



Australian Government

Department of Jobs and Small Business

Appendix B

Aged care sector

The labour market for personal care workers

Australia, 2017



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Executive Summary

Employer requirements

- Employers in both the aged and disability care sectors were seeking personal care workers with qualifications, experience and the right employability (personal, people and team) skills. However, employers in aged care were more focussed on qualifications and experience:
 - Seventy-four per cent always sought qualifications and experience when recruiting (46 per cent in disability care);
 - Some 83 per cent required at least a Certificate III (58 per cent in disability care); and
 - Seventy-two per cent would not consider applicants without qualifications who had little experience (27 per cent in disability care).
- When recruiting, 35 per cent said that employability and people skills were the most important factor (40 per cent in disability care).

Staffing characteristics

- The proportion of staff on casual contracts in the aged care sector was 38 per cent, compared with 43 per cent in the disability care sector. At 21 per cent, the aged care sector had a higher proportion of personal care staff working full-time hours, compared with 14 per cent in disability care.
- On average, personal care workers in the aged care sector were expected to perform an average of 6.4 tasks as part of their daily responsibilities, compared with an average 7.8 tasks for workers in disability care.

Recruitment activity and outcomes

- Some 85 per cent of employers in aged care had recruited in the six months prior to the survey, with 66 per cent recruiting to fill new positions and all employers recruiting to replace staff who had left.
- Around 20 per cent of vacancies were not filled, with employers reporting a lack of suitable applicants as the main reason. Applicants were rated as unsuitable due to:
 - their inability to work the hours required (58 per cent);
 - a lack of qualifications (47 per cent); and
 - a lack of work experience (37 per cent).
- On average, employers attempted to fill 10.4 personal care vacancies per recruitment round.
 - Aged care vacancies attracted a greater number of applicants per vacancy than in disability care (9.1 per vacancy compared with 4.0 per vacancy).
 - Despite having more applicants, employers in aged care found a smaller proportion suitable for the role (23 per cent) compared with those in disability care (35 per cent).
- Employers were concerned about staff retention and 42 per cent reported personal care workers changed jobs to improve their pay and conditions.
 - However, only 18 per cent of aged care employers believed their personal care staff left for jobs outside the industry (compared with 54 per cent in disability care).

1 Background

Personal care workers provide care, support and services to the elderly or to those with disability, either in their own home, clinic, hospital, at a residential care facility, or in a community setting.

This survey was conducted in September-October 2017 and focused on the personal care workforce in the aged and disability care sector. Similar surveys were run between 2011 and 2014. While the results are not directly comparable with earlier surveys, some comparisons are made with the 2014 results.

The *Labour market for personal care workers* report provides findings from the survey and allows comparisons between the aged and disability care sectors. This report provides more detailed findings from the survey on the aged care sector (*Appendix A* focuses on the disability care sector).

2 Profile of respondents

- 142 providers of aged and disability care responded to the survey
- 45 per cent of all respondents operated in the aged care sector
- 79 per cent of personal care workers in aged care were part-time

2.1 Respondents

In total, the Department received 142 survey responses from providers of aged and disability care in all states and territories, in both metropolitan and regional areas.¹ Of these, 45 per cent operated predominantly (over 50 per cent of services provided) in the aged care sector.²

Figure 1: Respondents by state/territory

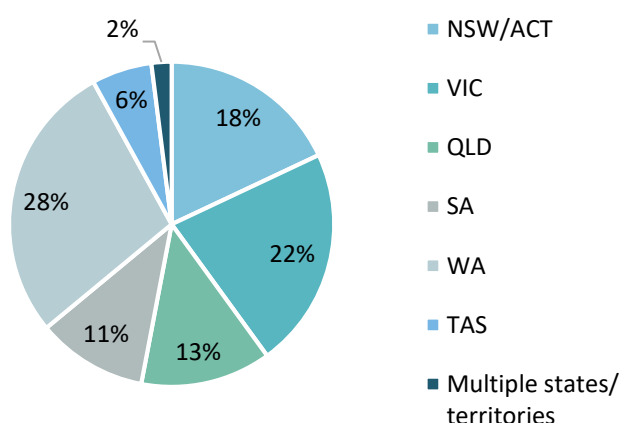
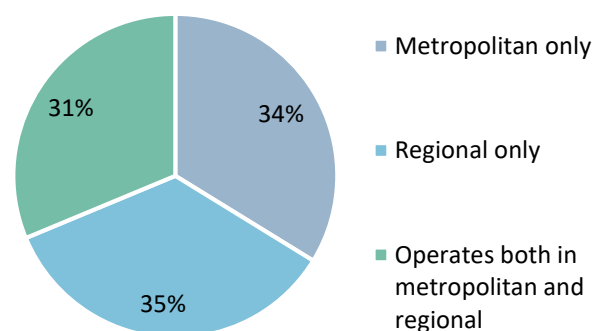


Figure 2: Respondents' location



¹NSW and ACT responses have been combined. As there were no businesses operating solely in the Northern Territory, NT responses are included in the 'multiple states/territories' group.

² For those operating in both sectors, 90 per cent provided more than 70 per cent of their services in the aged care sector.

2.2 Sector and business characteristics

A reported 77 per cent of the businesses in the aged care sector were a community/not-for-profit organisation, while a further 14 per cent operated as a commercial/private organisation and 9 per cent were public providers.

Aged care respondents employed more than 15,500 personal care workers. Businesses surveyed employed an average of 288 personal care workers, but the individual size of the businesses varied significantly, from six to more than 2,000 personal care workers.

Some 61 per cent of personal care workers in the aged care sector were employed on a permanent/ongoing basis (Figure 3) and 79 per cent worked part-time hours³ (Figure 4). An estimated 43 per cent of part-time personal care staff worked between 16 to 20 hours and another 42 per cent worked between 21 to 25 hours (Figure 5).

Personal care workers in the aged care sector worked an average of 21.9 hours. However, this varied depending on their type of employment. Permanent/ongoing personal care staff worked an average of 27 hours per week, casuals 17.9 hours, and contract staff worked 15.2 hours, on average, per week.

Figure 3: Employment type

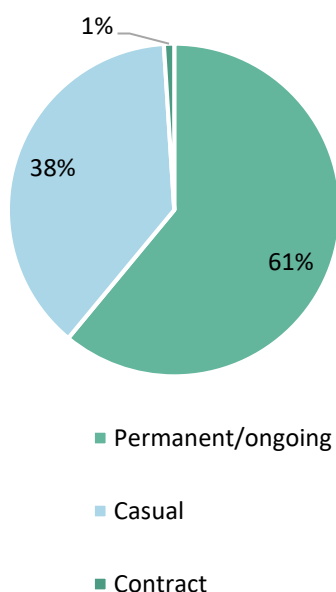


Figure 4: Employed full-time or part-time

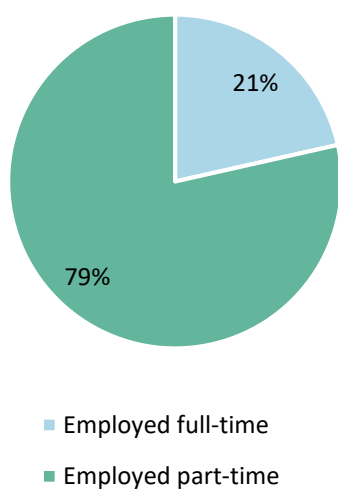
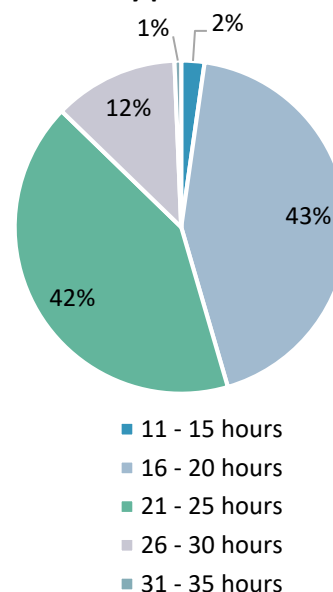


Figure 5: Average weekly hours worked by part-time workers



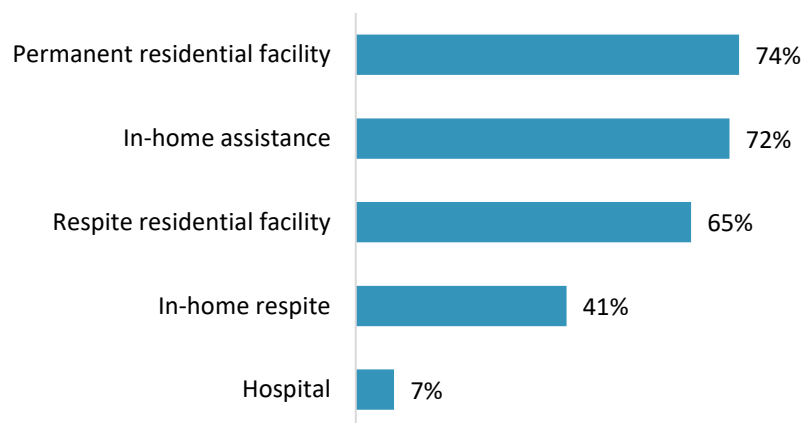
³ Part-time is defined as working less than 35 hours per week.

2.3 Service delivery

There were two core delivery settings:

Accommodation support: All aged care respondents provided some form of accommodation support.

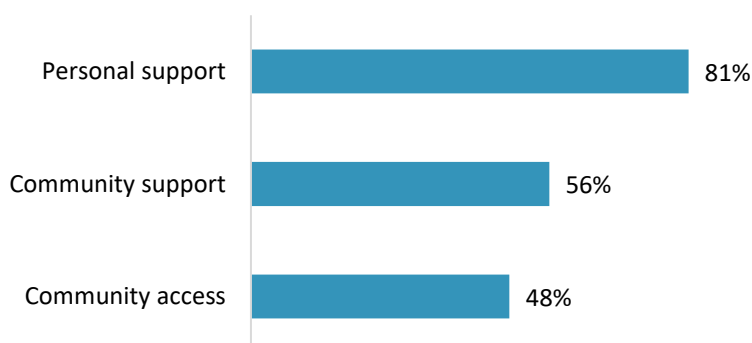
Figure 6: Accommodation support provided



Of these, 74 per cent provided permanent residential services and 65 per cent provided respite residential services (Figure 6). Respondents also provided in-home assistance (72 per cent), supporting clients to continue living at home.

Client support: 81 per cent of aged care providers also delivered client support.

Figure 7: Client support provided, aged care



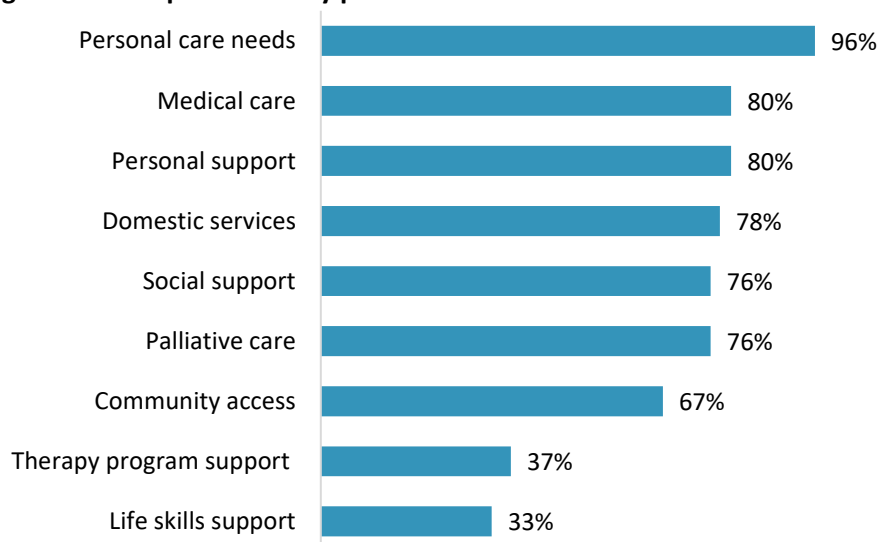
The most common service provided was *Personal support* (81 per cent), which involved assisting clients with physical care activities and with personal needs such as arranging and attending appointments and assistance with financial matters (Figure 7). Fifty-six per cent provided *Community support*, such as assistance to attend and access activities like therapy and counselling; and 48 per cent provided *Community access*, focussed on assisting with life-skill development and access to recreation and holiday programs.

2.4 Tasks performed by personal care workers

Personal care workers carry out a broad range of tasks in order to undertake their job. In the aged care sector, employers identified an average of 6.4 tasks per role, compared with 7.8 in the disability care sector.

Assisting with personal care was the primary task for staff in the aged care sector. They also provided medical care and personal support (both 80 per cent). Not surprisingly, the provision of palliative care was more common in the aged care sector than in disability care, at 76 per cent and 26 per cent respectively.

Figure 8: Tasks performed by personal care workers



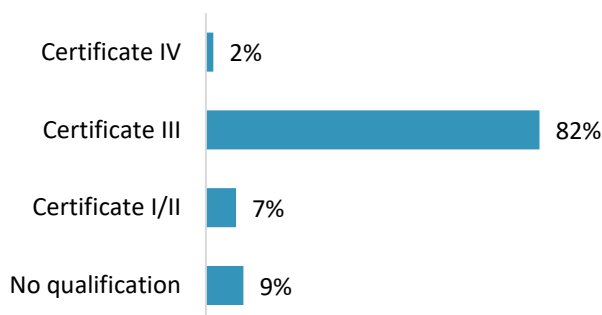
3 When recruiting, what are employers looking for?

- Employers in the aged care sector were more likely to require qualifications and experience compared with those in disability care
- Personal qualities, such as people skills and a good work ethic, were highly valued

3.1 Qualifications and experience

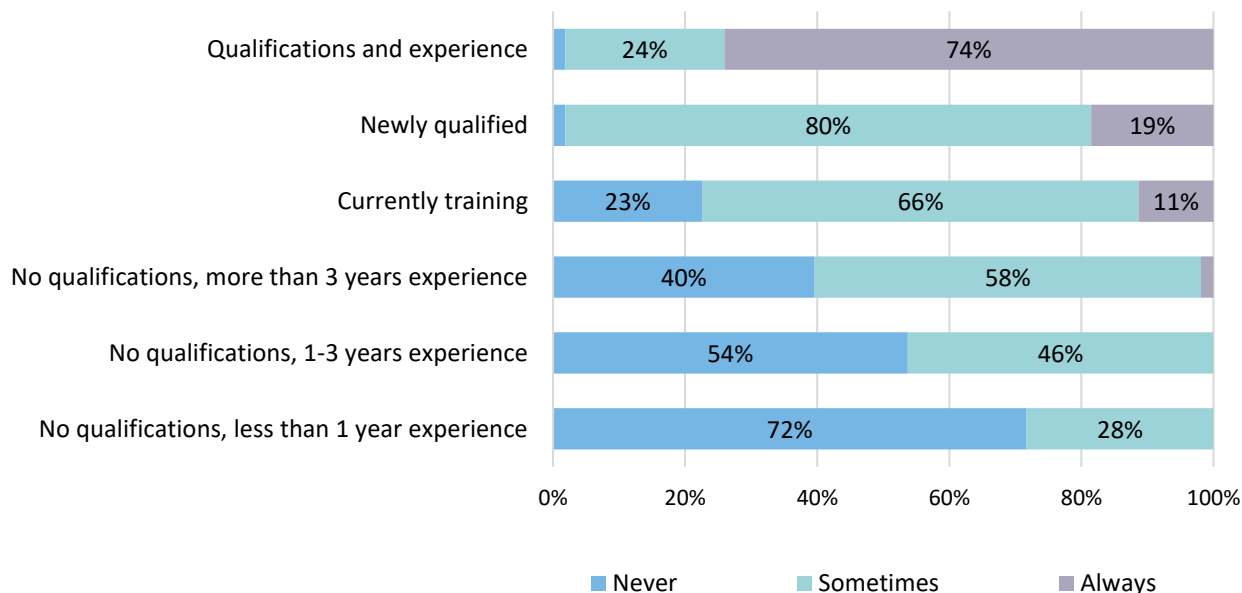
When recruiting for personal care workers, 84 per cent of employers in the aged care sector required a minimum qualification of Certificate III or higher (58 per cent in disability care) (Figure 9). Only 9 per cent of employers had no minimum qualification requirements when recruiting personal care staff, compared with 31 per cent in the disability care sector.

Figure 9: Minimum qualifications required



Of the surveyed aged care providers, 74 per cent *always* preferred to employ personal care workers who were qualified and experienced (Figure 10). Some 80 per cent of employers *sometimes* considered newly qualified staff and 66 per cent considered applicants currently in training. Some 72 per cent of respondents reported they would *never* consider unqualified inexperienced applicants, compared with 27 per cent of respondents in disability care.

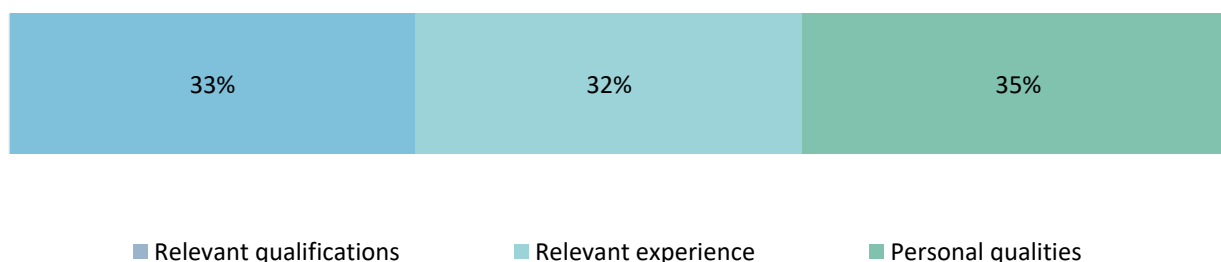
Figure 10: Qualifications and experience required for advertised positions



3.2 The importance of personal skills and qualities

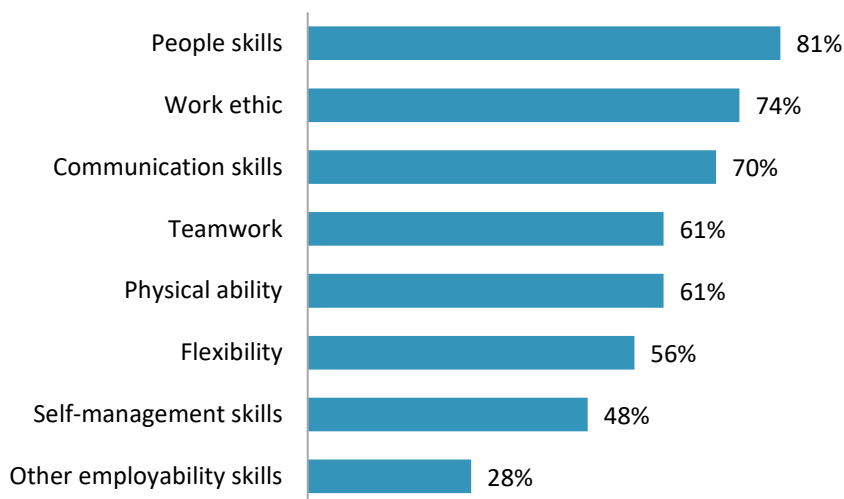
Despite qualifications and experience being important in the aged care sector, 35 per cent of employers indicated personal and people skills were more important than qualifications (33 per cent) and experience (32 per cent).

Figure 11: Most important characteristic for employers when recruiting



The personal qualities most commonly sought by employers were people skills (81 per cent), a good work ethic (74 per cent) and communication skills (70 per cent) (Figure 12).

Figure 12: Personal and employability skills rated as very important by employers



4 Recruitment activities

- 85 per cent of employers undertook recruitment in the previous six months
- All aged care providers recruited to replace staff, while 66 per cent were recruiting to fill new positions

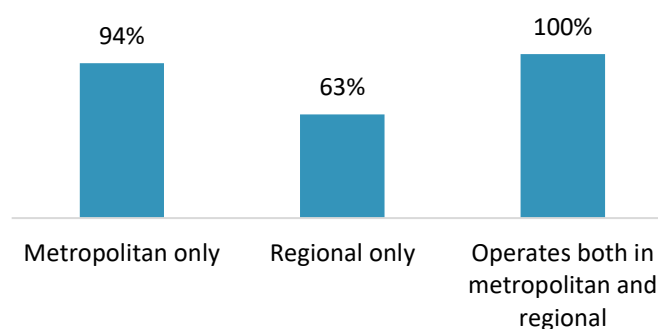
4.1 Recruitment in previous six months

In the six months prior to the survey, 85 per cent of employers in the aged care sector had attempted to recruit personal care workers. This recruitment rate was higher than the Australian average of 72 per cent.⁴

Metropolitan employers in the aged care sector were more likely to have recruited (94 per cent) compared with 63 per cent of those in regional areas (Figure 13).

By comparison, 89 per cent of regional disability care employers had attempted to recruit in the previous six months.

Figure 13: Percentage of employers who recruited, by region



⁴ Department of Jobs and Small Business, *Surveys of Employers' Recruitment Experiences (SERE)*, 2017. The SERE is a quantitative telephone survey (opposed to this survey which was a paper survey) that contacted employers and asked about their recent recruitment experiences.

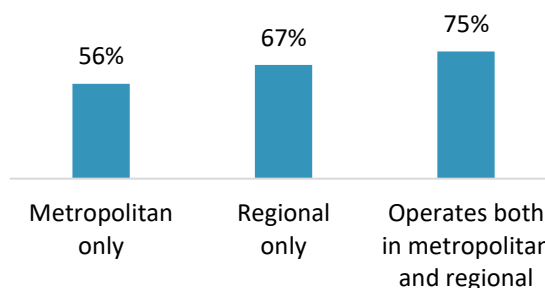
4.2 Reasons for recruitment

In the aged care sector, all employers, regardless of their location, reported needing to recruit to replace staff (compared with 79 per cent in 2014).

Of the aged care sector respondents, 66 per cent reported having to recruit to fill newly created personal care positions (53 per cent in 2014).⁵

Of the respondents who operated in both metropolitan and regional areas, 75 per cent had recruited to fill new positions, while 56 per cent in metropolitan areas had filled new positions (Figure 14).

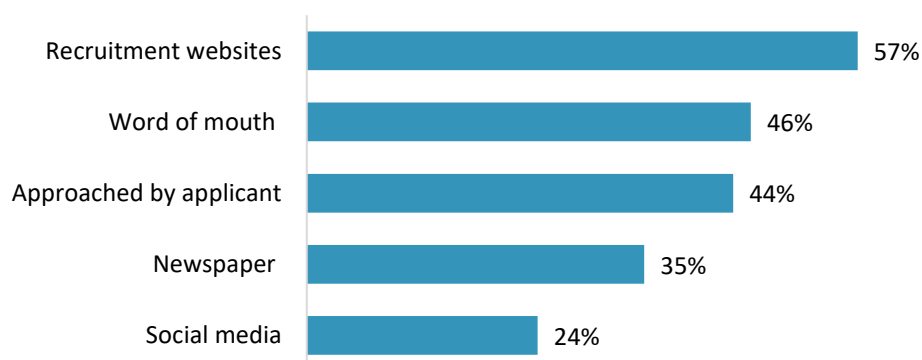
Figure 14: Percentage of employers who recruited to fill new positions, by region



4.3 Recruitment methods

When undertaking recruitment, employers in the aged care sector used, on average, 3.3 different recruitment methods. Advertising on recruitment websites was the most common method used by respondents to fill their vacant positions (57 per cent). Aged care businesses increasingly used recruitment pages incorporated into their websites, listing all current vacancies and allowing individuals to lodge their résumés with the company.

Figure 15: Recruitment methods used



Respondents also used 'word of mouth' (46 per cent), and 44 per cent reported applicants had approached the business directly.

The use of social media as a recruitment method by aged care sector employers was 24 per cent, higher than the 10 per cent of employers overall who use social media as a recruitment method.⁶

⁵ For more information see the *Supply and demand trends* section.

⁶ Department of Jobs and Small Business, *Survey of Employers' Recruitment Experiences*, 2017.

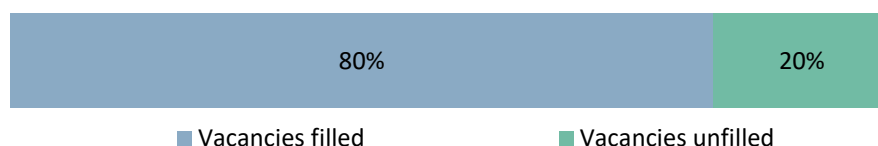
5 Recruitment experiences

- With an average of 9.1 applicants per vacancy and 80% of all vacancies filled, employers were generally able to find suitable applicants for their positions
- Employers stated that a lack of suitable applicants was the main reason vacancies were not filled

5.1 Vacancies and recruitment

At 97 per cent, most employers in aged care advertised multiple vacancies at a time and, on average, each employer advertised 12.6 personal care worker positions in their last recruitment round. Within the aged care sector, respondents had filled 80 per cent of vacancies at the time of the survey, (Figure 16), relatively unchanged from 2014 (82 per cent). By comparison, disability care sector employers had filled 73 per cent of vacancies. Other research by the department based on a sample of a range of skilled occupations shows that, on average, employers filled 60 per cent of their vacancies.⁷

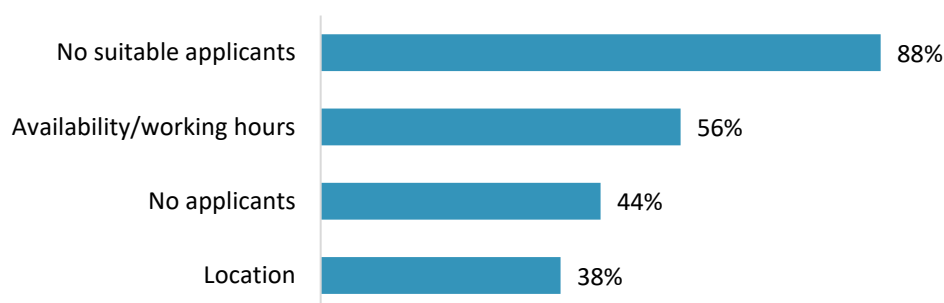
Figure 16: Vacancies filled in the last recruitment round



On average, vacancies took 3.4 weeks to fill, also relatively unchanged from 2014 (3.3 weeks).

At 88 per cent, a lack of suitable applicants was the main reason employers in aged care could not fill their vacancies (in line with 85 per cent in disability care). However, 44 per cent reported having no applicants for some of their vacancies, much higher than in disability care (25 per cent). A substantial 56 per cent of employers also reported some applicants were not available to work the hours needed for the position and 38 per cent of employers stated that their location contributed to their inability to fill vacancies (Figure 17).

Figure 17: Employers' reasons vacancies were not filled



⁷ Department of Jobs and Small Business, *Survey of Employers who have Recently Advertised (SERA), 2017–18*. There are methodological differences between the SERA and this survey: the SERA is a telephone survey conducted by interviewers that follows up employers who have recently advertised in selected occupations, while this survey was a self-completion paper based survey of a sample of employers in the aged and disability care sectors.

5.2 Suitability of applicants

Employers found 23 per cent of applicants for their positions in the aged care sector to be suitable. On average, there were 9.1 applicants for every position, of which 2.1 were considered suitable (Figure 18). This is broadly in line with other departmental research for a range of skilled occupations, which found there were 9.3 applicants for each vacancy, with 1.5 found suitable, on average.⁸

By contrast, employers in the disability care sector attracted 4.0 applicants for each of their personal care worker vacancies and considered 35 per cent of them to be suitable.

Most commonly, employers reported that they considered applicants unsuitable due to their inability to work when required (58 per cent) (Figure 19). This was followed by inadequate qualifications (47 per cent) and a lack of work experience (37 per cent).

Figure 18: Number of applicants per vacancy

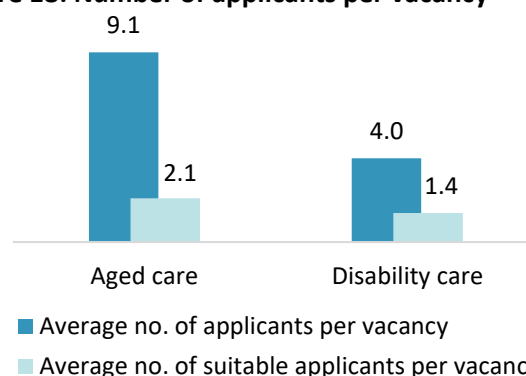
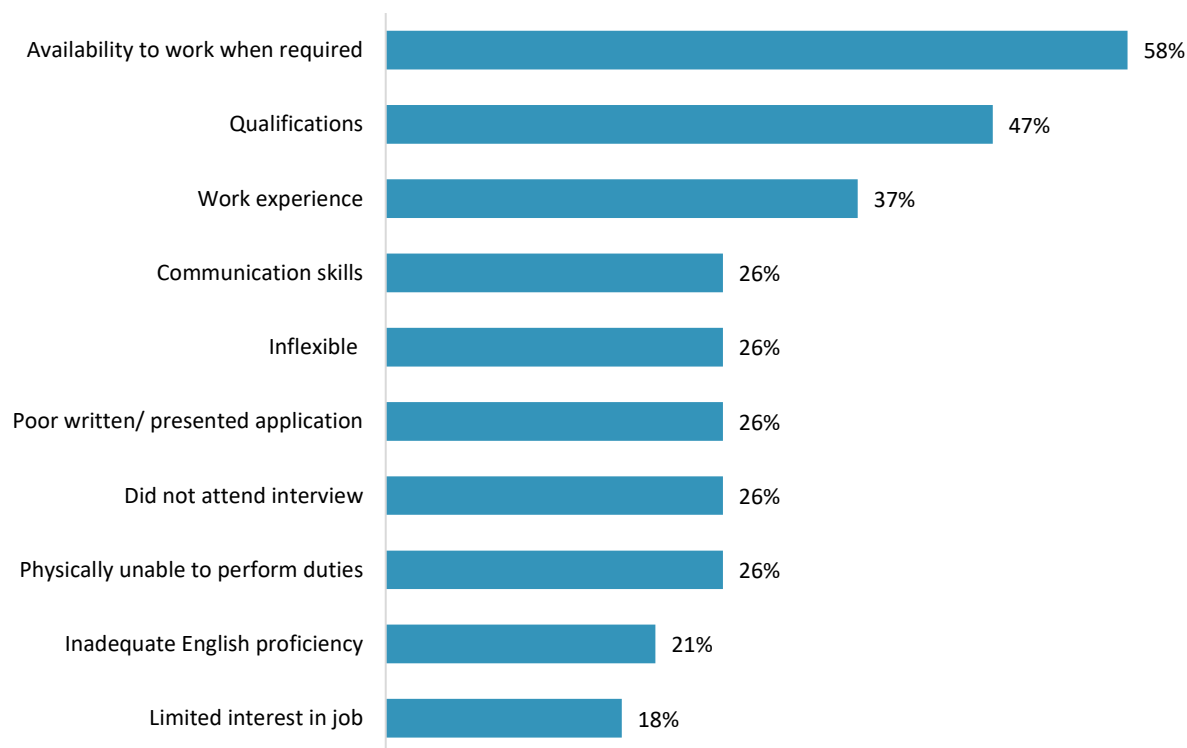


Figure 19: Reasons employers found applicants unsuitable (multiple responses allowed)



* Personal skills and qualities

⁸ Department of Jobs and Small Business, *Survey of Employers who have Recently Advertised, 2017–18*.

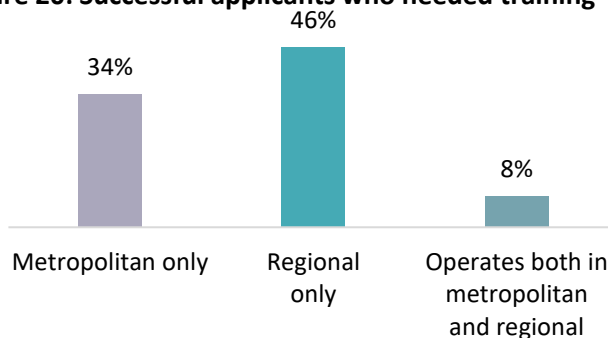
5.3 Additional training requirements of new staff

Of the successful applicants, 22 per cent required some form of training in addition to company induction training. This was substantially lower than in the disability care sector, in which 46 per cent of new staff required some form of additional training (Figure 20).

Additional training employers in the aged care sector needed to give their new starters included:

- Administration of medicines
- Manual handling
- First aid
- Behaviour management.

Figure 20: Successful applicants who needed training



6 Recruitment expectations

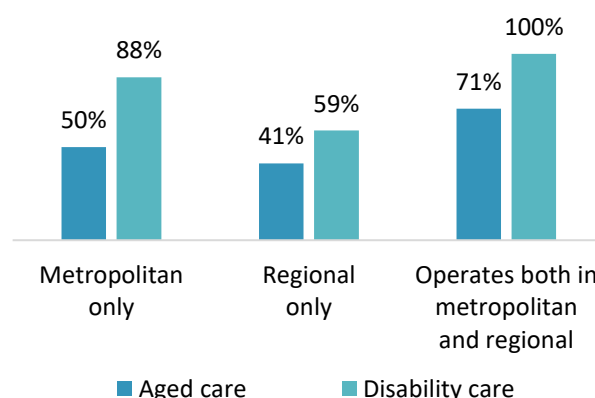
- 54 per cent of employers had vacancies at the time of the survey
- 88 per cent of employers were expecting to recruit in the next six months

6.1 Current vacancies

Overall, 54 per cent of aged care sector respondents had current vacancies (compared with 75 per cent in disability care). Respondents in metropolitan regions were more likely to have vacancies compared with regional respondents (50 per cent and 41 per cent respectively). For those providers that operated in both metropolitan and regional locations, 71 per cent had current vacancies (Figure 21).

On average, there were 8.6 current vacancies per respondent in the aged care sector compared with 10.4 vacancies in the disability care sector.

Figure 21: Proportion of employers with vacancies for personal care workers



6.2 Expectations of future recruitment

About 88 per cent of employers were expecting to need to recruit in the six months following the survey. Of these, 80 per cent thought recruitment would have the same level of difficulty as the last time they recruited. A small proportion thought recruitment would be easier (6 per cent) and 14 per cent believed it would be harder. Overall, aged care respondents were more positive than those in the disability care sector, of whom 39 per cent believed recruitment would be more difficult in the future.

7 Turnover and the retention of personal care workers

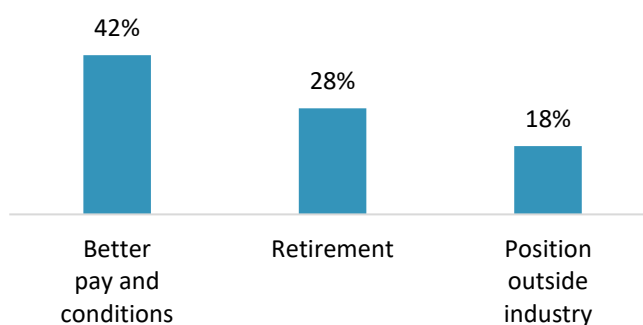
- Employers thought staff left mainly to seek better pay and conditions
- 28 per cent of employers reported losing staff who planned to retire

7.1 Retention difficulties

The retention of staff is important to a business as turnover costs can be expensive, especially if there is continuous turnover. In the aged care sector, 43 per cent of employers thought the retention of staff was difficult, compared with 58 per cent in the disability care sector.

Employers in the aged care sector reported that personal care workers left their job predominantly for a job with better pay and conditions (42 per cent). Additionally, 28 per cent of respondents thought personal care workers left their jobs to retire. A further 18 per cent thought staff left for a job in another industry, compared with 54 per cent in the disability care sector (Figure 22).

Figure 22: Reason for turnover

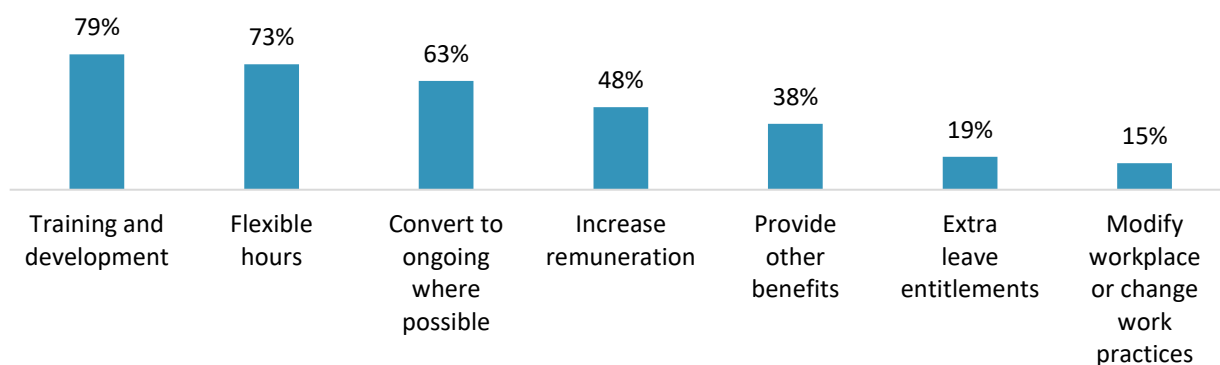


7.2 Strategies in place to help improve retention

When asked if they had strategies in place to retain their personal care workers, 79 per cent of aged care employers said they provided training and development to their staff, while 73 per cent provided flexible hours (Figure 23).

Employers in the aged care sector were more likely than employers in disability care to try to convert workers employed on a casual or contract basis to a permanent basis (63 per cent compared with 38 per cent).

Figure 23: Strategies to help retain staff



8 Supply and demand trends

8.1 The ageing population

In December 2017, 3.8 million people, or around 15.4 per cent of Australia's population, was aged 65 years and over, up from 3.5 million people (or 14.7 per cent of the population) in 2014.⁹ The Productivity Commission estimates that the proportion of people aged 65 years or over will increase to 21.8 per cent by 2056.¹⁰

Usage of aged care increases significantly with age. In 2016-17, some 33 per cent of those aged 70 and over accessed some form of subsidised aged care, rising to 70 per cent for people aged 85 and over. Ongoing demographic changes will see the demand for aged care services increase, as the proportion of people aged 85 and over grows to nearly 5 per cent of the population by 2055.¹¹

8.2 The aged care sector

In 2016-17, the aged care sector in Australia provided services to over 1.3 million Australians.¹¹ Of these,

- around 67% were receiving home-based care and support¹²
- two-thirds of clients were women¹²
- some 69% of clients were in a major city¹²
- about a third in residential aged care were born overseas.¹²

While only 23% of those using aged care were in residential care, this accounts for almost 70% (\$11.9 billion) of all government aged care funding and employs more than half of all aged care workers.¹²

The ageing Australian population and the associated increasing number of people with chronic health conditions are the two key factors driving demand for aged care services. Much of the growth in aged care has been for the very old, and in 2016-17, over half of people moving into permanent residential care were aged 85 years and over. In addition, the incidence of dementia increases with age and in 2016-17, 52 per cent of people in permanent residential aged care had a dementia diagnosis. These factors have resulted in an increase in the number of people in aged care with high care needs, a trend that is expected to continue.¹²

In response to the increasing need for places, the Australian Government announced it would provide additional funding for aged care places, including funding for 14,000 new high level (Level 4 High-level care needs) home care packages and a further 13,500 residential care places (announced in the 2018/19 Budget).¹³

⁹ ABS, Australian Demographic Statistics, December 2017 and December 2014.

¹⁰ Productivity Commission, *Report on Government Services, Chapter 14: Aged care services*, 2018.

¹¹ Aged Care Financing Authority, *Sixth report on the funding and financing of the aged care sector*, July 2018.

¹² Department of Health, 2016-17 Report on the *Operation of the Aged Care Act 1997; AIHW GEN Aged Care Data Factsheets*.

¹³ <https://www.myagedcare.gov.au/help-home/home-care-packages/about-home-care-packages> and Commonwealth of Australia, 2018-19 Portfolio Budget Statements 2018-19, Budget Related Paper No. 1.9, Health Portfolio.

8.3 Workforce strategies

The Australian Government established an Aged Care Workforce Strategy Taskforce to focus on how the sector can attract, train and retain the additional workforce required to meet the increased demand for services.¹⁴ On 13 September 2018, the taskforce released its report with fourteen strategic actions, including strategies to improve the status of the sector; improve career pathways and reframe the qualification and skills framework; and implementing strategies to attract and retain staff.

9 National Aged Care Workforce Census and Survey, 2016¹⁵

The *National Aged Care Workforce Census and Survey*, commissioned by the Department of Health, is conducted around every 4 years and aims to monitor workforce trends in the sector. The research covers a larger range of occupations than this survey into personal care workers (including nurses and allied health workers), mainly covering PAYG employees, excluding temporary and agency staff.

As the scope and methodology of the 2016 *National Aged Care Workforce Census and Survey* is different to this research, direct comparisons are limited. Overall, however, the results are broadly consistent. Some of the findings from the 2016 census and survey include:

Demographic/age factors

- The aged care workforce is older than the national average; is predominantly female; has high numbers of workers born overseas; with high levels of post-school school education and training.
- The average age of workers in residential care decreased slightly between the 2012 and 2016 surveys, but the average age of workers in home support and care increased.

Skills and training

- Few workers commenced their career in the aged care sector and most worked in other industries prior to joining. The median age of recent hires was relatively high at 46, demonstrating that the sector is not an obvious career choice for many young people.
- The personal care workforce is upskilling and becoming more qualified. Identified future training priorities were in dementia, palliative care, and mental health.

Workforce stability

- Overall, the aged care workforce was considered to be relatively stable and committed, with high levels of job satisfaction, apart from perceptions of low pay.
- For Community Care Workers (i.e. Personal Care Workers), about two-thirds had been employed in aged care for more than 4 years.
- While the workforce was considered relatively stable, there was a high risk of retirement.

¹⁴ Department of Health, *Aged Care Workforce Strategy Taskforce*, <https://agedcare.health.gov.au/reform/aged-care-workforce-strategy-taskforce>.

¹⁵ Department of Health, *The Aged Care Workforce*, 2016.

Skill shortages

- The incidence of skill shortages in the sector declined considerably between the 2012 and 2016 research. However, there was some variation across occupations and by location:
 - skill shortages were more prevalent outside capital cities across all occupations.
 - Some 33 per cent of employers reported skill shortages for Community Care Workers in home care and home support, with 72.8 per cent reporting there were no suitable applicants (based on skills/qualifications/experience/values).
 - For Personal Care Attendants in residential facilities, 25.4 per cent of employers reported shortages, with 83.6 per cent reporting there were no suitable applicants (i.e. skills/qualifications/experience/values).

NDIS interaction

The 2016 research found little movement at the workforce level between the aged and disability care sectors, noting that at the time of the study, the NDIS was still in its early stages of roll-out. In its workforce strategy paper, the Department of Health expects that as the NDIS rolls out to full implementation and demand for disability supports increase the two sectors will end up sharing each other's workforces.