



# **Jobs and Skills Australia Discussion Paper Response**

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## Contacts

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### **About UnitingCare Australia**

UnitingCare Australia is the national body for the Uniting Church's community services network and is an agency of the Assembly of the Uniting Church in Australia.

We give voice to the Uniting Church's commitment to social justice through advocacy and by strengthening community service provision.

We are the largest network of social service providers in Australia, supporting 1.4 million people every year across urban, rural, and remote communities.

We focus on articulating and meeting the needs of people at all stages of life and those that are most vulnerable.

## Introduction

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UnitingCare Australia welcomes the opportunity to respond to the Jobs and Skills Australia Discussion Paper.

Establishing Jobs and Skills Australia as an independent body to provide advice to government on the skilling and training needs of workers and employers is critical in building the workforce Australia needs.

UnitingCare's extensive service network is situated within the largest growing sector in Australia – Health Care and Social Assistance. The sector faces significant challenges in terms of staffing shortages, rising operational costs, increasing demand for services and growing complexity of client needs. Workforce attraction and retention across the Care Sector have been stymied by low and stagnant wages. Limited progression and development opportunities have also resulted from the inability of under-resourced service providers to stretch their capacity beyond meeting immediate service delivery demands.

Identifying strategies to address these issues and the challenges facing the Care Sector workforce are critical to ensure the nation's largest employing industry can continue to provide the vital supports that individuals and communities rely on.

There is a critical role to be played by Jobs and Skills Australia in this context.

## Summary of recommendations

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UnitingCare Australia proposes the following recommendations to inform the establishment of Jobs and Skills Australia, which would enable the Agency to be a trusted source of advice in shaping government policy and program design and investment decisions.

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| <b>1. Establish a permanent Jobs and Skills Australia Deputy Commissioner for the Care Sector</b> |
| <b>2. Ensure industry representation on the Advisory Body</b>                                     |
| <b>3. Facilitate mutually beneficial partnerships</b>   |
| <b>4. Support low-income sectors</b>  |
| <b>5. Acknowledge cohorts facing barriers to employment</b>                                       |
| <b>6. Undertake embedded research in industry settings</b>  |
| <b>7. Enable public access to reliable and quality data and analysis</b>                          |
| <b>8. Translate evidence into policy action</b>   |

## Establish a permanent Jobs and Skills Australia Deputy Commissioner for the Care Sector

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UnitingCare Australia proposes the establishment of a permanent Jobs and Skills Australia Deputy Commissioner for the Care Sector. The role would be responsible for the ongoing provision of advice to Government on strengthening the Care Sector workforce, with the component objectives of:

- increasing wages
- enabling upskilling, training, mobility and professional development pathways
- ensuring equity of inclusion in workforce growth and participation, including in remote locations and for people with disability
- enabling sustainable, ongoing employment opportunities to give job certainty to individuals and facilitate workforce planning for employers
- enabling opportunities for skilled migrants to fill critical skills shortages
- coordinating all activity across government regarding Care Sector workforce development
- promoting the Care Sector as a meaningful, fulfilling and attractive career path, and
- supporting Care Sector employers to better support their workforces.

This recommendation addresses the finding of the Government's National Care and Support Workforce Strategy, that "robust data enables Government, industry and training providers to identify workforce challenges and harness opportunities. While data currently exists within programs, there is limited information available that cuts across the entire workforce to enable holistic analysis and planning"<sup>1</sup>.

Millions of Australians rely on the Care Sector each day to provide vital services that enable them to live well and thrive. Comprising aged care, disability services, community services, nursing and early childhood education and care, the Care Sector currently employs two million people, making it the nation's largest employer<sup>2</sup>. It is also Australia's fastest growing employer, forecast to increase by 15.8% (or 301,000 workers) over the five years to 2026<sup>3</sup>. In addition, more than 1 in 13 dollars contributed to Australia's gross production come from the Care Sector<sup>4</sup>.

Establishing a permanent Jobs and Skills Australia Deputy Commissioner for the Care Sector would recognise the substantial economic and social contribution the sector makes and would enable a coordinated approach across government to address the challenges impacting its workforce. It would also build on the work already undertaken by Government through development of the National Care and Support Workforce Strategy and provide a platform for actions from the Strategy to be progressed.

## Ensure industry representation on the Advisory Body

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Tapping into the wealth of experience from within industry is the most effective way to ensure that the Advisory Body's work can be informed by practical expertise and advice.

Care Sector organisations are acutely aware of the challenges facing our industry. Providing a forum for innovative proposals from the sector to be voiced and taken forward represents the greatest opportunity to drive the change that's needed.

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<sup>1</sup> Department of Employment and Workplace Relations (2022). *National Care and Support Workforce Strategy*.

<sup>2</sup> Australian Bureau of Statistics (2022). *Labour Force, Australia, Detailed*.

<sup>3</sup> Department of Employment and Workplace Relations (2023). *Labour Market Information Portal – Health Care and Social Assistance*.

<sup>4</sup> Australian Bureau of Statistics (2022). *Australian National Accounts: National income, Expenditure and Product*.

Harnessing the views of industry is critical, for example, in informing the design of training packages to ensure that training meets industry needs and standards. It is also essential in enabling individuals to transition as soon as possible into ongoing, paid employment following their completion of training, with full confidence that they are equipped with the right skills for the job.

## Facilitate mutually beneficial partnerships

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Jobs and Skills Australia is uniquely situated to influence both demand- and supply-side interventions to support Australians looking for work, and employers in addressing their workforce needs. Together with the Department of Employment and Workplace Relations (DEWR), the Agency can engage both job seekers and employers, presenting an opportunity for mutually beneficial partnerships to be developed.

Fostering direct relationships between employers and job seekers should be a critical function fulfilled by Jobs and Skills Australia, enabling the following benefits:

- Connecting job seekers in the employment services system with direct employment opportunities offered by industry partners engaged with Jobs and Skills Australia and DEWR.
- Enabling employers to promote the range of meaningful career pathways available in their industry to job seekers directly, and highlight other benefits of employment that they offer.
- Through Care Sector partnerships, supporting job seekers to more efficiently access the wrap-around supports they need to become job ready and remain engaged in the workforce.

Jobs and Skills Australia should also fulfill the important role of enabling employers to gain better access to, and raise their awareness of, the range of existing Government programs and supports available to address their workforce needs and enable employers to recruit from a broader and diverse candidate pool.

## Support low-income sectors

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As cost-of-living pressures increasingly impact Australian households, Jobs and Skills Australia will need to play a critical role in identifying strategies to increase wages and ensure adequate wage growth in Australia's lowest-paying sectors.

Care Sector workers, for example, are amongst those most impacted by low and stagnant wages. Average earnings in the Care Sector are \$1,057 per week, lower than the average of \$1,200 across all industries<sup>5</sup>. Low wages have resulted from consistent under-investment in the sector by government and indexation failing to meet the increasing costs of wages and goods. The result has been growing demand for services outstripping provider's capacity to deliver them whilst simultaneously supporting wage increases for workers<sup>6</sup>.

Jobs and Skills Australia has a critical role to play in highlighting the complexity of issues that are contributing to workforce crises in industries such as the Care Sector. In helping to address such issues, the Agency must provide a platform for reform proposals aimed at enabling sector sustainability and strengthening workforce capacity to be tabled and taken forward.

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<sup>5</sup> Department of Employment and Workplace Relations (2023). *Labour Market Information Portal – Health Care and Social Assistance*.

<sup>6</sup> Australian Council of Social Service (2022). *Helping People in Need During a Cost-of-Living Crisis*.

## **Acknowledge cohorts facing barriers to employment**

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A critical function of Jobs and Skills Australia should be to create conditions and pathways to better use the skills and abilities of all Australians, particularly those traditionally disadvantaged.

To this end, UnitingCare Australia recommends formalising mechanisms for disadvantaged cohorts to participate in research and have a dedicated voice. This could be achieved through establishing subcommittees tasked with identifying issues and solutions to support workforce engagement and increased employment opportunity for cohorts such as women, people with disability, people in regional and remote locations and First Nations people.

## **Undertake embedded research in industry settings**

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Creating partnerships with industry consortiums would enable research to be undertaken, and solutions to be identified and tested, at the grassroots level. This could entail conducting embedded research in industry settings, which would allow Jobs and Skills Australia to develop an evidence base that is reflective of on-the-ground issues and experiences. Such research would enable the development of place-based solutions to address challenges in specific geographical regions. Further, it would allow Jobs and Skills Australia to increase the visibility and use of its products and voice.

A rolling expression of interest process could be established, inviting organisations to nominate their interest in hosting an embedded research project. Consideration should be given to financially supporting organisations engaged with embedded research projects, as an incentive for their participation and to cover costs incurred.

## **Enable public access to reliable and quality data and analysis**

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Data and reports prepared by Jobs and Skills Australia should be made easily accessible via the Agency's website. Published data and analyses should be accompanied by public webinar sessions made freely accessible, to explain key findings and recommendations and provide an opportunity for public consultation, particularly in informing any recommendations forwarded to Government.

## **Translate evidence into policy action**

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The establishment of Jobs and Skills Australia represents an important step towards building the skilled workforce that Australia needs. Its effectiveness, however, will lie in its ability to drive Government policy, program and investment decisions through the research and analysis that it generates.

Driving action and reform around critical issues such as wages and conditions, training and career pathways, supporting under-resourced sectors and generating employment opportunity for disadvantaged job seekers and in thin labour markets should all fall within Jobs and Skills Australia's remit. The Agency's ability to translate evidence into policy action will determine its effectiveness in helping to address Australia's skilling and workforce challenges.

## Conclusion

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UnitingCare Australia appreciates the opportunity to make this submission towards informing the functions and structures of Jobs and Skills Australia.

We would welcome the opportunity to discuss the recommendations and issues highlighted in our submission, or any additional feedback.