

t: 1300 739 119 e: contact@aicd.com.au aicd.com.au

ABN 11 008 484 197

7 October 2025

The Treasury
Langton Cres
Parkes ACT 2600

Via online portal

Dear Treasury,

## National Competition Policy – National approach to worker screening in the care and support economy

Thank you for the opportunity to provide a submission to the Treasury consultation on the national approach to worker screening in the care and support economy.

The Australian Institute of Company Directors' (**AICD**) mission is to be the independent and trusted voice of governance, building the capability of a community of leaders for the benefit of society. The AICD's membership of 53,000 reflects the diversity of Australia's director community, comprised of directors and leaders from across the not-for-profit (**NFP**), listed, private and government sectors.

The AICD strongly supports the focus of the Government on Australia's long standing productivity challenges, including the Treasurer's Economic Reform Roundtable process and the recent Productivity Commission Interim Reports on the five pillars of productivity, including Pillar Four (Delivering quality care more efficiently). The AICD lodged submissions to both consultations informed by roundtables with senior chairs and directors across a broad range of sectors, including the care economy. <sup>1</sup>

The care economy is an increasing focus of the AICD's work with our members involved across aged care, disability, early childhood education and care, and veterans' care, especially within the NFP sector. The AICD supports good governance in the NFP and charities sector through the AICD's NFP Governance Principles, and NFP governance education, including offering up to 375 scholarships to leaders of small NFPs in 2025-26. The AICD also offers a short course Care Governance: Achieving Quality Outcomes for directors working in aged care, childcare, or the disability sector.

A well designed and implemented national approach to worker screening in the care economy has the potential to enhance productivity outcomes and improve care oversight. For workers and providers, this means greater labour mobility, more efficient onboarding, and improved compliance to deliver safe and high-quality care. For regulators and governments, this means greater oversight of safeguarding risks across multiple sectors and jurisdictions, better information and data sharing, and less administrative duplication and costs. Members have emphasised the importance of a screening system that enables real-time visibility as the lack of national continuous monitoring creates a risk that providers are unaware of changes in status until the next scheduled screening, which also creates delays in onboarding for employees and potential impacts on the delivery of timely and quality care.

## 1. Key points

<sup>&</sup>lt;sup>1</sup> AICD (15 September 2025). AICD submission on Productivity Commission inquiry on the five pillars of productivity - Interim Reports. Available <a href="here">here</a>. AICD (26 July 2025). AICD submission to Treasury's Economic Reform Roundtables. Available <a href="here">here</a>.

- The AICD supports the development of a single national check across the care economy (Option 2) as the preferred long-term solution. Whilst Option 2 may take longer and involve greater cost than mutual recognition (Option 1), it avoids care economy providers and workers needing to navigate the regulatory complexity and costs of obtaining and maintaining four separate checks. We strongly agree the safety of vulnerable cohorts is paramount and regulation should enhance safety at the lowest possible cost. We recognise the single national check should be targeted and risk-based in terms of documentation requirements. This means accounting for different risk profiles for different types of roles (i.e. board directors, frontline workers, administrative staff), working arrangements (i.e. full-time, part-time, volunteer), and work settings (i.e. public institutions, private homes, community environments).
- The AICD cautions against imposing significant administrative burden and cost barriers on providers and workers, including people wanting to volunteer to support their local community (i.e. sports, schools etc). As the Australian Charities and Not-for-profits Commission recently noted, "More than half (52.1%) of all charities had no paid staff, with extra small charities the most dependent on volunteers, nearly 90% had no paid staff." We agree existing systems should be uplifted rather than creating new infrastructure but stress that technology should not be a barrier to applying for a single national worker check, especially for older Australians, people in remote communities, and those with lower digital literacy or no digital access. The option of non-digital application processes is essential to enabling workers and volunteers to continue participating in the care economy. Better consistency of screening processes, and information sharing among regulators would help to improve labour mobility and reduce administrative costs and wait times for providers and workers, especially those that work across multiple sectors and jurisdictions.
- Whilst not the specific focus of this consultation, the AICD reiterates broader support for longer-term reforms to align quality and safety regulation of the care economy, as highlighted in our recent submission to the Productivity Commission. This includes having a single set of practice and quality standards and single system for provider audits, reflecting the experience of providers dealing with duplicative standards and multiple regulators across different sectors and jurisdictions. In a recent AICD member roundtable on the care economy, we also heard that significant structural challenges with workforce shortages and rising costs are barriers to delivering quality care more efficiently. This includes the risks from recruiting and retaining a care workforce that is increasingly reliant on workers on visas to plug persistent shortages.

## 2. Next steps

We hope our submission will be of assistance. If you would like to discuss any aspects further, please contact Sean Dondas, Policy Adviser at <a href="mailto:sdondas@aicd.com.au">sdondas@aicd.com.au</a>.

Louise Petschler GAICD

General Manager, Education and Policy Leadership

 $<sup>^2\,\</sup>text{Australian Charities and Not-for-profits Commission (4 June 2025)}.\,\text{Australian Charities Report} - 11^{\text{th}}\,\text{Edition. Page 7. Available }\underline{\text{here.}}.$