

ACCPA



Aged & Community Care Providers Association

The Work Value Case & Changes to Bargaining

Claire Bailey

ACCPA Head of Workplace Relations

Overview of the Work Value Case

- The Aged Care Work Value Case commenced on 12 Nov 2020 with an application by the HSU for all classifications under the *Aged Care Award 2010*.
- The ANMF added another application on 18 May 2021 for the personal care worker classifications under the *Aged Care Award 2010* and for all the nursing classifications under the *Nurses Award 2020*.
- The HSU then made another application on 1 June 2021 to cover the aged care home care classifications under the *Social, Community, Home Care and Disability Industry Award 2010*.
- All applications were for a 25% increase in the award rates for these classifications.
- Many submissions were filed and much evidence was given. The hearing went over many days for Stage 1 in 2022. There was also a hearing in Stage 2 in 2023.



Stages 1 & 2

The outcome of Stages 1 & 2 was that from the first full pay period on or after 30 June 2023 the wage rates for the following classifications will increase by 15%:

- Nurse Practitioners, Registered Nurses, Enrolled Nurses, Assistants in Nursing classifications in the *Nurses Award 2020*;
- All levels of Personal Care Workers involved in direct care in the *Aged Care Award 2010*;
- All levels of Home Care employees in the *Social, Community, Home Care and Disability Services Industry 2010*;
- Recreational Activities Officer/Lifestyle Officer (all levels) under the *Aged Care Award 2010*; and
- Head Chef/Head Cook (aged care employee level 4-7 provided the employee is the most senior chef or cook engaged in a facility) classifications under the *Aged Care Award 2010*.



Stages 1 & 2

- The Fair Work Commission (FWC) handed down the Stage 1 Decision on 4 Nov 2022.
- The 15% increase was part of this decision but there was no operational date or dates.
- On 21 Feb 2023 the Stage 2 Decision was handed down and the Determinations were issued on 3 Mar 2023.
- The FWC decided that the single operative date for the 15% increase was to be the first full pay period on or after 30 June 2023.
- ACCPA commenced discussions with DoHAC on the implementation in November 2022.



Stage 3

Purpose of Stage 3:

- It will assess whether award classifications that did not get the 15% increase (admin and support staff) should get an increase in wage rates.
- It will finalise the assessment of the classifications that did get the 15% increase to determine if they should be increased further.
- It will assess whether there needs to be changes to the classification structures that are covered by the Case.



Stage 3

- Stage 2 Decision reasons published on 18 May 2023.
- Awaiting the appointment of the Fair Work Commission Expert Panel to replace the Full Bench.
- The Expert Panels commenced operation in March with Expert Panel members being appointed – Secure Jobs change.
- Once the Panel is appointed then they will hold a Conference to set down dates for filing and hearing of Stage 3.



Implementation of Stage 2

- The details of the additional funding from the Government have begun to come through since shortly before the Budget was handed down. There is further direction to come from DoHAC on the utilisation of the additional funding.
- For those employees who are currently paid at award wage rate level, they will get a 15% increase in their wage rate to reach the new award rate.
- Those residential care and HCP employees who are paid above award will receive a dollar amount increase relevant for their award classification.
- This dollar amount will be in the Schedule of Wages that will come attached to a letter from the Minister.
- The dollar amount will be calculated as follows:

The new award wage rate for a classification from 30 June 2023 - the current award rate for that classification = dollar amount for the increase



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Outcomes from the Stage 2 Decision

Comparison of Wages in the Care Sectors

Certificate III Classifications at 30/6/23

Award	Highest Certificate III Classification	Weekly	Hourly
<i>Aged Care Award 2010</i>	Aged care employee—direct care—level 4	\$1,082.00	\$28.47
<i>Health Professionals and Support Services Award 2020</i>	Support Services employee—level 4	\$940.90	\$24.76
<i>Children's Services Award 2010</i>	Children's Services Employee Level 3.3	\$1,004.00	\$26.42
<i>Aboriginal and Torres Strait Islander Health Workers and Practitioners and Aboriginal Community Controlled Health Services Award 2020</i>	Aboriginal and/or Torres Strait Islander Health Worker (Generalist Health Worker) - Grade 3 Level 2	\$1,101.30	\$28.98
<i>Social, Community, Home Care and Disability Services Industry Award 2010</i>	Social and community services employee Level 2 Pay Point 4	\$1,262.72	\$33.23



Attraction and Retention

- A step forward.
- The provision of higher wages is only one factor to be considered in the attraction and retention of aged care employees.
- This will remain a challenge that providers, industry bodies such as ACCPA and the Government must continue to take on.



Admin & Support Staff

- Not all aged care employees will be getting an increase from Stage 2 of the Work Value Case from the first full pay period on or after 30 June 2023.
- Administrative and support staff will not be receiving an increase.
- While we wait for Stage 3 of the Work Value Case to happen, the impact of this on the workforce will need to be monitored and managed by providers.



Impact on EA Rates

- Compression of classification wage scales in EAs when they do not align with the award classifications and wage scales.
- This will take time to re-adjust based on available funds.

For example:

EA Classification	Current Hourly Rate	Aged Care Award 2010 Classification	Current Hourly Rate	Hourly Rate from ffpp on or after 30/6/23
Personal Care Worker (Cert III)		Personal Care Worker Grade 3		
Pay Point 1	\$24.76	Aged care employee Level 4	\$24.76	\$28.47
Pay Point 2	\$24.90	Aged care employee Level 4	\$24.76	\$28.47
Pay Point 3	\$25.13	Aged care employee Level 4	\$24.76	\$28.47



Impact on Longer Term EA Rates

- Post-Work Value Case – outside of Annual Wage Review increases, will we see a return to 1– 3% wage increases in EAs and in administrative increases?
- Given the reliance on Govt funding, the answer may well lie in how aged care is funded into the future.



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The New Bargaining World – the Secure Jobs Legislation

Secure Jobs Legislation & Bargaining

- The Government made it clear when the Secure Jobs Bill was before the Parliament that the new enterprise bargaining provisions were aimed at increasing wages.
- The aged care, disability and child care sectors were targeted directly with the new bargaining provisions.
- ACCPA engaged in advocacy with Minister Wells, Senator David Pocock and others on our concerns with the Bill and lack of consultation. The Bill nonetheless passed through the Parliament and received Royal Assent on 6 December 2022.
- It is unclear how wages can be increased in aged care through more enterprise bargaining given the level of bargaining that already occurs.
- It was acknowledged in the Work Value Case that the direct dependence on Government funding meant that enterprise bargaining in aged care was not able to deliver higher wages.



New Bargaining Streams

- From 6 June the new enterprise bargaining streams are coming into effect.
- The two types that will most impact on aged care are supported bargaining and single interest enterprise bargaining.
- These are the multi-enterprise agreements that employers can be forced onto in some circumstances.
- The FWC website has resources on the new streams.
- With little to no interest from aged care providers in these new streams, it will be on the unions to initiate this path.



Supported Bargaining

- The Supported Bargaining stream has been set up primarily for aged care, disability and child care sectors.
- Once a Supported Bargaining Authorisation has been issued to bring at least 2 employers to bargaining with the relevant unions, the FWC can require the main funder to attend conferences.
- ACCPA has raised this with DoHAC and we will be discussing this further with them.
- The new bargaining streams will likely bring attention to the significant matter of the sustainable funding of aged care into the future.





Question Time