

industrial relations: human resources: employment matters: training

CIRCULAR: 187.NAT.187.24 **DATE:** 12 April 2024

SUBJECT: Stage 3 Aged Care Work Value Decision – Commonwealth

Government Submissions

ATTENTION: Chief Executive Officer

Background

The Stage 3 Decision Aged Care Work Value Decision dealt with three applications from the Health Services Union (**HSU**) and the Australian Nursing and Midwifery Federation (**ANMF**) to increase the minimum wages of aged care sector workers.

Stage 3 specifically concerns the work value increase for indirect care workers and direct workers, *excluding* RN and ENs (who will be part of the Nurses Work Value Case – see Circular 185.NAT.185.24).

As required by the Fair Work Commission (**FWC**), earlier today (12 April 2024), the Commonwealth Government filed its submissions regarding the implementation of the Stage 3 Aged Care Work Value Decision. These submissions contain the following critical information regarding operative dates and phasing in of the new changes.

See below for a full copy of the submissions:

https://www.fwc.gov.au/documents/sites/work-value-aged-care/am202099-63-65-sub-cth-120424.pdf

Summary of the Commonwealth Government Submissions

The Commonwealth Government has committed to providing funding for the increases to indirect care workers in full from 1 January 2025.

For <u>direct care workers</u> (ie Nursing Assistants, Personal Care Workers), the Government has committed to providing:

- an increase in funding corresponding with <u>50 per cent</u> of the Stage 3 wage increases for direct care workers (including on-costs) from '1 January 2025'; and
- an increase in funding corresponding with the remaining <u>50 per cent</u> of the Stage 3 wage increases for direct care workers (including oncosts) from 'January 2026'.

Furthermore, the Commonwealth Government has indicated that it will take the same approach to funding oncosts as it took for the interim Stage 2 funding decision.

The timing of any increases to the modern award wages under the *Aged Care Award 2010*, *Nurses Award 2020* or the *Social, Community, Home Care and Disability Services Industry Award 2010* is a matter for the eventual Determination made by the FWC, however it will have consideration of the submissions filed by the Commonwealth Government - being the principal funder in the aged care sector.

If you have any questions or if you require further information, please contact the SIAG National Advisory Service on 03 9644 1400 or 1300 (SIAG HR) / 1300 742 447.

Brian Cook

Managing Director

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