



# australian nursing federation

8 May 2013

Committee Secretary  
Senate Standing Committee  
on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600

Dear Secretary

**Re. Aged Care (Living Longer Living Better) Bill 2013;  
Australian Aged Care Quality Agency Bill 2013;  
Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013;  
Aged Care (Bond Security) Amendment Bill 2013;  
Aged Care (Bond Security) Levy Amendment Bill 2013**

I write in regard to the Australian Nursing Federation's (ANF) appearance before the Senate Committee hearing in Canberra on 2 May 2013.

During the hearing Senator Furner ( at page 13 ) raised the issue of the application of penalty rates for nurses and carers employed in aged care and the impact , if any , of the removal of such entitlements.

In response to this issue the ANF makes the following points.

- Aged care services play a central role in the delivery of health care services in Australia. Aged care covers a number of services ranging from those provided in residential aged care facilities and acute hospitals, through to community health services such as home and community aged care programs (e.g. home help, home nursing services and home and centre based respite care).
- Arrangements for the provision of aged care services are complex and varied dealing with residents and clients with varying levels of acuity and nursing care needs.
- Residential aged care facilities are 24 hour a day, seven day a week businesses with most staff being required to work shifts , including rotating shifts, weekends ,nights and public holidays.

The industrial and professional organisation for nurses, midwives and assistants in nursing in Australia

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*As a national body, the ANF Federal Office acknowledges the traditional owners and Elders past and present across Australia, with particular acknowledgment to the Greater Kulin Nation, the traditional owners of the lands where the Melbourne Office is located, and the Ngunnawal people, the traditional owners of the land where the Canberra Office is located.*

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- The use of penalties, including shift loadings and allowances are used extensively in hospitals and aged care facilities in recognition that there is invariably a requirement for staff to work long hours at often unsociable times.
- We estimate that a nurse working in a typical rostering arrangement in aged care would derive approximately 40% of their total remuneration from penalties and other loadings that are currently available under the Nurses Award 2010 or an enterprise agreement.
- Some time ago the ANF undertook an analysis of earnings comparing remuneration under public hospitals agreements with minimum entitlements available for a nurse working in aged care without penalties, loadings allowances etc. While the figures are now dated they do demonstrate a significant loss would occur if penalties, allowances and loadings were removed.
- The analysis is attached to this correspondence and we trust it is of assistance to the Committee.
- The removal of penalties, loadings or allowances would make it very difficult for aged care providers to staff their facilities with the resultant reduction in the levels of care provided to elderly residents.

We are happy to provide further information if requested.

Yours sincerely

NICK BLAKE  
Senior Federal Industrial Officer

Enc.

**Comparison of NURSES (VICTORIAN PUBLIC HEALTH SECTOR) MULTIPLE  
BUSINESS AGREEMENT 2004-2007 (MECA) and an Award nurse (without penalties and loadings)**

Registered Nurse Base Level Public Hospital (negligible differences between public and private)

<u>Per Week</u>	<b>MECA Nurse</b>	<b>Award Nurse</b>
Hourly Rate	\$27.37	\$20.53 Based on comparison of top increment for Grade 2
Per 38 Hour week	\$1,040.06	\$821.20 nurse (x 38 hours under MECA, 40 hours under AWA)
Qualification Allowance	\$52.00	\$0.00
Total Per 38 Hour week	\$1,092.06	\$821.20
Superannuation	\$120.13	\$73.91
LSL*	\$34.00	\$17.00
Evening Shift Allow	\$23.12	\$0.00
Night Shift Allowance	\$58.13	\$0.00
Weekend	\$54.74	\$0.00
Pub Holiday	\$54.74	\$0.00
Change of roster	\$5.78	\$0.00
<b>Total</b>	<b>\$1,442.70</b>	<b>\$912.11</b>
Difference		-\$530.59

(NB shift penalties based on week of lates, week of nights, two weeks days, a public holiday, and 2 weekends per 4 weeks)

	<b>MECA Nurse</b>	<b>Award Nurse</b>
Ordinary Total Earnings per year (52 weeks)		
4 weeks annual leave	\$4,368.24	\$3,284.80
Leave Loading	\$764.44	\$0.00
Additional Leave	\$2,184.12	\$1,040.06
12 days ADO's	\$2,496.14	\$0.00
11 public holidays	\$602.14	\$0.00
52 weeks less annual leave	\$56,756.18	\$42,869.08
Superannuation	\$6,246.82	\$3,503.24
<b>Total</b>	<b>\$73,418.08</b>	<b>\$50,697.18</b>
<b>Difference</b>		<b>-\$22,720.91</b>
sick leave	\$3,339.14	\$1,642.40 Note - this depends on sick leave taken without pay (ie >8 days pa)
	<b>\$76,757.22</b>	<b>\$52,339.58</b>
		<b>-\$24,417.65</b>

(NB The MECA works for 40 hours per week but is paid for 38 with 2 hours a week paying for the ADO's, the award nurse would be paid for 40 hours per week worked)

**QLD Nurses Agreement and an Award nurse  
(without penalties and loadings) as at July 07**

<u>Per Week</u>	<u>Qhealth Nurse</u>	<u>Award Nurse</u>
Hourly Rate	\$30.22	\$21.11 Based on comparison of top increment for nursing
Per 38 Hour week	\$1,148.35	\$844.40 officer level 1 (x 38 hours under Agreement, 40 hours
Qualification Allowance	\$63.16	\$0.00
Total Per 38 Hour week	\$1,211.51	\$844.40
Superannuation	\$151.44	\$76.00
LSL*	\$28.70	\$14.00
Evening Shift Allow	\$35.89	\$0.00
Night Shift Allowance	\$57.42	\$0.00
Weekend	\$75.55	\$0.00
Pub Holiday	\$90.66	\$0.00
<b>Total</b>	<b>\$1,651.16</b>	<b>\$934.40</b>
Difference		-\$716.76

(NB shift penalties based on 5 lates, 5 nights, 7 ordinary week days, a public holiday day shift, a Saturday day shift and a Sunday day shift per 4 weeks)

**Ordinary Total Earnings per year (52 weeks)**

	<u>Award Nurse</u>
4 weeks annual leave	\$4,846.03
Leave Loading	\$1,272.08
Additional Leave	\$2,423.02
12 days ADO's	\$2,756.06
52 weeks less annual leave	\$75,953.26
<b>Total</b>	<b>\$87,250.46</b>

sick leave	\$2,296.70	\$1,688.80 Note - this depends on sick leave taken without pay (ie >8 days pa)
	<b>\$89,547.16</b>	<b>\$50,131.36</b>
		<b>-\$39,415.79</b>

(NB Nurses under the agreement work for 40 hours per week but are paid for 38 with 2 hours a week paying for the ADO's, the Award nurse would be paid for 40 hours per week worked)