



Submission: Draft National Strategy Care and Support Economy

About National Disability Services

National Disability Services (NDS) is Australia's peak body for non-government disability service organisations, representing more than 1100 non-government service providers. Collectively, NDS members operate several thousand services for Australians with all types of disability. NDS provides information and networking opportunities to its members and policy advice to State, Territory and Commonwealth governments. We have a diverse and vibrant membership, comprised of small, medium and larger service providers, supporting thousands of people with disability. Our members collectively provide a full range of disability services, from supported independent living and specialist disability accommodation, respite and therapy, to community access and employment. NDS is committed to improving the disability service system to ensure it better supports people with disability, their families and carers, as well as supports building a more inclusive community.

Executive summary

National Disability Services' Vision is for an inclusive Australia where all people with disability live safely and equitably.

We welcome the opportunity to make this submission to the Draft National Strategy for the Care and Support Economy. This submission builds on previous submissions NDS has made to government on disability workforce issues and draws on the latest evidence from disability providers about the key challenges and opportunities for this critical sector of our community. A copy of NDS's latest Workforce Census report (published June 2023) is attached for reference.

This submission is also made against a backdrop of significant reform underway in the disability sector, with the final report from the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability (or 'Disability Royal Commission') due in September 2023 and the National Disability Insurance Scheme (NDIS) Independent Review Panel due to report in October 2023. These major reform agendas, alongside growing economic challenges that have been exacerbated by COVID-19, sees the disability services sector cautiously optimistic about the future whilst still grappling with significant and long-term challenges.

It is also true that the work of the sector and the contribution that it makes to the Australia economy has been significantly undervalued by government and the community more broadly. This must change.

This a critical time to design and implement disability sector specific workforce strategies, as well as coordinate reforms across the care and support economy, to ensure the sector remains viable and can deliver vital services now and into the future.

NDS is pleased to see that many workforce priorities identified through our engagement with providers have been reflected in the draft National Strategy for the Care and Support Economy (the draft Strategy). These include improving utilisation, promoting workforce attractiveness, focusing on workforce retention and career pathways, improving support for training and supervision, and regulatory harmonisation.

NDS hopes that the development of the Care and Support Economy Strategy will drive a more diverse pricing structure within the NDIS that drives high quality supports, as well as reduced administrative burden – which the draft Strategy notes is a major contributor to workplace stress and burn out. Any sector strategy should also focus on housing and accommodation for workers, which our members in many regional areas have reported remains a barrier to workforce development and provider choice for participants.

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About our sector

One in six or about 4.4 million Australians have a disability.¹ People with disability come from all walks of life. It is a rich and diverse community of individuals making an important contribution to Australian society. Overall people with disability have poorer health and wellbeing, are more likely to experience violence, discrimination and social isolation and are less likely to participate in the workforce.

It is estimated that 40 per cent of people with disability need assistance from formal service providers, the majority of which are non-government providers.² However, access to services remains difficult for some people and not all people with disability who need assistance receive it.

The National Disability Insurance Scheme (NDIS or 'the Scheme') has transformed the lives of many people with disability and continues to do so. As of 31 March 2023, there were 592,059 people with an active NDIS plan and 19,633 registered providers who have been active over the life of the Scheme.^{3,4}

The disability sector remains one of the fastest growing sectors in Australia. As part of the health and social services sector, it is the largest employer of Australians, including women and when combined with the broader services sector accounts for approximately 70 per cent of Australia's economic output.⁵

The health care and social assistance sector recorded the most significant growth of any sector in the 20 years to February 2020 (with employment more than doubling) and in 2020 it was Australia's top employing industry.⁶ Around 14.8 per cent of workers have their main job in this industry.⁷ In 2021, it is estimated that the health and social assistance sector added \$158.5 billion to the national economic output.⁸

¹ Australian Institute of Health and Welfare (2022). People with disability in Australia 2022, catalogue number DIS 72, AIHW, Australian Government. Accessed 20 December 2022.

² Ibid

³ National Disability Insurance Agency (NDIA) (2023). Quarterly Report to disability ministers (31 March 2023). National Disability Insurance Agency. © National Disability Insurance Agency, Accessed 30 May 2023 <https://www.ndis.gov.au/media/6006/download?attachment>

⁴ NDIS providers can both be registered and unregistered. The NDIS Quarterly Report (ibid pg: 88) notes that a total of 160,210 providers (including registered and unregistered providers) were active in the third quarter of 2022–23.

⁵ Wood, D. (2022). Think big: a new mission statement for Australia. Grattan Institute. Accessed 20 December 2022.

⁶ National Skills Commission (2022). Health Care and Social Assistance Industry Analysis Special Topic Report. National Skills Commission. Accessed 20 December 2022.

⁷ Australian Government (2022). Labour Market Insights – Health and Social Assistance. Jobs and Skills Australia. Accessed 6 January 2023.

⁸ Statista (2021). Health care and social assistance industry gross value added Australia 2011-2021. Statista Research Department. Accessed 20 December 2022.

Within this broader sector, the disability sector continues to grow at a rapid rate. This has been driven significantly by the NDIS. Aged and Disabled Carers are the second largest ABS occupational grouping and has the largest projected employment growth (28 per cent) of all occupations in Australia in the five years to November 2026.⁹

The numbers of workers engaged in the NDIS is growing. It is estimated that some 325,000 workers are supporting NDIS participants and their families.¹⁰ A recent report calculated that NDIS providers employ over 270,000 people directly (indirect employment is likely to be far higher) across 20 different occupations and that the NDIS was estimated to have contributed \$52.4 billion to Australia's economy in 2020-21. That's a return of \$2.25 for every dollar invested.¹¹

Women are significantly overrepresented in this workforce, making up 85 per cent of the welfare workforce compared to 47 per cent of the total workforce.¹² The 2023 NDS Workforce Census estimates that as at the end of December 2022, two thirds of the disability workforce were women.¹³

It is difficult to overstate the importance of the disability sector for people with disability in Australia and for our overall economic prosperity. Within this landscape, disability providers play a vital role as caregivers and employers. The experience of providers serves as a useful barometer on the state of the sector and can be used to inform what policy is needed to support the sector to meet the diverse and evolving needs of Australians with disability.

NDS's State of the Disability Sector report has tracked the operating environment for disability service providers and its impact on service delivery since 2014. Conducted in partnership with the Centre for Disability Research and Policy at the University of Sydney, the 2022 report is based on responses from 364 providers from every state and territory, from sole traders to large multi-state organisations, delivering a wide range of services. The latest data was collected across August and September 2022.¹⁴

⁹ Australian Government (2022). Employment Outlook (five years to November 2026). National Skills Commission. Accessed 20 December 2022.

¹⁰ NDIS Review (2023), Building a more responsive and supportive workforce. Accessed 3 June 2023. <https://www.ndisreview.gov.au/resources/paper/building-more-responsive-and-supportive-workforce>

¹¹ Per Capita (2021). False Economy: The economic benefits of the National Disability Insurance Scheme and the consequences of government cost-cutting. Teamwork Works campaign. Accessed 20 December 2022.

¹² Australian Government (2021). Welfare workforce. Australian Institute of Health and Welfare (AIHW). Accessed 6 January 2023. <https://www.nds.org.au/resources/all-resources/nds-workforce-census-key-findings-report>

¹³ National Disability Services (2023). NDS Workforce Census Report 2023. Accessed 20 June 2023.

¹⁴ National Disability Services (2022) Victoria, State of the Disability Sector 2022. Accessed 1 December 2022, <https://www.nds.org.au/about/state-of-the-disability-sector-report>.

The 2022 State of the Disability Sector report identifies six major issues for disability that are useful to consider in the context of the draft National Strategy for the Care and Support Economy.

Firstly, disability service providers are more optimistic about the current federal government's NDIS reforms. Some 43 per cent of respondents believe that policy changes are heading in the right direction, compared to just 25 per cent in 2021.

That positivity, however, is tempered with a profound pessimism about the Australian economy, with 67 per cent of respondents believing that conditions have worsened and 36 per cent expecting to make a loss in the coming year. Few organisations plan to deliver new services in the year to come, even though many were unable to meet demand for services over the 12 month period, often due to worker shortages. 93 per cent of respondents reported that COVID-19 was having ongoing financial and operational impacts on the sector.

Recruiting and retaining suitably qualified staff remains a major challenge. Many providers report that it is difficult to find good support workers and finding allied health clinicians feels almost. Corporate roles in IT and HR are also a challenge to fill.

More than 40 per cent of providers expressed concerns about the regulatory framework they are expected to follow.

For those providers operating disability employment services (DES), almost half did not believe DES policy reforms are headed in the right direction and almost all DES respondents (96 per cent) had a negative view of the digital services model for job seekers that was rolled out in July 2022.

Finally, the sector is suffering from change fatigue. Disability providers are grappling with constant changes to NDIS settings and are exhausted by the challenge of constantly learning new systems and the complex administrative issues that each tend to involve.

[Workforce issues](#)

Building on the 2022 State of the Sector report, NDS conducted its Workforce Census survey in March and April 2023, collecting workforce data for the 2022 calendar year. It is the most comprehensive and up to date dataset available reporting on issues and trends within the disability workforce.

This year's survey had a record number of responses from 437 providers across Australia (from a sample size of just over 2000 providers delivering disability supports and employing disability support workers and/or allied health workers who work in the disability sector).

The results of the NDS Workforce Census indicate that, although the worsening conditions of recent years have stabilised, the disability sector workforce remains precarious. There is continuing undersupply and higher turnover rates than the national average. Respondents describe difficulties hiring workers across all categories and recruitment and retention remain a major challenge.¹⁵

The percentage of staff in permanent roles remained relatively stable over the last three years at 59 per cent and the proportion of casual staff grew to 39 per cent. For permanent employees, part-time employment continued to be very high (80 per cent) and this trend has stayed relatively stable since 2017.

Turnover for permanent staff decreased slightly from 13 per cent to 11 per cent in the six months from July to December 2022. Similarly, the casual turnover rate decreased from 26 per cent to 22 per cent.

In terms of overall change in the workforce, organisations reported that they recruited 15,360 people and in the same period 13,276 people left their employment. This is a net gain of 2084 positions over the six months from July to December 2022. This figure may be misleading, however, because the overwhelming majority of the net change was accounted for by a very large growth in casual disability support worker positions whereas positions in some other employment types (permanent and fixed disability support workers and permanent allied health professionals) saw a decline.

We are hopeful that this growth in casual disability support worker positions may eventually lead to growth in permanent positions, stabilising a growing workforce and delivering greater continuity of care for people who need services.

The disability sector workforce remains one of the fastest growing workforces in Australia. Within the next three years it is estimated that an additional 128,000 workers (or a 40 per cent increase in current workforce size) will be required to meet NDIS demand.¹⁶ This challenge is compounded by high turnover rates which see many workers leave the sector each year. It is anticipated that the disability sector will lose between 198,000 to 292,000 workers by 2025.¹⁷

¹⁵ National Disability Services (2023). NDS Workforce Census Report 2023. Accessed 20 June 2023. <https://www.nds.org.au/resources/all-resources/nds-workforce-census-key-findings-report>

¹⁶ NDIS Review (2023), Building a more responsive and supportive workforce. Accessed 3 June 2023. <https://www.ndisreview.gov.au/resources/paper/building-more-responsive-and-supportive-workforce>

¹⁷ Ibid

Feedback on the draft National Strategy for the Care and Support Economy

NDS is pleased to see that many workforce priorities identified through our engagement with providers have been reflected in the draft National Strategy for the Care and Support Economy (the draft Strategy). These include improving utilisation, promoting workforce attractiveness, focusing on workforce retention and career pathways, improving support for training and supervision, and regulatory harmonisation.

NDS hopes that the development of the Care and Support Economy Strategy will bring about a more diverse pricing structure within the NDIS that drives high quality supports, as well as reduced administrative burden – which the draft Strategy notes is a major contributor to workplace stress and burn out. Any sector strategy should also focus on housing and accommodation for workers, which our members in many regional areas have reported remains a significant barrier to workforce development and provider choice for participants.

Our feedback on the survey is provided below, which has been informed by previous submissions and NDS research, as well as engagement with our NDS National Workforce Community of Practice.

Vision

A sustainable and productive care and support economy that delivers quality care and support with decent jobs.

NDS strongly agrees with the vision of the draft National Strategy for the Care and Support Economy.

Goal 1 – Quality care and support

Quality care and support: person-centred services that recognise those accessing care and support as individuals and deliver quality outcomes.

Goal 1 policy objectives

- *People have access to the care and support they need.*
- *The workforce has the right skills and training to deliver quality care and support*
- *Workforce supply meets demand.*
- *Services are culturally and psychologically safe for all people.*
- *People are able to easily navigate systems, assess service quality and access care and support.*
- *The contribution of informal carers is valued, and they are supported to sustain their caring roles.*

NDS **strongly agrees** with Goal 1 in the draft Strategy and makes the following comments on the policy objectives.

Noting issues highlighted in the draft Strategy relating to the impact of thin markets on individuals' ability to access supports, NDS suggests that one of the objectives of this goal should include making sure that people have access to the care and support they need, where they need it, and that it enables people to maintain connections to their community.

This resonates for First Nations communities, where people with disability often need to leave Country to access basic supports – or do without. In our view one of the advantages of greater collaboration and coordination across the sectors from a service recipient's point of view is the notion of being able to age in place. For people with disability this may mean that they can remain in their own home with supports that they know. It also means that, should they need support from the aged care sector, they are not in the position of having to leave their community to receive these.

Across the care and support sectors, but particularly in the disability sector, service users and employers often recruit as much for values and attitudes as for skills.¹⁸ Values and attitudes are critical in the disability sector as reinforced by the as reinforced by the NDIS Quality and Safeguarding Commission Code of Conduct, NDIS Worker Capability Framework, Code of Conduct and NDIS Practice Standards.

Goal 2 – Decent jobs

Decent jobs: secure, safe jobs with decent wages, conditions and opportunities for career development.

Goal 2 policy objectives

- *Pay and conditions reflect the value of care and support work.*
- *Work is organised and jobs are designed in a way that promotes good job quality and worker satisfaction.*
- *Jobs are professionalised and there are pathways for skilling and career progression.*
- *Workplaces are safe and healthy, and psychological and physical risks are eliminated or, if this is not possible, minimised.*
- *Improved leadership and management capability across care and support economy.*
- *Workplaces are inclusive of diverse cultures, genders, ages and abilities and are culturally safe for all workers, including First Nations workers.*

NDS **agrees** with Goal 2 in the draft Strategy however we also make the following comments on the overarching goal and policy objectives.

Pay and conditions represent a barrier to people both entering and remaining in the sector. Providers want to offer workers a living wage and career pathways (including

¹⁸ National Skills Commission (2021), Care Workforce Labour Market Study Final Report. Accessed 20 June 2023, <https://www.nationalskillscommission.gov.au/reports/care-workforce-labour-market-study>

training and development) but are constrained by the cost and pricing approach in the NDIS disability support worker cost model.

Disability workers and employers consistently report that training and development opportunities in the sector are limited. Providers note difficulties managing the cost of training – even where the training may be ‘free’ – as backfilling or paying for staff time to attend training comes at a cost that is currently not recoverable.

Workers also report a lack of support and supervision in their workplaces. The cost modelling that underpins NDIS pricing allows for little or no training and supervision costs. Providers (and research)¹⁹ recognise the importance of supervision for service quality, coaching, worker wellbeing and retention but struggle to provide it within current NDIS pricing.

Challenges in attracting, supporting and retaining the disability workforce have been canvassed in the NDIS Review’s early findings paper, [Building a more responsive and supportive workforce](#),²⁰ along with a range of strategies to address these.

In relation to the disability sector, achieving the policy objectives in Goal 2 of the draft Strategy must include serious consideration of the NDIS cost model and the interrelationship with workforce issues and regulatory obligations to ensure providers have the resources to provide safe and high-quality services.

Goal 3 – Productive and sustainable

Productive and sustainable: a care and support economy that has functioning markets, sustainable funding and generates productivity gains.

Goal 3 policy objectives

- *Government investment and expenditure in the care and support economy is effective and sustainable with fair and reasonable consumer contributions where appropriate.*
- *Regulation is simplified and made more efficient to comply with, without compromising quality and safeguards.*
- *Funding models support market sustainability, job quality for workers, and quality care and support, including consumer choice and control.*
- *Innovation is shared, adopted and adapted across the care and support sectors.*
- *Opportunities in data and digital are harnessed to enable quality care and support, decent jobs and productivity growth.*

NDS **agrees** with Goal 3 in the draft Strategy however we also make the following comments on the overarching goal and policy objectives.

¹⁹ McKenzie, Karen, Metcalfe, Dale, Whelan, Kathryn and Mcnall, Anne (2021) *Improving recruitment and retention in learning disability services*. Nursing Times, 117 (4). pp. 26-29

²⁰ NDIS Review (2023) *Building a more responsive and supportive workforce*. Accessed 19 May 2023, <https://www.ndisreview.gov.au/sites/default/files/resource/download/building-a-more-responsive-and-supportive-workforce.pdf>

The draft Strategy correctly identifies that, all too often, the discussion of the care and support sector is one based in cost and expenditure. What gets lost in this discourse is the considerable economic and social contribution of the care and support sector to Australia's financial and social wellbeing. There is an opportunity to better recognise this in this goal. A sustainable sector of primarily non-government organisations, based in and connected to the communities that they serve, builds and maintains social capital – through local employment, skills development, volunteer opportunities, community connections and local economic activity. NDS would like to see the goal better articulate the benefits of the sector to local communities, as well as the broader contribution to the economy.

The success of a well-functioning market is about more than just numbers. Access to quality supports is critical. It is important that strategies to increase supply also include an equal focus on strategies that aim to ensure that these supports are safe, culturally appropriate and trauma informed. The NDIA has historically measured the health of the NDIS market based on growth in the number of providers entering the sector and the limited number of providers ceasing to offer services. All providers are not created equal and there is little visibility or assessment of whether the 'right' providers are entering the market in the right areas. Similarly there is little discussion on the benefits of supporting high quality providers with a long history of operating in their community and of investing in the systems needed to drive quality improvements.

The current state – Key challenges

In your view, what are the current key challenges for the care and support economy (in 100 words or less)?

1. Need to coordinate reforms across multiple reform agendas, including (but not limited to) the Disability Royal Commission and NDIS Review.
2. Capacity of disability service providers to respond to reform recommendations given current economic and workforce pressures.
3. The need for independent price setting in the NDIS environment and a more diverse pricing structure that drives high quality services and supports workforce recruitment and retention (including through training and development).
4. Disability providers need a seat-at-the-table to advise government on how reforms in the sector can be safely and practically implemented, alongside appropriate funding from government to support transformation.

The current state – Currently working well

In your view, what is currently working well in the care and support economy (in 100 words or less)?

1. Collaboration across sectors driven by peak bodies, providers, service user representative organisations and other stakeholder to design solutions at a systemic but also individual level.

2. Efforts to address the current fragmented system of service delivery across care and support services.
3. Increased focus on the wages and conditions of the workforce that have resulted in the equal remuneration order and work value wage case.
4. Initiatives that take a whole of government approach to support design and service delivery.

Actions to achieve the vision

In your view, what is the first thing Government(s) should do to achieve the vision of a sustainable and productive care and support economy that delivers quality care and support with decent jobs?

NDS holds a regular National Workforce Community of Practice that brings together disability service providers from across Australia to discuss priority workforce issues. At the 14 June 2023 meeting participants provided feedback to inform this submission.

In response to the question “What is the first thing Government(s) should do to achieve the vision of a sustainable and productive care and support economy that delivers quality care and support with decent jobs?” the following priority issues were identified:

- NDIS pricing does not meet the true costs of service delivery
- The need for a disability-specific workforce strategy
- Multiple compliance requirements and practices between federal, state and territory government and the need to focus on reducing compliance burden.
- Streamline and simplifying NDIS Worker Screening Checks
- Address issues with the SCHADS Award, including lack of flexibility to respond to changing workforce/sector needs and competition for workers between the disability and aged care sectors.

Priority issue – NDIS pricing

Current NDIS pricing does not support providers to focus on increasing service quality, attract the workforce required to meet demand, or support innovation.

NDS’s submission to the NDIA’s 2023-24 Annual Pricing Review highlighted significant gaps between NDIS prices and the cost of service delivery, namely:

- 23 per cent in supported independent living (SIL) core supports
- 20 per cent in core (non SIL) supports
- 3 per cent across therapy
- 13 per cent across early childhood intervention supports (ECIS)
- 16 per cent for support coordination.

The latest Annual Pricing Review included an average increase of 5.3 per cent for some supports and no increases in others. This clearly does not meet the needs of providers expressed in the market data NDS submitted the NDIA. We are concerned that this is

likely to lead to good quality providers leaving the market, which will reduce the availability of these supports for NDIS participants.

Similarly, the cost and pricing models used by the NDIS include little allowance for training, support and supervision. Funding training and supervision for the disability workforce outside of a NDIS participant's plan needs to be considered.

While policy issues related to the effectiveness of current pricing mechanisms and future options will be considered as part of the NDIS Review (NDS is on the record as recommending an Independent Pricing Authority and will propose some models as part of our response to the NDIS Review), adjustments to pricing are required now.

Providers are already operating with dwindling cash reserves and on slim-to-none profit margins. As a result, we are concerned that many providers may face immediate challenges to their viability.

Priority issue – Need for disability-specific workforce strategy

The sector needs a disability-specific workforce strategy, with a focus on allied health and chronic allied health workforce shortages.

Current workforce shortages in the disability sector are well known. Developing effective strategies to build the supply of suitable workers is critical, noting that this issue is even more acute in regional and remote areas across Australia. Providers report that they are unable to fill shifts due to supply and suitability issues. NDIS participants are at risk of missing critical supports altogether or supports being delayed or delivered at a lower level of service.

The results of workforce recruitment and retention issues are concerning: some providers report that it is driving lengthy wait times for therapy services from six months to up to two years in some locations. This is not just restricted to regional and rural areas but is even occurring in capital cities.

A multifaceted, well-resourced and strategic approach to the disability workforce is critical to ensure that people with disability receive the support they need and to support the growth in demand for care services in the years to come.

Priority issue – Compliance and registration

Standardise compliance requirements and practices between federal, state and territory government and focus on reducing compliance burdens.

Providers in the disability sector report significant regulatory and compliance burden. In our 2022 State of the Sector survey only 39 per cent of providers were confident that the NDIS Quality and Safeguarding Framework supports the quality of services and outcomes (significantly lower than the 45 per cent of respondents who agreed in 2021).

Forty-one per cent disagreed or strongly disagreed that the Framework was supporting positive participant outcomes, a worse result than in previous surveys.²¹

These results reflect general concerns about the regulatory environment across the entire service ecosystem. This is shown by 60 per cent of all respondents agreeing or strongly agreeing that 'there are too many unnecessary rules and regulations [that] my organisation has to follow'.²²

Compliance activities are also seen as taking time away from direct support. Forty one percent of workers in a recent survey conducted Behavioural Economics Team of the Australian Government (BETA) indicated that concerns about both the quality of service provision under the Scheme, along with NDIS procedures were potential reasons why they would leave the sector.²³ It is crucial that the regulatory burden associated with compliance take as little time away from direct support as possible, especially given the chronic workforce issues throughout the sector.

Better coordination, use of data and information sharing across the quality and safeguarding ecosystem could streamline reporting processes, increase effectiveness, reduce duplication and regulatory burden. We are hopeful that developments in the National Disability Data Asset will improve the availability and use of high quality, accessible data for the disability sector.

Work that has already commenced to better align regulation and reduce duplication across the care and support sectors is welcome and holds promise in reducing red tape and duplicative reporting. The first reforms saw changes to aged care legislation to recognise NDIS Worker Screening clearances. Other proposals on the table include the development of common core and sector specific supplementary service standards and single point monitoring (report once, use often).

Such proposals have merit in a sector that has been required to adjust to ongoing changes in policies, procedures and processes. Alignment activities need to be minimal and fast-tracked, follow a codesign model, and take every opportunity to streamline compliance requirements without compromising quality or safety.

The costs of compliance with NDIS Commission requirements are high and not adequately covered by current pricing. This significantly impacts utilisation. Based on our market research, an allowance of approximately \$5.90 per hour needs to be made

²¹ National Disability Services (2022) Victoria, State of the Disability Sector 2022. Accessed 1 December 2022, <https://www.nds.org.au/about/state-of-the-disability-sector-report>.

²² Ibid

²³ Behavioural Economics Team of the Australian Government (2023), NDIS Workforce Retention: Findings from the NDIS workforce survey. Accessed 24 May 2023, <https://behaviouraleconomics.pmc.gov.au/sites/default/files/projects/ndis-workforce-retention-survey.pdf>

for operational overheads to cover compliance, including the costs of audits and ongoing investment in new support models including active support and practice leadership.²⁴

A major theme in respondents' comments to the State of the Disability Sector report was the call for greater accountability for unregistered providers and greater consistency and fairness in the application of regulatory instruments between registered and unregistered providers.²⁵ In some sense this 'uneven' playing field is seen as undermining the purpose of the entire current regulatory system.

This theme has been echoed across many consultations undertaken by NDS, including through a pulse survey conducted in November 2022 to inform our submission to the NDIS Review.²⁶ In a further consultation with over 100 disability service providers, concern about the level of oversight of what is a growing unregistered provider segment, was the single most issue raised. This issue is not consistent across the care and support sector, with all providers in aged care and early childhood for example requiring some element of registration.

Priority issue – Worker Screening

Streamline and simplifying NDIS Worker Screening Checks

The concept of a national system of worker screening is seen as positive by the sector.²⁷ This is notwithstanding issues experienced with the various systems being used across states and territories to undertake screening, including costs and manual application systems. As noted in the recently released NDIS Review early findings paper, *Building a more responsive and supportive workforce*, current arrangements are creating delays for workers and employers and may be creating barriers for workers joining the sector.²⁸

There are concerns however that current mechanisms for worker screening are fragmented both within the disability sector and across other sectors. Providers are concerned that workers who may pose an unacceptable risk to individuals accessing

²⁴ National Disability Services (2022) Victoria, National Disability Services: Submission 2022-2023 Annual Pricing Review. Accessed 19 June 2023, <https://www.nds.org.au/news/nds-makes-its-submission-to-the-ndia-annual-pricing-review>

²⁵ National Disability Services (2022) Victoria, State of the Disability Sector 2022. Accessed 16 May 2023, <https://www.nds.org.au/about/state-of-the-disability-sector-report>

²⁶ National Disability Services (2022) Victoria, National Disability Services Submission- Have your say: NDIS Independent Review Panel. Accessed 2 May 2023, https://www.nds.org.au/images/Policy/NDS_Pulse_Survey_IRP_submission_FNL

²⁷ National Disability Services (2022) Victoria, State of the Disability Sector 2022. Accessed 16 May 2023, <https://www.nds.org.au/about/state-of-the-disability-sector-report>

²⁸ NDIS Review (2023) Building a more responsive and supportive workforce. Accessed 19 May 2023, <https://www.ndisreview.gov.au/sites/default/files/resource/download/building-a-more-responsive-and-supportive-workforce.pdf>

services are able to move between providers, between sectors or to work independently.

NDS suggests that streamlining worker screening requirements across the support and care sector, creating the equivalent of a national 'working with vulnerable person's check' creates an opportunity to enhance safeguards and enable workers to work across sectors without needing multiple checks.

There are other opportunities across other regulatory areas. Efforts are being made to better align processes in relation to restrictive practices. While all governments have committed to the *National Framework for Reducing and Eliminating the Use of Restrictive Practices in the Disability Services Sector*²⁹ and efforts to align legislation and processes against a set of nationally agreed principles for authorising restrictive practices, this is yet to be fully achieved.

Priority issue – Industrial instruments and care sector competition

Address issues with the SCHADS Award, including lack of flexibility to respond to changing workforce/sector needs and competition for workers between the disability and aged care sectors.

In addition to the wages and conditions across the sector, it is vital that initiatives designed to grow and support the care and support workforce are aligned with current award and other industrial instruments.

Changes to the Social, Community, Home Care and Disability Services Industry Award (SCHADS Award) affect direct labour costs and has increased the gap between price and costs. Changes to split shift allowances, minimum engagement periods, remote working and sleepovers have impacted both direct costs but also increased back-office costs as rostering and payroll becomes a more complex activity.

In March 2023, the Fair Work Commission (FWC) published a determination to vary Schedule E (home care employees) of the SCHADS Award as part of the aged care work value case. From 1 July 2023, this will effectively split the pay rates for home care employees under the SCHADS Award, with those working in the aged care sector receiving a 15 per cent higher rate than those doing similar work in the disability sector.

NDS has heard from numerous providers, predominantly those providing household services to NDIS participants and aged care recipients alike, concerned that this imbalance within the SCHADS Award will be very difficult to mediate with their workforce. There is also a potential impact to the disability sector more widely in terms

²⁹ Department of Social Services (2023) National Framework for Reducing and Eliminating the Use of Restrictive Practices in Disability Services Sector, Australian Government. Accessed 19 May 2023, <https://www.dss.gov.au/our-responsibilities/disability-and-carers/publications/articles/policy-research/national-framework-for-reducing-and-eliminating-the-use-of-restrictive-practices-in-the-disability-service-sector>

of attracting home care staff within the context of a higher pay rate in aged care. Feedback from recruitment firms working in the care and support economy suggests that there has been a recent increase in the number of frontline workers from the disability sector applying for positions in aged care.

Workforce shortages are acute, competition for quality staff is high and wage inflation is impacting cost of delivery across all supports. The FWC decision in the aged care work value case is likely to drive up wage inflation in comparable sectors.

Ongoing opportunities to work collaboratively with Fair Work Australia, Unions and NDIS employers to identify how to better balance participant needs with the needs of individual workers are critical.

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