



# Education and Employment Legislation Committee

## **Universities Accord (Student Support and Other Measures) Bill 2024**

Occupational Therapy Australia Submission

September 2024

## Introduction

Occupational Therapy Australia (OTA) welcomes the opportunity to provide a submission to the Committee on the Universities Accord (Student Support and Other Measures) Bill 2024 (the Bill).

OTA is the professional association and peak representative body for occupational therapists in Australia. Occupational therapists are allied health professionals whose role is to enable their clients to engage in meaningful and productive activities, to achieve independence and maximise wellbeing. Occupational therapists work in a diverse range of practice settings including acute hospitals, rehabilitation settings, private practice, community and primary health, in aged care, the NDIS, and federal and state compensation schemes.

As at 2023, there were 29,742 registered occupational therapists in Australia (a 7.5% increase from the previous year)<sup>1</sup>. The profession is in high demand with workforce shortages reported in every Australian state and territory, especially in remote and regional areas, coupled with increased demand for occupational therapists in the Australian workforce due to changing population demographics and the increasing burden of chronic disease. It is critical that workforce supply barriers are addressed to increase the availability of occupational therapy services in the wide range of sectors where they are needed, especially disability, primary health, mental health and aged care.

Occupational therapy students are required to complete 1000 hours of mandatory unpaid clinical placement to graduate and join the workforce, which involves significant personal costs and contributes to student poverty. Schedule 4 of the Bill proposes to amend the *Higher Education Support Act 2003* to enable grants to be paid to higher education providers for them to make payments to students undertaking mandatory practicums as part of their courses of study via the Commonwealth Prac Payment scheme.

The Commonwealth Prac Payment scheme announced in May 2024 will enable students studying to be a teacher, a nurse, a midwife or a social worker to access a payment of \$319.50 per week during their clinical and professional placement periods, beginning 1 July 2025.

**Recommendation: OTA strongly supports inclusion of occupational therapy students in the Commonwealth Prac Payment scheme design to take an equitable policy approach across the allied health care sector and reduce a significant financial barrier to entry to the occupational therapy workforce and increase supply of clinicians available to work in this critical allied health profession.**

## Key issues

### Occupational therapists in Australia

Occupational therapists are a registered healthcare profession regulated by AHPRA under the National Registration and Accreditation Scheme (NRAS). Through the AHPRA scheme, occupational therapists can only obtain registration if they meet a range of standards including minimum academic qualifications, language proficiency, criminal history check, compliance with the AHPRA Code of Practice, specific professional standards, continuing professional development, recency of practice and insurance requirements.

Occupational Therapy is a 4-year bachelor's degree that meets the minimum standards set by the World Federation of Occupational Therapy which includes a mandatory minimum of 1000 hours of practical student placement. These minimum requirements are set by the World Federation of

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<sup>1</sup> AHPRA (2023) AHPRA Annual Report 2022-2023 <<https://www.ahpra.gov.au/Publications/Annual-reports/Annual-report-2023.aspx#>>

Occupational Therapy (WFOT) Minimum Standards for the Education of Occupational Therapists (2016)<sup>2</sup>.

In Australia there are 26 Academic institutions delivering OT courses, with another 10 due to begin soon, making it one of the fastest growing academic courses. Across the 5-year period from 2015 to 2019, there has been an increasing number of OTs graduating in Australia from 1,474 new graduates in 2015 to 1,919 new graduates in 2019.

The National Skills Commission has identified that occupational therapy is a priority occupation in shortage, recording a shortage in all Australian states and territories<sup>3</sup>. The Australian government forecasts an approximately 7.1% increase in demand for OTs across Australia from 2021 to 2026. This is considered a moderate growth rate. Factors driving demand include changing population demographics including increased population and an ageing population, and an increased incidence of chronic and complex disease, and an increased focus on mental health and disability, which will place significant pressure on the Australian health workforce, including occupational therapy.

### **Occupational Therapy student placement requirements**

The requirement to complete a clinical placement is an essential element of occupational therapy training. As part of any Australian occupational therapy degree, students are required to participate in a minimum of 1,000 hours of unpaid placements and clinical fieldwork. Most universities include placements in regional, rural, and remote settings as mandatory experiences for students.

OTA considers placements as an important way for students to gain hands on practical experience. However, the unpaid nature of these placements places students under significant financial strain and creates inequity. Unpaid clinical placements disadvantage some students and make it harder for Australia to meet the growing demand for occupational therapists, a critical role in both the health and care sectors.

Placements frequently require students to participate in full time programs, sometimes for up to 8 weeks at a time, which can cause students to lose their source of income, either by foregoing wages, or even having to resign from other employment to complete placement requirements. Students are often required to make themselves available on short notice, which can also impact ability to organise alternate employment.

Students often must accept placements in locations far from their local area, so must cover the cost of additional expenses such as travel, daily parking fees or even short-term accommodation, while working for no pay. This can be even more costly when the placement is in a regional or rural location, further disincentivising placements in these areas. This approach is unsustainable for both the students and the host workplaces.

### **Universities Accord Final Report**

The Australian Universities Accord Final Report was released on 25 February 2024, which included a key recommendation to address student poverty resulting from mandatory unpaid placements:

*Recommendation 14. That to reduce the financial hardship and placement poverty caused by mandatory unpaid placements, the Australian Government work with tertiary education providers, state and territory governments, industry, business and unions to introduce financial support for*

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<sup>2</sup> World Federation of Occupational Therapy (2016) Minimum Standards for the Education of Occupational Therapists <<https://wfot.org/resources/new-minimum-standards-for-the-education-of-occupational-therapists-2016-e-copy>>

<sup>3</sup> Australian Government: Jobs and Skills Australia (2024) Skills Priority List <<https://www.jobsandskills.gov.au/data/skills-shortages-analysis/skills-priority-list>>

*unpaid work placements. This should include funding by governments for the nursing, care and teaching professions, and funding by employers generally (public and private) for other fields.*

In May 2024, the Federal Government announced the 2025/26 budget funding for paid student placements which was later referred to as the the Commonwealth Prac Payment scheme. Under the program, from 1 July 2025, students studying to be a teacher, a nurse, a midwife or a social worker will be eligible for a payment of \$319.50 per week during their clinical and professional placement periods. Around 68,000 higher education students and over 5,000 VET students will be eligible for the payment.

OTA considers that occupational therapy clearly sits within the 'care professions' that are in shortage and require significant unpaid placement to graduate and calls for the inclusion of occupational therapy students in the Commonwealth Prac Payment scheme.

## Contact

If you require additional information, please contact OTA via [policy@otaus.com.au](mailto:policy@otaus.com.au).