

## Workforce development and skills policy: shaping the future community services and health workforce

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Robin Flynn has fifteen years experience in vocational education and training and workforce research and policy across the community services and health industries. Robin also has health industry experience with three years working in employee relations and education and training policy for the New South Wales Department of Health before returning to the ISC in 2005 to coordinate a range of new projects and take on the role of Research and Policy Manager.

Robin leads the ISC Research and Policy team responsible for production and review of the annual industry Environmental Scan, capturing intelligence on industry demand and workforce development needs. The team has generated new knowledge and information in areas including vocational graduate level qualifications, licensing and regulation and mental health skills articulation. Robin is leading the ISC's activity to harness the new national workforce development policy agenda as a driver for growth in the community services and health industries. Robin is also acting manager for Training Packages at the ISC.

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The Community Services and Health Industry Skills Council (CSHISC) provides advice at the national level about workforce and skill needs in the community services and health industry.

The CSHISC produces the national vocational qualifications and competency standards for the industries in the CHC08 Community Services and HLT07 Health Training Packages. The Training Packages reflects the roles of over 600,000 workers in the health and community services industries.

This paper explores the drivers for workforce growth in community services and health through the CSHISC annual 2010 Environmental Scan and new directions set by Skills Australia through *Australian Workforce Futures: A National Workforce Development Strategy*.

At the time of writing the CSHISC Environmental Scan 2011 is under production and due for release in March 2011.

*Australian Workforce Futures* released by Skills Australia in March 2010 year provides a fresh outlook on shaping the Australian workforce of 2025.

The strategy represents a milestone in policy linguistics building on the transition from *training* to *skills* about 6 years ago to a new lexicon of: *workforce development*. The focus on workforce development brings a broader range of factors into the policy arena such as job design, recruitment and planning, as well as skills.

The workforce development challenges faced by the community services and health industries are laid bare by *Australian Workforce Futures*. Economic modelling identifies the optimal future workforce scenario resulting in 9.3 million job-openings in the next 15 years. About half of these will emerge through economic growth and the other half through workers retiring.

The community services industry is expected to grow second fastest out of all Australian industries at a rate of 4% per annum until 2025. The two highest growing occupations being welfare associate professionals (2.8% per annum) and carers and aides (2.6% per annum). These occupational classifications reflect roles held by aged care workers, disability workers, mental health support workers, alcohol and other drugs workers, counsellors and home and community care workers.

These predictions provide an indicator of the size of the challenge ahead. However, in community services and health we also know that the shape as well as the size of the workforce will change significantly during this period. Here at the Community Services and Health Industry Skills Council (CS&H ISC) we identified through our *Environmental Scan 2010* that the maintenance of client independence in community settings, in both the community services and health industries, is driving the shift to new community-based service models. The statistical classifications of "welfare associate professional" and "carer and aide" may be unrecognisable in 2025 as this shift continues to see service integration across health and community services through

consolidated local networks focused on people's wellness, prevention of ill-health, individual independence and social participation.

*Australian Workforce Futures* has six areas of strategic focus:

1. Planning for the future
2. Raising workforce participation
3. Improving adult language, literacy and numeracy skills
4. Better using skills to increase productivity
5. Enhancing the capability of the tertiary education sector
6. Creating a shared agenda on workforce futures.

The Australian Government's 2010-2011 budget did not address these areas specifically but noted them as issues that are fundamental to supporting economic recovery and sustainable growth; and a number of budget items were linked to the areas. It's reasonable to expect that *Australian Workforce Futures* will further inform policy and there are a number of considerations for the community services and health industry.

*Australian Workforce Futures* highlights the multi-level nature of workforce planning and different responsibilities of governments and organisations at the state/territory and national levels. A further critique of the "science" of skills forecasting is offered drawing on key body of research commissioned the National Centre for Vocational Education Research (NCVER):

Rather than attempting to forecast, with all the attendant errors in over- or underestimating the true outcomes, it is preferable to have effective systems for rapidly identifying emerging trends and for responding to them.<sup>1</sup> The idea of matching education and training to the labour market is unrealistic if it is conceived as a mechanical process of identifying skill needs and then filling them.

This message resonates with the challenges facing the community services and health industry. At the macro level we know there are 1.2 million workers in our industries and that the workforce has grown faster than in any other industry in the last five years and is predicted to do so again in the next five. We have good data for some occupations especially the health professions and more are needed however solely making predictions against existing community services and health occupations and skills is not enough. The scope of workforce growth needed, meeting changing trends in client demand, shortages of traditional occupations, and replacing the large number of workers due to retire all make forecasting complex and easily subject to contingency.

In the Environmental Scan 2010 we identify seven workforce development challenges. These provide a focus for us to respond to key trends and take action. The seven workforce development challenges are:

- shift towards service models that emphasise prevention, primary, community and home-based services
- need to build management capacity
- increased complexity of client needs
- increased use of assistant and advanced practitioner roles
- policy focus on integrated models of service delivery
- need to address conditions, recruitment and retention in community services
- labour shortages in rural and remote areas.

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<sup>1</sup> Richardson, Sue and Tan, Yan (2007), Forecasting future demands: what we can and cannot know, NCVER, p.10 (cited in Skills Australia (2010), *Australian Workforce Futures: A National Workforce Development Strategy*, Skills Australia, p. 18).

The focus on client independence and person-centred forms of service delivery underpin these challenges. The challenges provide guidance for planning and our response to the strategies set out in Australian Workforce Futures.

The current workforce participation rate in the Australian workforce is 65.1% and Skills Australia advocates raising this to 69% by 2025. The target is recommended based on the Intergenerational Report 2010 finding that the ageing of the population, based on current policy settings, will see participation decline to 63.9% by 2025. Australian Workforce Futures notes increased participation relies on a complex range of factors such as taxation, affordable child care and flexible working arrangements. The community services and health industries need new workers and the workforce is ageing. Australian Workforce Futures highlights target groups for increased participation including women aged 25-35, men aged 25-64, older workers aged 55-64 and the need to address complex skill needs of vulnerable learners and people experience disadvantage. The health and community services industries exist in every geographic region and there is a need to develop strategies to increase participation in our industries for the key groups identified by Skills Australia as well as targeted participation strategies based on regional priorities.

In order to develop the future workforce to the level of skill required Australian Workforce Futures flags a need to reduce the number of adults with low levels language, literacy and numeracy. A broader strategy is recommended to improve language, literacy and numeracy levels including significant expansion of the Workplace English Language and Literacy (WELL) program.

The CS&H ISC is currently providing a WELL broker role funded by the Department of Education, Employment and Workplace Relations (DEEWR) aimed at increasing access to the program. The 2010-2011 budget has expanded this program and there is an opportunity for the community services and health industry to increase take-up.

One of the more significant proposals in Australian Workforce Futures is about “better using skills to increase productivity”. We also understand increased productivity in community services and health as: improving efficiency and effectiveness of services and/or improving standards of services and enhancing service delivery to clients.

This proposal highlights the potential to use existing public funding for training as leverage for increased workforce development activity including helping “organisations tackle job design, work organisation, innovation and the effective management of workers”. Australian governments spend \$5.16 billion annually on vocational education and training. The Australian Government’s Skilling Australia for the Future policy has committed to augmenting this funding by about \$500 per annum between 2008 and 2013. Skills Australia recommends that this additional funding is continued to 2025 to deliver on workforce development objectives.

Innovative partnerships between industry and education providers and a holistic approach to skills development are proposed as strategies to increase productivity. These strategies encourage workforce development activity beyond the delivery of qualifications only, as the major contribution of the education and training sector. This is encouraging for innovation in workforce development in the community services and health industries. The proposal also recommends extending programs such as the Enterprise Based Productivity Places Program or EBPPP (currently administered by Industry Skills Councils including CS&H ISC) and the Enterprise Connect program and links between these programs through government agencies with responsibility for both industry and training.

New service models in community services and health will see new and realigned job and service models integrated across areas such as aged care, disability, mental health and acute care. There is also scope to reconsider methods of attracting new workers and retaining workers through new and rewarding roles. The workforce policy agenda provides an opportunity to identify and showcase innovation in order to share good practice examples nationally and influence future funding programs around broader workforce development approaches. These examples are often developed through efforts by stakeholders in regions and they should be fostered in order to advance service delivery and workforce reform.

Australian Workforce Futures includes a case study on the recent National Disability Services workforce project which proposes broader strategies in including job design, management development, strong engagement with training providers and whole of organisation review. These types of activities are needed to support

sustainable reform and growth in enterprises and particularly in the community services industry and disability sector.

One quite simple way of encouraging innovation on job redesign and greater utilisation of existing staff and skills would be through more widespread provision of funding for skill sets in addition to full qualifications. The CHC08 Community Services and HLT07 Health Training Packages include a wide range of skill sets to support diversification of services across areas such as allied health, aged care and social housing.

Enhancement of the tertiary sector is another major recommendation in Australian Workforce Futures. The sector is a critical partner to the community services and health industries and implementation of innovation in workforce development. As in our industries the tertiary sector workforce is ageing and in short supply. One way to support development of the tertiary sector is to include education and training work roles as key career pathway destinations in the community services and health industry. The Australian Productivity Commission is currently reviewing the capacity of the VET workforce and effective strategies will be welcomed to support collaboration in the development of skills in the community services and health industries.

The final strategy proposed in Australian Workforce Futures, “creating a shared agenda on workforce futures” includes implementation of a national workforce development reform agreement to reduce fragmentation of effort and establishment of a Workforce Development Observatory. The Observatory is proposed to support sharing of knowledge, practice and experience and to foster adaptive capacity in workforce development.

In 2011 the CS&H ISC will examine establishment a repository of examples of innovation in workforce development in the community services and health industries. In so doing, we can share our industries’ efforts at the national level to enable more rapid change through innovation.

*Australian Workforce Futures: A National Workforce Development Strategy* is available at [www.skillsaustralia.gov.au](http://www.skillsaustralia.gov.au).

The CS&H ISC *Environmental Scan 2010* is available at [www.cshisc.com.au](http://www.cshisc.com.au). The 2011 Scan will be released in March 2011.

