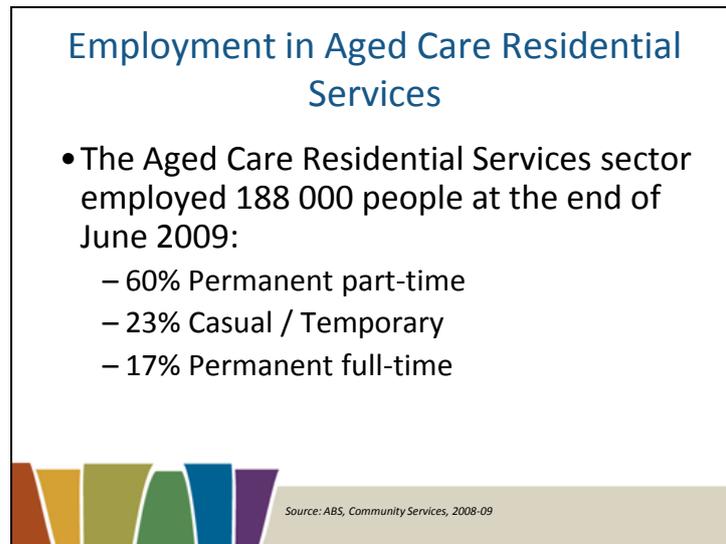
- Health Care and Social Assistance is expected to contribute almost one in four new jobs over the next five years (4.5 per cent per annum equating to 323 300 jobs). This industry has consistently been the primary provider of new jobs over the short, medium and long term with Australia's ageing population, and associated demands on health care services and facilities, and strong population growth underpinning this expected increase, (DEEWR, Industry Employment Projections, 2011).

Employment in Residential Care Services

- As at November 2011, Residential Care Services employed a total of 214 200 workers
- In the ten years to November 2011, employment in Residential Care Services grew by 64 100 workers
- This represents an increase of 42.7 per cent over the ten year period.



Source: ABS Labour Force Survey (DEEWR trend data), cat. no. 6291.0.55.003



Employment in Aged Care Residential Services 2008-09

Source: ABS, Community Services, 2008-09, cat. no. 8696.0

- 187 932 persons employed in the Aged Care Residential Services industry at the end of June 2009:
 - Permanent part-time 113 400 persons (60%);
 - Casual and temporary 43 000 persons (23%);
 - Permanent full-time 31 500 persons (17%).

Note: This data is compiled from the ABS, Economic Activity Survey (EAS) Community Services, 2009.

Employment in Aged Care Residential Services

- In Aged Care Residential Services, 87% of employees provided direct community services as their main activity, of whom, 86% were female.
- 68% of employment was in 'not for profit' sector.
- Aged Care Residential Services businesses / organisations also had 50 600 volunteers providing assistance.



Source: ABS, Community Services, 2008-09

Source: ABS, Community Services, 2008-09

- The 'not for profit' sector employed 127 400 persons or 68% of total employment.
- At the end of June 2009, 164 600 persons employed provided direct community services (as opposed to managerial and administrative support), of whom 142 300 (86%) were females.
- Aged care residential businesses/organisations had 50 600 volunteers providing assistance during 2008-09.
 - These volunteers worked an average of 76 hours during the entire year.
 - The majority (93%) of these volunteers provided assistance to 'not-for-profit' organisations.

Note: This data is compiled from the ABS, Economic Activity Survey (EAS) Community Services, 2009.

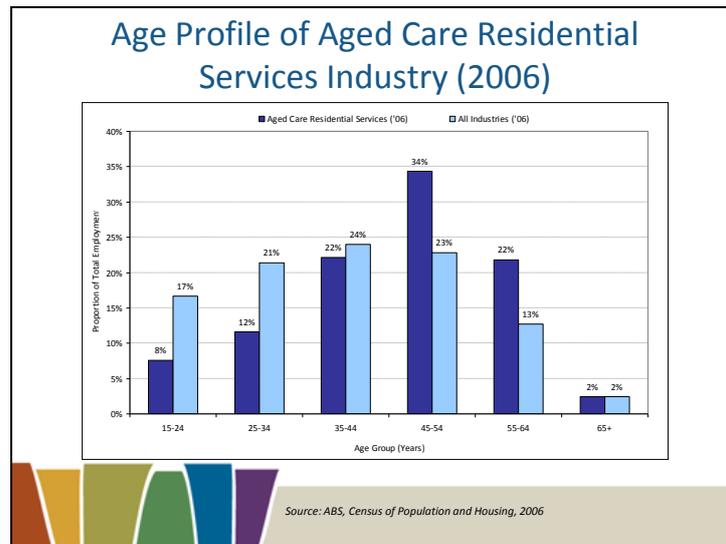
Workforce Characteristics			
<i>Proportion of workforce</i>	Aged Care Residential Services	Health Care and Social Assistance	All Industries
Male	13%	21%	54%
Full-Time	40%	54%	69%
Aged 15-44	41%	53%	62%
Born Other Than Main English Speaking Countries (OTMESC)	19%	16%	15%
Unpaid Carers	17%	15%	10%

Source: ABS, Census of Population and Housing, 2006

Workforce Characteristics

Source: ABS, Census of Population and Housing, 2006

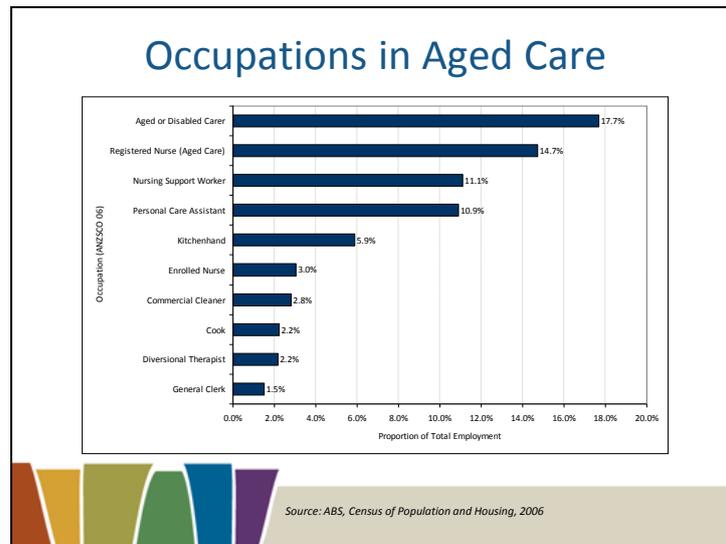
- Very low proportion of males employed in Aged Care and Residential Services (13%);
- Very low proportion of full-time employees (40%);
- Lower proportion of younger workers in Aged Care and Residential Services (41%);
- Higher proportion of Aged Care Residential Services workforce were born in countries where English is not the main language (19%) compared with all industries (15%);
- Higher proportion of people employed in Aged Care Residential Services provide unpaid assistance to a person with disability (17%).



Age Profile of Aged Care Residential Services Industry

Source: ABS, Census of Population and Housing, 2006

- Higher proportion of older workers (45+);
- Age is one factor that can contribute to, or exacerbate, current or expected labour shortages in a particular occupation (Source: 4102.0 - Australian Social Trends, 2004).

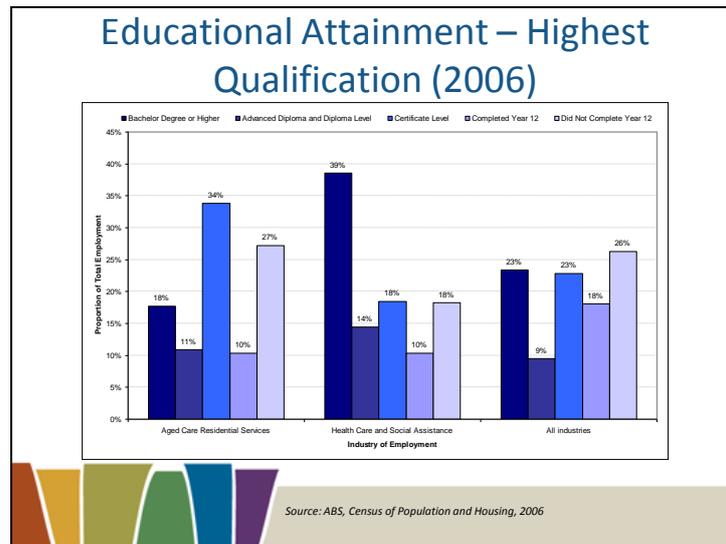


Occupations in Aged Care (2006)

Source: ABS, Census of Population and Housing, 2006

The top 10 occupations in Aged Care Residential Services according to the 2006 Census were (6 digit ANZSCO unit groups):

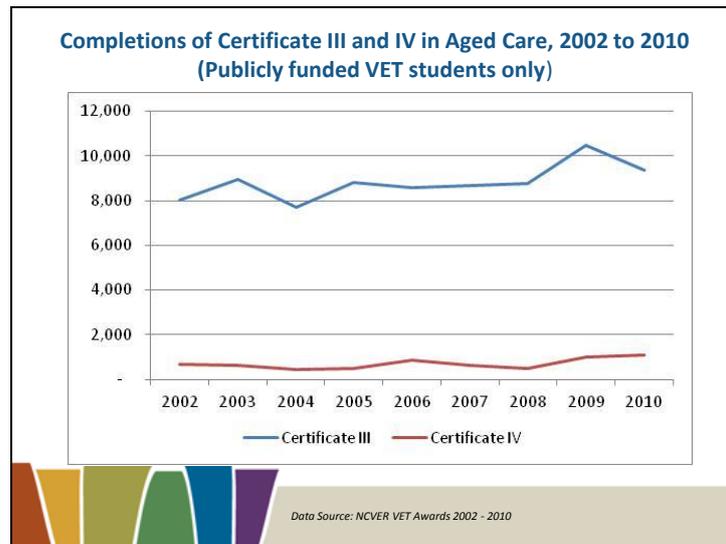
- Aged or Disabled Carer (17.7 per cent) (Certificate II or III; Provides general household assistance, emotional support, care and companionship for aged or disabled people **in their own homes**);
- Registered Nurse (Aged Care) (14.7 per cent);
- Nursing Support Worker (11.1 per cent);
- Personal Care Assistant (10.9 per cent) (Certificate II or III; Provides routine personal care services to people **in a range of health care facilities or in a person's home**);
- Kitchenhand (5.9 per cent);
- Enrolled Nurse (3.0 per cent);
- Commercial Cleaner (2.8 per cent);
- Cook (2.2 per cent);
- Diversional Therapist (2.2 per cent);
- General Clerk (1.5 per cent);



Educational Attainment – Highest Qualification (2006)

Source: ABS, Census of Population and Housing, 2006

- Lower levels of educational attainment compared with all industries and significantly lower levels compared with the total Health Care and Social Assistance industry;
- Lower proportion completed a Bachelor Degree or higher compared with all industries (18% compared with 23%);
- Low proportion completed a Bachelor Degree or higher compared with the total Health Care and Social Assistance industry (18% compared with 39%);
- Higher proportion completed Certificate Level qualification compared with total Health Care and Social Assistance and all industries (34% compared with 18% and 23%).



Data Source: NCVET Awards 2002 - 2010

Certificate IIIs and IVs are the most frequently completed vocational qualifications in the Aged Care sector (these data exclude tertiary qualifications).

Over the period 2002 to 2010, there were far more completions of Cert IIIs than Cert IVs.

Completions of all Certificate level qualifications have increased over the period (by 17%), but not by anywhere near as much as employment in the sector as a whole (between February 2002 and February 2010, employment in Residential Care Services grew by 53,000 persons, or 35.2 per cent) or as much as employment in the occupations of Aged and Disabled Carers (32.6 per cent) or Nursing Support and Personal Care Workers (74.0 per cent).

This suggests that employers are recruiting staff who do not have these qualifications.

Qualifications in the chart above are an aggregate of:

CHC30102 – Certificate III in Aged care Work

CHC30199 - Certificate III in Community Services (Aged Care Work)

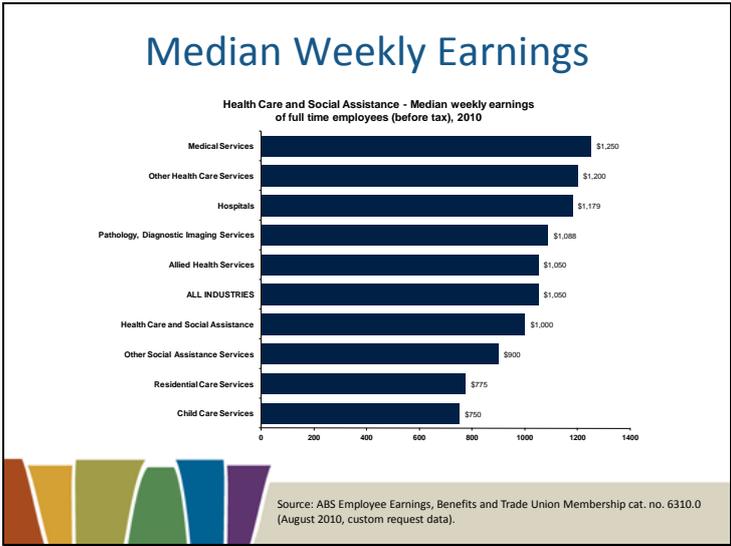
CHC30208 - Certificate III in Aged Care

CHC40102 - Certificate IV in Aged Care Work

CHC40108 - Certificate IV in Aged Care

CHC40199 - Certificate IV in Community Services (Aged Care Work)

NOTES: The data show what qualification a person has obtained. It is likely that persons who have obtained qualifications in related fields also work in aged care, but we have no data on what proportion of the total this may be. Data is for publicly funded VET students only.



Source: ABS Employee Earnings, Benefits and Trade Union Membership cat. no. 6310.0 (August 2010, custom request data).

Median weekly earnings in Residential Care Services in 2010 were \$775, considerably lower than the all-industries median of \$1,050.

Retirement Age					
	Age at retirement from the labour force (years)				Average
	Less than 55	55-59	60-64	65 and over	
Health Care and Social Assistance	32%	26%	28%	14%	57.0
All Industries	31%	23%	28%	19%	57.8

Source: ABS, Retirement and Retirement Intentions, Australia, Jul 2008 to Jun 2009

Retirement Age

Source: ABS, Retirement and Retirement Intentions, Australia, Jul 2008 to Jun 2009, cat. no. 6238.0;

National Institute of Labour Studies, Who cares for older Australians?, 2007

- Of all people who retired from the labour force in 2008-09 8.9% worked in the Health Care and Social Assistance Industry.
- Average age of retirement for people in the Health Care and Social Assistance industry is 57.0 years compared with 57.8 for all industries.

Tenure in Current Job

(Per cent)	Registered Nurses	Enrolled Nurses	Personal Care	Allied Health	Total
Less than 1 year	21.4	18.8	27.8	22.6	25.2
1 to 5 years	43.8	39.3	48.5	47.6	46.5
6 or more years	34.8	41.8	23.7	29.8	28.4

(NILS, 2007)



National Institute of Labour Studies, Who cares for older Australians?, 2007

, Personal Care and Allied Health workers were much less likely than Registered and Enrolled Nurses to have worked in their job for 6 years or more, suggesting higher turnover in these occupations.

**Recruitment Experiences
12 months to December 2011**

	Aged Care Residential Services	Health Care and Social Assistance	All Industries
Employers who recruited in the 12 months preceding the survey	91%	79%	68%
- Growth	52%	51%	52%
- Turnover	98%	91%	85%
Recruitment difficulty	73%	67%	59%
Most Recent Recruitment Round			
Unfilled vacancies	21.2%	11.7%	10.3%
Applicants per vacancy	4.1	5.9	6.1
Suitable applicants per vacancy	1.8	1.8	2.0

Source: DEEWR, Survey of Employers' Recruitment Experiences, 12 months to December 2011

Recruitment Experiences

Source: DEEWR Survey of Employers' Recruitment Experiences, 12 months to December 2011

The numbers of contributing employers are:

Aged Care Residential Services = 104 employers

Health Care and Social Assistance = 805 employers

All Industries = 8,319 employers

Recruitment in Aged Care Residential Services in 12 months preceding survey

- Large proportion of employers recruited (91 per cent);
- Almost all employers recruited due to turnover in staff (98 per cent);
- A considerably larger proportion of employers experienced recruitment difficulty in the 12 months preceding the survey (73 per cent) when compared with all industries (59 per cent). This was a similar level to all industries prior to the Global Recession (70 per cent - 12 months to December 2008).

Most Recent Recruitment Round:

- Higher unfill rate (21.2 per cent) compared with all industries surveyed (10.3 per cent);
- Low competition for vacancies with an average of 4.1 applicants per vacancy and 1.8 suitable applicants per vacancy.

Occupations Difficult to Fill Aged Care Residential Services	
Higher Skill, Qualification or Experience	
Registered Nurses	Enrolled and Mothercraft Nurses
Cooks	
Lower Skill, Qualification or Experience	
Nursing Support and Personal Care Workers	Aged and Disabled Carers



Source: DEEWR, Survey of Employers' Recruitment Experiences, 12 months to December 2011

Occupations Difficult to Fill (Aged Care Residential Services)

Source: DEEWR, Survey of Employers' Recruitment Experiences, 12 months to December 2011

Higher Skill, Qualification or Experience

Registered Nurses

Enrolled and Mothercraft Nurses

Cooks

Lower Skill, Qualification or Experience

Nursing Support and Personal Care Workers

Aged and Disabled Carers

Number of mentions:

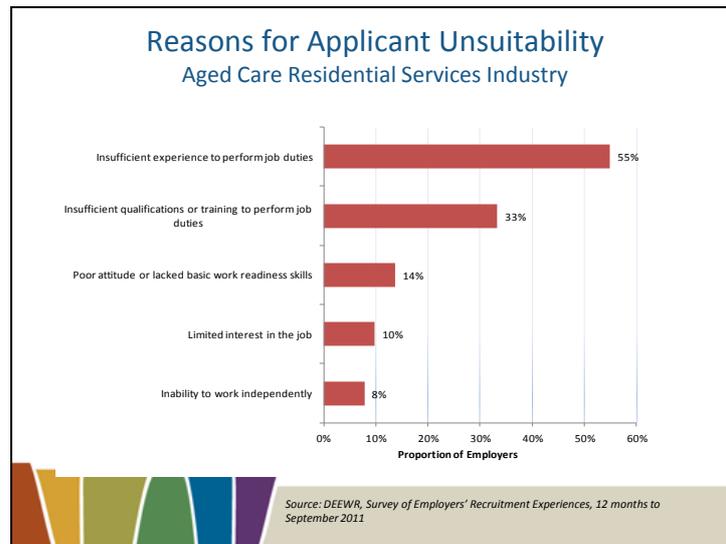
Registered Nurses 33

Nursing Support and Personal Care Workers 15

Aged and Disabled Carers 13

Enrolled and Mothercraft Nurses 8

Cooks 5



Reasons for Applicant Unsuitability

Source: DEEWR, Survey of Employers' Recruitment Experiences, 12 months to September 2011

Common reasons for applicant unsuitability for Aged Care Residential Services industry positions were:

- Insufficient experience (55 per cent);
- Insufficient qualifications (33 per cent);
- Poor attitude or lacked work readiness skills (14 per cent);
- Limited interest in the job (10 per cent); and
- Inability to work independently (8 per cent).

**Recruitment Experiences, Central Coast – Hunter PEA
Health Care and Social Assistance Industry**

	Health Care and Social Assistance	All Industries
Employers who recruited in the 12 months preceding the survey	67%	70%
- Growth	57%	51%
- Turnover	93%	86%
Recruitment difficulty	46%	54%
Most Recent Recruitment Round		
Unfilled vacancies	5.6%	4.0%
Applicants per vacancy	15.6	15.3
Suitable applicants per vacancy	4.0	3.6

Source: DEEWR, Survey of Employers' Recruitment Experiences, Central Coast Hunter PEA, August 2011

Recruitment Experiences

Source: DEEWR Survey of Employers' Recruitment Experiences, Central Coast - Hunter PEA, August 2011

Recruitment in Health Care and Social Assistance in 12 months preceding survey:

- Proportion of employers who recruited (67 per cent) on a par with employers across all industries (70 per cent);
- Proportion of employers who recruited due to growth was larger in the Health Care and Social Assistance industry (57 per cent) than across all industries (51 per cent);
- Large proportion of employers recruited due to turnover in staff (93 per cent);
- Smaller proportion of employers in the Health Care and Social Assistance industry reported recruitment difficulty when compared with all Industries in the Central Coast Hunter PEA (46 per cent compared to 54 per cent).

Most Recent Recruitment Round:

- Higher unfill rate (5.6 per cent) compared with all industries surveyed (4.0 per cent);
- High competition for vacancies with an average of 15.6 applicants per vacancy and 4.0 suitable applicants per vacancy.

Common reasons for applicant unsuitability for Health Care and Social Assistance industry vacancies were:

- Insufficient experience to perform job duties (78 per cent);
- Insufficient qualifications or training to perform job duties (33 per cent).

Comparison of Health Care and Social Assistance industry results between Central Coast-Hunter PEA and all regions surveyed in the 12 months to December 2011:

- Proportion of employers who recruited to the Health Care and Social Assistance industry in the Central Coast – Hunter PEA was considerably smaller than for all regions surveyed (67 per cent compared with 79 per cent);
- Nevertheless, the proportion of Health Care and Social Assistance industry employers in the PEA recruiting due to growth (57 per cent) was larger than for all industries in the PEA and all regions surveyed (51 per cent and 52 per cent respectively);
- Only 46 per cent of Health Care and Social Assistance industry employers in the PEA reported difficulty recruiting, compared with a substantially higher figure for all regions surveyed (67 per cent).
- Most recent recruitment experiences:
 - Unfill Rate for the Health Care and Social Assistance industry in the PEA was less than half the rate for all regions surveyed (5.6 per cent compared with 11.7 per cent)
 - Number of Applicants and Suitable Applicants in the PEA (average of 4.0 suitable applicants from 15.6 applicants) was more than double that in all regions (1.8 suitable applicants from 5.9 applicants).

Personal Care Workers

- Research on Personal Care Workers (Aged and Disabled Carers and Personal Care Assistants) was undertaken by DEEWR in late 2011.
- Overall, demand for Personal Care Workers was strong, with rapid growth and high turnover in the sector.
- While there was no evidence of widespread shortages, employers had some difficulty recruiting (and retaining) Personal Care Workers.



Source: DEEWR, skill shortage research, 2011

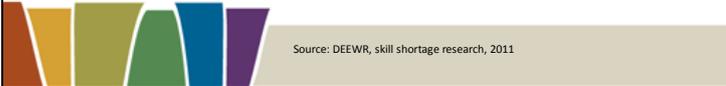
Background

Source: DEEWR, skill shortage research, 2011

- The concept of Personal Care Workers includes two occupations from ANZSCO. These are Aged and Disabled Carers (4231-11) and Personal Care Assistants (4233-13).
- Personal Care Workers provide assistance, support and direct care to people in a range of health care facilities or in a clients' home. Typical tasks, as stated in ANZSCO and by surveyed employers, include assisting people with their personal care, delivering basic medical treatments and therapies, providing general household assistance and supporting emotional wellbeing.
- The labour market is female dominated and workers are generally employed part-time.

Recruitment Experiences

- 16 per cent of vacancies from the surveyed employers' most recent recruitment round were unfilled.
- Surveyed employers attracted an average of 5.0 applicants per vacancy, with 1.6 per vacancy regarded as suitable



Source: DEEWR, skill shortage research, 2011

Recruitment Experiences

Source: DEEWR, skill shortage research, 2011

The research suggested that employers generally experience little difficulty filling their vacancies for these workers.

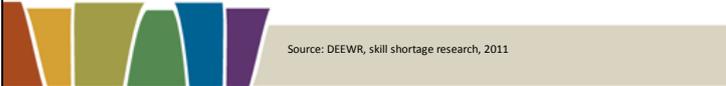
- The majority of vacancies from the surveyed employers' most recent recruitment round were filled (84%);
- Surveyed employers attracted an average of 5.0 applicants per vacancy, with 1.6 per vacancy regarded as suitable;
- Surveyed employers in metropolitan areas recorded a higher number of suitable applicants per vacancy (1.7) compared with regional employers (1.4).

Recruitment Activity

- Recruitment activity among respondents was very strong:
 - 86% had recruited in the six months prior to the survey;
 - 29% had a vacancy at the time the survey was conducted.
- The vast majority of respondents who had recruited (92%) stated that they recruited to replace staff who had left;
- Around one third (36%) stated that they had recruited to fill new positions (clearly some had both new positions and vacancies due to replacement).

Qualifications and experience

- 36% of employers took on a Personal Care Worker with no qualification
 - Previous research has shown that the majority of employers (71%) require a Certificate III as a minimum (DEEWR, Personal Care Workers survey, 2008)
- 37% reported they employed applicants who were undertaking training
- 49% employed people who would require additional on-the-job training, including those that would need to undertake formal qualifications
- 1-3 years experience preferred



Source: DEEWR, skill shortage research, 2011

Source: DEEWR, skill shortage research, 2011

- 36% of employers (who had recruited) stated that they employed a Personal Care Worker who had no qualifications and 37% stated that they employed applicants who were in the process of undertaking training.
- It should be noted that around half of respondents (49%) employed people who would require additional on-the-job training, including those that would need to undertake formal qualifications.
- Respondents also stated that they preferred people who have 1-3 years experience.



Attributes and Qualifications Sought by Employers

Source: DEEWR, skill shortage research, 2011

- Respondents were asked to rank personal attributes that they look for when recruiting Personal Care Workers. The top five in importance are:
 - Communication skills (24%);
 - Interest in the job (16%);
 - Reliability (13%);
 - Empathy (11%); and
 - Work ethic (10%).

Productivity Commission projections of aged care workforce demand

	2010	2020	2030	2040	2050
<i>Residential care (000's)</i>					
Direct care workers (FTE workers)	85	107	157	254	353
Direct care workers (total workers)	144	182	266	431	598
Total residential care workforce (direct and support workers)	189	239	349	565	785
<i>Community Care (000's)</i>					
Direct care workers (FTE workers)	11	41	57	82	102
Direct care workers (total workers)	19	66	92	132	164
Total residential care workforce (direct and support workers)	22	78	109	156	194
Total workforce requirement^a	212	317	459	721	979

* Total workforce requirement may not reflect sum of components due to rounding.
Source: Commission calculations

Source: Productivity Commission, Caring For Older Australians, August 2011

Productivity Commission projections of aged care workforce demand

Source: Productivity Commission, Caring For Older Australians, August 2011.

“assuming that staff to client ratios are maintained at their 2007-2008 levels, the Commission estimated that about 980 000 workers (including support staff) will be required to deliver aged care services (not including community support services) by 2050 if the proposals are implemented (see table). These projections suggest that the current workforce will need to more than quadruple in size by 2050, with nearly 80 per cent of the projected growth required to support the delivery of residential care services. However in terms of relative growth, the total residential care workforce is expected to grow by only three fold compared to a nearly eight fold increase in the total community care workforce”

Workforce Strategies

- Understand your workforce and respond to risks:
 - Take an age audit, monitor staff turnover, develop an action plan to manage the risks of an ageing workforce and staff turnover
- Build on benefits of flexible working practices
- Include more opportunity to gain work experience in Aged Care training
- Target alternative sources of labour:
 - Men, younger people, Indigenous people
- Introduce and customise retention strategies
- Work with employment service providers and your local employment coordinator



Build on benefits of flexible working practices

Source: DEEWR, Survey of Employers' Recruitment Experiences, 2008

- 14 per cent of employers reported that the reason many applicants remained working as Personal Care Workers was due to the flexible working arrangements;
- Flexible working arrangements can also be used as a strategy to attract students, parents and other potential job seekers;
- Flexibility for migrant workers who may require: leave for religious or cultural events, prayer areas in the workplace;
- Flexibility for employees with care responsibilities (child care, care for people with disability): shift work around care requirements, flexible working hours.

Training in Aged Care include more opportunity to gain work experience

- Allow students to determine their own suitability for the occupation prior to undertaking work within the industry;
- This should reduce the level of staff turnover and assist in the retention of new employees;
- Standardise amount of clinical work experience prior to employment.

Target alternative sources of labour during recruitment, such as men (of all ages), younger people (aged 15–44 years) and Indigenous people

- Emphasise working conditions and arrangements that would better suit these groups, such as full-time work in a regular shift pattern;
- Attract local Indigenous people to fill their vacancies in rural and remote areas. Work with employment service providers or other local organisations to recruit and train Indigenous people to work in the Residential Aged Care sector.

Customising recruitment and retention strategies

- Promoting the 'public good' aspect of personal care work, along with value and rewards for this type of work;
- Target people with demonstrated volunteerism, e.g. people already doing volunteer community work;
- Advertising the flexible working arrangements, improved working conditions, positive work environment and provision of ongoing education and training.

Working with employment service providers

- Employment service providers can help educate and train potential applicants. In particular train applicants who lack written and verbal communication skills;
- Can overcome some barriers to employing some groups of job seekers, e.g. migrants and people from a non-English speaking background.
- Through the **Workplace English, Language and Literacy program (WELL)**, the government will work with industries to help existing employees improve core skills.

Improving Workplace Flexibility

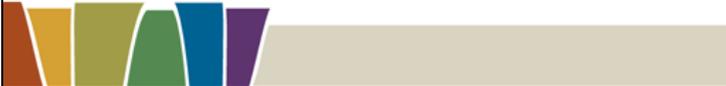
- Innovative responses some Australian employers are suggesting include:
 - Phased retirement
 - Increased education and training
 - Increased access to flexible working hours
 - Job sharing
 - Part-time work
 - Apprenticeships / traineeships
 - Growing their own skills base
 - Modifying workplace / operations



Source: DEEWR, Survey of Employers' Recruitment Experiences, 2008

Further Information

- For more information:
 - www.deewr.gov.au/lmip
 - www.deewr.gov.au/skillshortages
 - www.deewr.gov.au/regionalreports



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www.deewr.gov.au/lmip

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Australian Government
Department of Education, Employment and Workplace Relations