

# Physiotherapy workforce analysis

## Key points

A growing profession that will need to continue to grow to meet expected future demand.

Sustained workforce pressure can be expected over coming years, driven by changing demographics and government policy developments.

## Introduction

Physiotherapy is the fourth largest of the health professions regulated under the National Scheme and constitutes 4.6% of the regulated health practitioner workforce.

At June 2020, there were 37,113 registered physiotherapists in Australia – 35,041 if physiotherapists on the pandemic sub-register are excluded – of whom almost 98% held some form of practising registration.

## Some Observations and Insights

### The domestic 'pipeline'

At 30 June 2020, there were 10,167 students in approved programs of study in physiotherapy, an increase of 13.7% in the number of students enrolled in 2015/16. The number of approved physiotherapy programs has also increased, including the addition of several new postgraduate programs.<sup>1</sup>

Data published by the Department of Education, Skills and Employment (DESE) shows a comparatively high completion rate for students of physiotherapy. A review of cohort data suggests that around 62% of physiotherapy students will complete their undergraduate studies within four years, around 87% will complete their studies within six years and around 94% will complete their studies within nine years [1].

Based on the cohort analysis, it could be expected that around 20% of physiotherapy students will graduate from their studies in any one year. Over the period 2016/17 to 2019/20, the number of registration applications from domestic graduates each year was approximately 22% of the number of registered students in the previous year, lending support to the 20% estimate based on the DESE cohort analysis.<sup>2</sup>

<sup>1</sup> This figure is derived from the list of Approved programs on the Ahpra website, taking account of approval and renewal dates of active programs and the state and end date of Inactive status for inactive courses

<sup>2</sup> Unpublished data.

## Overseas-trained practitioners

Indicators of the extent of Australia's reliance on overseas trained practitioners (OTPs) include the number of registered practitioners in the existing workforce whose initial qualification was obtained overseas, the number of OTPs being added to the register each year and the number of practitioners entering Australia each year via skilled work visas.

According to the 2019 workforce survey conducted as part of the registration renewal process, of physiotherapists who provided information, 13.7% obtained their initial qualifications outside Australia, down from 15.1% in 2015.<sup>3</sup>

The number of overseas qualified physiotherapists added to the register increased each year over the period 2015/16 to 2019/20, with 288 added in 2019/20 and a five-year total of 1,152. This increase is likely to reflect a number of factors including changes to the assessment arrangements introduced by the assessing authority and changes to visa arrangements which took effect in March 2018.

According to data published by the Department of Home Affairs, 152 visas in subclass 482 (Temporary Skill Shortage) were granted to primary applicants in the occupation of physiotherapy in 2019/20. At 30 June 2020, there were 336 physiotherapists holding temporary resident (skilled) visas (subclasses 457 or 482) in Australia [2].

Both the number of visas granted to physiotherapists per year and the number of visa holders (at 30 June) increased over the period from 2015/16 to 2019/20. Given that this temporary skilled visa class requires nomination by an employer, and that market testing prior to nomination is required, the growth in visas granted can be considered a measure of workforce demand and is indicating sustained growth, noting that the numbers remain small.

## Trends and intentions

### Attrition

Based on the Department of Health entry and exit figures and Ahpra unpublished data on lapsed registrations, the rate of attrition from the profession appears to be somewhere between 1 and 2.5% per year. Using 2019/20 registration figures, this equates to something in the order of 360 to 900 practising physiotherapists leaving the profession in a year. The Department of Health puts the exit figure at 732 in 2019, and at an average of 799 practitioners per year over the last five years.<sup>4</sup>

Across the ten years from the start of the national scheme, more than one-third (36.5%) of practitioners who allowed their registration to lapse had held registration for less than 4 years. Another 20% had held registration for between 5 and 9 years. Overall, some 57% of lapsed registrants left the profession within 10 years of first registering.

### Replacement rate

According to the Department of Health<sup>7</sup>, the ratio of new entrants to exits from the register for physiotherapy gives a replacement rate of 3.6% for 2019 (up from a range of 2.4 – 2.6 in the previous four years). That is, for every physiotherapist leaving the register in 2019, 3.6 were added [3].

## Demand – employment projections, workforce shortages and demand drivers

### Employment projections

Pre-COVID employment projections published by DESE put the employment of physiotherapists at 31,900 as of May 2019 (equating to approximately 98% of physiotherapists holding a form of practising

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<sup>3</sup> The 2019 DoH Fact Sheet puts this figure at 11.7% for 2019. This may relate to the treatment of response categories.

<sup>4</sup> Exits in 2018 were much higher than the other years (1,008 compared with less than 760 in every other year from 2015 to 2019). The reason for this is not apparent. If the 2018 figure is removed, the annual average exit drops to 746.

registration at 30 June 2019) [4]. At this time, DESE forecast growth of 24.6% in physiotherapy employment to 2024. This is an increase of 7,900 jobs over the period and equates to an average annual compound growth of approximately 4.5%.

## COVID impacts

In December 2020, the National Skills Commission (NSC) released its report, *The shape of Australia's post COVID-19 workforce* and a list of National Occupation Resilience Scores, based on the NSC occupational resilience framework.

According to the report, physiotherapy is a 'resilient' occupation. This assessment is based on pre- COVID growth prospects (rated as high), the profession's 'COVID shock' (extent of the decline in employment, hours worked and job advertisements) and its COVID recovery (growth in job advertisements, suggesting a rebound in employment recovery).

The occupational resilience report noted that occupations directly impacted by COVID restrictions – such as social distancing – were amongst those that showed the largest declines and subsequent rebound (when restrictions eased). Given the physical contact associated with physiotherapy, a significant decline in activity during the COVID restrictions would be expected, as would a strong rebound on easing of restrictions.

Updated employment figures put the level of employment of physiotherapists in November 2020 at 23,600 – a significant decline from the May 2019 figures and likely reflecting the impact of COVID. Employment data for February 2021 puts the employment figure for physiotherapy at 28,600, suggesting some recovery from COVID impacts.

## Workforce shortage

Historical workforce shortage ratings from 1986 to 2018 show that, over that 33 year period, physiotherapists were deemed to be in national shortage in 27 of those years (all except 2015, 2016 and 2017) [5].

The most recent data available is for 2018/19. In that year, physiotherapists were deemed to be in shortage both nationally and in all jurisdictions except Victoria (no shortage) and Qld (difficulty recruiting but not in shortage). Advertised vacancies and the number of practising physiotherapists were higher in 2019 than in previous years in the ACT, NSW, Qld, Victoria and WA.<sup>5</sup> The increase in demand for physiotherapy services has been attributed to a range of factors including population growth, the ageing of the population and the NDIS. Most jurisdictions reported difficulty filling vacancies, across both public and private sectors, and particularly in regional areas. The most common explanations for recruitment difficulty were lack of relevant experience and specialist skill amongst applicants, and in some jurisdictions, location.

## Demand drivers

### Population growth and ageing

The expected growth and ageing of the Australian population will put significant pressure on the health workforce. Physiotherapy has been identified as one of the health professions most relevant to the provision of services to older Australians.

The Royal Commission into Aged Care Quality and Safety noted that, in 1978, there were 101.4 people of traditional working age (that is between 15 and 64 years) for each person in the Australian population aged over 85. By 2018, that figure had dropped to 32.5 people aged 15-64 for every person over 85. It has been projected that by 2058, there will be 14.6 people aged 15-64 for every person over 85.[6]

According to ABS population statistics, under conservative assumptions, the Australian population will be around 36.1 million people by 2050, with more than 1.3 million people aged over 85 years [7].<sup>6</sup> This ageing of the population is likely to result in a significant increase in demand for physiotherapy services

<sup>5</sup> Other jurisdictions were either steady or no information was provided.

<sup>6</sup> Assumptions applied to data set – low fertility, medium life expectancy, medium net overseas migration

over time. The physiotherapy workforce will need to increase substantially to meet the expected need in the coming years.

This assessment is based on a range of assumptions and takes no account of other factors that may influence supply and demand over time. The key point is that there are likely to be significant and sustained pressures on the physiotherapy workforce over the coming years as a direct result of the growth and aging of the population, although the information available does not enable them to be accurately quantified.

## Policy developments and considerations

### National Disability Insurance Scheme (NDIS)

Physiotherapy is one of three regulated professions (the others being psychology and occupational therapy) that prominently provides services to participants in the NDIS. The total number of allied health workers (including regulated and self-regulating professions, and allied health assistants) working in the NDIS is reported as 14,000.

The NDIS is currently supporting more than 412,000 people and this is expected to increase to more than 432,000 (and possibly as high as 500,000). The Department of Social Services (DSS) has projected that the allied health workforce working in the NDIS needs to increase by 9.6% per year to 2023 in order to adequately respond to demand for services

The Joint Standing Committee (JSC) on the NDIS is conducting an inquiry into the NDIS workforce and recently released an interim report to the Parliament. The report, and the submissions and evidence underlying it, suggest that there is significant unmet demand for physiotherapy services and that employers experience considerable difficulty in recruiting physiotherapists to provide NDIS services, particularly in non-metropolitan areas.

The NDIS is a significant driver of demand for physiotherapy services and this will continue, as the scheme becomes fully operational and more people are supported. Amongst other things, the JSC report recommends that a review of university training programs (vis a vis the skills required to work in the disability sector) and ways of addressing the maldistribution of the allied health workforce.

### Royal Commission - Aged Care Quality and Safety

The Royal Commission (RC) into Aged Care Quality and Safety released its Final Report in February 2021.

Throughout the RC, the Commissioners heard evidence that the needs of residents in aged care have increased over time but that the level of qualification, skill and experience of staff has declined. It was argued that there is an acute shortage of appropriately skilled aged care workers, that because of the ageing of the population every health practitioner will encounter older people, that all should therefore be appropriately trained, and that education providers need to develop curricula to equip the workforce for the dominant patient groups of the future.

Through a range of recommendations, the Commission called on the Government to improve access to allied health services for people receiving residential and community-based aged care. The recommendations included clarification of providers' responsibilities to provide allied health care and improved monitoring and accountability, requirements for all providers to have ongoing arrangements in place for the provision of allied health services, and changes to funding arrangements to support improved access to appropriate allied health care.

In its formal response to the final report of the Aged Care Royal Commission, the Government committed \$17.7 billion in funding to implement reform of the sector. The Government accepted or accepted in principle recommendations relating to the inclusion of allied health services in both residential and home care. New funding arrangements will be implemented for both residential and home care, with the design to consider allied health services, assessment mechanisms and payment arrangements.

The Government has also committed to working with states and territories to clarify responsibilities and harmonise arrangements for care provision, including allied health.

## Higher Education changes

As part of higher education changes that took effect on 1 January 2021, the student and government contributions to the cost of tertiary education have changed for all disciplines, including physiotherapy. The changes relate to the funding of domestic students through Commonwealth Supported Places (CSPs).

The reforms intend to better align government funding with the costs of delivering education and to direct funding to areas of national priority, specifically areas that have been identified by the government as 'jobs of the future'. Health care disciplines have been identified as areas of priority and as such are specifically targeted by the reforms.

Under the reformed arrangements, the student and government contributions have changed, effective from 1 January 2021. For some disciplines, the student contribution has decreased while for others it has increased or remained roughly the same. It is expected that reducing student contributions will encourage students to enrol in these courses (which are identified as having strong future job prospects). In addition, there have been changes to the amount of the government contribution – increasing for some disciplines and decreasing for others. The changes to the government contribution are the result of its assessment of the cost of delivery of courses.

For physiotherapy (and other professions in the category of allied health), the student contribution amount has decreased by around 18%. If the changes operate to influence student choice and provider behaviour, then possible outcomes are an increase in applications to study allied health professions (including physiotherapy), a growth in units and courses (including potentially more specialist streams and postgraduate programs), a greater emphasis of practical, work-based learning throughout undergraduate programs and potentially longer term gains in the skills that new practitioners will have upon graduating, thereby addressing some known and anticipated workforce pressures.

## Conclusions

Physiotherapy is a profession that appears to be in considerable demand across various employment sectors and has been formally deemed in shortage for most of the last 30 years. It is currently one of the faster growing of the regulated professions with growth particularly strong in the last two years.

The increases in approved courses and student numbers suggest a strengthening of domestic supply, while the growth in overseas trained practitioners – particularly those visa classes that require sponsorship by an employer on workforce shortage grounds – suggest a continuing reliance on (a relatively small number of) overseas practitioners to meet local needs. The profession is likely to be under sustained pressure over coming years as a result of the ageing of the population, and the demands of large programs such as the NDIS and aged care. The changes to higher education may encourage more students to apply to study physiotherapy and changes to funding arrangements and investments in industry collaboration may address some of the workforce pressures.

## References

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