The Big Care Shift

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THE **DEMOGRAPHICS** GROUP

HSSO
Human Services
Skills Organisation

The Big Care Shift

Attracting and retaining quality workers to meet increasing demand is the number one challenge facing the care and support sectors in Australia. Confronting this challenge requires coordinated and collaborative effort.

Employers, unions, governments, workers and training organisations need to work collectively to focus and prioritise our effort, so we have the greatest impact for the people who rely every day on the services delivered by the care and support sector.

The pandemic highlighted existing structural problems across the care and support sector in terms of insufficient staffing, poor job quality and insufficient skills, all of which inevitably effect quality of care and safety.

We are not alone in confronting this challenge. The shortage of health and care workers is widespread across the globe. The World Health Organization (WHO) estimates that there will be a worldwide shortage of 15 million health and care professionals by 2030.

The development of innovative, evidence-based solutions to deliver the skilled and adaptable workforce the sector needs so they can meet the needs of people seeking care and support is crucial. For this reason, the Human Services Skills Organisation (HSSO) commissioned Bernard Salt, widely regarded as one of Australia's leading social commentators to unpack what the 2021 Census tells us about the care and support workforce, and those who rely on it.

The "Big Care Shift" is the outcome of this analysis. It raises questions about the scale and expansion of the Health Care and Social Assistance workforce. How can we support a workforce that is expanding at a rate of 24,000 net extra workers per year? Faster than any other workforce in the country.

We are encouraging you to see the opportunity in confronting the challenge. We need to invest – time, effort, and finances to build a high quality and sustainable care and support sector. It is too late to wait for silver bullet solutions. We need to share successes and work out how to scale them.

We all have a role to play in building the future care and support workforce.

Jodi Schmidt
Chief Executive Officer
Human Services Skills Organisation

1 Introduction

This report comprises a summary of key demographic insights relating to the care industry in Australia prepared by Bernard Salt AM and Simon Kuestenmacher founder and co-founder respectively of The Demographics Group.

The report largely draws upon 2021 Census data released 12 October 2022 which includes 6-digit occupation data for the Australian workforce enabling a detailed examination of job trends between censuses.

This data shows which care and other jobs are rising and falling between censuses and across different parts of Australia.

The report focusses on national and state trends.

2 The big care shift: workers in demand

A key finding is that the fastest growing job on the Australian continent between the 2016 and 2021 censuses was the job of Aged or Disabled Carer which jumped 95,212 net extra jobs to 227,535 jobs. The next biggest job growth over this period was Policy and Planning Manager up 30,120 (see Graphic 1).

Between the 2011 and 2016 censuses the job of Aged or Disabled Carer increased by 24,107.

The net increase in the number of workers employed in this specific occupation almost quadrupled over the five years to 2021 (see Graphic 2).

Aged or Disabled Carer currently stands head and shoulders above all other "growing jobs" and appears to be influencing job growth opportunities in other sectors.

Note that the 2021 Census was completed in August 2021. Over the 15 months or so since the census was completed the pandemic has receded and the Australian workforce has continued to expand.

More recent estimates of the workforce are provided quarterly by the ABS Labour Force survey.

The August 2022 survey suggests that the Aged or Disabled Carer workforce has increased to 270,000.

The Health Care and Social Assistance industry (and which primarily employs the Aged or Disabled Carer workforce) has added 600,000 net extra workers over the last decade; it now contains 15 per cent of the workforce (one-seventh of all workers) up from 12 per cent a decade earlier.

The Health Care and Social Assistance industry workforce replaced Retail as the largest employer of the Australian people in 2010 (see Graphic 3).

The concern is that the scale and pace of the shift into aged and disability care is still well in advance of the projected demographic peak in the aged care cohort.

Over the last decade the number of Australians aged 80+ has increased by around 30,000 per year. By 2030 this number will exceed 60,000 per year as baby boomers (born 1946-1964) push into the prime "aged care" stage of the lifecycle (see Graphic 4).

Graphic 1: Workers in demand, now

Top 10 jobs in the Australian workforce ranked by net growth between censuses, 2016-2021
Data source: ABS Census 2016 and 2021

RANK	OCCUPATION	CHANGE 2016-2021
1	Aged or Disabled Carer	95,212
2	Policy and Planning Manager	30,120
3	Delivery Driver	29,053
4	Child Care Worker	27,478
5	Storeperson	26,446
6	General Clerk	25,005
7	Medical Receptionist	24,798
8	Software Engineer	24,565
9	Marketing Specialist	20,273
10	Secondary School Teacher	18,498
Total Australia (as stated)		**1,365,544**

Graphic 2: Workers in demand, back then

Top 10 jobs in the Australian workforce ranked by net growth between censuses, 2011-2016
Data source: ABS Census 2011 and 2016

RANK	OCCUPATION	CHANGE 2011-2016
1	**Sales Assistant** (General)	**69,095**
2	**Aged or Disabled Carer**	**24,107**
3	**Chef**	**23,105**
4	**Domestic Cleaner**	**20,684**
5	**Kitchenhand**	**17,188**
6	**Construction Project Manager**	**17,009**
7	**Enrolled Nurse**	**16,471**
8	**Registered Nurse** (Critical Care and Emergency)	**16,308**
9	**Child Care Worker**	**15,805**
10	**Barista**	**15,606**
Total Australia (as stated)		**625,516**

## Graphic 3: Health Care and Social Assistance dominates

Employment in top-2 industry sectors (Health Care and Social Assistance, and Retail) in Australia, 1984-2022
Data source: ABS Australian Labour Force

Retail Trade — Health Care and Social Assistance
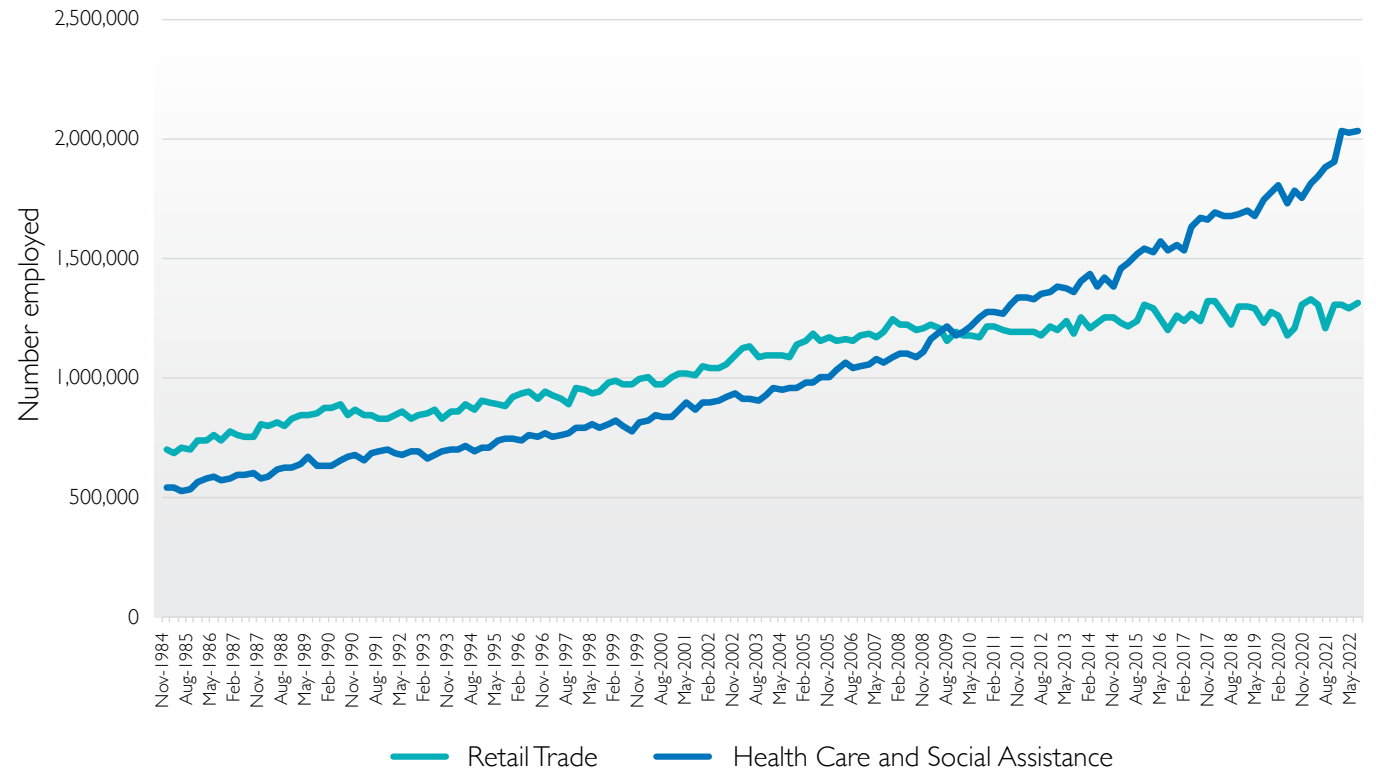
Graphic 4: 80s avalanche looms

Net growth in the 80+ cohort for Australia, 1960-2060
Data source: UN World Population Projections
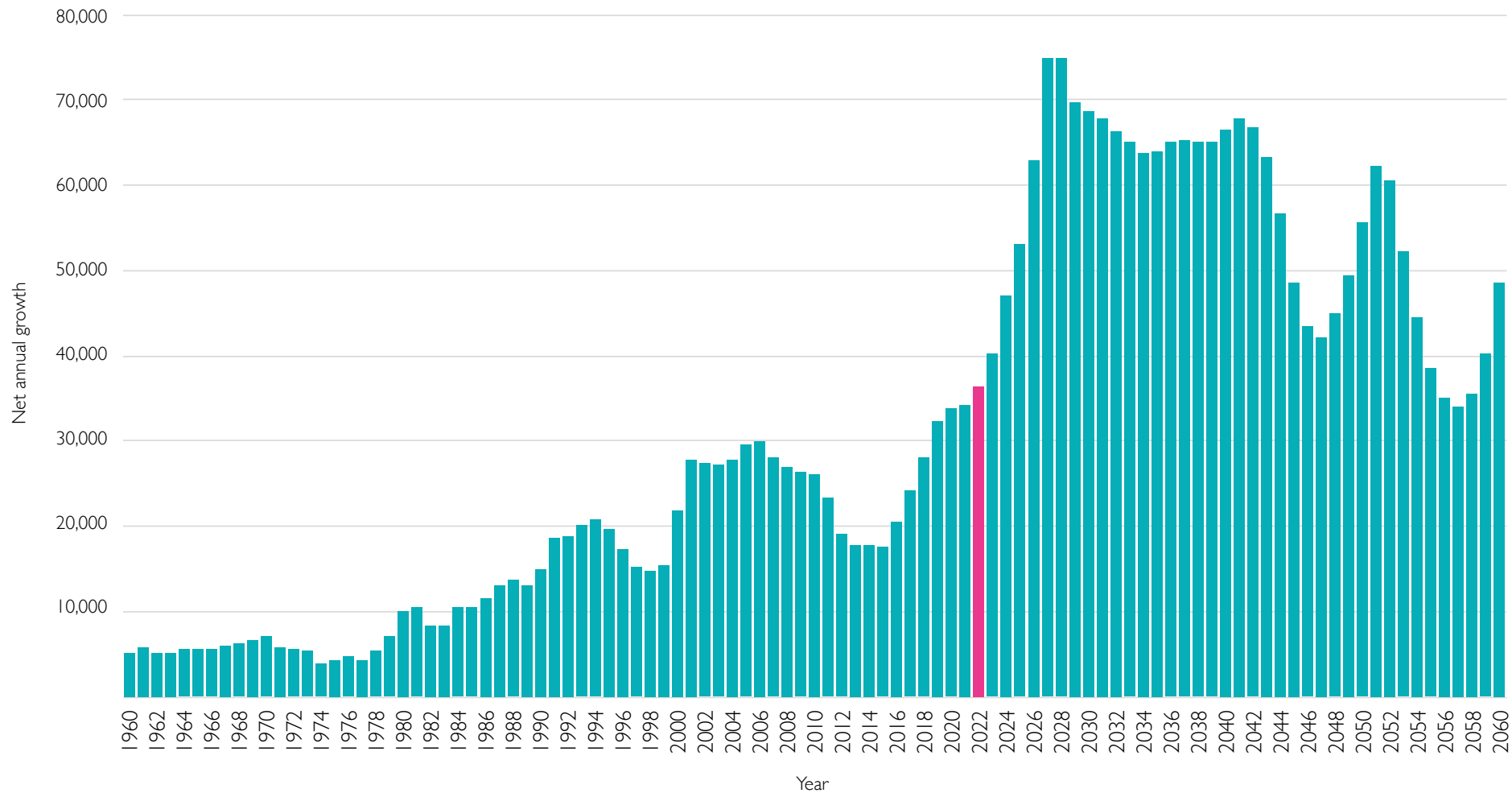
It's not just the job of Aged or Disabled Carer that is expanding rapidly, the big care shift is also driving growth in jobs like Child Carer which increased by 27,478 net extra positions over the five years to 2021.

Also on the up over this period is Medical Receptionist up 24,798 and Welfare Worker up 14,326 (see Graphic 5).

Of the 1330 jobs identified in the 6-digit dataset, 184 are Health Care and Social Assistance. All but 17 of these jobs expanded between the last two censuses with many of these contractions due to definitional issues and changes.

This is unusual.

Generally, there is churn within an industry such as, for example, the loss of Checkout Operator jobs (down 2,092 jobs) in Retail and an expansion in jobs like Retail Manager (General) up 13,125 jobs.

In Health Care and Social Assistance there hasn't been any real re-adjustment and realignment of the existing workforce, there's simply growth and expansion "everywhere."

And this "everywhere" growth isn't necessarily tied to the pandemic. The Occupational Therapist workforce for example increased by 57 per cent from 12,350 workers in 2016 to 19,429 in 2021.

The new census data raises questions about the scale and breadth of the expansion in the Health Care and Social Assistance workforce. The net increase in the Aged or Disabled Carer workforce is three times the increase in the next biggest "growth job."

How can the care sector recruit, train, accredit, support a workforce that is expanding at a rate of 24,000 net extra workers per year?

No other sector is expected to operate at this scale. In the 2011-2016 period the biggest "growth job" was Sales Assistant (General) up 69,095 jobs over five years.

Not only is Aged or Disabled Carer growing faster—up 95,212 over 2016-2021—but access to this job involves training that requires accreditation whereas Sales Assistants simply learn on the job.

Plus, the consequences of a sales assistant mismanaging their job due to poor training, selection and/or supervision are not as significant as those for an aged or disability care worker.

Graphic 5: Care on the rise

Top 10 jobs in the Health Care and Social Assistance industry ranked by net growth between censuses, 2016-2021
Data source: ABS Census 2016 and 2021

RANK	OCCUPATION	CHANGE (NO.)
1	Aged or Disabled Carer	95,212
2	Child Care Worker	27,478
3	Medical Receptionist	24,798
4	Welfare Worker	14,326
5	Personal Care Assistant	13,433
6	Registered Nurse (Critical Care and Emergency)	9,182
7	Disabilities Services Officer	9,108
8	Clinical Psychologist	8,573
9	Registered Nurse (Medical)	8,178
10	Physiotherapist	8,166
Total Australia (as stated)		400,699

3 State trends: nuances in the demand for care

The surge in demand for care workers especially Aged or Disabled Carers is evident across the states and territories of Australia. In every jurisdiction most job growth between the 2016 and 2021 censuses was delivered by Aged or Disabled Carers.

This net growth ranged from 31,966 net extra jobs across New South Wales to 921 net extra jobs in the Northern Territory.

Of the net increase in Aged or Disabled Carer jobs that was added to the Australian workforce over the five years to 2021, around one-third was added in New South Wales.

And every state and territory followed this trend.

This is likely to be a direct response to the ageing of the population and to a rising emphasis on disability care brought about by the development of the National Disability Insurance Scheme (NDIS).

But other carers were also in high demand throughout the states. Net growth in Child Care Workers ranked second (to Aged or Disabled Carer) in most states.

In Victoria net growth in the Child Care workforce between the censuses was 8,054 jobs which was greater than the level of growth for this job in New South Wales.

In the four largest states demand for carers was greatest in Age, Disability and Child Care Workers. But other forms of care were also important including, for example, Personal Care Assistant up 3,692 jobs in New South Wales and up 3,985 jobs in Victoria between the censuses.

In South Australia, Tasmania and the Northern Territory the job of Disability Services Officer all ranked within the (Health Care and Social Assistance industry) Top 10 by intercensal job growth.

In the Northern Territory the Top 10 growth jobs in Health Care and Social Assistance include Welfare Worker up 231 jobs, Youth Worker up 171 jobs and Social Worker up 148 jobs.

4 City-by-city Health Care and Social Assistance support

The most recent census confirms the scale of the Health Care and Social Assistance industry in Australia, and which is largely based on the provision of direct care services.

At an aggregate level this industry, now with 1.7 million workers, comprises 15 per cent of the Australian workforce. But this rate varies by state, by territory and by city.

There were 104 cities in Australia with a population of more than 10,000 at the 2021 census.

In the retirement and lifestyle cities of Hervey Bay and Taree some 24 per cent of the local workforce was comprised of workers in Health Care and Social Assistance (see Graphic 6).

Similarly the Health Care and Social Assistance workforce comprised 23 per cent of the workforce in Lismore and Alice Springs.

And in Port Macquarie, Broken Hill, Kempsey and Wangaratta this proportion was 22 per cent.

The care workforce dominates these communities which are skewed by retirement and/or by special and acute needs. Health facilities in these cities also tend to service a broader region necessitating the aggregation of health and care skills in a single large town.

At the other end of the spectrum are cities where the Health Care and Social Assistance workforce comprises a low proportion of the local workforce.

In the lifestyle and retirement community of Airlie Beach and Cannonvale, for example, barely 6 per cent of the local workforce is employed within Health Care and Social Assistance.

This proportion is also low in Karratha and Emerald (both 8 per cent) and in Singleton, Port Hedland and Kalgoorlie-Boulder (each 9 per cent).

Clearly the demand for Health Care and Social Assistance workers, and for carers in particular, is affected by the demographic composition of the local community. Mining communities dominated by fly-in fly-out (FIFO) workers require fewer local workers in this industry.

On the other hand retirement and lifestyle communities attracting older cohorts require more care workers.

It is also clear that some cities act as Health Care and Social Assistance hubs requiring depth in the care workforce in order to service the needs of a wider population.

Graphic 6: Care cities

Top 102 Australian cities ranked by the proportion of the workforce comprised of Health Care and Social Assistance workers, 2021
Data source: ABS Census 2021

Australian cities

Proportion of workforce
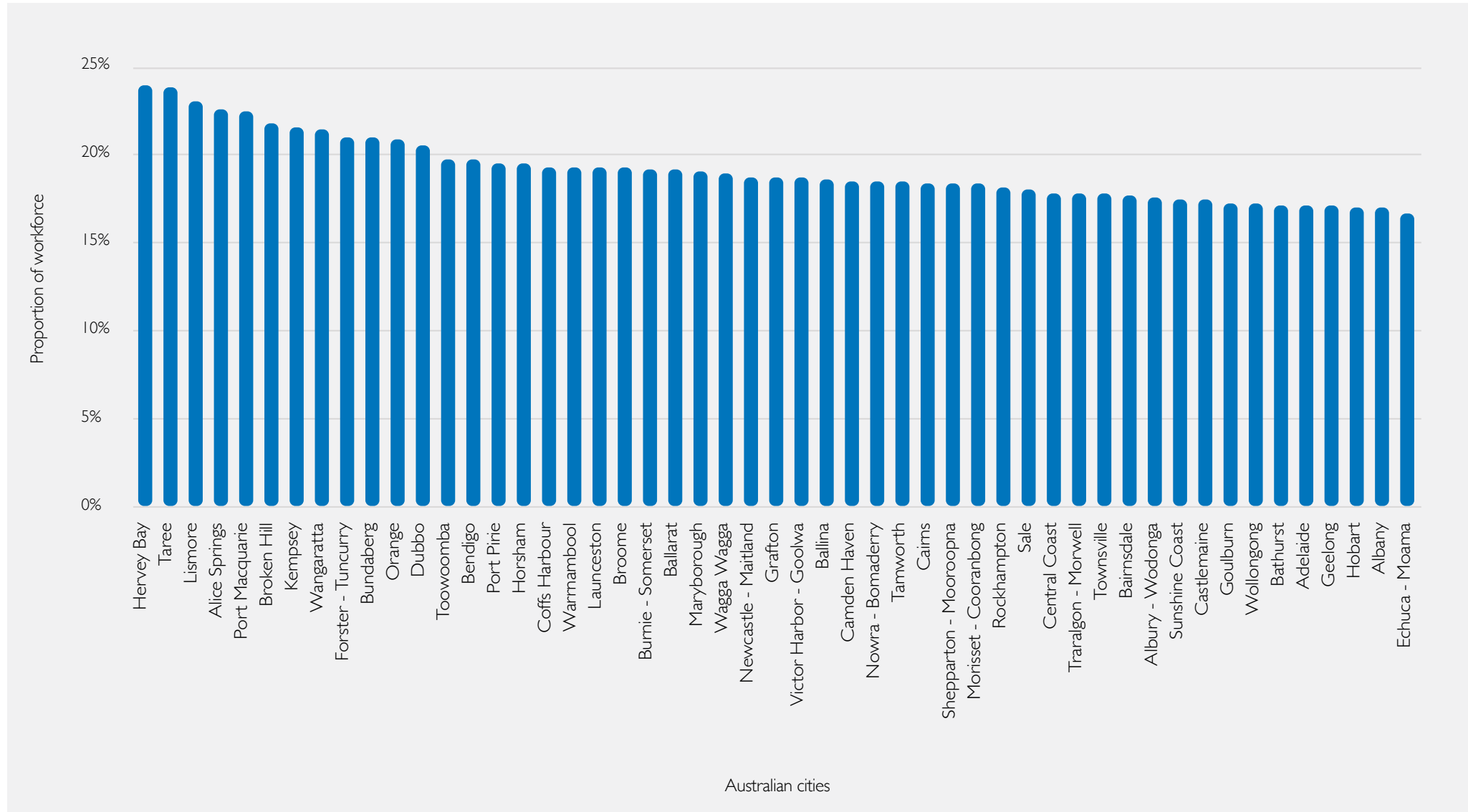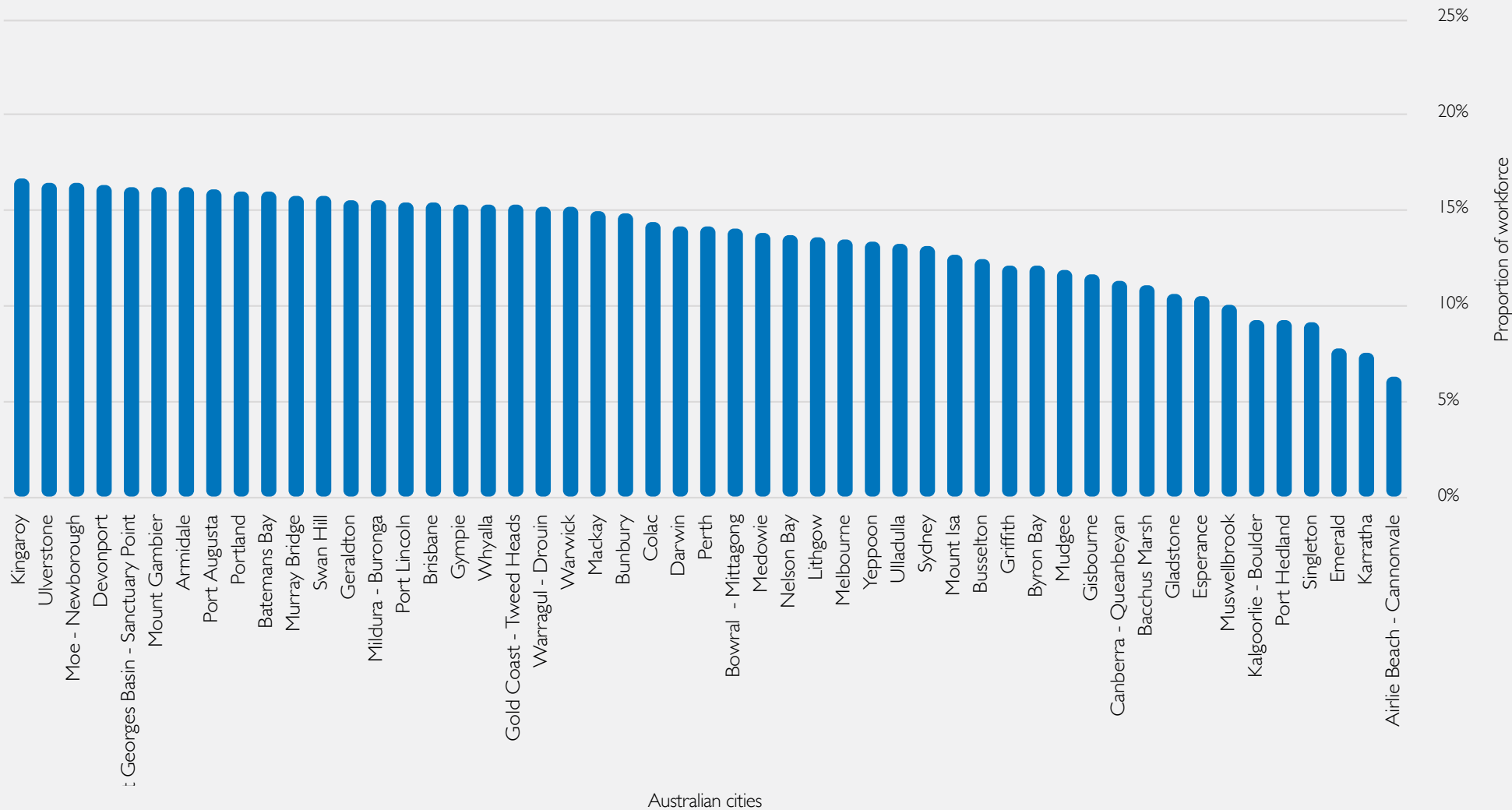
5 Carer in profile: Aged and Disabled Carer 'youthified'

The Australian care industry sits within the broader industry of Health Care and Social Assistance.

The largest single category of care worker is Aged or Disabled Carer which has jumped from 132,323 jobs in 2016 to 227,535 jobs in 2021 which is an increase of 95,212 or 72 per cent.

Other large care jobs include Child Care Worker (123,794 in 2021) as well as Out of School Hours Care Worker (11,227 in 2021).

Around 60 per cent of the main care work is done by workers who were born within Australia. Of the remainder the largest contributors to this workforce are from India (6%), England, The Philippines and New Zealand (each contribute 3% of the total), then Nepal and China (each a further 2%).

The age profile of the largest care job, Aged or Disabled Carer was, prior to the 2021 Census, skewed towards older workers. Indeed at the 2016 census the peak age for this workforce was mid-50s (see Graphic 7).

Over the 5 years to 2021 the scale and age profile of this job—now one of the top-5 jobs in Australia by volume—has profoundly changed.

Either mid-50s Aged or Disabled Carers resigned, retired or returned home or new recruits surged within the early 20s. At a national level, for example, the number of Aged or Disabled Carers aged 21 jumped from 1,951 in 2016 to 5,243 in 2021.

In this single-year cohort alone the recruitment process attracted a net extra 3,200 21-year-old workers into Aged or Disabled Carer. In fact 21-year old workers in this job are only exceeded by workers aged 50 (5,411 in 2021) and 51 (5,279 in 2021).

In this part of the care sector the aged and disability recruitment process has been remarkably successful within a short time frame.

Graphic 7: Big work age shift

Proportion total Aged or Disabled Care workforce in each year of the work lifecycle, 2016 and 2021
Data source: ABS Census 2016 and 2021
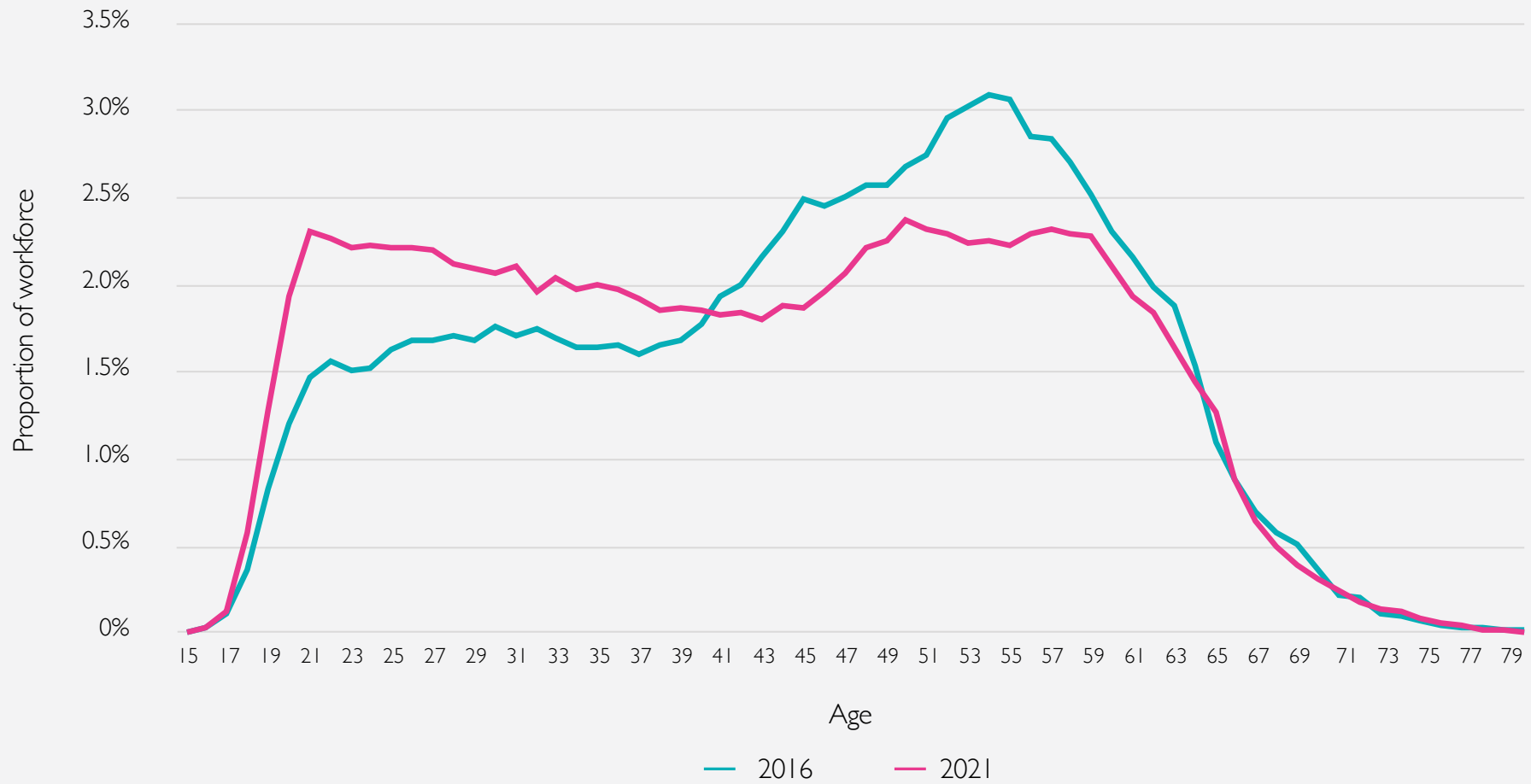
6 Our care workforce isn't prepared for the 80+ boom

Australia is currently home to 1,127,000 people aged over 80+ years. Over the last 20 years, this age group has doubled. About 40 per cent of these people require care services. But there is much more dramatic growth to come. As the huge Baby Boomer generation (born 1946-64) reaches old age, our population aged 80+ will reach two million by 2035. This is just around the corner, 2035 is as far in the future as 2009 is in the past.

In addition to this, the NDIS supports 467,000 (as of June 2021) people with a disability who require care. This is up from 172,000 just three years before (June 2018) and is forecast to increase to 859,000 by June 2030.

Both these groups need help with activities of daily life and have health issues that need attention. Sometimes this care is provided for free by a family member but usually professionals need to get involved. Ageing and disability care are labour-intensive. Australia already commits 15 per cent of its workforce to Health Care and Social Assistance. Four decades ago, that was only 8 per cent. Our demographic profile dictates additional growth in the Health Care and Social Assistance workforce (see Graphic 8 and 9).

Australia needs to strategically import relevant workers from overseas, needs to train local workers at scale, and needs to improve efficiencies in how care is provided.

Don't picture robots providing care services when we talk about automation or artificial intelligence (AI) in Health Care and Social Assistance. Think about systemic efficiency improvements such as minimising the administrative tasks care professionals are burdened with instead. Also, forget any talk about automation killing jobs. From now on it will be workers that are in short supply, not jobs. Automation across all industries is needed to free up workers to enter the Health Care and Social Assistance industry.
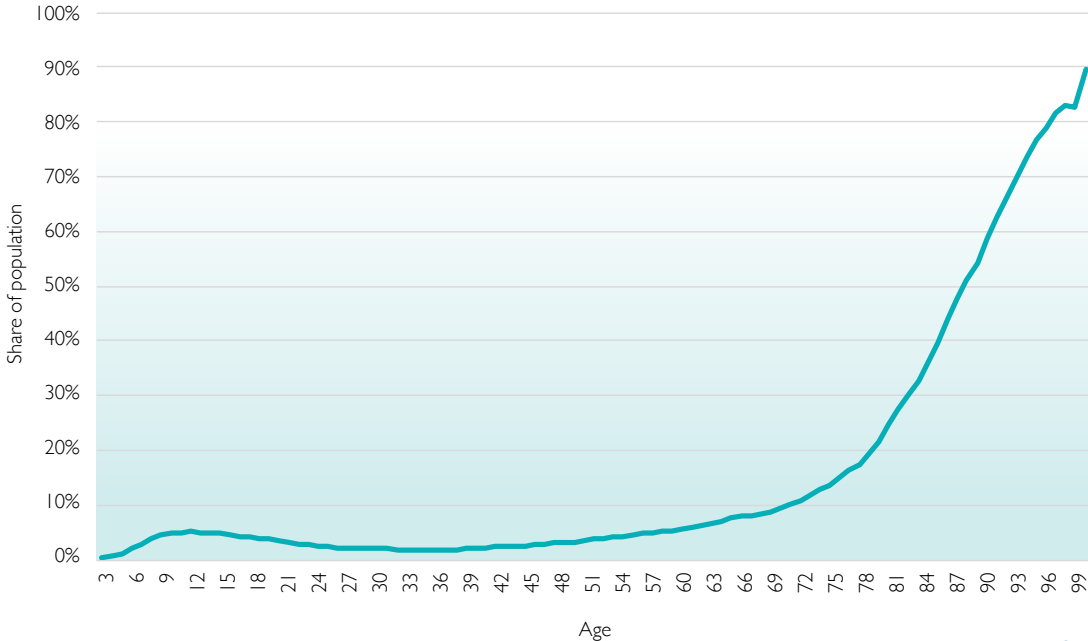
Graphic 8: The demand for health jobs will only rise

Share of workers employed in Health Care and Social Assistance, 1982-2022
Data source: ABS Australian Labour Force
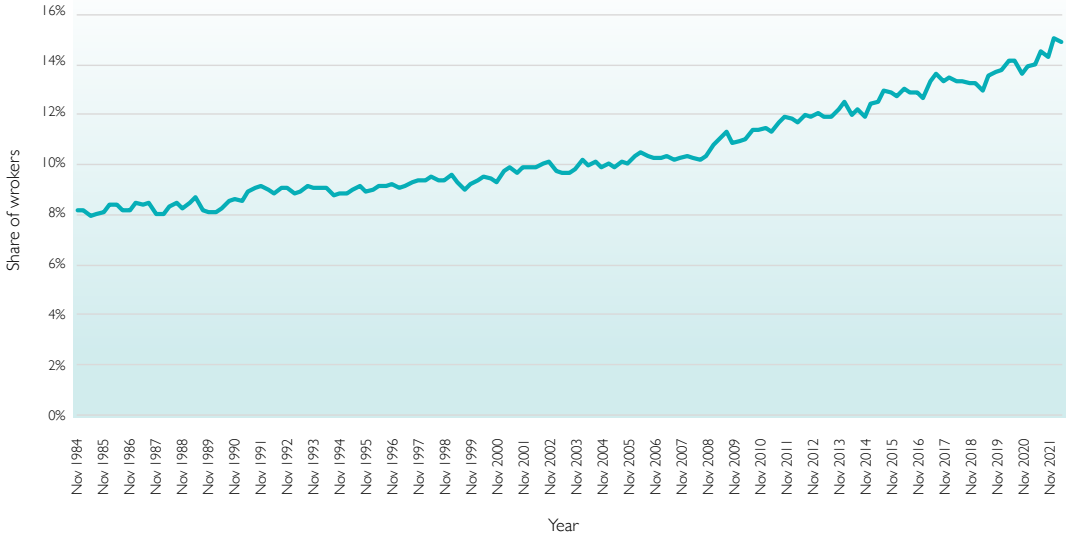
Graphic 9: As the nation ages, dramatically more people need care

Share of the population by age that has a need for assistance with core activities, 2021
Data source: ABS Census 2021

Can't we just simply migrate our way out of this skills shortage? After all, Australia is an attractive destination to move to. Considering the magnitude of the challenge, targeted migration will certainly be a key strategy in tackling those with a disability and the aging of the population.

Global population trends suggest we might be reaching a phase where migrants will be harder to attract to Australia. In only ten years the global population of migration age (18-39) starts to stagnate before it begins its demise from the 2040s onwards (see Graphic 10). Australia will still be able to attract migrants in such an environment, but migration will be more expensive in the future as countries across the world increasingly compete for young labour. Gone are the days of free migration. Migrants will receive generous tax breaks; we might even have to compensate source countries for education and health expenses.

Even with strong migration and massive efficiency improvements in the sector, Australia must train more care workers than ever before. That's easier said than done though. Several major challenges need to be overcome.

The care workforce, in the shape of Aged or Disabled Carer, has a low barrier of entry (ANZSCO Skill Level 4). Relatively little training is required to get workers ready for employment. This means lots of people can be skilled up quickly and can enter the workforce right away. That's where the good news ends.

Graphic 10: As of the 2030s global migrant age population (18-39) stagnates

Global population by age group from 1950 to 2100
Data source: UN Population Division

Population (million)

Year

■ Migrant age (18-39)   ■ Rest of population (all other ages)
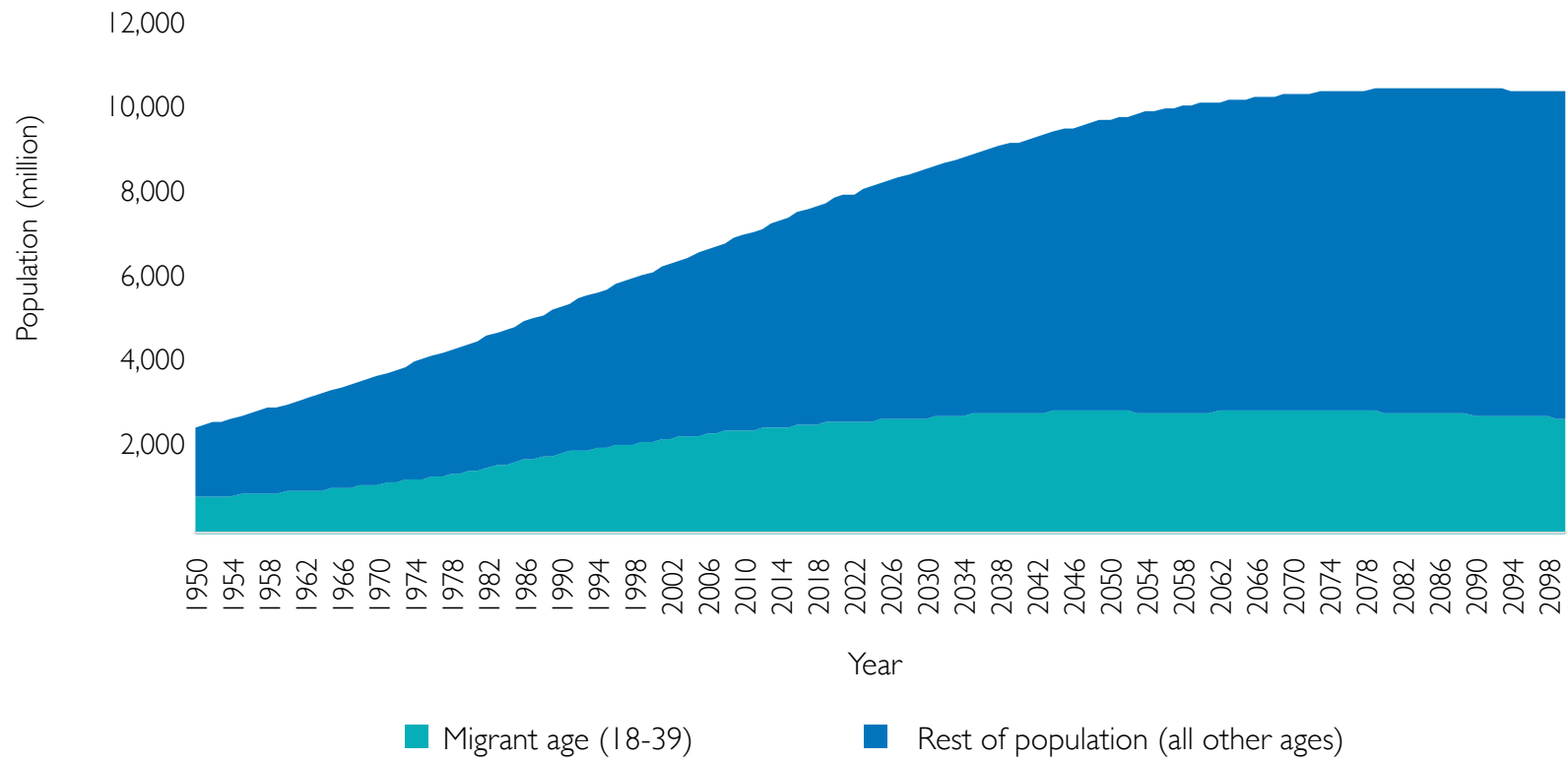
Aged or Disabled Carer workers in their 20s and 30s are surprisingly well educated; over 27 per cent hold at least a bachelor's degree that would qualify them for higher paid jobs (see Graphic 11). These workers are a simple job offer away from leaving the care industry.

Since care work has a low barrier of entry, it also has a low barrier of exit.

Not only are highly educated care workers likely to take on better paid jobs. In the current environment of a universal skills shortage, many care workers can easily retrain and qualify for better paying positions in other industries. Retaining staff will be just as important as attracting more workers to the care industry.

Working conditions for care workers must be pleasant and income must be sufficient. Otherwise, care workers will simply switch industries once their working conditions become too undesirable. With every worker that leaves the industry, work conditions for the remaining workers worsen, further increasing the likelihood of more workers leaving the industry.

If left unattended, such a cycle drives up wages and ultimately puts care services out of reach for the poorest Australians. Such a scenario is very bleak and must be avoided at all costs.
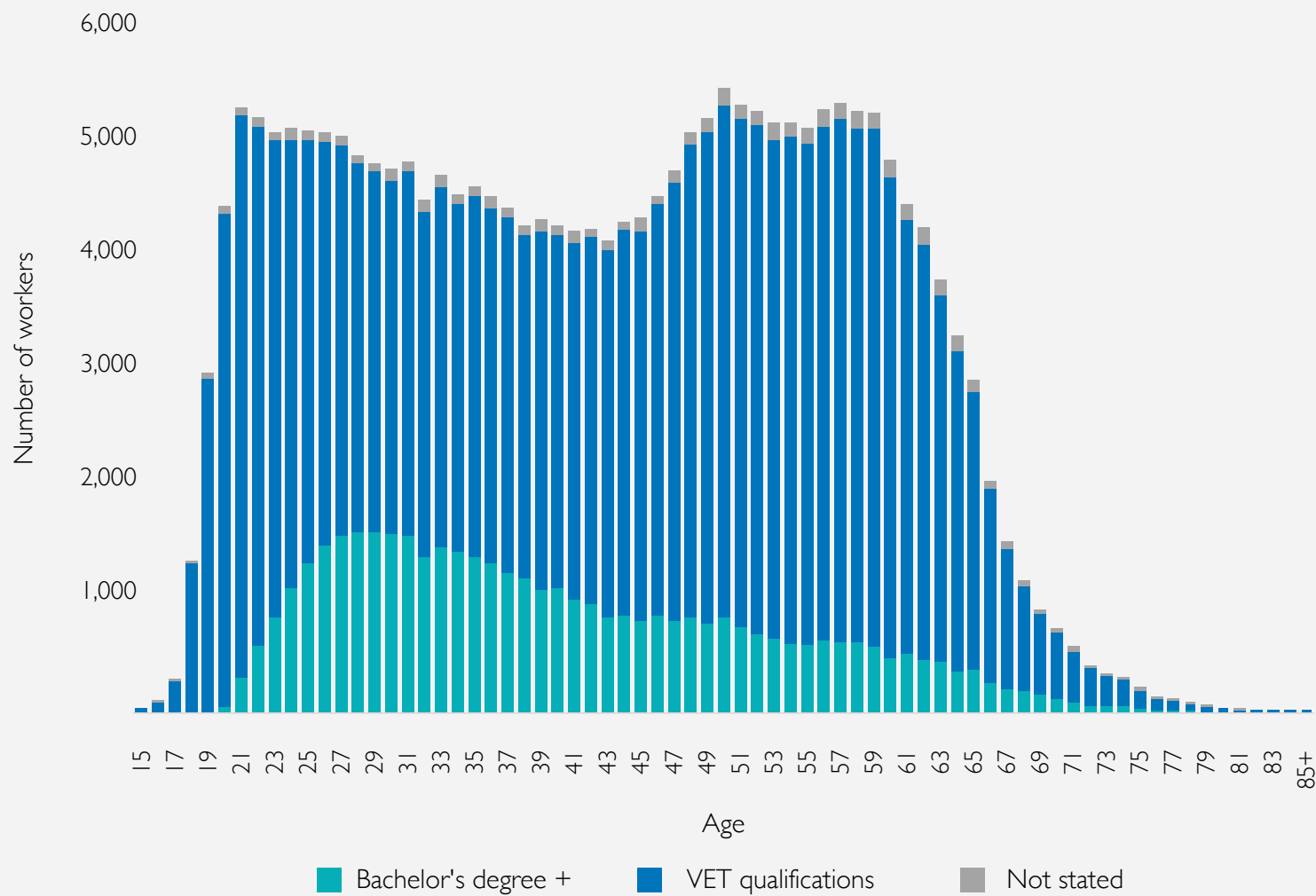
The ageing of the population occurs gradually – one person, one real human, at a time. If we fail to fully shake up and reinvent the way we provide care to our oldest Australians, we ensure that hundreds of thousands of people will have a horrible last decade-or-so of their lives.

However, Australia has the resources, the young population base, and arguably the political will to create a sizeable care workforce that can provide aging Australians the lifestyle they deserve.

Graphic 11: Over 27 per cent of care workers aged 20-40 hold academic degrees

Aged or Disabled Carer by age and highest level of education, 2021
Data source: ABS Census 2021

Legend: Bachelor's degree + | VET qualifications | Not stated

X-axis: Age
Y-axis: Number of workers

7 Issues and challenges in the care industry call to action

This report looking at the rise in demand for Health Care and Social Assistance workers prompts a series of observations and questions.

Clearly any comparison of the workforce between the 2016 and 2021 censuses must discount the effects of the pandemic which largely extended between March 2020 and January 2022. The 2021 census was conducted in August 2021.

The pandemic skew to the Australian workforce effected by the pandemic is evident in the fact that the second fastest growing job over the intercensal period was the public-sector administration job of Policy and Planning Manager up 30,120 net extra positions over five years.

Also, Australia's Waiter population in 2021 had decreased by 19,484 positions from 2016 levels.

But demand for Aged or Disabled Care workers, for Childcare workers, for Personal Care Assistants, for Welfare Workers, for Social Workers had been rising from the 2011 census.

The pandemic may have heightened demand for care but the overall trend towards more care, the so-called "big care shift" has been gathering momentum for a decade and probably longer.

It is part driven by ageing but also by the establishment of the NDIS (to manage disability needs) and by a rising community awareness of the need to provide better levels of support to those in need.

The 2021 Census may have captured a workforce mid-response to a global pandemic, but it has also reshaped behaviours (e.g., online shopping, use of Telehealth and work from home) and community expectations.

One in seven Australian workers does indeed provide Health Care and Social Assistance. But outside the workforce many Australians also volunteer or provide unpaid care to family members requiring assistance with a core activity. These facts were also captured by the 2021 Census.

Some communities have been strengthened by the communal act of coming together to fight the pandemic, to support the vulnerable, to ensure that everyone is protected, gets access to medications, to the support they need.

There is much about the pandemic that is best left behind. But there are some behaviours, some responses to the pandemic including an uplift to the (already rising) care workforce that should be carried forward.

Australia is a rich nation with high expectations about how we expect to live and with a wider awareness of our responsibility to those in need.

The questions that flow from the big shift to care are as follows:

- Is the recent expansion in the Health Care and Social Assistance workforce sustainable into the future and especially as it relates to aged and disability care?

- Is the existing aged care workforce sufficient to accommodate a doubling of the annual growth in the 80+ population in Australia by 2030 (as baby boomers age)?

- Is the expansion into disability care sustainable into the future?

- Is the Health Care and Social Assistance (including the aged and disability) workforce expanding at the expense of other sectors which might involve workers skewing their work choices (for whatever reason) into Health Care and Social Assistance creating or exacerbating skills shortages in other sectors?

- What are the training and accreditation requirements for all care workers and is the current administrative system and apparatus sufficient to manage expansion into the 2020s and beyond?

- What has underpinned the transformation of the Aged or Disabled Care workforce to the extent that it has injected youth and energy into a formerly largely middle-aged workforce?

- Is there sufficient volume in the recruitment of job candidates to deliver care services in all necessary parts of each state and territory?

- How can we utilise automation, workflow improvements, artificial intelligence, and robotics to drive efficiencies in all industries in order to free up workers for the care industry?

- Can Australia forever onwards grow its workforce through migration?

The care industry delivers essential services to the Australian people in all parts of the continent. These are specialist jobs requiring not just dedication and generosity of spirit but also training, accreditation and a recruitment process to ensure the ongoing support to a growing industry.

The 2021 Census results go some way towards placing this industry, and these workers, into a national context of an Australian nation that truly does care.

About the Human Services Skills Organisation

The Human Services Skills Organisation (HSSO) brings together the collective experience and knowledge of a team of experts from across vocational education and training (VET) and human services. We are driven to make a positive impact in this space, and we know that providing effective and future-oriented workforce development strategies is critical to building a skilled workforce that can meet future challenges.

We invite you to work with us in shaping the future of training and the human services workforce. This is a complex problem that requires diverse perspectives and long-term commitment to grow a workforce that is valued and vital to Australia's economy and in making a difference to the everyday lives of many Australians.

For more information about us, and our work, or to get in contact visit **hsso.org.au**

About the authors

Bernard Salt AM

Futurist, Demographer,
The Demographics Group

Bernard Salt is widely regarded as one of Australia's leading social commentators by business, the media and the broader community.

Bernard heads The Demographics Group which provides advice on demographic, consumer and social trends for business.

Prior to that Bernard founded KPMG Demographics.

He writes two weekly columns for The Australian newspaper and was an adjunct professor at Curtin University Business School between 2010 and 2020.

In conjunction with KPMG Australia he hosted a top-rated podcast called "What Happens Next" which discussed rising trends and important business issues.

Bernard is one of the most in-demand speakers on the Australian corporate speaking circuit.

He is well known to the wider community for his penchant for identifying and tagging new tribes and social behaviours such as the 'Seachange Shift', the 'Man Drought', 'PUMCINS' (pronounced pumkins) and the 'Goats Cheese Curtain'.

He is perhaps best known for popularising the phrase "smashed avocado" globally.

Bernard was awarded the Member of the Order of Australia (AM) in the 2017 Australia Day honours.

Simon Kuestenmacher

Futurist, Demographer,
The Demographics Group

Simon Kuestenmacher is a Director and Co-founder of The Demographics Group based in Melbourne, Australia. Simon holds degrees in geography from leading universities in Berlin and Melbourne and worked for several years as a business consultant with KPMG Australia.

In 2017 Simon, with Bernard Salt, co-founded The Demographics Group. The group provides specialist advice on demographic, consumer and social trends for business.

He presents on demographic and global trends that are shaping Australia today and into the future and his presentations and quirky observations are enjoyed by corporate, government and industry audiences alike.

Simon is a columnist at The New Daily newspaper and a regular contributor to The Australian newspaper; and he is also a media commentator on demographic and data matters.

Simon has amassed 300,000 global followers on social media, reaches over 25 million people every month and ranks as one of the world's Top 10 influencers in data visualisation. If you can't get enough of data that explains how the world works, make sure to follow him on Twitter or any of his other social channels.