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Who cares? Sustaining our aged care workforce



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Key issues

- Demand for aged care services is increasing faster than the workforce is growing, with rising client numbers and greater care complexity exacerbating pressures across the entire sector.
- Comparatively low wages and insecure working conditions continue to make recruitment and retention challenging, despite recent reforms.
- Without coordinated long-term planning, improved job quality and strengthened training and migration pathways, these challenges are likely to continue and increase.

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Introduction

Australia is facing a growing need for aged care, with existing services struggling to meet demand. An ageing population will increase pressure on care services at the same time as reducing the supply of workers as the proportion of Australians of working age declines.

[Aged care in Australia](#) is delivered through formal care (including residential, respite and home care programs funded by government) and informal care provided by unpaid carers (family, friends, and volunteers). While unpaid carers are an important part of aged care delivery, this paper focuses on the paid aged care workforce. It examines some of the challenges facing Australia in creating a sustainable (formal) aged care workforce into the future.

Formal [aged care](#) refers to the system of care services for Australians 65 and over (or [50 years and over for eligible Aboriginal and Torres Strait Islander peoples](#)). It is jointly funded through user contributions and Commonwealth funding, which in 2024–25 was around \$37 billion, making it the Commonwealth’s fourth largest spending portfolio ([2023–24, p. 202](#), [2024–25, p. 198](#), [2025–26, p. 119](#)). While recent reforms have strengthened the sector’s foundations, existing workforce shortages remain and are projected to increase over coming decades.

Who cares?

In 2023 there were more than [500,000 paid aged care workers](#), with an additional estimated 79,000 volunteers in formal aged care services (page 15). Supplementing Australia's formal aged care system are an estimated [3 million unpaid carers](#) of which 397,600 were the primary carer of a person aged 65 years or older (ABS (2024) 2022 [Survey of Disability, Ageing and Carers](#) (SDAC) microdata).

Direct care is provided by nurses, personal care assistants and allied health professionals. The 2024 [Aged Care Worker Survey](#) (of direct care aged care workers in a paid role) found:

- 87% were women
- the average age of those surveyed was 47 years ([p. 6](#))
- 43% were born overseas ([p. 14](#)).

The survey also found that most respondents:

- worked an average of 26.4 paid hours in the week before responding to the survey
- worked an average of 6.5 unpaid hours
- reported working unpaid hours because there was too much work to do ([p. 6](#)).

Migrant workers make up a significant proportion of the aged care workforce, compared to their share of the working age population. The 2023 [Aged Care Provider](#) survey estimated 17% of nursing and personal care staff were temporary residents ([p. 11](#)).

Key challenges

An ageing population with growing needs

According to the [2023 Intergenerational Report](#) (IGR), population ageing is one of the major forces shaping Australia's future and mirrors global trends. By 2063, the IGR projects Australia's median age to reach 43.1 years, with the population aged 65 and over to double and the 85 and over population to more than triple. 'A substantial and growing share of aged care recipients have a dementia diagnosis, further increasing the complexity of care and support needs into the future' ([Care Workforce Labour Market Study](#), p. 50).

[Between 2017 and 2024](#), Australia's population aged 65 and over grew by 24%. In this time, the rate of people accessing home care services more than tripled (from 18.3 to 58.5 per 1,000 population aged 65 and older) and the number of older Australians living in residential aged care increased by 6.3%.

Like the population, the aged care workforce is ageing, with implications for workforce supply. This older age structure will likely see many workers retiring over the next 2 decades, at the same time demand for care is accelerating. [Older experienced workers](#) (especially those with physically demanding roles) may have greater rates of turnover, creating additional pressures (p. 263). Although migrant workers (often on temporary visas) have helped to sustain service delivery, over-reliance exposes the sector to risk relating to visa policy

changes, labour mobility constraints and global competition ([Draft National Strategy for the Care and Support Economy](#)).

Barriers to recruitment and retention

Although Australia's total number of aged care workers is increasing, the growth is not enough to meet the rising demand for aged care.

The [Select Committee on Job Security report](#) (2021) found the sector's ability to recruit and retain workers suffered from 'cultural and operational barriers' including undervalued jobs, 'casualisation of the workforce' and 'suboptimal workforce planning' (p. 14). The [report](#) (p. 60) agrees with the findings of the [Royal Commission into Aged Care Quality and Safety](#) (p.70) that Australia's aged care workforce is understaffed, underpaid and undertrained, with an inadequate skill mix.

Wages in aged care have historically lagged behind comparable sectors and this relatively low pay has contributed to recruitment difficulties and high turnover.

The [2023 Aged Care Provider survey](#) also reported increasing workloads for aged care workers in residential aged care and Home Care Package programs. Between 2020 and 2023:

- the residential aged care client to staff ratio increased from 1.5 to 1.7 clients per nursing/personal care position (p.6)
- the Home Care Package program client to staff ratio increased from 5.7 to 6.0 clients per one FTE nursing/personal care position (p.7).

According to the [2023 Draft National Strategy for the Care and Support Economy](#), Australia's aged care workforce shortage 'contributes to burnout of existing staff ... and leads to a lack of availability of services'. The [2025 Senate report into Aged care service delivery](#) noted the effects of a lack of services and long wait times to access services include: the increased likelihood of hospitalisations, and the physical, mental, and emotional toll on clients and their informal carers and families.

International comparisons

Australia is not alone in having a shortage of paid (and unpaid) care workers. The [International Labour Organization \(ILO\)](#) notes the undervaluing of care work has contributed to significant global labour shortages in the sector. The [OECD](#) has similarly reported that most member states will need up to 60% more care workers by 2040 just to maintain current care ratios (p. 14).

Analysis in [2023](#) highlighted worldwide recruitment and retention problems in the care workforce due to poor job quality, low wages, precarious contracts and demanding conditions. It also notes that since 2020 more than a dozen OECD nations have provided permanent wage increases to long term care workers. Other responses have involved bonuses or temporary wage increases, skills recognition and public information campaigns to improve the public image of care workers ([pp. 130-1](#)).

The caring future

The [Committee for Economic Development of Australia \(CEDA\)](#) has estimated a potential shortfall of more than 110,000 direct-care workers within the decade and 400,000 workers by 2050 to reach the [minimum quality standard](#) (p. 15). These workers may join the sector via training, migration or from other sectors such as adjacent health and social services. However, no single pathway will be sufficient to meet projected demand on its own ([p.18](#)).

Training

The Aged Care Royal Commission recommended a mandatory minimum qualification requirement (Certificate III) for personal care workers, to improve standards and service quality ([Recommendation 77](#)). While broadly supporting this initiative, [CEDA noted](#) the need for transitional arrangements to prevent those without the required qualification (approximately 13% of the workforce) being forced out of the sector. It specifically recommended such arrangements consider workers' experience and prior learning, be at low or no cost to them, and allow training to be completed during work hours.

Migration pathways

In attempting to meet future aged care demands, the sector will need to expand the workforce, including migrant workers. However, over-reliance on migrants in [lower-skill and lower-paid roles](#) risks embedding low wages across the care and support sector, further discouraging local worker participation. Instead, [CEDA](#) has proposed introducing a new visa for 'job-ready' aged care workers, rather than relying on less-skilled workers on temporary visas, noting around [70,000 \(or 1 in 6\)](#) personal care workers are already on temporary visas.

Attracting workers to the aged care sector

A key aspect of attracting workers from other sectors is sufficiently elevating pay and working conditions to provide a viable career option.

Recent Australian Government [reforms](#) include a new Commonwealth and user co-payment funding structure, mandated minimum staffing levels and a 15% pay rise for aged care workers. The wage increase, to be delivered over 4 years from 2022–23 at [a cost of \\$11.3 billion](#), is an important first step. [CEDA](#) consultation 'suggests that the wage increases have improved retention and turnover but are not attracting significant numbers of new workers' (p. 7).

The Government's 2023 draft [National Strategy for the Care and Support Economy](#) outlines strategies for delivering quality care, including workforce supply meeting demand and '[decent jobs](#)' across the care workforce (including aged care). The report also highlights the importance of collective bargaining in the aged care sector to address 'fragmented, insecure work that is feminised and low-paid [which] has resulted in less enterprise bargaining in care and support than other systems' (p. 31).

Concluding comments

Despite improved wages, working conditions and other workforce initiatives, Australia's aged care system still risks not meeting service demands if it remains highly casualised, low-skilled and with high turnover. Recent aged care reforms are a necessary step forward in raising minimum standards but may be insufficient to counter the existing and projected workforce shortages.

For many Australians, aged care services are a fundamental necessity, yet appropriate sector resourcing is inherently a matter of political choice. Such prioritisation will require significant and sustained government investment, long-term workforce planning and policy settings that elevate aged care work as a valued and viable career.

Further reading

- Department of the Prime Minister and Cabinet (PMC), [Draft National Strategy for the Care and Support Economy](#), (Canberra: PMC, 28 May 2023).
- Kathy Eagar, '[Aged care reform in 2025: An agenda for the next Australian Government](#)', Pearls and Irritations, 1 May 2025.
- Senate Select Committee on Job Security, [Second interim report: insecurity in publicly-funded jobs](#), (Canberra: The Senate, October 2021), part 1.
- Committee for Economic Development of Australia (CEDA), [Duty of care: Meeting the aged care workforce challenge](#), (Melbourne: CEDA, 9 August 2021).
- International Labour Organization (ILO), [Advancing decent work and the care economy: an essential component of social development](#), Policy brief, (Geneva: ILO, 2025).
- Royal Commission into Aged Care Quality and Safety, [Final Report and recommendations](#), (Canberra: Australian Government, 1 March 2021).
- '[Aged care reforms and reviews](#)', Department of Health, Disability and Ageing.
- Department of Health, Disability and Ageing, [Fact sheet about the Aged Care Act 2024](#), (Canberra: Australian Government, August 2025).
- '[Aged care](#)', Australian Institute of Health and Welfare.
- '[Informal carers](#)', Australian Institute of Health and Welfare.
- '[Disability, Ageing and Carers, Australia: Summary of Findings, 2022](#)', Australian Bureau of Statistics

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