



Report on the current characteristics of the ACT Community Services Industry workforce

Workforce Data and Community Needs Assessment – Attachment B

April 2019

Prepared by Insight Consulting Australia

Background

In 2016, the Joint Community Government Reference Group (JCGRG) released the ACT Community Services Industry Strategy 2016-2026. The Strategy acknowledges that community services have a strong foundation within the ACT, make a significant contribution to the ACT economy and have a central role in developing the well-being and healthy functioning of the community.

The Strategy notes that although community services in the ACT are well-established, they are undergoing a period of significant change, with new models of service delivery, new ways of doing business, and a stronger focus on achieving social and economic outcomes.

The Strategy aims to maximise opportunities for the Industry into the future in the areas of:

- Improving industry capability
- Developing research, planning and evaluation
- Enhancing governance and leadership
- Building sustainability.

The Workforce Plan is the first of three 3-year plans the Joint Community Governance Reference Group has agreed should be developed to implement the Industry Strategy.

Insight Consulting Australia has been engaged to develop and deliver the following initiatives from the Workforce Plan:

1. An ACT Community Needs Assessment
2. A report on the current characteristics of the ACT Community Services Industry workforce (*this report and associated sub-sector profiles*)
3. A report that projects future workforce needs
4. A methodology or tool to support the sector to undertake regular snapshots of the workforce.

Current and emerging challenges facing the industry

Demographic changes: The population of the ACT is expected to grow by 1.6 per cent per annum, with an increase of more than 50,000 people between 2018 and 2026. While the number of people in each age group will expand, the largest increase will be in the proportion of the population who are aged 65 years or older. In the ACT in 2006, one in every 12½ persons was an older person, this is expected to increase to 1 in 7 persons by 2026. As disability rates have a high correlation with advanced age, a higher proportion of older people will naturally lead to an increase in disability rates across the community. In 2016, the National Disability Insurance Agency estimated that the ACT required an additional 1,000-1,500 workers to meet demand under the full implementation of the NDIS.

Other population groups are expected to grow at a faster rate than the total population. The Aboriginal and Torres Strait Islander community formed 1.3 per cent of the ACT population in 2006 and is expected to expand to 2.4 per cent by 2026. Aboriginal and Torres Strait Islander children and young people will comprise an even higher proportion of their age groups. The ACT has a lower proportion of Aboriginal and Torres Strait Islander people than nationally, but the community is experiencing the fastest growth rate of any jurisdiction.

Technological advances: Medical advances are a major contributor to the growth in life expectancy. Emerging and rapidly evolving technologies such as increased automation, artificial intelligence, and greater opportunities and pressures for clients to self manage their needs will bring significant changes to the way

that services are delivered. Increased computing power and data linkages will bring new possibilities for improved research and evaluation capabilities for the sector, particularly for identifying causal factors of disadvantage, and the determination of effectiveness for interventions which prevent disadvantage from becoming entrenched.

Reform environment: Recent reforms such as the introduction of the National Disability Insurance Scheme (NDIS) have tied government procurement processes to individual consumers rather than service providers. These reforms provide opportunities for consumers to exercise greater control in selecting their service provider and the type of service they receive.

However there has been much criticism about the way these reforms have been implemented, resulting in:

- Limited access by particular groups: Aboriginal and Torres Strait Islanders, people with psycho-social disabilities, people from culturally and linguistically diverse backgrounds
- A “hyper-individualised” approach to participant planning, with insufficient attention to family and community contexts
- Thin markets or even market failure in some areas
- Inadequate wage levels to fit with NDIA pricing
- A stretched workforce with high levels of casualisation, high turnover, inadequate skills and training, which is impacting on service quality.

Many stakeholders have commented that their capacity to plan for emerging needs and a future workforce are being undermined by the pace, nature and uncertainty of such reform efforts. In some cases, this has directly affected organisations’ viability and survival. See for example the recent ACT Assembly Inquiry into the NDIS.

Consumer driven change is having greater impact in other parts of the industry, including other increasingly market-driven areas like aged care residential services and early childhood services, and more traditionally funded areas such as services dealing with family violence, social housing or homelessness. Increased competition and instability of income for organisations will likely result in increased casualisation/freelancing of the workforce which will bring benefits to some workers and challenges to others. The impact on people accessing their services is uncertain.

Funding based on achieving individual client outcomes may lead some providers to neglecting the most vulnerable clients with complex needs. Organisations operating with a casualised workforce have limited capacity for investing in professional development, career pathways or workforce planning.

The casualisation of the workforce has implications for continuity of care and support for clients. It also impacts on the ability of services to:

- work in an integrated way across the service system, or even as part of a multi-disciplinary team within a program
- participate in key reform processes such as the increasing move towards early support rather than crisis responses.

Broader economic changes: A recent analysis by ACTCOSS shows that the cost of living in Canberra continues to rise and is most significantly harmful to low income households that are least able to afford it.

Over the past decade there has been a strong growth in the number of managerial and professional jobs and a reduction in low skilled work available within the broader ACT and national economy. An increased proportion of young people and young adults are now achieving a Year 12 Certificate and gaining a university qualification. However, those already in the workforce with a low level of educational attainment will be competing for an ever-diminishing number of unskilled roles (i.e. roles assessed at ANZSCO Skill Level 4 or 5). There is a danger that well-educated employees in the Industry will have greater job opportunities outside the Industry while some unskilled workers who lack a genuine commitment to client wellbeing take on roles such as Personal Care simply because there are few other low skilled jobs available.

The Department of Jobs and Small Business projections show that, nationally, the highest job growth and overall greatest number of employees required between May 2018 and May 2023 will be for those positions with an indicative skill level of Bachelor Degree or higher qualification.

Projected employment growth May 2018 - May 2023		
Indicative Skill Level	Number of new jobs	Growth rate
Skill Level 1 (Bachelor Degree or higher qualification)	400,600	10.0%
Skill Level 2 (Advanced Diploma or Diploma)	78,400	5.8%
Skill Level 3 (Certificate IV or III including at least 2 years on-the-job training)	67,300	3.8%
Skill Level 4 (Certificate II or III)	256,900	7.9%
Skill Level 5 (Certificate I or secondary education)	82,900	3.9%

The ACT has a much lower unemployment rate than Australia as a whole (4.7% v's 6.9%) and a higher labour force participation rate (71% v's 65%). The Community Services Industry also faces strong competition for workers from the Commonwealth and ACT Public Service. These factors place additional pressure on the industry during a time of growth.

Societal changes: Societal changes such as an increased number of young adults living with parents, more people living alone due to divorce or never marrying, and increased numbers of people living in social isolation may necessitate changes to the way services are delivered, thus requiring a different set of competencies for workers.

The reduction of some health risk factors (i.e. smoking, excessive alcohol use) and the increase in other health risk factors (i.e. sedentary behaviour, overweight and obesity) may also require a change in service approach and delivery, with a greater emphasis on prevention and formal and informal education rather than treatment.

These changes impact very differently on people and population groups depending on income and other resources. Some workers report rising levels of social disadvantage and increased complexity of needs among very vulnerable clients. Indeed, some community services staff are themselves falling into the category of 'working poor', given the lack of fit between low or insecure wages and Canberra's relatively high cost of living.

A recent national report on housing affordability found that low income households in the ACT face particularly unaffordable rents, as rents are pushed up by the overall high income earning workforce.

Previous workforce planning and analysis

In 2016, the ACT Council of Social Services initiated *The State of the Community Services Sector in the Australian Capital Territory*. This was the first time a survey had been conducted to comprehensively gather data across the Industry. A total of 166 from 401 identified organisations participated in the survey which, uniquely, collected both qualitative and quantitative data. The report presents a picture of participating organisations, volunteers, paid staff and organisational governance.

The Australian Charities and Not-for-profits Commission releases data from the *Annual Information Statements* of registered charities each year. The data topics include organisational revenue, number of full time and part time workers, and number of volunteers. ACNC data shows that almost half (49.6%) of all Australian charities operate entirely with a volunteer base and have no paid staff. While this paper has been limited to those organisations who employ at least one staff member, the *State of the Community Services Sector* report acknowledges the valuable contribution of volunteers, and the role that Boards play in the governance of organisations – a major influence in the recruitment and retention of staff.

In 2016, the ACT Long Service Leave Authority, the organisation responsible for administering the *Long Service Leave (Portable Schemes) Act 2009*, produced the *ACT Long Service Leave Authority Industry Workforce Analysis*. This was a comprehensive analysis of data held on employees in the ACT Community Sector. The report covers a range of demographic and related factors, and reveals data on employee's length of service in their current workplace and within the Industry, the proportion of employees changing jobs, and information about the destinations of those leaving the sector. It should be noted that the overall data analysis including the time series analysis, is based on employees whose employers have registered for the scheme, rather than a complete coverage of all employees in the Industry.

In 2016, the Australian Bureau of Statistics conducted the *Census of Population and Housing*, which collected data from individuals on topics such as their demographics, educational participation and achievements, employment status, income, sub-sector and position type.

Members of the public service have been excluded from this study, however their characteristics have been captured by the *ACT Public Service Workforce Profile* and the Australian Public Service Commission agency census which informs the *State of the Service* report.

There is a need for disaggregated data for key sub-sectors within the Industry, and for regularity of data collection with a consistent set of questions so that long term trends can be identified, and progress monitored. Stakeholder feedback suggests that if *State of the Community Service Sector* is adopted as a regular survey, it may need to be modified, or complemented with data that more broadly taps into staff views. These issues are dealt with in a separate report on the Industry Snapshot.

Work is progressing around Australia on similar workforce planning investigations, plans and reports for the Community Services Industry. Reports include:

- Tasmania: *Workforce Development Plan 2012-2015 (Tasmanian Council of Social Services)*. A Tasmanian Industry Strategy is also currently being developed.

- Victoria: *Community Services Industry Plan & Plan Discussion Paper (Victorian Council of Social Service); Community Sector Workforce Capability Framework Tool Kit (Department of Health and Human Services); Strengthening the State: A snapshot of Victoria’s community sector charities (Victorian Council of Social Service)*
- Queensland: *Forecasting the Future: Community Services in Queensland 2025 (Deloitte Access Economics); Partnering for the future: Advancing Queensland’s community service industry 2017-25 (Community Services Partnership Forum and Queensland Government)*
- NSW: *Workforce Issues in the NSW Community Services Sector (Cortis & Blaxland, Social Policy Research Centre for the NSW Council of Social Service)*
- National: *Contribution of the Not-for-profit sector (Productivity Commission)*

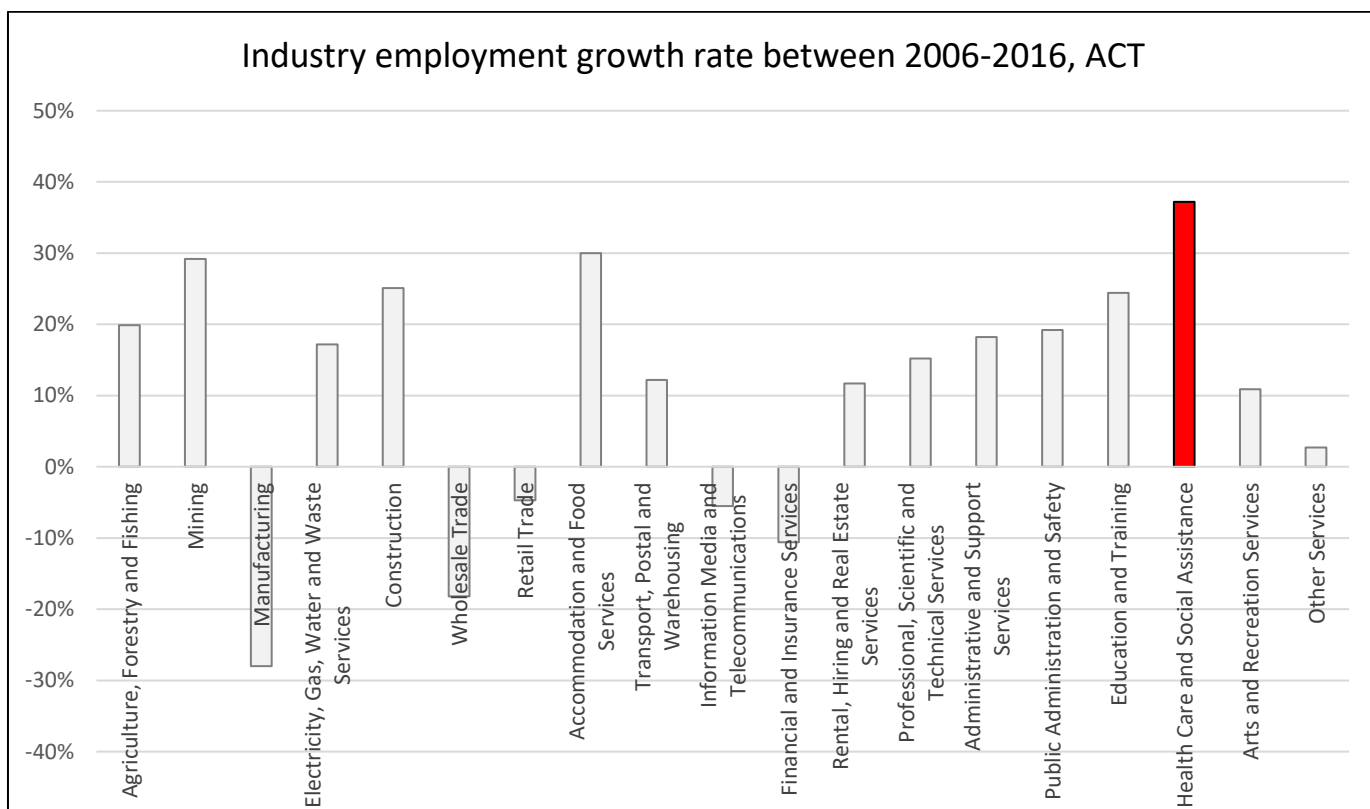
Scope of the Community Services Industry

An initial step in the development of this project was the definition of scope for the Community Services Industry. Previous industry reports used a variety reports of definitions, including various compilations of service streams suggested by stakeholders.

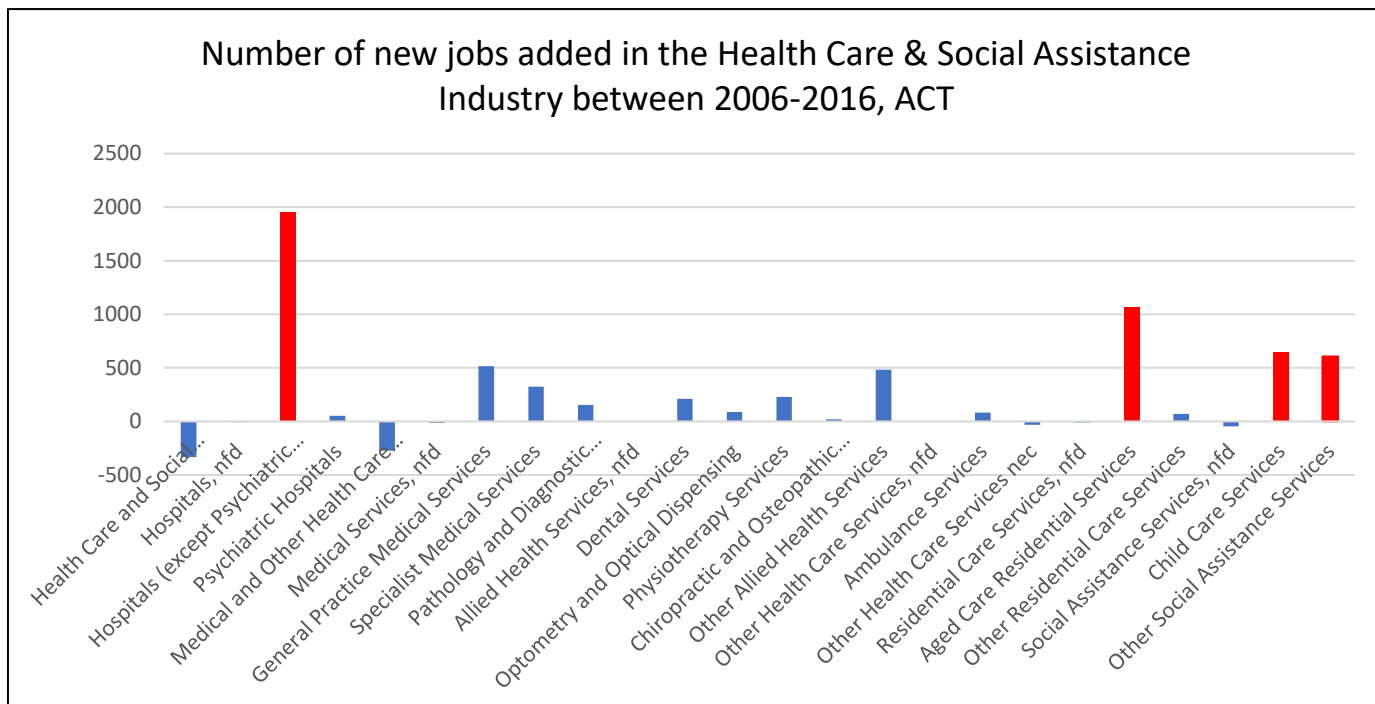
As data availability is the central consideration of the report, we limited a definition to that provided by the most reliable data sources.

A number of previous reports have used a data grouping known as Division Q ‘Health Care and Social Assistance’ utilised by the Australian Bureau of Statistics. This is a broad group of sub-sectors covering more than 21,000 ACT employees. As explained below, there is no neat fit between Division Q, and what are generally regarded as employment categories within the Industry.

The Health Care and Social Assistance Industry is the second largest industry of employment and experienced the highest growth rate amongst all industries in the ACT between the 10 year period 2006-2016,



It is important to note that while the larger Division Q ‘Health Care and Social Assistance’ group is increasing, different sub-sectors within the industry are experiencing disparate growth and decline rates. The fastest growing sub-sector was aged care residential services, which grew by 86 per cent over the ten year period. It is anticipated that this sub-sector will continue to grow exponentially due to the ageing population.



The sub-sectors gaining the largest number of new jobs were:

- Hospitals (excluding Psychiatric Hospitals): 1,953 new jobs (growth rate of 42% over 10 years)
- Aged care residential services: 1,064 new jobs (growth rate of 86% over 10 years)
- Child Care Services¹: 647 new jobs (growth rate of 30% over 10 years).

It is clear that not all parts of the Industry are expanding, and it is those sub-sectors which are demand driven (Aged Care Residential Services and Child Care Services) that are growing at the fastest rate.

Starting with this broader data grouping of Division Q (shown below), we eliminated sub-sectors from the data that could be more properly considered as part of the Health Industry, rather than the Community Services Industry. The removed groupings are shaded grey. The eliminated sub-sectors (making up 60 per cent of Division Q) were: Hospitals; Psychiatric Hospitals; General Practice Medical Services; Specialist Medical Services; Allied Health Services; and Ambulance.

¹ In this report, we have used the terminology ‘Child Care’ provided by the Australia and New Zealand Industrial Classification (ANZSIC) to refer to early childhood education and care services.

Division Q: Health Care and Social Assistance								
Hospitals	Psychiatric Hospitals	GPS	Specialist Medical	Allied Health	Other Health Care Services	Residential Care	Child Care	Other Social Assistance
				Dental	Ambulance	Aged Care Residential		
				Optometry	Other Health Care	Other Residential		
				Physiotherapy				
				Chiropractic				
				Other Allied Health				

The remaining five sub-sectors (highlighted above) are used in this report to define the scope for the ACT Community Services Industry. Although community legal services and financial support services are ordinarily considered part of the Community Services Industry, they could not be identified as a separate entity within the broader legal and financial sector data, and as a result they were excluded from this data analysis. While Allied Health Workers working in the Health Care Industry were removed, Allied Health Workers working in the Community Services Industry (such as aged care and disability services) are certainly included in the analysis.

A separate report has been prepared for each of the five sub-sectors outlined below:

ACT Community Services Industry	
Sub-sectors	Primary activities
Aged Care Residential Services	<ul style="list-style-type: none"> • Accommodation for the aged • Aged care hostels • Nursing homes
Other Residential Care Services	<ul style="list-style-type: none"> • Children’s homes • Community mental health hostels • Crisis care accommodation • Homes for the disadvantaged • Hospice operation • Residential refuges • Respite residential care
Child Care Services	<ul style="list-style-type: none"> • Before and/or after school care • Child care • Childminding service • Family day care
Social Assistance Services	<ul style="list-style-type: none"> • Adoption services • Adult day care • Aged care assistance • Alcoholics anonymous • Disabilities assistance • Marriage guidance • Soup kitchens • Welfare counselling • Youth welfare services
Other Health Care Services	<ul style="list-style-type: none"> • Community health centres • Community mental health facilities • Health assessment services • Blood banks • Health care services not elsewhere classified

Key industry findings

In 2016, the ACT Community Services Industry (as defined by the above five sub-sectors) consisted of approximately 8,000 paid staff.

The largest sub-sectors within the Industry are Child Care Services (34 per cent of services), followed by Social Assistance Services (31 per cent) and Aged Care Residential Services (28 per cent).

Composition of the ACT Community Services Industry, 2016



- Aged Care Residential Services: 2,299 persons (29%)
- Other Residential Care Services: 270 persons (3%)
- Child Care Services: 2,768 persons (35%)
- Social Assistance Services: 2,485 persons (31%)
- Other Health Care Services: 130 persons (2%)

The table below shows the top fifteen occupations with the highest number of employees across the Industry. A more comprehensive list has been provided in the sub-sector reports.

Occupation	Health Care Services	Aged Care Residential Services	Other Residential Services	Child Care Services	Social Assistance Services	Total
Child Carers	-	-	-	2,184	42	2,226
Aged and Disabled Workers	-	691	95	30	775	1,591
Nursing Support and Personal Care Workers	-	514	-	-	31	545
Welfare Support Workers	-	50	31	35	262	378
Registered Nurses	17	283	-	-	27	327
Child Care Centre Managers	-	-	-	142	-	142
Welfare, Recreation and Community Arts Workers	-	26	38	-	75	139

Health and Welfare Service Managers	-	58	-	-	60	118
Counsellors	-	-	-	-	118	118
Social Workers	-	23	-	-	86	109
Kitchenhands	-	86	-	-	-	86
General Clerks	-	-	-	19	66	85
Early Childhood (Pre-primary School) Teachers	-	-	-	70	-	70
Cooks	-	23	-	42	-	65
Receptionists	-	29	-	-	35	64

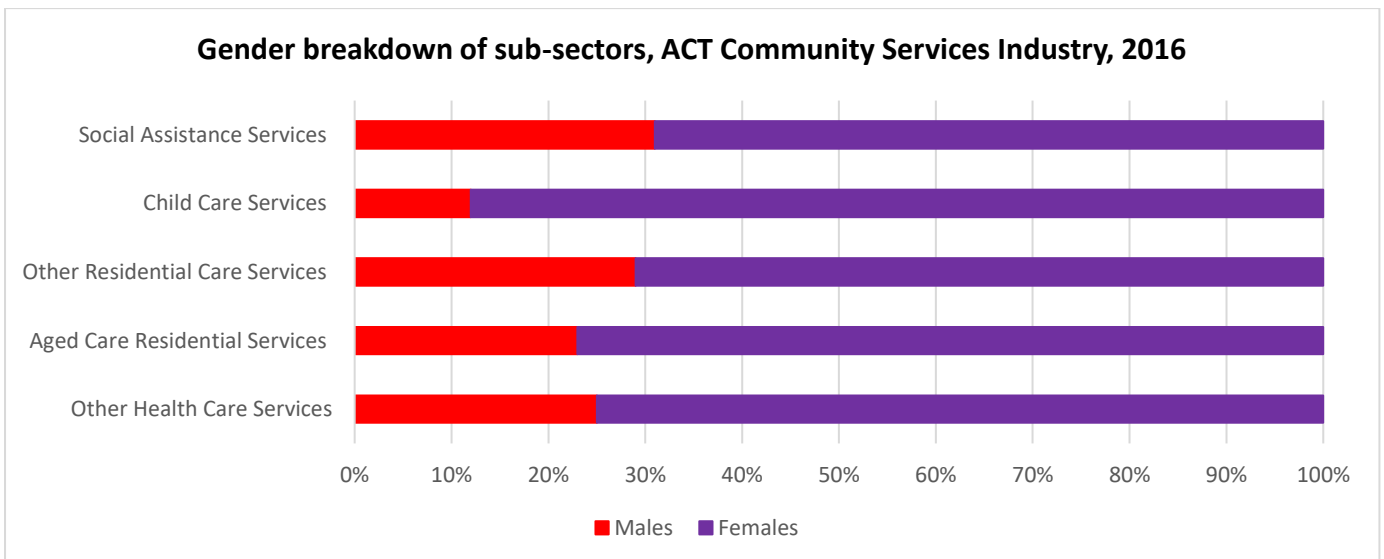
Some occupations operate across several different sub-sectors of the Industry, and any subsequent growth in demand in one sub-sector may lead to a shortfall that affects other sub-sectors that rely on the same sources and types of staff. For example, both Aged Care Residential Services and Social Assistance Services employ significant numbers of Aged and Disabled Workers and will experience a high growth in the number of these positions. As a result, there is likely to be increased competition between these two sub-sectors for these workers.

In addition, some occupations are also engaged in other industries such as Education, Hospitality, and most notably the Health Industry. In 2016, the ACT Community Services Industry employed only 9 per cent of all Registered Nurses within the ACT (327 of 3,271); 85 per cent of Aged and Disabled Workers (1,591 of 1,865); 56 per cent of Nursing Support and Personal Care Workers (545 of 963); 8 per cent of Nurse Managers (20 of 239); and 10 per cent of Enrolled and Mothercraft Nurses (38 of 350). Again, significant expansion in the number of these roles or shortfalls in external industries will affect the ability of the Community Services Industry to recruit and retain suitable staff.

Some occupations such as administration staff, finance and business professionals are utilised across all industries within the ACT and may be impacted by ACT wide surpluses and shortfalls.

Gender

In 2016, 78 per cent of employees within the ACT Community Services Industry were female, and 22 per cent were male.



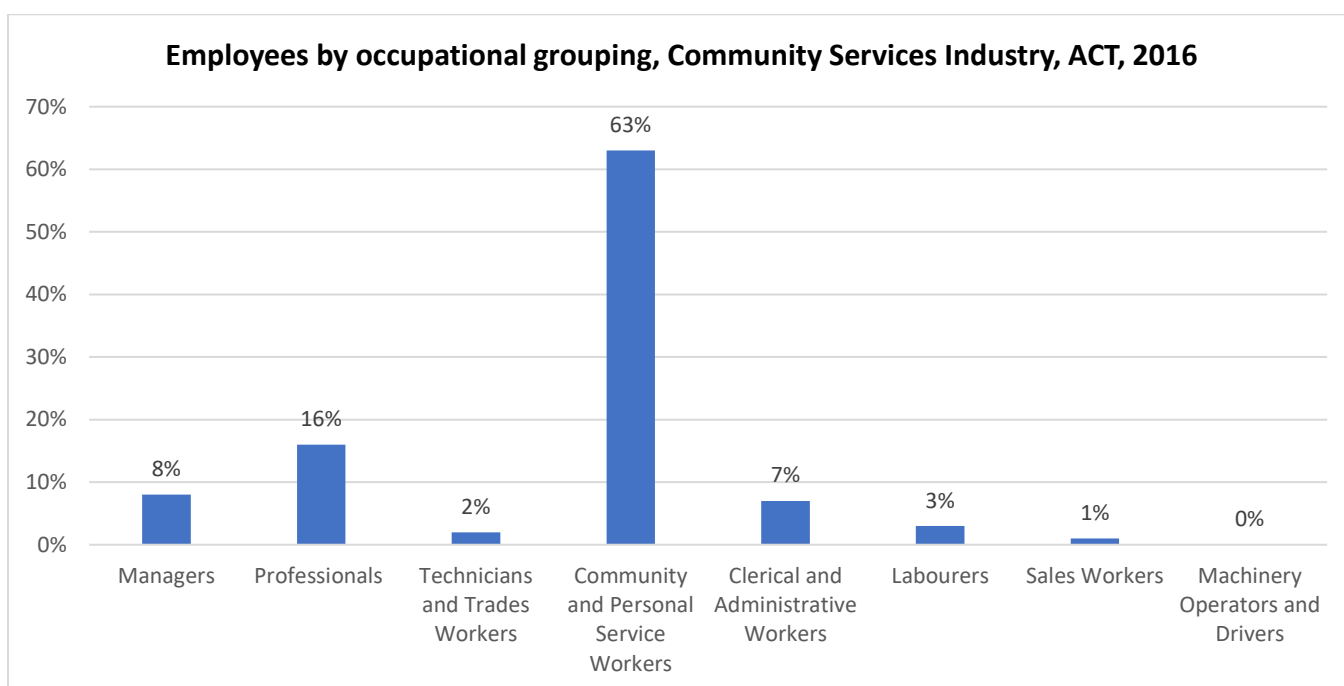
Median age of employees

In 2016, the median age for employees in the ACT Community Services Industry was 37 years. Among sub-sectors the median ages were:

- Aged Care Residential Services: 39 years
- Other Residential Care Services: 37 years
- Other Social Assistance Services: 42 years
- Child Care Services: 32 years
- Other Health Care Services: 44 years.

Occupational groupings

Across the Industry, the occupational grouping with the largest proportion of people was Community and Personal Workers (63 per cent), followed by Professionals (16%) and Managers (8%).



Hours of employment

In the week preceding the 2016 Census, slightly more than half (52%) of all employees in the Industry worked 35 hours or more. The remaining 48 per cent worked between 1 and 34 hours. The Census did not collect information about whether employees were engaged on a casual, temporary or permanent basis.

Sub-sector	Worked 35 hours or more (full time)	Worked less than 35 hours (part time)
Aged Care Residential Services	48%	52%
Other Residential Care Services	65%	35%
Child Care Services	52%	48%
Social Assistance Services	53%	47%
Other Health Care Services	69%	31%

Educational Qualifications

More than 1 in 4 (37 per cent) of employees had attained a Bachelor degree or higher qualification. Employees from Other Health Care Services had the highest levels of education, while Child Care staff had the lowest levels.

Highest level of education of employees, ACT, 2016						
	Aged Care Residential Services	Other Residential Care Services	Child Care Services	Social Assistance Services	Other Health Care Services	Industry total
Postgraduate Degree	7.7%	7.1%	5.5%	10.1%	18.5%	7.9%
Graduate Diploma and Graduate Certificate	1.9%	4.0%	5.2%	5.3%	6.2%	4.4%
Bachelor Degree	28.5%	23.7%	19.3%	26.6%	29.2%	24.5%
Advanced Diploma and Diploma	17.5%	24.5%	19.5%	18.1%	12.3%	18.5%
Certificate III & IV	24.1%	20.2%	22.0%	18.1%	17.7%	21.3%
Secondary Education – Years 10 and above	18.4%	19.0%	27.1%	20.3%	19.2%	22.0%
Certificate 1 & II	0.3%	0.0%	0.0%	0.0%	0.0%	0.1%
Secondary Education – Years 9 and below	1.6%	1.6%	1.1%	1.7%	0.0%	1.4%

The ACTCOSS 2016 *State of the Community Services Sector* survey data of 166 organisations from the Industry showed that:

- Organisations were struggling to attract staff due to low wages, insecurity of work and limited career pathways
- 83 per cent of organisations engaged volunteers. 59 per cent engaged volunteers with lived experiences of disadvantage. 21 per cent of organisations had more than 50 volunteers
- The medium number of staff members was 6.5 people
- Small organisations were more likely to have part-time staff
- 2 out of 3 employees are permanent/ ongoing, while 1 in 4 employees are casual
- 69 per cent of organisations reported difficulty attracting staff in the previous year, primarily front line workers
- The factors that were believed to contribute positively towards recruitment and retention were training and development opportunities, working hours, and work locations
- The factors that were believed to hinder recruitment and retention were salaries, job security, and career paths
- Retention difficulties were less wide spread than recruitment difficulties

- Few organisations had resources to cover any kind of staff development all of the time. Only a minority had resources to support staff to attain a university or VET qualifications all or most of the time
- Organisations believed that remuneration was the priority factor which would help attraction and retention
- Only 1 in 5 organisations agreed or strongly agreed that they knew enough in advance whether funding would be renewed.

The 2016 *ACT Long Service Leave Authority Industry Workforce Analysis* showed that:

- 26 per cent of employees under the scheme changed their employer between 2010-2015
- While there were some limitations with the data, the destinations of workers covered by the scheme who left their sub-sector for another Community Services Industry sub-sector sector was captured. In general terms the leading destinations of workers within:
 - Childcare service were other positions in the same service stream
 - Advocacy support groups were other positions in the same service stream
 - Residential care were other positions in the same service stream
 - Before and after school care program employees was consumer advocacy support groups; followed closely by childcare services
 - Disability support were other positions in the same service stream
 - Residential home care were community advocacy support groups
 - Youth group centres were childcare services.

In our review of the available data sources, we were unable to find robust Industry wide data on:

- full time equivalents of employees
- the originating industries of new recruits
- the motivations of new recruits to join the industry
- the push/pull factors that employees feel are affecting their decision to remain in the sector (as distinct from what managers believe these factors are; or what employees may be willing to reveal to their managers)
- the long-term career intentions of current employees to remain in their current position, their sub-sector and the Industry as a whole
- the length of service of employees within their current position, their sub-sector and the Industry as a whole
- the extent to which current part time employees wished for more paid hours.

Data note

Throughout this report we have constructed data from the 2016 Census of Population and Housing as a basis for analysis due to the very high number and proportion of people enumerated, the regularity of the data collection, and the use of a consistent set of questions over time – making it possible to observe long term trends.

The data tables in our report have been produced through the use of the ABS Tablebuilder product, perturbation (random adjustment of data) has been employed to protect the confidentiality of individuals and organisations, in accordance with the Census and Statistics Act 1905. This means that there have been small adjustments to numbers, by the ABS, often resulting in data breakdowns not adding up to table totals. The ABS advises that these adjustments have a negligible impact on the underlying pattern of the statistics.