



Inquiry into Australia's skilled migration program

Submission from the Aged Care Workforce Industry Council

March 2021

Overview

The Aged Care Workforce Industry Council (the Council) is committed to creating a better, more sustainable aged care system. The Council is the first leadership group of its kind in Australia's aged care industry. It is working with industry, government, employees and consumers to ensure the aged care workforce is suitably skilled and able to deliver safe, consistent and high-quality care services to older Australians, irrespective of setting.

Our vision

The Council's vision is to develop a world-class workforce that can provide quality and skilled aged care services that meets the care needs of older Australians now and into the future.

This vision is underpinned by the Council's statement of success:

As a unified leadership group, we will implement Australia's Aged Care Workforce Strategy '[A Matter of Care](#)'. All older Australians should have equitable access to aged care services providing the dignity to age well. We will invest in our workforce to support them to deliver on these expectations, so they can be proud of the communities they represent across Australia.

Inquiry terms of reference

This submission focuses on the following terms of reference for the inquiry:

1. The purpose of the skilled migration program and whether it is meeting its intended objectives, including:
 - a. if any immediate adjustments are necessary in the context of the future of work and pandemic recovery, and
 - b. If more long-term structural changes are warranted;
3. Skills lists and the extent to which they are meeting the needs of industries and businesses and keeping pace with Australia's job landscape;
4. The administrative requirements for Australian businesses seeking to sponsor skilled migrants, including requirements to prioritise job opportunities for Australians and job creation;
5. The costs of sponsorship to businesses seeking to sponsor skilled migrants;
6. The complexity of Australia's skilled migration program including the number of visa classes under the program and their requirements, safeguards and pathways; and
7. Any other related matters.

The Council's response

Background

A key aim of the Council is to grow the current aged care workforce to ensure there are sufficient staffing levels to deliver high-quality services to Australia's ageing population. Currently, over 366,000 (Department of Health, 2020) Australians work in the sector and the aim is to increase this figure to over one million by 2050 (Commonwealth of Australia, 2011). The Council's work is outlined in Australia's Aged Care Workforce Strategy '[A Matter of Care](#)'.

A number of initiatives are in place or will be implemented in the next two years to support the growth of Australia's aged care workforce. These include:

- A social media campaign to encourage young people and those previously employed in industries affected by COVID-19 to consider a career in aged care
- Development of clear career pathways in aged care
- Attraction and retention strategies
- Improved workplace relations, including increased remuneration for staff
- Opportunities for improved training and professional development

The Royal Commission into Aged Care Quality and Safety's Final Report was released to the public on 1 March 2021. Of the 148 recommendations made by the Commissioner's, many focus on the sustainability and longevity of the workforce (including Recommendations 75 and 76) and reference is also made to the role of skilled migration to support the growth of the workforce.

The effect of COVID-19 on skilled migration

The effects of COVID-19 have been felt across the world. One major impact of the border closures to mitigate transmission of the virus has been significantly reduced migration levels into Australia. Public health measures are reducing the spread of the virus and a world-wide vaccination program is reducing the severity of the virus for those most vulnerable. However, it is unknown if and when migration will return to its previous levels.

In the interim, measures are required to identify local solutions to overcome the impact of reduced skilled migration into the aged care sector. It is noted that the adjustment and relaxation afforded to working limitations for student visa holders was warmly welcomed by the sector to offset the implications of skilled migration shortages.

The Council proposes that to attract more workers, the skilled migration program for workers with skills that meet the needs of older people should be significantly expanded.

There is an urgent need for this to occur and to ensure that that the actions and solutions meet the size of the problem. Given the recent release of the Final Report of the Royal Commission into Aged Care Quality and Safety – the aged care workforce is a critical issue.

Workforce challenges

A 2018 report (pre-COVID-19) estimated that if no changes were made to the current aged care system, there will be critical workforce shortages with potential gaps of 180,000 aged care workers

in 2025 and 400,000 by 2040, assuming the same growth rate in aged care workers as the ageing population (PwC, 2018).

The aged care workforce itself is also ageing. In Australia, the current median age of staff working in residential aged care is 48 years, and 50 years in community aged care (King et al, 2013). It is already difficult to attract sufficient workers, across a range of fields, to meet the care needs of older people today (Mavromaras, Knight, Isherwood et al. 2017). A future increase in workforce demand without a corresponding increase in supply will potentially increase service prices, leading to higher costs for care per person (PwC, 2018).

The demand for nurses in Australia is also projected to exceed supply, with a shortage of approximately 85,000 nurses by 2025 or 123,000 by 2030 under current settings (PwC, 2018). In addition, demand for informal care is estimated to outgrow its supply as a high prevalence of disability at older ages and an ageing population will see the number of people who require care rapidly increase in the future (PwC, 2018).

Nursing skilled visa statistics

The table below outlines the number of primary skilled visas granted to nursing and aged care related occupations, 2014 – 2019.

Occupation	2014-15	2015-16	2016-17	2017-18	2018-19
Registered Nurse (Aged Care)	703	592	533	450	504
Registered Nurse (Child and Family Health)	37	17	27	17	19
Registered Nurse (Community Health)	44	28	21	35	38
Registered Nurse (Critical Care and Emergency)	585	488	422	510	604
Registered Nurse (Developmental Disability)	6	9	<5	7	<5
Registered Nurse (Disability and Rehabilitation)	52	31	33	18	23
Registered Nurse (Medical)	648	518	484	533	510
Registered Nurse (Medical Practice)	90	84	86	70	104
Registered Nurse (Mental Health)	228	217	194	176	194
Registered Nurse (Perioperative)	302	273	234	256	289
Registered Nurse (Surgical)	394	323	258	252	254
Registered Nurse (Paediatrics)	41	86	91	76	59
Registered Nurses (nec)	2102	2405	2111	1656	1384
Total	5232	5071	4498	4056	3985

Source: Department of Home Affairs, 2019

The number of nurses migrating to Australia will not provide the supply of staff required to address the shortfalls outlined above. Within the broader nursing sector, competition exists in the recruitment of nurses between employers in the aged care and acute care sector. Evidence and anecdotal feedback suggest it is difficult to recruit and retain nursing staff in aged care due to:

- poor sector reputation;
- poor working conditions, including high client-staff ratios;
- no recognition for the specialist nature of geriatric nursing;
- a lack of career paths and professional development opportunities; and
- low rates of remuneration when compared with the acute sector (Community Affairs References Committee, 2017)

Recruiting nurses (and aged care staff) from other countries is broader than a supply issue only – it will assist to ensure Australia has an aged care workforce that can deliver appropriate/tailored and culturally safe care i.e. older people who have cognitive impairment can benefit from having bilingual staff.

Remote and rural aged care services

Overall, metropolitan areas are better supplied with social infrastructure¹ than remote and rural locations. 184 of the 577 local government areas (LGAs) in Australia have gaps in two or more of the mapped health system supply indicators and have below average socioeconomic status scores (based on Socio-Economic Indexes scores). This indicates that more than a third of Australian LGAs could be vulnerable, with social infrastructure gaps and fewer resources to meet their needs through private funding (PwC, 2018).

As a result of the difficulties of workforce attraction, retention and training in remote and very remote areas, 59.7% of residential facilities in remote areas and 81.1% of those in very remote areas experience skill shortages. This results in the highest level of reported workforce shortages across the nation for registered nurses - 55.2% remote and 58.5% very remote, and for personal care attendants in both remote and very remote areas at over 37% (Mavromaras et al, 2017). Similar to residential facilities, home care and home support services in remote and very remote areas experienced higher rates of reported skill shortages.

Skilled migration in aged care

Within the Royal Commission into Aged Care Quality and Safety, the Commissioners recommended the establishment of an Aged Care Workforce Planning Division within the Australian Department of Health by 1 January 2022 to undertake workforce planning, including through modelling, consultation with providers and consideration of immigration. (Recommendation 75.1.e). In a recent speech, Prime Minister Scott Morrison announced that the Australian government will allocate another \$1.2 billion to wage subsidies for apprentices and flagged migration changes to fill areas of workforce shortage. He suggested that once migration resumes, it will be adjusted to meet the needs in areas of burgeoning demand such as nursing and aged care, where not enough local workers can be found (Coorey, 2021).

¹ The facilities, spaces, services and networks that support the quality of life and wellbeing of our communities. [Australian Infrastructure Audit 2019 - 6. Social Infrastructure.pdf \(infrastructureaustralia.gov.au\)](#), p.388.

Currently, there are 13 nursing and aged care occupations on the medium and long-term strategic skills lists that are eligible for skilled migration visas. However, a number of occupations in shortage such as Nursing Support Worker, Personal Care Assistant and Residential Care Worker are not eligible for skilled migration through the mainstream visa program. However, access for specific employers to sponsor migrants in these occupations can be established through a Labour Agreement if agreed to by an employer and the Australian Government (Department of Home Affairs, 2019).

It is noted that both Personal Care Assistants and Residential Care Workers are included in Designated Area Migration Agreements for the Northern Territory, Regional South Australia, and the Orana Region of NSW.

Aged Care Workforce Industry Council proposed solutions

1. Significantly expand the skilled migration program for workers with aged care skills

The Council proposes that occupations such as Nursing Support Worker, Personal Care Assistant and Residential Care Worker are added to the medium and long-term strategic skills lists that are eligible for skilled migration into Australia. Allowing higher levels of skilled migration specific to the aged care sector will provide an ongoing boost to workforce supply (Royal Commission into Aged Care Quality and Safety, 2020). It is proposed that greater emphasis and allocation of skilled migration visas are allowed for work in rural and remote locations of all Australian states, with a minimum engagement period (e.g. 2 years) to satisfy eligibility for relocation and/or extension. Of course, there would need to be clarity of viability for these positions being added in the absence of increases to minimum wages for these positions.

2. Offer visa extensions for those whose visas are close to expiry if they have appropriate skills or qualifications and agree to work in aged care

Those holding visas which are close to expiry, including those on study, training, family and partner visas, could be offered the opportunity to remain in Australia if they possess the appropriate skills or qualifications that align/support their employment within aged care in a remote or rural location. E.g. A three year visa extension requirement could be granted for individuals to work in regional/remote aged care. A tenured arrangement with aged care providers could be considered to provide assurance to both the employee and the employer.

As many measures have been taken to develop responsive services to the needs of aged care consumers from culturally and linguistically diverse backgrounds, this will also assist providers to develop an increase in workers from different backgrounds leading to better quality care for consumers. Older people who migrated to Australia from non-English speaking countries report that they find it hard to access care that meets their cultural and language needs (Royal Commission, 2021).

3. Reduce the cost of seeking a visa or visa sponsorship for aged care service providers

Aged care service providers, especially smaller organisations, may not be able to support the costs of skilled migration visas when looking to recruit new employees. Visas cost between \$1,200-\$1,500 per year or \$3,000-\$5,000 one-off cost dependent upon the type of visa sought (Department of Home Affairs, 2021).

As discussions are underway across the aged care sector on how to increase wages, providers may be less willing to seek visa or sponsorship options for new employees if they are concerned about

wages increases and any impact upon their business bottom line. This is suggested by the earlier statistics outlining the steady decline in numbers of skilled visas for aged care across 2014-2019.

4. *Simplify the process for aged care service providers to seek visas for aged care workers, especially those that are outside metropolitan cities.*

Suggestions for simplification include:

- Visa processing takes time (which may delay/deter implementation of services in specific area)
- Remove the requirement for workers to be locked into a single employer to maintain visa validity (which may deter applicants, be exploited or have negative impacts on employees), or expand the requirement for workers required to maintain one or multiple registered provider employers within the aged care sector (which has been observed to be a reality of the sector)
- Offer tax incentives for the private sector to encourage sponsorship and investment in overseas workers
- Offer relocation tax incentives for the first year of relocation for aged care providers and workers
- Investigate industry sponsorship arrangements/collaborations/consortiums (to encourage workers greater freedom of choice of employer)
- Investigate industry education and support mechanisms to complement sponsorship arrangements/collaborations/consortiums
- Review age limits on specific visa types (e.g. older skilled workers, ex-nurses looking to change to aged care, individuals with caring skills or qualifications)
- Investigate avenues to promote awareness of the interaction between study/training visa holders and transferrable skills of benefit to the aged care sector into skilled migration visa applications (e.g. commerce and business students with lived-experience of care for loved ones resulting in transferrable skills into shortage roles – i.e. support worker requiring minimum hours worked in the sector).
- Permanently increase the number hours of permitted work for students on visas to increase the capacity of the aged care workforce. E.g. increase the current cap of 20 hours per week.

Periodic provider interest in recruiting workers overseas has proved short-lived and has not been pursued as barriers have been recognised in areas such as recognition of qualifications in aged care, costs of sponsored migration, and retention of workers post arrival (NFAW, 2019). The Canadian government has implemented a skilled migration program for experienced aged care workers. Two new home caregiver pilots, one of which is specifically for 5000 home support workers, have been introduced. The home support pilot offers an earning potential of up to \$44,255 (Canadian dollars) per year plus permanent residency in Canada (Canadian Visa, 2021). The Australian government could look to replicate a similar program if the Canadian pilot achieves its intended outcome.

It will be important to ensure a positive narrative is used for both the recruitment and employment of skilled migrants to ensure the migration process is positive, and that the work they undertake in aged care is valued and appreciated by the people receiving the care (Lil, 2020).

References

The Australian Institute of Health and Welfare (AIHW), 8 March 2021, Department of Health, 2020, [2019–20 Report on the Operation of the Aged Care Act 1997 \(gen-agedcaredata.gov.au\)](https://gen-agedcaredata.gov.au), accessed 16/03/2021.

Canadian Visa, 2021, Work in Canada and Earn Up to \$44,255 Per Year as a Home Support Worker: <https://canadianvisa.org/blog/jobs/work-in-canada-and-earn-up-to-44255-per-year-as-a-home-care-provider>, accessed 18/03/2021.

Community Affairs References Committee, 2017, Future of Australia's aged care sector workforce, Chapter 3, [Report – Parliament of Australia \(aph.gov.au\)](https://aph.gov.au), accessed 22/03/2021.

Coorey, P., 2021, Morrison plans recovery phase, migration critical, The Financial Review, 8 March 2021, [Morrison plans recovery phase, migration critical \(afr.com\)](https://www.afr.com), accessed 16/03/2021.

Department of Home Affairs, 2019, Input to the Aged Care Royal Commission: Information Paper Skilled migration and the Aged Care Sector, August 2019. Available from: <https://agedcare.royalcommission.gov.au/system/files/2020-06/RCD.9999.0205.0045.pdf>, accessed 16/03/2021.

Department of Home Affairs, 2021, Learn about sponsoring, Cost of sponsoring: [Cost of sponsoring \(homeaffairs.gov.au\)](https://homeaffairs.gov.au), accessed 17/03/2021.

King, D., K. Mavromaras, Z. Wei, B. He, J. Healy, K. Macaitis, M. Moskos and L. Smith. 2013. The Aged Care Workforce Final Report 2012. Available from <http://apo.org.au/node/33009>, accessed 22 March 2021.

Lill, L. 2020, Staff shortages in Swedish elderly care – reflections on gender and diversity politics, International Journal of Migration, Health and Social Care, Vol. 16 No. 3, pp. 269-278. <https://doi.org/10.1108/IJMHS-04-2019-0042>

Mavromaras, K., Knight, G., Isherwood, L., Crettenden, A., Flavel, J., Karmel, T., Moskos, M., Smith, L., Walton, H., and Wei, Z., THE AGED CARE WORKFORCE, 2016, March 2017, Pg. xvii in Aged Care Workforce Remote Accord Submission to the Royal Commission into Aged Care Quality and Safety – Workforce [AWF.650.00082.0001.pdf \(royalcommission.gov.au\)](https://agedcare.royalcommission.gov.au/system/files/2020-07/AWF.650.00082.0001.pdf), accessed 16/03/2021.

National Federation for Australian Women, 2019, Submission to the Royal Commission into Aged Care Quality and Safety, September 2019. Available from: <https://agedcare.royalcommission.gov.au/system/files/2020-07/AWF.500.00291.pdf>

PwC, 2018, Practical innovation: Closing the social infrastructure gap in health and ageing, [practical-innovation-sep18.pdf \(pwc.com.au\)](https://www.pwc.com.au), accessed 16/03/2021.

Productivity Commission, Commonwealth of Australia, 2011, [Volume 1 - Inquiry report - Caring for Older Australians \(pc.gov.au\)](https://www.pc.gov.au), accessed 16/03/2021.

Royal Commission into Aged Care Quality and Safety. Aged Care Reform: Projecting Future Impact. Research Paper 11, September 2020. Available from: <https://agedcare.royalcommission.gov.au/sites/default/files/2020-09/research-paper-11-aged-care-reform-projecting-future-impacts.pdf>