

## Joint Statement regarding Stages 2 and 3 of the Work Value Case

(AM2020/99, AM2021/63 and AM2021/65)

16 December 2022

On 4 November 2022, the Fair Work Commission (FWC) decided that a 15% interim wage increase for direct aged care workers would be justified for work value reasons (**the Decision**). Direct aged care workers are defined in the Decision and include employees in the aged care sector covered by the *Aged Care Award 2010*, *Social, Community, Home Care and Disability Services Industry Award 2010* and *Nurses Award 2020* in caring roles, including nurse practitioners, registered nurses, enrolled nurses, personal care workers, assistants in nursing, and all classifications of home care workers (together the **Direct Aged Care Workers**).

The Commonwealth Government convened meetings of industry stakeholders representing the aged care workforce, aged care providers, and consumers on 14 and 17 November 2022. The meetings were facilitated by Ms Anna Booth, independent facilitator, to discuss the Decision and how it should be implemented. Representatives of the Commonwealth Government gave presentations and participated in these meetings.

Arising from these meetings, this Statement has been prepared by the stakeholders from the aged care sector listed below. This Statement reflects the matters over which these stakeholders have reached agreement but does not represent the entirety of the views of each of the stakeholders.

The stakeholders have reached agreement on the following matters:

1. That the interim increase of 15% be fully funded by the Commonwealth Government (including on costs) and that the increase be applied in full to both Award reliant employees and those covered by enterprise agreements.
2. The 15% interim increase to the pay rates of the Direct Aged Care Worker classifications (as defined above) should commence operation under the relevant Awards and enterprise agreements as soon as possible. This increase in pay rates is not to be phased in over time and instead should occur from the first full pay period on or after a single specific date. Funding for the interim increase must be provided by the Commonwealth Government in full as soon as possible. It is the position of ACCPA, Anglicare Australia, Baptist Care Australia, Catholic Health Australia and UnitingCare Australia that funding must be provided to aged care employers by the Commonwealth Government on and from the operative date of any increase to ensure that they can afford to pay the increased pay rates.
3. The classifications of Recreational Activities Officers and 'head chefs and head cooks' (the latter being employees in the food services stream of the *Aged Care Award 2010* at Aged care employee levels 4 to 7) should also have a 15% interim increase applied to their pay rates at the same time as the Direct Aged Care Workers. These classifications were not included in the definition of Direct Aged Care Workers by the Fair Work Commission other than those Recreational Activities Officers who are classified and paid as Direct Aged Care Workers under the Award.

4. That measures to ensure transparency and accountability with respect to payment of the 15% interim increase and any future payments be put in place within 3 months from the first payment. This should not delay payment of the funding for interim increases to providers and the passing on of those increases to the Direct Aged Care Workers, Recreational Activities Officers and 'head chefs and head cooks'.
5. That Stage 3 of the proceedings as detailed at [1095] – [1098] of Decision dated 4 November 2022 and subject to any amendments by the Fair Work Commission, commence as soon as possible at the Commission's earliest convenience.
6. That the interim increase of 15% on wages for Direct Aged Care Workers, Recreational Activities Officers and 'head chefs and head cooks' be implemented based on the principle that services to older Australians are not to be negatively impacted as a result of the increase in costs. The Commonwealth Government should explore all options to operationalise the funding of the increase in order to fulfil this principle.

**List of stakeholders from the aged care sector in agreement on the matters in this Statement:**

Aged & Community Care Providers Association (ACCPA)

Anglicare Australia

Australian Nursing and Midwifery Federation (ANMF)

Baptist Care Australia

Catholic Health Australia

Council of the Aged (COTA)

Health Services Union (HSU)

Older Persons Advocacy Network (OPAN)

The Australian Workers' Union Queensland Branch

UnitingCare Australia

United Workers Union (UWU)