Dietitians Australia

Allied health sector calls for Prac Payment reform to tackle placement poverty

The allied health sector today calls on Minister for Education, The Hon Jason Clare MP, and the Federal Government to commit to an immediate expansion of the Commonwealth Prac Payment (CPP) and the inclusion of all allied health professions in the program.

The CPP, announced in the 2024–25 Federal Budget, commenced on July 1st of this year for nursing, midwifery, teaching and social work students. The new payment is a welcome step towards recognising the significant unpaid workload of clinical placements and the disproportionate impact that unpaid placements have on many students.

However, the current program excludes most allied health disciplines, leaving students to undertake mandatory placements - often hundreds or even thousands of hours long, and frequently in rural or remote locations - without income support.

“The decision to limit Commonwealth Prac Payments to a narrow set of disciplines fails to reflect the significant workforce shortages in many allied health professions, their vital role in Australia’s health, mental health, disability, education, and aged care systems, or the high volume of placement hours required to complete training,” said Samantha Hunter, Chair of Allied Health Professions Australia.

“Every part of the health workforce is critical, and every student should be supported to complete their education without facing financial crisis.”

Many allied health students report significant hardship while on placement, including loss of income, housing insecurity, food insecurity, and increased mental distress–a growing problem dubbed “placement poverty.” These challenges disproportionately affect students from low-income, regional, or diverse backgrounds, threatening diversity and our ability to build

Australia's future health workforce.

"As a sector, we are working closely with governments, universities, clinical educators, and placement providers to identify barriers and issues underpinning current workforce shortages across health, aged care, disability, and mental health."

"There is clear evidence that students are dropping out, deferring or swapping to part-time study because they can't afford to complete unpaid placement requirements. If the Federal government is serious about addressing ongoing workforce shortages in the allied health sector, this is a policy blind spot that must be addressed."

Ends.

Key facts

- Allied health students complete between 500 and 1,000 hours of mandatory unpaid placements with some courses and professions requiring up to 62 weeks of unpaid placement hours
- Placements typically require travel, accommodation, relocation, and can result in significant lost income due to inability to work when placements occur in full-time blocks of several weeks or more
- Rural and regional placements are essential to building a distributed workforce but are financially inaccessible for many due to travel costs and the potential need to pay two sets of rent
- The current Commonwealth Prac Payment eligibility list does not include all allied health professions, despite national workforce need
- The call for expansion is backed by evidence showing that financial barriers impact completion rates, decisions about which placements to undertake, and ability to focus on learning[i]

[i] Lambert Kelly, Austin Kylie, Charlton Karen, Heins Rebecca, Kennedy Meredith, Kent Katherine, Lutze Janna, Nicholls Natalie, O'Flynn Gabrielle, Probst Yasmine, Walton Karen, McMahon Anne (2025) Placement poverty has major implications for the future health and education workforce: a cross-sectional survey. Australian Health Review 49, AH24233. https://doi.org/10.1071/AH24233

For media enquiries and interviews, contact our Media Manager Amy Phillips on 0409 661 920.

Note to Editors: Dietitians Australia is the leading voice in nutrition and dietetics, representing dietitians nationally and advocating for healthier communities. Accredited Practising Dietitian (APD) is the only national credential recognised by the Australian Government as the quality standard for nutrition and dietetics services in Australia.