

PS2110  
3 May 2021

Committee Office  
Department of the Senate  
CANBERRA ACT 2600

**Re: Select Committee on Job Security**

Please find attached corrections to transcript and response to questions I took on notice.

If you have any queries please contact Malcolm Larsen

Yours sincerely,

**Patricia Sparrow**  
CEO

## Casual Employment

There is no definitive single analysis of rates of casual employment with Aged care in 2021. There are several reports that are relevant:

### *Transforming Age Care Report, Hesta 2018*

- 2/3 of all aged care jobs are part time or casual. 15% of workers in aged care are casual. P.19.
- 74% describe their working hours as the right amount. P.19.

<https://www.hesta.com.au/transformingagedcare>

### *A Matter of Care Australia's Aged Care Workforce Strategy, Aged Care Workforce Strategy Taskforce, June 2018*

- Key issue casualisation of the workforce, particularly in home-based care p.9.
- The taskforce's consultations have shown that barriers to workplace reform include workplace culture, leadership capability and, for some parts of the industry, challenges in how to tackle industrial issues. Yet employers agreed with workers and employee representatives on the need to find ways to address issues such as securing a commitment to a minimum of 20 hours of work and reducing casualisation of the workforce. p.53.

<https://www.health.gov.au/resources/publications/a-matter-of-care-australias-aged-care-workforce-strategy>

### 2016 National Aged Care Workforce Census and Survey- The Aged Care Workforce 2016 National Institute of Labour Studies:

- 10 per cent of the residential and 14 % of the homecare and home support workforces were casual or contract employees employees (down from 19 per cent and 17 per cent respectively in 2012). P.162.
- 'the majority of workers in all residential aged care direct care occupations are employed on permanent part-time contracts...with these now forming 78 per cent of the workforce employment arrangements. p.24.
- There are indications of potentially underutilised labour supply within the aged care sector as a considerable proportion of workers **(30 per cent of residential and 40 per cent of home care and home support staff) reported that they would prefer to work more hours than they do.** The proportion of workers with a preference for more hours has increased slightly across both sectors since 2012, and PCAs and CCWs are the occupation most likely to prefer an increase in their working hours. p.162

- The extent of multiple job holding by aged care workers provides further evidence of spare capacity within the existing workforce. p.162
- Multiple job holding is far more common within aged care than in the whole Australian workforce and rates remain similar to those found in the 2012 NACWCS. **In 2016, 9 per cent of residential workers and 16 per cent of home care and home support workers had more than one job (compared to 5 per cent of the whole Australian workforce).** p.162

[https://gen-agedcaredata.gov.au/www\\_ahwgen/media/Workforce/The-Aged-Care-Workforce-2016.pdf](https://gen-agedcaredata.gov.au/www_ahwgen/media/Workforce/The-Aged-Care-Workforce-2016.pdf)

*Royal Commission into Aged Care Quality and Safety Final Report, 2021*

- A significant trend in recent years has been the use of ‘independent contractors’ in aged care. The Report of the Inquiry into the Victorian On-Demand Workforce analysed Australian Bureau of Statistics data for the whole of Australia reveals that between 2014 and 2018, the number of ‘independent contractors’ in health care and social assistance increased by 29%, from 70,700 in 2014 to 91,700 in 2018, compared with a 19% increase in the overall health care and social assistance workforce during the corresponding period. p.428
- Recommendation 87: Employment status and related labour standards as enforceable standards (Commissioner Briggs)
  1. By 1 January 2022, the Australian Government should require as an ongoing condition of holding an approval to provide aged care services that approved providers:
    - (a) have policies and procedures that preference the direct employment of workers engaged to provide personal care and nursing services on their behalf
    - (b) where personal care or nursing work is contracted to another entity, that entity has policies and procedures that preference direct employment of workers for work performed under that contract.
  2. From 1 January 2022, quality reviews conducted by the Quality Regulator must include assessing compliance with those policies and procedures and record the extent of use of independent contractors.’
- Commissioner Briggs proposes that approved providers be required to have policies and procedures in place that support and preference the direct employment of workers. The COVID-19 pandemic has reinforced the importance of a directly employed and stable workforce in aged care. She considers that direct employment is the model that is best adapted to achieving the objectives of the suite of workforce reforms proposed, including professionalising and building the skills of the aged care workforce. Now is the time for a trained, stable and cohesive workforce, with the right terms and conditions of employment, rather than a fractured, disparate and ill-supported workforce. p.432

## **Multiple Employers**

Public benevolent Institutions (**PBIs**) are exempt from Fringe Benefits Tax, subject to a cap. Many Not For Profit Aged Care homes are PBIs.

This exemption allows the PBI to provide salary packaging arrangements to attract employees. Employees of PBIs can salary package up to \$30,000 grossed up for expenses such as home mortgages or rent, household expenses, and petrol. Such arrangements apply to permanent, casual, full time and part time employees. Employees with multiple PBI employers can utilise these arrangements.