



Brotherhood  
of St Laurence

Working for an Australia free of poverty

Response to the  
National Skills Commission

# Care Workforce Labour Market Study discussion paper

Brotherhood of St. Laurence

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# Summary

The Brotherhood of St. Laurence (BSL) is a social justice organisation working to prevent and alleviate poverty across Australia. Our mission is to pursue lasting change, to create a more compassionate and just society where everyone can thrive. Our approach is informed directly by the people experiencing disadvantage and uses evidence drawn from our research, together with insights from our programs and services, to develop practical solutions that work.

BSL is pleased to contribute to the consultation for the development of the Care Workforce Labour Market Study. Our response is confined to considering three of the discussion questions through a youth employment lens. BSL considers that the Study should pay attention to the structural barriers that are driving misalignment between supply and demand in the care labour market, with a focus on the opportunities and challenges that present for the youth workforce.

This response has been informed by our work through the National Youth Employment Body (NYEB), which is working towards sustainable youth employment and meeting local workforce needs. We would be pleased to provide further insights on the specific supports that young people would need to develop meaningful and sustainable employment pathways in the care sector.

This submission draws on our practical experience, along with our research and that of others. Our related work includes:

- **innovative employment support models**, sustained by philanthropic, corporate, state and federal funding. This includes delivering the youth-focused Transition to Work (TtW) program, convening a national Community of Practice of (some) TtW providers and facilitating the NYEB
- **delivering training to a diverse range of learners**—particularly those experiencing disadvantage—through our Group Training Organisation, Learn Local and our former Registered Training Organisation
- **partnering with TAFEs** to support young people to access and sustain engagement with education and training. This includes establishment (with Launch Housing) of Education First Youth Foyers. This supportive accommodation, located on TAFE campuses, enables young people experiencing (or at risk of) homelessness to engage in education and training that helps alter their life trajectory
- **major Australia-wide research** commissioned by the National Centre for Vocational Education Research and others, as well as numerous evaluations of VET-related support services.

## Workforce observations

- 1 There is misalignment between training and employment patterns of young people and care labour market opportunities.
- 2 Young people could play an important role in meeting the demand in the care labour market, and the growing care labour market could play an important role in addressing youth unemployment; however, these are complex issues that require a nuanced, multi-level and multisectoral response.

## Workforce attraction, retention and development

- 3 Current care labour market training and qualifications are not fit for purpose in a modern working environment.
- 4 Entry level pathways are needed that lead to a range of career options and enable career progression.
- 5 Current and perceived working conditions of the care sector are not attractive to young people seeking meaningful and sustainable employment.

## System settings

- 6 A system level response is needed that enables key actors (including employers, industry, service providers, training providers and all levels of government) to collaborate locally and nationally to improve employment pathways for young people into the care sector.

# Youth unemployment and the Care Labour Market

## Workforce observations

- 1 There is misalignment between training and employment patterns of young people and care labour market opportunities.
- 2 Young people could play an important role in meeting the demand in the care labour market, and growth in the care labour market could play an important role in addressing youth unemployment; however, these are complex issues that require a nuanced, multi-level and multisectoral response.

- The COVID-19 pandemic has amplified existing misalignment between youth education and employment trends and labour market needs, and highlighted existing problems in access, participation and outcomes from education and training.
- Before the pandemic, youth unemployment rates had remained above pre-global financial crisis (GFC) levels for more than a decade. As at April 2021, Australian Bureau of Statistics (ABS) data indicates that the youth unemployment rate of 10.6 per cent is still almost double the general unemployment rate. This translates to over 230,000 young people aged 15–24 years who were looking for part-time or full-time work. Further to this, almost one in five (18.2 per cent) young people were underemployed and wanted to work more hours (ABS 2021b).
- At the same time, Health Care and Social Assistance is Australia’s largest employing sector and demand is expected to continue to grow (ABS 2021a), due to factors such as Australia’s ageing population and care needs recognised by the National Disability Insurance Scheme (NDIS).
- When the vocational education and training (VET) participation trends of young people are compared with labour market occupational projections, there is a misalignment between the skills young people are developing and skills demands in growth industries and occupations (Clarke et al. 2020). For example, government labour analysis has projected growth in carers in aged and disability sectors of 179,000 jobs in the five years 2019 to 2024, but program enrolments in this sector declined by 74.9 per cent from 2015 to 2018 according to data from NCVET (Clarke et al. 2020).
- Government funding also needs to be aligned with labour market demand and improving access for a broader cohort of young people. In the 2021–22 Budget, the Australian Government made a substantial investment into skills and training, including an additional \$2.7 billion to extend the Boosting Apprenticeship Commencements program. While investment in training is welcome, BSL considers greater priority should be given to opening pathways into growth industries such as the care labour market where traditional apprenticeship pathways are not suitable.
- Young people could play an important role in meeting the demand in the care labour market over the next five years which are the scope of the Study. However, simply steering unemployed young people into these demand areas is not the solution.
- Youth unemployment is a complex issue that requires a multilevel and multisectoral response. BSL recommends that the Study pay attention to the structural barriers that are driving

misalignment between supply and demand in the care labour market, with a focus on the opportunities and challenges that present in the youth workforce. This includes examination of demand-side factors as well as supply.

- BSL has gained significant insight in to the specific supports that young people need to develop meaningful and sustainable employment pathways in this sector, through a National Skills Trial, which has been testing and refining the approach nationally (see **Case study 2**). We would be pleased to provide further information on key learnings from this study.

## Workforce attraction, retention and development

- 3 Current training and qualifications for the care sector are not fit for purpose in a modern working environment.
- 4 Entry level pathways are needed that lead to a range of career options and enable career progression.
- 5 Current and perceived working conditions of the care labour sector are not attractive to young people seeking meaningful and sustainable employment.

- Employers and workers in the disability and aged care sector value qualifications that prepare staff to work across the range of service areas, such as aged care, disability and nursing (Foster et al. 2007).
- At the same time, transversal skills associated with adaptability, collaboration and problem-solving have increased in value, and now sit alongside technical skills in assessments of relevance and importance (Myconos 2019). This is particularly relevant in sectors such as health care and social assistance that require interpersonal skills.
- The current training system and narrow occupational qualifications are not well suited to this and other sectors, particularly for young people who are entering the workforce with the aim of building a career. A holistic approach that ties together foundational, technical and transversal skills is required to ensure training and qualifications are meeting modern workforce and employer needs.
- To deliver this requires a cross-sectoral response that delivers learner-centred training co-designed by training providers and employers, taking into account the distinctive and diverse needs of young people. A place-based approach is also important to ensure that the geographical context and specific labour supply and demand in each community are considered.
- BSL notes that the Australian Government has established a Human Services Skills Organisation (HSSO) Pilot to trial approaches in the national training system to be more responsive to the needs of employers and industry. The pilot includes trialling of the recently developed Entry to Care Roles skill set, designed to rapidly upskill people to work in entry level care and support roles in the aged care and disability support sectors, while offering a pathway into further training and careers. BSL considers this pilot to be a key opportunity for cross-sectoral work, and for the evaluations and outcomes to inform future VET reform.

- Career mobility is also particularly important for young people starting out. COVID-19 has highlighted many young people's reliance on low skilled and precarious work and training pathways to enter the labour market, with limited mobility in times of crisis and recovery.
- Exposure to different industries and roles, such as through work experience and career education from an early age, would broaden young people's knowledge of employment and increase the appeal of different jobs. This is vital for growth industries such as health and aged care, which are struggling to attract young people (Monson-Wilbraham et al 2020).
- Further to this, working conditions in the care sector are not attractive to young people seeking meaningful and sustainable employment. The final report from the Royal Commission into Aged Care Quality and Safety tabled in 2021 found that 'the sector has difficulty attracting and retaining well-skilled people due to: low wages and poor employment conditions; lack of investment in staff and, in particular, staff training; limited opportunities to progress or be promoted; and no career pathways'.
- This is particularly true for key entry-level occupations with strong projected growth, such as Aged and Disabled Carers, which have low pay, a high rate of casual or part-time jobs (only 33 per cent full-time jobs) (ABS 2021a) and limited career mobility.
- BSL considers that these working conditions need to be addressed in order to attract young people to the care sector and enable them to build towards a sustainable livelihood. BSL supports an approach to youth employment that enables young people to secure decent work, as defined by the International Labour Organization (ILO):

opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organise and participate in the decisions that affect their lives and equality of opportunity and treatment for all women and men (ILO 2007, p. 6).

## System settings

6 A system level response is needed that enables key actors (including employers, industry, service providers, training providers and all levels of government) to collaborate locally and nationally to improve employment pathways for young people into the care sector.

- BSL believes in systemic change to design and implement policy that understands the big picture in developing solutions that address youth unemployment while reflecting local workforce needs in the care sector and others. This is being tested through the work of the National Youth Employment Board (NYEB), which seeks to build local community capacity to drive and sustain place-based initiatives into the future (see **Case study 1**). This includes support to align supply and demand to ensure local development and trialling of pre-employment and training initiatives for young people prepare them for current and emerging job opportunities in the local labour market.
- Intentional alignment of effort and investments across employment, skills and training and industry is needed to inform a coordinated national approach to youth employment and create the enabling environment to address multiple interconnected issues.

- BSL believes a systemic change approach would:
  - a. Align key stakeholders (employment service providers, government, VET and industry) to drive employment opportunities for young people in local labour markets;
  - b. Support young people to engage in training and work, and support the employer to build a motivated and skilled entry-level workforce of young people;
  - c. Use a 'latticed' approach to skill acquisition that enables young people to move vertically and horizontally along diverse career pathways, while building confidence and success in the world of work;
  - d. Provide young people with skills and capabilities to make an informed choice about their next career step, rather than locking them into a narrow, long- term training pathway; and
  - e. Promote diverse employment opportunities in the growing care sector to young people. (BSL 2020)
- BSL welcomes further examination of the care and support workforce through the Study that explores the case for systemic change and structural reform to identify the full set of policy levers available to address youth unemployment, and labour market mismatches. This would enable a greater range of cohesive policy options to be co-designed, which are also aligned at community and national levels.

## Case studies relevant to workforce issues and system change in the care labour market

### **Case study 1: National Youth Employment Body (NYEB) lessons in place**

*The Australian Government Department of Education, Skills and Employment (DESE) funded the BSL in 2018 to establish and coordinate the NYEB. The aim of the NYEB is to facilitate collaborative efforts that enable young people to secure decent work while addressing the needs of industry for a diverse and adaptable workforce.*

*The NYEB seeks to multiply young people's employment opportunities and outcomes through implementing a scalable national model that builds effective place-based practice and solutions that are mutually beneficial to employers, the community, the local economy, and young people themselves.*

*Local communities are supported to harness their expertise in co-developing strategies to improve local youth employment pathways. Their work in turn provides real-time community knowledge to national policy makers and experts across industry, employment services and education and training organisations on how to align their efforts to build the capabilities of young people and meet the needs of employers at the local level.*

*For example, local employers across the NYEB are codesigning youth employment pathways with registered training organisations (RTOs), while RTOs are exploring flexibility within the national training package framework to tailor courses for young people and industry. Local employers are also being recruited to champion investment in young people by other employers, including through offering work experience or work tasters, hosting site tours or by providing entry-level pathways including internships. (Monson-Wilbraham et al. 2020)*



### **Case study 2: National Skills Trial**

*In 2020, the NYEB in conjunction with the Transition to Work (TtW) Community of Practice (CoP) facilitated a pilot to test the methodology of developing a skills and training pathway that aimed to equip young people for jobs in the growth sectors of aged care and disability support. The pilot was designed to address challenges including:*

- *misalignment between supply and demand in the labour market*
- *limited career exploration opportunities in the industry*
- *prevalence of disadvantaged young people churning through low level training and jobs*
- *limited employment-based training opportunities*
- *low and declining training and completion rates in related VET courses.*

*The NYEB enabled collaboration and co-design between employers, RTOs, youth employment service providers and young people as a key feature of the pilot, so as to develop an employment pathway that was relevant to and valued by all stakeholders.*

*The pilot included co-designing an Entry to Care pathway, using the Entry to Care roles skill set developed through the HSSO as the training offer with a learner centred approach where young people were supported to explore the world of care work and enabled to make an informed decision about completing a skill set and doing entry level work placements. Participants were also connected with entry-level jobs in the aged care and disability support sector to provide an industry 'taster' and opportunity to experience employment-based training.*

*Preliminary evaluation of the trial found that the skill set's units of competency were appropriate, work placements and learning on the job were important factors, and young people gained exposure to a broader range of employment and training options.*

*A final evaluation report is due later in 2021.*

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