

# Have we just seen the future of social care work in Australia?



#### **Commonalities**

- Low pay and poor conditions for care workers
- Care workers and those needing support not valued in society
- Marketisation of social care
- Personalisation model

## **Divergences?**

- Funding increasing?
- Better labour regulation?

### Low pay: Modern award minimum wages



#### LOWEST CLASSIFICATION FOR DIRECT PRACTICE ROLES

|  | Entry level<br>hourly rate<br>of pay | Indexed<br>to min<br>wage | Min. hours<br>for casual<br>workers |
|--|--------------------------------------|---------------------------|-------------------------------------|
| National minimum wage  | 17.70                                | 100                       | n/a                                 |
| Children's services employee                                       | 18.11                                | 102                       | 2                                   |
| Animal care and veterinary services                                | 18.21                                | 103                       | 3                                   |
| Cleaning services employee   | 18.91                                | 107                       | n/a *                               |
| Home care worker   | 19.05                                | 108                       | 1                                   |
| Social and community services employee                             | 19.25                                | 109                       | 3 **                                |
| Retail worker  | 19.44                                | 110                       | 3                                   |
| Residential aged care employee                                     | 19.60                                | 111                       | 2                                   |
| Ave hourly ordinary-time earnings, all occupations, all industries | 37.51                                | 212                       |                                     |

<sup>\*</sup> restricted use of casuals

# Marketisation and personalisation



ACROSS CARE FOR OLDER PEOPLE AND SUPPORT FOR PWD



More choice and better care for older Australians

The Government's Aged Care Agenda will progressively move aged care from a welfare-style system to one that **empowers older Australians to choose** their own care services, through a **market-based system**. This will encourage care providers to offer **competitive**, high-quality and innovative services.

What will the NDIS market look like in the future?



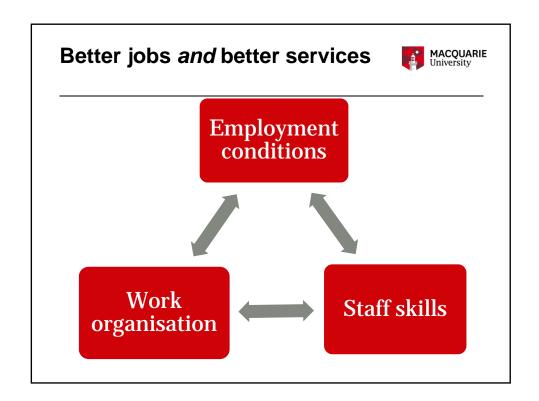
Our vision is for a **vibrant**, **innovative and competitive market** with sufficient levels of supply and demand for it to be self-sustaining.

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People with disability and their individual choices are at the centre of the NDIS market.

Providers may need to modify their service offering to attract more business.

<sup>\*\*</sup> except when except when undertaking disability services work; then unspecified in Award





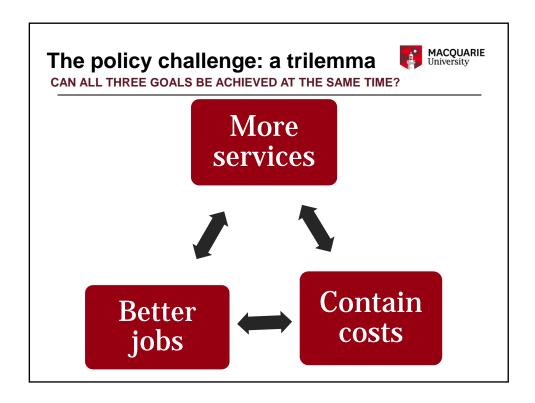


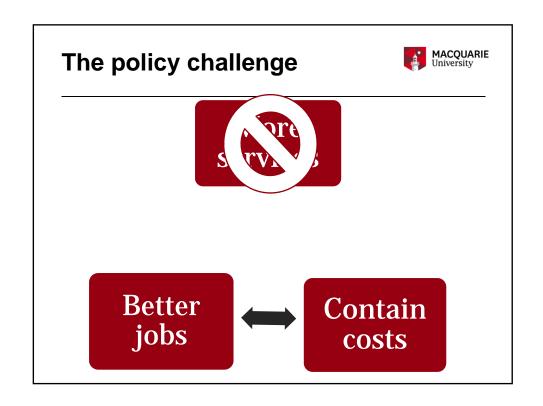
VICTORIA AS AN EXAMPLE: NDIS OFFICIAL PROJECTIONS

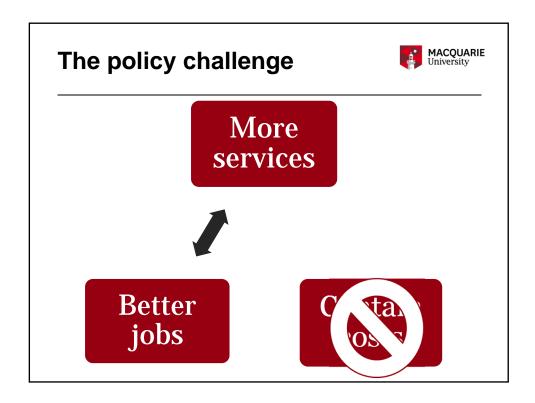
|        | Value of            |               |          |  |
|--------|---------------------|---------------|----------|--|
|        | <b>Participants</b> | market        | FTE jobs |  |
| 2016   | 78,000              | \$2.6 billion | 21,725   |  |
| 2019   | 105,000             | \$5.1 billion | 38,200   |  |
| growth | 35%                 | 96%           | 76%      |  |

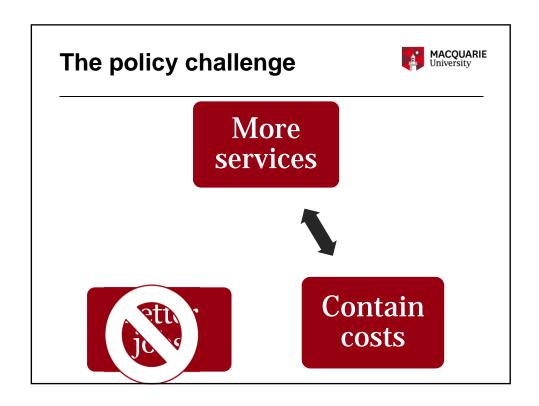
 $Source: NDIS\ 2016,\ Market\ Postion\ Statement,\ Victoria.$ 











# Looking ahead: existing and predictable problems



- Relative growth of the for-profit sector, including international companies that specialise in governmentfunded programs (eg SERCO)
- Lowered barriers to entry for providers, which means quality control happens after the market is established.
- Governments' preparation for developing the workforce is underdeveloped – see, for example, the *Integrated Market, Sector and Workforce Strategy* (NDIA, June 2015)
- Fragmented union coverage of care workers

## Looking ahead: possible solutions



- The low value placed on care work and on the needs of older people and people with disabilities in society?
  - Coalitions of service users and workers to address this
  - Continued use of equal remuneration strategies to address undervaluation in the industrial arena
- Risks of marketisation?
  - ➤ Problems have been repeatedly observed, without change in policy ...
  - ➤ Development and support of new collaborative organisational forms?