

Local People into Local Jobs: a partnership approach to securing the community services industry workforce

2021/2022 TASCOSS BUDGET PRIORITIES STATEMENT



The Tasmanian Council of Social Service (TasCOSS) is the peak body for Tasmania's community services industry.

Our Mission is to challenge and change the systems, behaviours and attitudes that create poverty, inequality and exclusion.

Our Vision is of one Tasmania, free of poverty and inequality where everyone has the same opportunity.

We acknowledge the significant input of the Community Services Industry Plan Steering Group in guiding the priorities for this document. The Tasmanian Council of Social Service was funded to lead this project.



# LOCAL PEOPLE INTO LOCAL JOBS

## **THE OPPORTUNITIES**

THE COMMUNITY SERVICES INDUSTRY IS THE FASTEST GROWING INDUSTRY IN TASMANIA AND IS CREATING JOBS FOR TASMANIANS. WE HAVE THE OPPORTUNITY TO:

Create **4,000** new jobs by 2024; increase participation in the Tasmanian economy; and invest in Tasmania's long-term future.

### **THE ISSUES**

Rapidly changing industry requirements; Tasmania's growing need for the industry; an ageing population with high levels of disability; the complex impacts of COVID-19; an ageing workforce; and the cost of youth unemployment.

# THE SOLUTIONS

 Local people into local jobs: coordination and evaluation — 4,000 new jobs by 2024. Attractive careers of choice: awareness and recruitment campaign.
Train us to train others: Workforce Development Fund — 120 new trainers by 2024.
Building efficiency and sustainability: strengthening governance — 120 industry leaders trained in governance by 2024.

#### Tasmania's community services industry — large and growing

In 2018-19, health care and social assistance was both the largest and fastest-growing sector in the state. Within this sector, in 2018-19, social assistance services was the largest sub-sector, with:

- The largest number of jobs (approximately 9,000); and
- The highest proportion of growth since 2013-14 (21%).<sup>1</sup>

The largest projected growth areas in community services (social assistance services) are childcare services, early education, social workers and welfare, recreational, community arts and other related workers.

1 Australian Bureau of Statistics 2019, Labour Force Australia 2018-19 data.

### THE OPPORTUNITIES

Community services is the largest industry in Tasmania, employing more than 9,000 local workers around the state in roles ranging from family support, maintenance and construction to home care, public education, allied health workers, strategic project managers and CEOs.

The community services industry is also the fastest growing industry in Tasmania, with around 4,000 additional jobs required to meet projected community need by 2024.<sup>2</sup> In addition, the industry currently engages more than 35,000 volunteers across Tasmania. This Budget Priorities Statement is a crucial building block for the industry's overall sustainability into the next decade.

Social assistance jobs are integral to our state's economy and the need for action to meet demand continues to rise.<sup>3</sup> Community services industry workers make up 4% of the total workforce in northern Tasmania, 3.6% in the north-west and 3.6% in the south. The need for an expanded workforce therefore presents a timely opportunity to help address recent job losses due to COVID-19 and the state's longer-standing levels of unemployment.<sup>4</sup>

As Tasmania's largest employer as well as the largest contributor to economic output in the state, the community services industry has a dual role: it supports Tasmanians to participate in their communities and the economy and it contributes to the overall economic wellbeing of the state. An investment in this industry is therefore an exceptionally sound investment in Tasmania's future.

The time is right to:

- 😣 Coordinate a boost in training capacity within the industry,
- Align training provision with the emerging regulatory environment,
- Promote the many, varied and meaningful occupations and careers currently available and those emerging,
- Recruit local people, including young people, into local jobs and training; and
- Strengthen governance and efficiency.

Right now, there is a significant opportunity to attract, recruit and train local people to fill the projected job openings. Without investment, the industry cannot expand its workforce to meet escalating demand.

The Premier's Economic and Social Recovery Advisory Council (PESRAC) Final Report was released on 16 March 2021. A range of key recommendations outlined in the report relating to Tasmanian jobs and training are in perfect alignment with the solutions put forward in this submission.

By supporting this Budget Priorities Statement, the State Government would be meeting a number of the Final Report's recommendations, including:

- Solidifying the necessary partnerships in the form of industry compacts to enable recruitment, retention and training to address projected workforce shortages,
- Better promoting the availability, attractiveness, and benefits of jobs in the industry; and
- Collaborating with TasTAFE and other training providers to support more people from industry working as trainers.

<sup>2</sup> Department of Education 2019, Skills and Employment, employment projections for the five years to May 2024.

<sup>3</sup> Deloitte Access Economics 2021, economic data to support TasCOSS; Community Services Industry Plan and Budget Priorities Statement 2020, using ABS Census 2011 and 2016 data.

<sup>4</sup> ABS 2016, Region Data Summary; Department of State Growth Economic Profile 2020, Employment by industry.

### **THE ISSUES**

# Rapidly changing industry requirements

Recommendations flowing from the Royal Commission into Aged Care Quality and Safety and the Royal Commission into Domestic Violence, Abuse, Neglect and Exploitation of People with Disability are having a significant impact on the industry, particularly the requirements for:

- One robust quality and safety standards,
- Higher levels of training required for staff,
- Aarger workforces mandated for staff-patient/client ratios; and/ or
- Mandated skill mixes of staff.

It is also likely that additional compliance requirements will lead to fewer volunteer roles, resulting in pressure on the paid workforce to fill the gaps.

# Tasmania's growing need for the industry

The need for an expanded and renewed community services industry workforce will continue to grow steadily in the short and longer term. This is due to:

#### An ageing population with high levels of disability. The

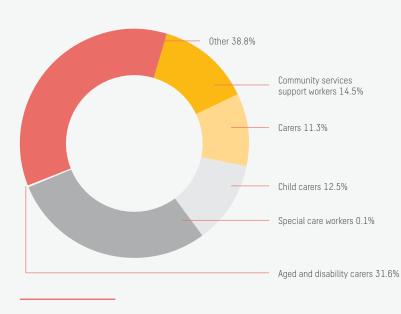
number of Tasmanians who may require assistance due to ageing is growing, as is their share of the state's total population. Between 2014 and 2018, Tasmania saw an 11.8% increase in people aged 75 and over, the age bracket most likely to require social assistance in the home or in residential care.

In addition, the number of people needing assistance with core activities is also rising, with 6.4% of the state's population requiring assistance in 2016, up from 5.8% in 2011.<sup>5</sup> In some parts of Tasmania the rate is substantially higher, pointing to the need for local needs assessment and responses. The West Coast's rate of disability, for instance, rose from 5.5% to 7.1% of the population

between 2011 and 2016.<sup>6</sup> Meanwhile, participants in the NDIS are rising steadily, at an average of 610 per quarter, bringing Tasmania's total number of participants to over 10,000.<sup>7</sup>

Without immediate action to boost the workforce delivering these support services, the existing shortfall will see many more Tasmanians in vulnerable circumstances going without the support and services they need to participate in education, training and work as well as in their communities.





5 ABS Census 2011 and 2016 data.

- 6 NDIS 2020, Archived Quarterly Reports (Second Quarter 2019-20).
- 7 Victoria University 2020, COVID-19 employment stress and student vulnerability in Australia, The Mitchell Institute.

**The complex impacts of COVID-19.** As the complex impacts of COVID-19 on employment, mental and physical health, education and social connection play out, the increased need for the supports provided by the community services industry looms large. For example, recent studies indicate that:

- A The number of potentially vulnerable children in Australia will increase significantly as a result of COVID-19-related unemployment and underemployment.<sup>8</sup>
- Significantly higher proportion of Australian adolescents are reporting levels of psychological distress predictive of mental illness than prior to the pandemic.<sup>9</sup>
- Relationship tensions, domestic and family violence and abuse against children and the elderly are likely to rise as pandemic-related financial supports begin to wind back.<sup>10</sup>
- Assmanian renters are likely to face tighter conditions as tenant protections and the landlord support program are rolled back and JobSeeker and JobKeeper are cut and withdrawn, respectively.<sup>11</sup>

**An ageing workforce.** Australia-wide, the average age of the community services workforce in 2018 was 41.2 years; however, average ages in sub-sectors of the community services workforce were significantly higher. In 2017, the median age for a community aged-care worker was 50 years — the highest median age of any group of employees — meaning that half of the community aged-care workforce will be of retirement age in 15 years.<sup>12</sup>

#### Local young people into local jobs.

Youth unemployment comes with a cost. With Tasmania's youth unemployment rate averaging above 14% over the last 12 months and a demonstrated need for an increased community services workforce, we are facing an incredible opportunity to fund, train and support Tasmania's young people into these jobs.

Deloitte estimates the cost to society per unemployed person to be \$20,700 in the short term, and \$328,200 in the long term. TasCOSS supports calls for regionallybased individualised support services that connect young people with local community services employers, training and mentors. The Youth Network of Tasmania's proposed Youth Connectors is an example of a prime avenue to boost employment outcomes for young people and promote community services as a career of choice.

12 McCrindle 2014, Demand versus Supply: Australia's aged care puzzle.

<sup>8</sup> Sophie, H et al. 2020, The impact of COVID-19 on the lives and mental health of Australian adolescents.

<sup>9</sup> The Conversation 2020, Pandemic induced stress could be increasing risk of child abuse.

<sup>10</sup> ABC 2020, Experts warn second wave of domestic violence during Coronavirus; Australian Financial Review 2020, Fears of elder abuse rise as COVID-19 causes economic stress.

<sup>11</sup> The Mercury 2020, Revealed: the occupations Tassie landlords won't rent to.

### **THE SOLUTIONS**

Local people into local jobs: coordination and evaluation — 4,000 new jobs by 2024.

Attractive careers of choice: awareness and recruitment campaign.

Train us to train others: Workforce Development Fund — 120 new trainers by 2024.

Building efficiency and sustainability: strengthening governance -120 industry leaders trained in governance by 2024.

#### 1. Local people into local jobs: coordination and evaluation

The solution requires strong partnerships to leverage respective capital between community service providers, peak bodies and other key decision-makers such as Skills Tasmania, other relevant government agencies, TasTAFE, the University of Tasmania and other education and training providers.

In line with the PESRAC's Final Report recommendations 17-20, this coalition of stakeholders will be supported to collaboratively produce approaches and qualifications that create better outcomes and sustainably fill the industry's projected job vacancies by:

- Priving research and data collection to identify workforce and skill development priorities, and reduce barriers to employment in the Tasmanian community services industry.
- Attracting and retaining workers to meet Tasmania's workforce needs both now and into the future by designing an ongoing campaign to change community attitudes around careers in the industry.
- Ensuring sufficient teachers/trainers are in place to meet the growing training demand.
- Ensuring the emerging workforce has the right training and skills to deliver quality support to Tasmanians.
- Improving access to professional development opportunities.

- Creating streamlined career pathways within and between sectors.
- Developing training pathways into the industry and to support career development, retraining and diversification to match existing and emerging service needs.

#### Workforce Ready Team

A Workforce Ready Team will work across sectors in a collaborative exchange, streamlining processes and creating opportunities and efficiencies.

There are precedents for this approach, among them recommendations from the Productivity Commission to address health workforce shortages. Those shortages were driven by similar factors that we are now seeing in the community services industry, particularly population ageing, more complex needs and thin markets in regional and remote areas.

The Productivity Commission's recommendations centred on high level coordination, better integration of education and training with industry needs, including more robust data to match workforce projections with community need and better evaluation of different approaches to service delivery particularly in outer metropolitan, rural and remote areas.<sup>13</sup>

13 Department of State Growth Economic Profile 2020, Tasman Council Area, COVID-19 economic impacts.

#### 2. Attractive careers of choice: awareness and recruitment campaign

In short, Tasmania's community services industry is in urgent need of an expanded workforce and Tasmanians impacted by COVID-19 are in urgent need of employment and/or training. Promotion of the many varied skills and contemporary occupations available to Tasmanian jobseekers through a focussed campaign targeting those hit hardest by COVID-19, particularly young people and older Tasmanians, across all local government areas is a priority in the next 12 months.

In order to build the number of workers needed for a responsive, local workforce, the industry must also be recognised as a contemporary and professional career of choice. Investment in an industry-specific recruitment campaign would complement current initiatives such as the On the Right Track Vocational Education and Training (VET) campaign, the School-based Apprenticeships Program and the VET in Schools Program. The campaign goals will be to:

- Raise the public profile of Tasmania's community services industry and create meaningful employment opportunities for young people and older Tasmanians.
- Promote career and training pathways in community services to Tasmanians experiencing unemployment by emphasising the benefits and transferrable skillsets from industries significantly impacted by COVID-19 including hospitality, tourism and the arts.
- Recruit young people and older Tasmanians experiencing unemployment into entry level community services training to help meet projected need and current demand.

#### 3. Train us to train others: Workforce Development Fund

A Community Services Industry Training and Workforce Development Fund is a 'point in time' distribution of funds across the next three years to support a crucial foundation piece for the industry — a coordinated, rapid boost to the industry's training capacity and the capacity of its leaders who are navigating increasingly complex regulatory environments.

Modelled on the Energising Tasmania Training and Development Fund, this initiative will ensure Tasmania has a workforce equipped to meet the increasing volume of need and increasing complexity of Tasmanians requiring assistance. The fund would also support TasTAFE and other registered training organisations to increase training capacity similar to the Grow Our Own model utilised by Aged & Community Services Australia (ACSA). One of the common barriers to 'training trainers' in community services is that any time taken from work for the Training and Assessment (TAE) certification is unable to be backfilled in already stretched services. Service providers do not want service delivery disrupted, particularly when meeting the needs of Tasmanians in vulnerable circumstances, so many organisations are unable to support their employees to gain a certification.

The fund would provide an additional 120 accredited trainers over three years by offering 40 subsidised training places in the TAE Certificate IV per year. In addition, a 'one-off' backfill fund will support community service organisations to backfill costs per participant in the TAE Certificate IV subsidised training.

#### 4. Building efficiency and sustainability: strengthening governance

Strong leadership will ensure our industry can rise to any challenge while continuing to provide Tasmanians with high quality services where and when they are needed. Strong governance experience and capacity-building will ensure the community services industry adds value for both government and service users.

Implementation of recommendations from current Royal Commissions occurring across community services will set higher expectations of the leaders of governing bodies across the community services industry. Higher levels of governance skills will be needed to adeptly navigate the emerging changes to regulatory environments.

A short-term investment of subsidised training places from the Australian Institute of Company Directors (AICD) will ensure those leaders who take on board and governance roles within organisations are appropriately skilled, knowledgeable and supported. It will help ensure organisations remain fully accountable, ethical and innovative at both board and senior management levels now and into the future.

# Develop the leaders of community services organisations by establishing:

- A scholarship fund linked to the Australian Institute of Company Directors (AICD) providing 60 funded positions on the Introduction to Governance course for not-for-profit organisations over three years.
- One-day governance intensives for 60 CEOs and their board chairs over three years.



# LOCAL YOUNG PEOPLE INTO LOCAL JOBS

## THE ISSUE

WEST AND NORTH-WEST: **1,600** young Tasmanians looking for work LAUNCESTON AND THE NORTH-EAST: **1,850** young Tasmanians looking for work SOUTH-EAST: **1,800** young Tasmanians looking for work HOBART: **1,800** young Tasmanians looking for work



### **THE COST OF INACTION**

Youth unemployment comes with a cost. Deloitte estimates the cost to society per unemployed person to be \$20,700 in the short-term and \$328,200 in the longterm. This means that without action on the issue of youth unemployment in Tasmania the costs could be:

#### Short-term: **\$146 million** Long-term: **\$2.3 billion**



We have the demand for jobs and we know what works to get young people into jobs. We need to fund community services and training organisations to:

Provide young people with meaningful, tailored training and employment; and

Improve outcomes for young people, local communities and the Tasmanian economy.

## THE INVESTMENT

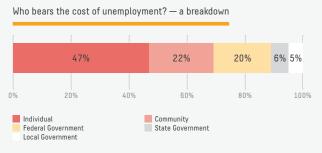
#### Local people into local jobs: coordination and evaluation

A community services-based project team	\$195,000 per year
Workforce Ready Team	\$500,000 per year
Attractive careers of choice	
Awareness and recruitment campaign	\$100,000
Train us to train others	
Workforce Development Fund	\$310,000 per year
Building efficiency and sustainability	
Strengthening governance	\$50,000 per year

#### Total = Year 1 (2021-22) \$1,155,000 Year 2 (2022-23) \$1,055,000 Year 3 (2023-24) \$1,055,000



#### The cost of inaction



Source: Deloitte Access Economics estimates

Research by Deloitte outlines a number of short and long-term costs associated with unemployment which are borne by the Federal Government, State Government, local government, community and individuals. If we do not act now to raise awareness of Tasmania's fastest growing industry and boost its training and leadership capacity, we not only miss the opportunity to employ local people in local jobs now and in the future but it will also add significant costs to government and communities.

In our recovery from COVID-19, these are costs no one can afford.

There are risks in not acting in a timely fashion to ensure the community services industry has the workforce that is needed. A shortage of labour will see upward pressure on wages, and while this has a positive consequence of boosting participation in the industry, it ultimately will lead to greater costs, namely:

- With government the main funder of the industry, higher wages will see more pressure on government budgets,
- O Where services are funded at least in part by recipients of the service, they will pay more and recipients of these services are generally the least able to afford higher costs,
- Unskilled or less skilled workers will need to be placed in more skilled positions, possibly resulting in poorer client outcomes (as the Royal Commission into Aged Care Quality and Safety has demonstrated),
- Some services might need to be 'rationed', meaning Tasmanians don't receive the services they need at the frequency they need them; and
- Regions and jobs deemed 'less attractive' would be particularly hard hit, leading to wider disparities of care provision and outcomes based on location and/or service.



INTEGRITY COMPASSION INFLUENCE

