

# SENATE INQUIRY ON THE FUTURE OF AUSTRALIA'S AGED CARE SECTOR WORKFORCE



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## WHO WE ARE

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Baptist Care Australia is a passionate and innovative association of Baptist organisations around Australia. Our members bring life-enriching care to their clients, residents, families and communities. Our care for people arises from our belief that God desires wholeness in all aspects of life. Our collective mission is to express Christ's love as we serve people and includes addressing their physical, emotional and spiritual needs.

We are a significant member of our civil society, contributing substantially to the economic, physical and spiritual well-being of our community. The members of Baptist Care Australia have an annual turnover of around \$0.6 billion, employ around 7,000 staff, and engage with almost 2,000 volunteers annually. We deliver services direct to tens of thousands of individuals nationally.

Our members are actively involved in the provision of Home Services and Residential Aged Care, with more than 300 villages and Residential Aged Care facilities as well as an ever increasing number of social and affordable housing units, providing homes to over 6000 older and vulnerable Australians.

In addition, member agencies of Baptist Care Australia are engaged in:

- Homelessness services
- Care services for young people under guardianship
- Refugee and Asylum seeker services
- Disability support services
- Respite services
- Outdoor recreation and adventure camping
- Community development initiatives
- Foster care
- Food for Life programs to vulnerable communities
- Chaplaincy
- Gateway and referral services
- Food bank services to over 130 organisations
- Mental health support services
- Semi-independent and supported accommodation for young people
- Youth education and training services
- Employment services
- Community nursing services
- Delivery of training courses for individuals and families
- Aboriginal services
- Family relationship counselling
- Domestic violence accommodation and support
- Community housing
- Drug and alcohol services
- Low income services including financial counselling, 'no interest and low interest loans'

## INTRODUCTION

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In this submission, Baptist Care Australia provides a case study from Baptistcare Inc. in Western Australia, with input from Baptistcare NSW and ACT, to highlight and illustrate issues pertaining to the Future of Australia's Aged Care Sector Workforce. Both are founding members of Baptist Care Australia.

### **ABOUT BAPTISTCARE INC.**

Baptistcare Inc. is a faith-based community benefit charity operating in Western Australia. It is 43 years old and currently provides residential, community and home based services to the elderly, those living with disabilities and those suffering from mental health illnesses. It currently operates 14 residential aged care facilities (927 beds), 10 retirement villages, four group homes, approximately 20 Department of Housing houses which we sub-lease to customers and we deliver 430 packages of Home Care and operate in eight regions for disability, mental health and home care services. Baptistcare operates in rural, regional WA and metropolitan Perth and employs approximately 1700 people to provide these services. Baptistcare is run by a Board of Directors, and is led by its CEO, Reverend Dr Lucy Morris. Its vision is to 'transform and enrich lives' which it achieves through a focus on person-centred care that is individualised and enables self-directed services.

### **ABOUT BAPTISTCARE NSW AND ACT**

Since its inception in 1944, BaptistCare NSW and ACT has grown into one of the largest and most trusted providers of aged care and social support services in NSW and the ACT.

Originally known as the NSW Baptist Homes Trust, our organisation was founded by a group of visionary men and women who wanted to express the love of Christ in practical ways to those in need. Since then, we have worked ceaselessly to see this purpose transform the lives of our clients.

During 1953, our first aged care home, Yallambi, was opened in Carlingford. Over the next two decades the NSW Baptist Homes Trust experienced significant growth with the opening of new facilities and services in Sydney, Canberra, Newcastle, Parkes and the Central Coast. This growth continued in the 1980s, with a strong focus on aged care as well as family and community services such as counselling.

In 1986, to capture our organisation's expanding range of services, we changed our name from the NSW Baptist Homes Trust to Baptist Community Services (BCS). From the late 90s and the first decade of the 21st century, BCS moved through a period of rapid growth, with our organisation's staff numbers tripling, along with a huge expansion in services and operating budget.

Now, in 2014 as BaptistCare, we are celebrating 70 years of service. We are thankful to God for the journey so far, and excited as we shape our future as the trusted name in providing life transforming care for our clients.

## GENERAL COMMENTS

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Aged Care is a people focussed service sector. It is about people, for people, by people. It is founded on strong relationships and has an assumed values base. It is held safely to the point of risk aversion by governments and providers as a response. It is frequently immobilised by a burdensome regulatory framework and a creaking financial system focussed on creating dependency rather than self-directed choice which is not yet based on entitlement. It is expected to navigate a significant transformation or paradigm shift over the next three to four years to meet the oncoming wave of customers seeking services, together with their families to the second and third generation.

Within this context, Aged Care providers are also increasingly concerned about the challenges facing the sector workforce. These range across a wide spectrum including:

- Industrial relations issues
- Demographic issues
- Migration and cultural diversity
- Training and cost of education
- Ageing workforce
- Changing landscape to the implementation of Consumer Directed Care (CDC)
- The shift in the 'employer employee' relationship
- Rural and regional implications impacting on housing, and access to workforce and community expectations
- Level of wages
- Use of technology
- Role of governments (State and National) in setting the appropriate policies in place to enable the emergence of a flexible, well trained, respected workforce to deliver high quality, affordable aged care services.

The political imperatives of financial constraints are frequently at odds with the human dimension, as we shift towards consumer pays systems and belief that people are able to navigate a marketplace that requires high levels of education, capacity to articulate needs, financial understanding, language skills and family support. The truth is often vastly different. This is also not helped by an ill-informed or over-excited presentation by governments and the media, of providers, consumers and governments being at odds with each other, speaking ill of each other and over-simplifying that which is currently complicated.

# The Future of Australia's Aged Care Sector Workforce - Submission

## Terms of Reference

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### a) The Current Composition of the aged care workforce

In New South Wales, BaptistCare currently employs over 3600 people of which 82% are female. The average aged of those employed is 47. Of the 3600 employees, 41% were born overseas.

In Western Australia, Baptistcare currently employs nearly 1700 people, of which 88% are women. The average age of those in employment in aged care is 42 years old. Baptistcare Inc. employs staff from 75 countries with over 35% who speak a second language. Baptistcare has a highly multi-cultural workforce. The majority of staff are employed as care staff, but we also employ a strong allied health team alongside a wide range of health professionals (ENs, RNs, Clinical Care Leaders, Nurse Practitioners, Gerontologists etc.,) finance, ITC, HR and IR, PR & marketing and communications, business support, catering, domestic, maintenance, and chaplains. It is a complex and highly regulated environment for employment and service delivery.

### b) Future aged care workforce requirements, including the impacts of sector growth, changes in how care is delivered, and increasing competition for workers

The sector growth patterns are being significantly disrupted with the move towards CDC service offerings and consequent changes in employment arrangements. This disruption should not underestimated. With the anticipated shift towards an increase in the number of service providers in the commercial sector rapidly escalating, and with a greater presence of international and national providers seeking acquisition opportunities and the consequent reduction in the number of providers and the loss of smaller, regional and rural providers, is already underway. The goal of enabling choice is not occurring in rural and regional areas where the capacity to make a profit is not being realised.

In much of Western Australia, Baptistcare is one of only two or three other providers who are positioning themselves to be a provider for the long term in these geographical regions. In many communities there is no provider and no choice. Small providers are disappearing due to the financial constraints and complexity of the regulations and risks. The 'market rules' being designed are not yet flexible enough and the Federal Government needs to be considering what additional arrangements need to be made to enable the capacity to have services and where possible, choice. These rural and regional services need greater integration with health funding, and the shift of rural health beds into aged care, rather than being retained by the health system, thereby enabling access to Health Insurance Funds. This would empower providers to establish economies of scale within these smaller rural and regional locations.

The competition for staff is currently being driven by wage rates, with the Awards and enterprise agreements being tracked closely by existing and potential employees who frequently have to chase the best wage in order to achieve a living wage, and so find themselves moving regularly between employers.

Of concern is the increasing cohort of employees who are older women, who have insufficient superannuation, do not own a house and who live in private rental accommodation or in

Department of Housing accommodation and who cannot afford to leave the workforce to retire. Also needing attention is the high percentage of women in the workforce who suffer from the impact of domestic and family violence and who need to have an aware employer to enable support and safe employment practices to be normalised and accepted as we fight against the DV blight in our broader community culture.

Baptist Care agencies in Western Australia and South Australia are joining with sister organisation Baptistcare NSW&ACT to access its NILS (No Interest Loan Scheme) to support its staff.

**c) The interaction of aged care workforce needs with employment by the broader community services sector, including workforce needs in disability, health and other areas, and increased employment as the National Disability Insurance Scheme rolls out**

The difference in Industrial Relations Awards and enterprise agreements is a challenge when considering the competencies and capacity of potential employees to work across the different service sectors. Disability, Mental Health, and Aged Care employees frequently deal with an increasingly high level of clinical care requirements, with or without on-site supervision, working to provide 24/7 care and facing the issues of palliative, end-of-life care.

This Submission discusses the challenge emerging of ‘shared management’ arrangements in relation to employment relationships – ‘who’ is doing the ‘employing’; and the implications for Quality Assurance, IR obligations, and employee Duty of Care. Alongside this is the need to review and adjust the Awards to enable 24/7 care being requested and demanded by those living in their own homes in Home Care, Disability Services and Mental Health.

In order to address the challenge of attracting Registered Nurses into Aged Care, and also the ageing profile of RNs in the industry, BaptistCare NSW & ACT is internally funding a Graduate Registered Nurse programme to attract new graduate RNs, and also to encourage existing care staff to undertake further study to become RNs. BaptistCare also is being forces to provide internal funding on a scholarship basis to encourage care workers to undertake Certificate training as care workers, to address the gap left by government through the withdrawal of funding skills training through TAFE.

**d) Challenges in attracting and retaining aged care workers**

Attracting and retaining staff is a challenge in a positive market. However, as the available workforce is stretched, WA is already short of a sufficient workforce to meet future demands. Baptistcare has registered as a Migrant employer to attract staff from overseas.

**e) Factors impacting aged care workers, including remuneration, working environment, staffing ratios, education and training, skills development and career paths**

It is worth considering the issue of traditional employment arrangements may not be as consistent into the future, particularly with the example being provided by Disability Services with Shared Management models. Providers may not always be the primary employer as customers find ways of establishing new arrangements to employ staff to deliver their services.

For self-employed staff, industrial issues need to be considered, e.g., maintenance of standards of quality care, training arrangements, costs of employment and payment of superannuation, workers compensation, police checks – all of which speak to a quality assurance role by employers which needs to be structured differently into the future. In addition, customers are encouraged to

consider choosing their own employees, which could be family members, and the issues of service and financial abuse need to be built into managing the care arrangements.

Expecting staff to maintain and develop their own careers, training costs and ongoing adult education is significant and untested with large numbers of carers who are used to employers organising and ensuring this is done. The relationship and role of employers who are providers and employers who are customers will need to be worked through in the CDC environment. Union membership, quality and accreditation need consideration. Awards could become meaningless if direct employment relationships are designed between customers and carers in an informal manner to maximise the funding arrangements.

A further issue is the ageing of the workforce as they grow older while in employment. The need to ensure individuals are still capable of doing manual tasks with ageing bodies that are less flexible and less strong as compared to when they were initially employed is shifting the training imperatives and workers compensation profile. With staff staying on in the workforce in their 70s it has a significant implication for work allocation. The duty of care is wider with an older workforce.

**f) The role and regulation of registered training organisations, including work placements, and the quality and consistency of qualifications awarded**

The WA changes to the cost of training in the TAFE system had a significant impact on the willingness of people to undertake vocational training. The removal of training subsidies by the Federal Government which occurred at around the same time compounded the impact which resulted in fewer people seeking training and able to afford it. There is an increasing need for competency training, medication knowledge and management along with greater understanding of consumer directed care environments, working unsupervised workplaces in customers' homes, and the need to be an ambassador for the provider in retaining customers; all of which is shifting the obligation for communication skills and financial awareness about the service being provided.

In New South Wales, the state government is planning to mandate 24/7 staffing of aged care facilities with Registered Nurses, adding significantly to costs and demand for RNs.

Baptist Care Australia supports the ACSA submission, and the data provided in its report showing total employment growth has exceeded the growth of direct care staff in both residential and community aged care (p.7). This highlights the growth required for staff performing ancillary and other support roles. Aged care staff are not simply a homogenous care group.

It is also worth noting there are significant differences in the capacity and offerings provided by registered training organisations and this would support the findings outlined in the ACSA submission (p.10).

Initiatives such as the Emerging Leaders in Governance led in WA by community organisations including Southcare and Baptistcare and supported by a significant number of community providers are looking to the future of leadership in the aged care sector.

It would be helpful for the Governments (State and Federal) to have a workforce plan for the community sector and in particular for Aged and Disability services. The removal of funding for training, the reduction in capacity to do traineeships and apprenticeships has been unhelpful and not supportive of the sector or for those customers needing high quality staff.

**g) Government policies at the state, territory and commonwealth level which have a significant impact on the aged care workforce**

The Awards under which staff are currently employed are a significant inhibitor on any capacity to be creative with the industry and service options that can be offered to customers and staff. The delivery of 24-hour care needs to be done across 7 days a week, 52 weeks of the year. Artificial limits as included in the Modern Awards are limiting and unhelpful and we need to think beyond the old fashioned, traditional style of imagining work practices set when men were the main breadwinners and the structure of the week and month followed a set pattern.

There is an urgent need to have discussions about the structure of work and the ability to set a respectful wage that acknowledges the professionalism of the employees and the significant contribution they make to the lives of those for whom they care across our country in a range of different environments, that are complex and frequently unsupervised. Australia could not do without its aged care workers or service deliverers.

Somehow we need to have a constructive conversation about the work and its opportunities and constraints to come up with a better way of delivering services and enriching the employment relationship for employees, otherwise services will continue to become more and more knotted and employees and customers will not end up with anything that works for either group. Set in the same balance and for consideration is the critical and fundamental recognition wages need to be fundamentally a living wage to enable staff to live reasonably if they have full-time work and not be always having to look for a second job to earn enough money to survive.

The current WA State Government appears slow in providing leadership in 'joining up' the various elements that would enable and empower service provision in the new, emerging environment. Housing, planning regulations, health, training, and industrial tools are all segmented and separated out, diluting the capacity of providers and local governments to work together to provide workable, reasonable solutions. The gap between the rich and the poor are exacerbating the lack of solutions in town planning discussions.

**h) Relevant parallels or strategies in an international context**

No response.

**i) The role of government in providing a co-ordinated strategic approach for the sector**

In considering the challenges outlined in Item 6, it is absolutely critical to have a co-ordinated, strategic approach for the sector, beyond the direct issues of the workforce in the aged care sector, and Governments developing the capacity to speak to a range of stakeholders rather than trying constantly to distil the dialogue down to one voice and one representative body, such as NACA.

**j) Challenges of creating a culturally competent and inclusive aged care workforce to cater for the different care needs of Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse groups and lesbian, gay, bisexual, transgender and intersex people**

The commitment by Governments to ensuring an inclusive workforce is to be commended. The historical and still evident present day challenges felt by many groups of people, such as the ATSI or LGBTI communities are profound and generational for those who identify with those groups. Our



social and cultural inability in the wider community context to speak clearly, respectfully and openly about the levels of discrimination and privileging make it challenging within a residential environment as the community itself comes to a broader, more inclusive understanding of what is 'right'. This discrimination is also evident in issues of disability, mental health, and domestic violence and gender. The shame felt by many members of these communities is reflected in a more micro level within specific workforce teams. The legislative direction and expectations provided by governments are essential to engage, promote, train and educate staff, families, and customers about this issue on an ongoing basis. Leadership in this is critical and essential! Often cultural and faith differences also impact on the approach taken in responding and being pro-active.

#### **k) The particular aged care workforce challenges in regional towns and remote communities**

In Western Australia, Baptistcare is frequently the largest employer in town in regional and rural locations; this has an impact on decisions made about rosters, performance management, access to staff, housing, education and health related matters for the local community. Often local councils struggle to resolve issues to do with housing, attracting and retaining staff, due to limited access to resources.

The cost of transport, accessing training and information, the use of technology, access to health professionals and other specialists required to deliver services is much higher in rural and regional Australia. The need for internet and assistive technology is often very limited. Staff travel significant distances to deliver services and Baptistcare now uses GPS to ensure staff and customer safety. Government funding needs to take greater account of this issue.

The shift towards consumer directed care (CDC) models of care become difficult in regional areas with the cost of services and access to choices of provider and staffing. The aged care sector is competing with NDIS for staff and the linkages between health, ageing and disability is still quite separate, but managing staff across such skill sets is increasingly important.

In addition, the gaps in pay between government and non-government employees is significant; the issues of accessing a seasonal workforce when living and working in rural locations; social isolation and lack of mentoring and capacity building opportunities for men and women are all part of the challenges. A premium frequently has to be paid to attract staff into these areas including housing and relocation costs, and communications costs with access to the internet, broadband and in some locations staff need access to GPS services. Agency staff costs are at a premium, and include travel costs which frequently make achieving a sustainable roster prohibitively expensive. The inability of the local shire councils to handle housing, education and family responsibilities to provide attractive solutions to staff considering moving with families to rural locations is also a hidden leadership issue.

#### **l) Impact of the Government's cuts to the Aged Care Workforce Fund**

The cuts have constrained the ability of organisations to recruit suitably qualified people.

#### **m) Any other related matters**

Baptist Care Australia members employ chaplains as part of the spiritual support provided to customers which is a critical, integrated and essential aspect of all Baptistcare services across the country. In residential care, staff and customers are dealing daily with loss, either through

impairment of physical and mental health over time; and, with the increasing incidence of palliative and end-of-life in the residential facility, the pace of resident turnover is increasing and death is an ever present experience for other residents, families and staff. Whilst Baptist Care Australia members provide an Employee Assistance Program (EAP) service to its staff, the increasing experience of death on a regular basis in the facility reminds those who work in this environment that residential aged care is an end-of-life service. Families and residents are being confronted with this in a death, end of life, palliative environment which is very challenging for those on the outside; and requires a significant cultural and social change for staff and the wider community.

As Home Care keeps people at home longer, dying at home is as much a choice as dying in hospital and in a facility. Arrangements for supporting staff and families in both residential and home environments are an additional expectation that should be met as part of the service offering and employment environment. Additional training is required as a minimum duty of care on an ongoing basis to deal with accumulations of grief, loss and death. This is a similar experience for those seeking and accessing disability and mental health services. The breadth and depth of the impact on staff and customers and their home and working environment cannot and should not be underestimated. The faith-based aspect of dying and death is a significant component of how death is anticipated and grief is handled which is essential in coping and responding appropriately and prevents or minimises future mental health issues, stress and burnout of staff. When the care arrangements are for people who are struggling with dementia or significant disabilities and who are clinically ill and frail provides an extra layer of expectation.

The increasing discussion concerning Advanced Health Directives and the discussion about euthanasia is also impacting on staff wellbeing and lack of certainty about what is possible. There is a disconnection with the medical health system which frequently overrides family or customer expectations because of the different accountabilities and cultural, service acceptance of the primacy of customer choice; and overall, this issue needs clear leadership and discussion in the community otherwise staff will be left vulnerable.

Finally, the spiritual care and wellbeing of staff in delivering aged care is a core component of our members responsibility to its employees and it is committed to sustaining it into the future. Baptistcare funds this service itself for all its services and in all locations.

## **SUMMARY**

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Baptist Care Australia welcomes the opportunity to discuss the Aged Care Workforce and review its current status and implications; and we welcome the focus being brought to bear on this by the Senate Committee. We would be interested in presenting to the Committee if hearings are organised.

The pressures being brought to bear on providers and employees due to the changing care arrangements, funding models, and customer expectations has to be resolved to enable a vision to be articulated and a plan for dealing with shortfalls and changing social, cultural and economic landscape that offer a way forward.