From: To:

Subject: Aged Care inquiry Questions on Notice
Date: Tuesday, 7 May 2013 3:37:08 PM
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#### Dear Ian

Thank you for your email regarding Questions on Notice. Please find attached the additional material in the form of two documents that I undertook to provide the committee in response to a question on notice.

Please let me know if you require any further information.

#### Kind regards

Felix Pintado Chief Executive



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4/17/13

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## **Employee Brochure**

PDF version: Employee Brochure (PDF 228 KB)

## Addressing Workforce Pressures Initiative

The Aged Care Workforce Supplement – Information for Aged Care Workers

The Australian Government is reforming the nation's aged care system to ensure that older Australians get the highest possible quality care.

The Government will provide \$3.7 billion over the next five years reshaping the system. The Government announcement included \$1.2 billion for the Addressing Workforce Pressures initiative which will better support the people who work in aged care.

This initiative will be delivered in two parts – through the Aged Care Workforce Compact and Supplement, and the Aged Care Workforce Development Plan which will be developed during 2013.

As part of the initiative, an Aged Care Workforce Compact was developed in consultation with aged care providers and unions. If your employer meets the terms and conditions of the Compact an Aged Care Workforce Supplement will be paid.

Because of this, workers will be better paid. There'll be more training, development and career opportunities. Work practices will be improved. Aged care providers will be better able to attract and keep good workers.

The Government recognises the important contribution aged care workers make to the changing care

needs of older Australians. Higher wages, better training and more support for you means better care for our older Australians.

## How you can benefit from the Workforce Supplement

Aged care workers employed by providers who are eligible for the Workforce Supplement will receive better pay and conditions.

## What you will get

To get the Workforce Supplement, your employer must provide you with:

- A minimum annual wage increase of 2.75 per cent, or the Fair Work Commission minimum increase, whichever is the greater.
- A margin over the relevant award rates of:

Aged Care	2013-14	2014-15	2015-16	2016-17
Worker				
Personal and	1.50%	3.00%	3.00%	3.00%
community care		To the state of th		
workers and				
other aged care		The state of the s		
staff	Targandariskan kilomak Anthonyy (Minish M.). Endodos Mandalo (Minish Minish Mandalo (Minish M.). Minish (M			
Enrolled nurses	2.50%	5.50%	8.50%	8.50%
Registered	4.00%	8.00%	12.60%	12.60%
nurses				

Your employer must pass on all of the Workforce Supplement in the form of increased wages, giving you an additional one per cent wage increase each financial year to 2015-16, and an extra 0.5 per cent in 2016-17.

#### Case Study

Tracy is a community care worker with a Certificate III in Aged Care delivering home care services to aged care clients in the comfort of their own homes. Tracy is currently paid \$18.58 per hour (Level 4 of the Aged Care Award).

As at 1 July 2013, Tracy will receive the annual minimum wage increase awarded by the Fair Work Commission. Tracy's employer agrees to meet the conditions of the Workforce Supplement and therefore in the event the annual minimum wage increase is less than 2.75 per cent, she will receive at least a 2.75 per cent wage increase. In this instance her wage would increase to \$19.09.\*

Tracy's employer also provides her with a wage that is at least 1.5 per cent higher than her award rate in the first year - \$19.38 per hour.

The Workforce Supplement will deliver her a further annual increase of one per cent on her wage, bringing her total wage to \$19.57 per hour.

As well as giving Tracy financial security to continue doing the job she loves, the Workforce Compact will provide greater access to training opportunities and will help her achieve an improved work life balance through better conditions of employment.

\* It should be noted that the Supplement will provide for a minimum wage increase of 2.75%, or the Fair Work Commission minimum increase, whichever is the greater. Employees will not receive both increases. The Fair Work Commission minimum increase in 2013 will apply from 1 July 2013.

## Frequently Asked Questions

#### What if my employer does not apply for the Workforce Supplement?

You will only receive the benefits of the Workforce Supplement if you work for an employer that is eligible and applies for the Workforce Supplement.

#### How will I know if my employer is receiving the Workforce Supplement?

It is a condition of the Workforce Supplement that your employer writes to all of their employees advising

that they have applied for the Workforce Supplement.

#### When can I expect to see my wages increase?

The Workforce Supplement will be available from 1 July 2013 or the date your employer becomes eligible.

#### Where can I find out more?

Talk to your employer or union.

For more information on all aspects of the initiative:

Visit the Living Longer. Living Better website

For information on the Workforce Supplement:

Call 1800 900 554

Email Workforce Supplement

All information in this publication is correct as at March 2013

Last updated 12 March, 2013



## Aged Care Workforce Supplement Employee Fact Sheet

#### **Benefits**

As part of the Addressing Workforce Pressures measure in the *Living Longer Living Better* aged care reform package, aged care workers employed by providers who meet the terms and conditions of the Aged Care Workforce Compact (the Compact) will receive better pay and conditions.

The Australian Government will make a contribution to increased wages through the Aged Care Workforce Supplement, paid to providers that meet the terms and conditions of the Compact.

## Wage increases

In order to apply for the Workforce Supplement employers must provide employees with:

- minimum *annual* wages increases for all aged care employees of 2.75 per cent, or the Fair Work Commission minimum increase, whichever is the greater.
- phased wage increases over and above the relevant award rates, as follows:

Aged Care Worker	2013-14	2014-15	2015-16	2016-17
Personal and community care workers and other aged care staff	1.50%	3.00%	3.00%	3.00%
Enrolled nurses	2.50%	5.50%	8.50%	8.50%
Registered nurses	4.00%	8.00%	12.60%	12.60%

 The Workforce Supplement must then be passed in full to the provider's aged care workers to deliver an additional one per cent annual wage increase in 2013-14 to 2015-16 and 0.5 per cent in 2016-17. All of the Workforce Supplement must be delivered as additional wages.

Wage increases can be expected to start flowing from 1 July 2013.

## Terms and conditions of the Workforce Supplement

In order to access the Workforce Supplement for their workers, aged care employers must:

- write to all of their employees advising that they have applied for the Workforce Supplement
- sign up to a number of minimum commitments including enhanced training and education opportunities and improved career development and workforce planning.

Employees will receive the benefits of the Workforce Supplement if they work for an employer that is eligible and applies for the Supplement.

## Implementation arrangements

Funding for those aged care providers that apply for the Workforce Supplement will be available from 1 July 2013.

## Eligibility

Aged care workers will receive the benefits of the Workforce Supplement if their employer meets the terms and conditions of the Compact and they are employed by:

- a residential aged care provider
- a community care provider
- a provider funded under the Commonwealth Home and Community Care program
- a provider funded under the National Respite for Carers program
- a provider funded under the Day Therapy Centre program, or
- a provider funded by the Department of Veterans' Affairs Veterans' Home Care and Community Nursing programs.

# Further work as part of the Addressing Workforce Pressures Initiative

In addition to the Workforce Supplement, during 2013 an Aged Care Workforce Development Plan will be developed, which will provide:

- improved career structures and pathways
- better training and education
- career development opportunities
- better work practices, including less workplace injuries
- better workforce planning.

#### More information

Further information on the Workforce Supplement is available at **www.livinglongerlivingbetter.gov.au** 

Email enquiries can be forwarded to

workforcesupplement@health.gov.au

Details about Government programs to support aged care workers are at **www.health.gov.au/agedcareworkforce** 

All information in this publication is correct at March 2013