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Tas Larnarch
Acting Committee Secretary
Select Committee on Job Security
Department of the Senate
PO Box 6100
Canberra ACT 2600

Email: jobsecurity.sen@aph.gov.au

17 May 2021

**Re: Supplementary Questions and Questions on Notice
Aged & Community Services – Hearing in Melbourne on Monday, 19 April 2021**

Dear Sir/Madam,

Please find responses to supplementary questions and questions on notice received by Aged & Community Services Australia (ACSA) from the Senate Committee.

Job Security Committee- Additional Questions on Notice from Senator Sheldon

1. Could you share with the Committee the following data:
 - a. The proportion of your members' workers who are employed on a permanent full-time basis;
 - b. The proportion of your members' workers who are employed on a permanent part-time basis;
 - c. The proportion of your members' workers who are employed on a casual basis;
 - d. The proportion of your members' workers who are engaged on a fixed-term contract basis;
 - e. The proportion of your members' workers who are engaged as an independent contractor;
 - f. The proportion of your members' workers who are engaged through labour hire firms;
 - g. The proportion of your members' workers who are engaged through 'gig platforms';
 - h. The proportion of your members' workers who work more than one job, whether their other role is in aged care or in another sector.

- i. The average contractual minimum hours of your members' workers who are engaged on part-time contracts, and the average actual hours worked by those workers;
- j. The average hours allocated to a casual worker by your members per week.
- k. The average tenure of your members' workers on both a per-employer basis, and within the sector overall;
- l. The average wage of your members' workers, including how this varies between the different forms of employment arrangement referred to above;
- m. The average staffing to client ratio in your members' residential aged care homes;
- n. The average number of hours of training your members' personal care workers are provided with by their employer;
- o. The average number of different facilities your members' workers work in on a weekly or monthly basis;
- p. The proportion of Federal Government funding which is spent on workers' wages and entitlements, and what the other major categories of expenditure are for your members, and their respective allocation of Federal Government funding.

ACSA does not possess this information. The administrative effort required to answer these questions is beyond the reasonable resource capability of ACSA or its members.

There are a number of industry wide studies that address these questions, referenced in previous correspondence to the Committee relating to this hearing:

- <https://www.hesta.com.au/transformingagedcare>
- <https://www.health.gov.au/resources/publications/a-matter-of-care-australias-aged-care-workforce-strategy>
- https://gen-agedcaredata.gov.au/www_ahwgen/media/Workforce/The-Aged-Care-Workforce-2016.pdf

2. **For the data requested in Question One, could you also provide any data available showing how these figures have changed overtime, or how they vary between facilities in major cities compared to regional areas?**

Please refer to response to question 1

- 3. Does ACSA provide any advice or guidance to its members on preferred or possible ways to engage staff?**
- a. If yes, could this advice be provided?**

No. ACSA members determine the employment arrangements that best suit their needs. ACSA provides advice to its members on relevant interpretation of and compliance with industrial instruments such as award and enterprise agreements.

- 4. Does ACSA provide any advice or guidance to its members on the use of labour hire and/or gig platforms to engage workers?**
- a. If yes, could this advice be provided?**

No. The use of agency (labour hire) staff does occur in residential aged care and home care, particularly in areas where the labour pool is small. It is increasingly prevalent due to workforce shortages. Ultimately it is up to providers to determine employment arrangements including use of labour hire, being mindful that they have obligations to provide quality care to consumers.

In our experience the use of gig platforms such as Mable is less common. We understand these platforms were used by some providers during the height of the COVID-19 pandemic, when there was greater disruption to working arrangements.

- 5. Does ACSA support the full implementation of Recommendation 87 of the Royal Commission into Aged Care Quality and Safety, which stated the Australian Government should require as a condition of holding an approval to provide aged care services, that approved providers or other contracted entities have policies and procedures that preference the direct employment of workers, and that quality reviews conducted by the Quality Regulator must record the extent of use of independent contractors?**

No. Many aged care providers employ workers directly and supplement that workforce with contract/agency staff when surge or flexibility is required. Continuity of care is paramount and providers of aged care are best placed to determine how they can achieve that through direct employment, use of labour hire, or a combination of both in a manner to best suit the individual circumstances.

6. Does ACSA agree with this statement from page 211 of Volume 2 of the Royal Commission into Aged Care Quality and Safety's Final Report: *"We both consider that Australia's aged care is understaffed and the workforce underpaid and undertrained"* and can you elaborate on your reasons for answering yes or no.

ACSA believes that at an industry level, aged care in Australia is underfunded. Government has made a welcome significant investment in aged care with a \$17.7 B investment over the forward estimates announced on Budget night along with its response to the Royal Commission. As a result Australia now spends half of what comparable OECD countries do on aged care. The latest independent StewartBrown report found 58 per cent of aged care homes surveyed operated at a loss in the first six months of this financial year, with an average operating deficit of almost \$2,750 per bed per annum. The Government's investment will begin to address some of this under funding which effects all aspects of service delivery.

ACSA believes that investment should come from both government, and older people who receive aged care and have the capacity to pay. There should be universal access to aged care at no less level of care for those without the means to contribute financially.

ACSA agrees:

- that as a result of funding availability in the industry, aged care employees are not well paid.
- that additional funding would allow providers to increase wages of employees and employ additional staff to provide care to clients/residents including to mandated care minutes.
- that staff, managers and governing boards in our industry would benefit from additional training and professional development.

7. Does ACSA agree with this statement from page 211 of Volume 2 of the Royal Commission into Aged Care Quality and Safety's Final Report: *"Inadequate staffing levels, skill mix and training are principal causes of substandard care in the current system."* Can you elaborate on your reasons for answering yes or no.

Please refer to our response to question 6.

8. Does ACSA agree with this statement from page 211 of Volume 2 of the Royal Commission into Aged Care Quality and Safety's Final Report: *"Many aged care*

providers contain their labour costs by reducing their overall direct care staffing or replacing more expensive nurses with lower paid personal care workers.”

Staffing in a residential aged care facility comprises nurses, personal care workers, leisure and lifestyle staff, allied health workers and other support services. All of these roles contribute and are vital to the care and support of elderly residents.

Staffing profiles need to cater to the care needs and overall wellbeing of residents, noting that residents’ needs change over time and the staffing mix needs to be flexible and adjust to meet these needs.

Prolonged underfunding of aged care has forced providers to seek ways to reduce costs, including labour costs.

9. Does ACSA agree with this statement from page 214 of Volume 2 of the Royal Commission into Aged Care Quality and Safety’s Final Report: ***“Both the Australian Government and providers have a responsibility to lift the employment conditions and the status of aged care workers. We cannot rely on the commitment and goodwill of workers to build the aged care workforce. The sector needs to work harder to be attractive to a broad range of people. It needs to attract people with aptitude for aged care work and ensure that they have adequate training.”***

Please refer to our response to question 6.

10. Does ACSA agree with this statement from page 214 of Volume 2 of the Royal Commission into Aged Care Quality and Safety’s Final Report: ***“The bulk of the aged care workforce does not receive wages and enjoy terms and conditions of employment that adequately reflect the important caring role they play.”***

Please refer to our response to Question 6

11. Does ACSA agree with this statement from page 216 of Volume 2 of the Royal Commission into Aged Care Quality and Safety’s Final Report: ***“The message we have heard is clear: aged care quality and safety is directly dependent on the number and quality of the people who provide it. It is clear to us that the quality of care that older people receive has been compromised because, all too often and despite best intentions, those people who work in aged care simply do not have the requisite time, knowledge, skill and support.”***

Please refer to our response to Question 6

12. Could you provide the Committee with a complete list of your current members?

ACSA does not make its list of members available for privacy reasons.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Pat Sparrow', with a long horizontal flourish extending to the right.

Patricia Sparrow

CHIEF EXECUTIVE OFFICER

Aged & Community Services Australia