

National Disability Services Submission: Strategic Review of the Australian Apprenticeship Incentive System

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About National Disability Services

National Disability Services (NDS) is Australia's peak body for disability service organisations, representing more than 1000 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, employing 100,000 staff to provide support to half a million people with disability. NDS is committed to improving the disability service system to ensure it better supports people with disability, their families and carers, and contributes to building a more inclusive community.

1. Overview

National Disability Services (NDS) welcomes the opportunity to make a submission to the Strategic Review of the Australian Apprenticeship Incentive System.

The disability sector is committed to developing the capability of their workforce. Traineeships are an existing methodology to both attract new workers interested in “earn and learn” opportunities and to upskill existing workers through Existing Worker Traineeships.

However, the unique features of disability support work prevent the sector from utilising traineeships at any scale, with very few disability traineeships completed in Australia compared to classroom-based Certificate training models (Kennedy et al 2020).

When disability service employers were asked what could increase the likelihood of them taking on a trainee, they ranked improved incentives and payroll tax rebates as the top two effective changes out of 10 possibilities (Jobs Queensland 2018).

On 31 August 2023, NDS held a Workforce Strategy Symposium attended by senior HR professionals from around 50 NDS members, to consult on key workforce and training challenges faced by disability service providers. It is upon this and other feedback from our members over the past 12 months that NDS bases this submission.

NDS recommends targeted changes to the current traineeship model and incentive system to support the development of the care economy and concurrently build the capability of the care workforce.

2. Scope of submission

This submission will identify:

- The need for a traineeship scheme that can be utilised by the disability sector at scale.
- Current systemic barriers that prevent and/or disincentivise disability sector employers from using traineeships.

- Recommended changes to enable and incentivise the disability sector to use traineeships at scale.

Consideration for a targeted care and support traineeship System

The ANZSCO occupation of Aged and Disabled Carer is projected to experience one of the highest growth rates (29.1 per cent) of all occupations in Australia in the ten years to May 2033 (Victoria University 2023).

The NDIS Review (December 2023) estimated that an additional 128,000 more workers are likely to be needed to support people with disability by June 2025 to fully meet demand for services (Commonwealth of Australia, Department of Premier and Cabinet 2023).

The results of NDS Workforce Census 2023 indicate that the disability sector workforce remains precarious, with continuing undersupply of workers and higher turnover rates than the national average. Recruitment and retention remain a major challenge for disability service employers (National Disability Services 2023).

The development of an apprenticeship scheme specifically designed to develop the workforce of an expanding sector is a proven strategy currently in use in the clean energy sector and could be adapted for the disability workforce, or care and support sectors more broadly (Australian Government Department of Employment and Workplace Relations 2024).

The benefits of a targeted traineeship scheme for the care and support sectors include:

- Fit-for-industry, enabling disability employers to offer traineeships at scale.
- Increased disability workforce capability through an increased proportion of formally qualified disability workers.
- Increased disability workforce attraction, specifically attracting new and different cohorts of jobseekers/career changers seeking earn and learn employment opportunities.

- Increased disability workforce retention through the structured provision of known retention drivers (supervision, professional development and career pathway opportunities) (National Disability Services 2023a).
- Enabling robust career pathways in the disability sector for school leavers.

Systemic barriers to disability sector uptake of existing traineeship system

The unique features of disability support work prevent the disability sector from utilising traineeships at any scale. These specific features are outlined below.

1. No mandatory qualifications to be a disability support worker reduces the incentive to participate in traineeships for both workers and employers

The lack of a mandatory qualification reduces the attractiveness of traineeships for both disability employers and prospective workers.

For disability service employers, there is limited incentive to incur the direct costs and navigate the challenges of a traineeship when they can directly appoint a new worker to complete the duties of the position.

For prospective disability workers, there is a reduced incentive to accept traineeship wages and/or commit to complete a qualification when they can commence work without a qualification, and depending on their initial pay rate, obtaining the qualification may not result in a pay increase.

2. Contemporary care and support service delivery ethos limits employer discretion to roster trainees

Through the National Disability Insurance Scheme (NDIS), disability employers have been at the forefront in delivering contemporary models of care and support services. The *National Disability Insurance Scheme Act 2013* embeds a values-based approach to the delivery of disability supports that are integral to the scheme. These include:

- Service recipient choice and control on who, where and how services are delivered.

- Shift from institutional care to community and home-based care and support.

This service delivery model does not readily support the traditional traineeship model. Specifically:

- Service recipients can choose their support worker. This means that a service recipient may not select/accept a proposed worker (trainee) based on factors outside the trainee or employer's control, such as personal attributes including gender, cultural background or lack of shared interests.
- Most community and home-based services are provided through one worker working alongside one service recipient. The addition of a supernumerary (trainee plus supervisor) may not be suitable, or accepted by the service recipient, as it may be invasive or disruptive to the services required.

Care and support services are highly personal, relationship-based services, and the human rights of service recipients cannot be subjugated to the requirements of the training system.

The challenge of supervision of trainees in community settings has previously been recognised by the Queensland Department of Employment, Small Business and Training, who together with the Health and Community Services

Workforce Council developed guidelines for indirect supervision of trainees: "Supervision arrangements for trainees in Community Care Settings." (Queensland Government 2021).

A consistent, national supervisory framework which includes capacity for unsupervised work and provision of alternate supervision structures is needed.

3. NDIS funding and pricing does not cover the costs of traineeship supervision and administration

The structure of NDIS funding reflects the contemporary ethos of individualised care and support services outlined above. NDIS participants have a plan with a funding envelope to purchase particular disability services, and the NDIA sets the maximum unit rate (e.g.: per hour, per day) that registered disability service providers can charge for those services. (National Disability Insurance Agency 2023). Most unit rates assume a ratio of one worker to one service recipient. This funding model does not fund the addition of a supernumerary (trainee plus supervisor).

Generally speaking, the only disability work funded for two or more workers to be working together are in provision of complex supports or where service recipients receive services in a group setting. These work settings are less common and restrict the scope of the trainee's on-the-job work experience. Further, many existing experienced workers are unqualified, making them ineligible to supervise trainees (Jobs Queensland 2018). Existing workers with qualifications are not always paid as a supervisor and/or supervision is not in their job description and/or they do not have the requisite supervisory skills. If an existing worker takes on supervisory duties, the SCHADS Award requires them to be paid at a higher rate, adding to the overall cost of service delivery. Further financial costs may be incurred as a trainee may take longer to complete duties or require mentoring and coaching before/after service provision, and the supervisor may be casual and paid hourly. There is no capacity within the NDIS funding model for disability employers to pay additional wages for this necessary supervision of trainees. Disability service providers also identified supervision requirements as a key barrier to the uptake of traineeships in the sector (Jobs Queensland 2018).

Many disability service employers are small to medium enterprises and have noted that they do not have the financial capacity to meet the supervision requirements or the administrative costs of employing a trainee (Jobs Queensland 2018).

The addition of a trainee on a shift (where approved by the service recipient) is essentially the addition of a supernumerary and does not add to the productivity

of that shift, or produce any additional income for the employer, but rather is a direct additional wage and administrative cost.

The combination of no mandatory qualification for the role, and the requirement for on-the-job supervision of trainees, results in an irrational situation where workers with no qualification and not in training are able to work unsupervised, but workers who are completing training are unable to work unsupervised. In combination with the direct costs of employing a trainee, this acts as a clear disincentive for employers to engage trainees.

4. Casualised and fragmented work

In response to the contemporary model of care and support and the associated NDIS funding model, disability services employment tends to be fragmented, with short and/or split shifts, delivering community-based services across multiple locations, including service recipients' homes.

- Three out of four NDIS workers are employed either part time or on a casual basis (Commonwealth of Australia, Department of the Prime Minister and Cabinet 2023). The 2023 NDS Workforce Census reported that 39 per cent of all workers were employed on a casual basis, and that the average work hours for all disability workers was 22.6 hours per week (National Disability Services 2023). Previous research has shown that disability employers find that the Australian Apprenticeships Incentive System does not adequately cover the costs for part time trainees (Jobs Queensland 2018).

Further, traineeships require part time (15+ hours) or full-time employment, precluding many positions in the disability sector from meeting the eligibility criteria for this system.

The current traineeship system is designed for traditional work patterns and thereby excludes industries and workers operating outside of these traditions. Research has demonstrated that traineeship programs that are designed locally, and with local needs in mind, can account for diversity in a manner that centralised programs cannot.

When asked about factors that might increase the likelihood of them taking on a trainee, disability service employers reported that ‘customisation of training content to their organisation’ and ‘flexibility in how, where and when the training was delivered’ rated third and fourth respectively out of a list of 10. Providers also spoke about:

- the importance of face-to-face training, not just online delivery.
- having training materials that were culturally appropriate.
- the importance of flexible training delivery in being able to manage staff rosters.
- wanting integration between work and study, so that theory is being put into practice through their on-the-job learning.

A traineeship framework that allows for customisation and flexibility around both employment tenure and training content and delivery systems will be both more inclusive and more likely to meet the place-specific needs of industry.

The disability sector has identified casualisation as a key barrier to the uptake of traineeships in the sector (Jobs Queensland 2018). This casualisation is a result of the structural reasons described above. Precluding casual workers from upskilling through a traineeship does not support the sector to build workforce capability or support casual workers to progress in their career.

A group training approach could enable disability employers to engage trainees through a group training organisation (GTO) in a similar, flexible arrangement as direct employment through a casual contract. However, in practice there has been little usage of this option in the sector. Targeted investment in the development of specialist care and support GTOs, that recruit suitable trainees and develop sustainable relationships with sector employers, could support disability workforce development and provide more secure employment to workers who are otherwise only able to be offered casual work.

3. Recommendations

1. **In consultation with industry, consider developing a traineeship system for the disability workforce that is adapted to the way in which contemporary care and support services are delivered.**

This system should include:

- a) A new supervisory framework that aligns with care and support service delivery and funding. This could include capacity for some unsupervised work in the traineeship and/or provision of alternate supervision structures such as pre-shift planning or post-shift debriefing sessions.
- Consideration of a new term for “traineeship.” The disability sector workforce tends to be older, and there is evidence that the terms “traineeship” or “trainee” are not attractive to older workers (Kennedy et al 2020). Alternative terminology, for example ‘internship’ or ‘registrant’ should be considered and tested with prospective students/workers.
- b) Front-ended career tasting opportunities to support prospective trainees make informed decisions about their career path.
- c) High quality simulation environments that support skill development and assessment of competency.
- d) Consideration of higher percentage of time spent in training up front (paid attendance) prior to independent work commencing.
- e) Review and agreement on the minimum length of time needed to complete a traineeship, accepting that all traineeships can be shortened through agreement of all parties.

2. **In consultation with industry, contract specialist care and support group training organisations (GTOs). This initiative should include:**

- a) A communication strategy to disability and other care employers, to promote the use of these GTOs as an alternative to the use of regular labour hire agencies and/or casual workers.

- b) Processes that support the transition of the trainee into direct employment with an employer during the life of their traineeship.
- 3. Financial incentives for employers to host traineeships must offset all on-the-job supervision costs, plus cover the cost for trainee wages where the trainee works as a supernumerary. In consultation with industry these costs should be fully analysed and embedded into the care and support traineeship employer incentive system.**
 - 4. Traineeships should be open to all workers, including casual workers, and the requirement for a minimum number of work hours should be removed, or at least reduced to the same level as School-Based Traineeships (7.5 hours) to enable as many workers as possible to benefit from 'earn and learn' opportunities.**
 - 5. Trainees should be paid the same wage as other entry level workers.**
 - 6. The Apprenticeship Incentive System should be made substantially easier to navigate for employers, with a reduced administrative burden.**

4. Conclusion

The disability sector is committed to the development of a skilled workforce delivering quality, safe services for people with disability.

The capacity of the traineeship system to support the development of the disability workforce has not yet been sufficiently realised due to misalignment between the disability sector service delivery and funding models, and the current traineeship system.

It is imperative that the traineeship system responds to the needs of industry and unlocks the potential of traineeships as a formal entry level pathway to be a key solution to workforce challenges.

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