FAIR WORK COMMISSION

AM2021/63

THE AUSTRALIAN NURSING AND MIDWIFERY FEDERATION Applicant

APPLICATION UNDER SECTION 157 OF THE FAIR WORK ACT 2009 (CTH) TO AMEND THE AGED CARE AWARD 2010 AND NURSES AWARD 2020 First Matter

AM2020/99

HEALTH SERVICES UNION Applicant

APPLICATION UNDER SECTION 157 OF THE FAIR WORK ACT 2009 (CTH) TO AMEND THE AGED CARE AWARD 2010 Second Matter

AM2021/65

HEALTH SERVICES UNION Applicant

APPLICATION UNDER SECTION 157 OF THE FAIR WORK ACT 2009 (CTH) TO AMEND THE SOCIAL, COMMUNITY, HOME CARE AND DISABILITY SERVICES **INDUSTRY AWARD 2010** Third Matter

AUSTRALIAN NURSING AND MIDWIFERY FEDERATION SUBMISSIONS ON THE OPERATIVE DATE AND PHASING OF STAGE 3 INCREASES

A. Introduction

- 1. These submissions of the Australian Nursing and Midwifery Federation ("ANMF") are made:
 - with respect to the operative date and phasing of Stage 3 increases to the minimum wage rates of aged care sector employees; and
 - (2) in response to the Commonwealth Stage 3 further submissions concerning operative date and phasing in, dated 12 April 2024 ("Cth S3FS").
- 2. These submissions are broken into three primary parts.
- 3. **Part B** identifies the proper approach to the commencement and phasing-in of minimum wage increases.
- 4. Part C applies that approach to the commencement and phasing-in of minimum wage increases for "Aged care employee direct care" classifications under the Aged Care Award 2010. That approach would result in final minimum wage increases for classifications of "Aged care employee direct care" under the Aged Care Award operating, in full, from 30 June 2024. The ANMF also supports final minimum wage increases for other classifications of aged care employees under the Aged Care Award and the Social, Community, Home Care and Disability Services Industry Award 2010 ("SCHCADS Award") operating, in full, from 30 June 2024.
- 5. **Part D** addresses the operative date and phasing in of minimum wage increases for aged care employees under the *Nurses Award 2020*. In some respects, the status of wage increases for aged care employees under the *Nurses Award* differs from other classifications being dealt with in these proceedings. Despite those differences, the proper application of the principles identified in Part B would result in minimum wage increases for aged care employees under the Nurses Award operating from 30 June 2024. In the event that no determination regarding wage increases for aged care employees under the Nurses Award operating from 30 June 2024. In the event that no determination regarding wage increases for aged care would operate immediately upon a determination being made.
- 6. The commencement of Stage 3 minimum wage increases on 30 June 2024, without phasing, is a joint position put by the ANMF, Health Services Union and the United Workers Union.

7. These submissions should be read and understood in conjunction with the submissions of the ANMF previously filed in these proceedings, including the ANMF Stage 3 Further Submissions of 26 April 2024 responding to Directions made on 04 April 2024 and to the Panel's invitation to comment on its draft determinations ("ANMF S3FS").

B. The proper approach to the commencement and phasing-in of minimum wage increases

- 8. The following propositions as to the proper approach to the commencement and phasing-in of minimum wage increases can be readily gleaned from the *Stage 1 Decision*¹ at [976]–[990], the *Stage 2 Decision*² at [405]–[409], the applicable provisions of the *Fair Work Act 2009* (Cth) ("**FW Act**") and the approach of the Commission in other cases:
 - (1) The <u>default rule or presumption</u> is that a determination varying modern award minimum wages comes into operation from 1 July in the next financial year after it is made (or on the day it is made if made on 1 July), <u>unless</u> the Commission is satisfied that it is appropriate to specify another day. As has been recognised by the Commission, this is not a difficult presumption to displace.³ In the ordinary case, the specified day must not be earlier than the day on which the determination is made (s 166(1)-(3)).⁴
 - (2) The Commission may also specify that changes take effect in <u>stages</u> if it is satisfied that it is appropriate to do so (s 166(4)). Such an approach is commonly referred to as "*phasing in*". As the Full Bench stated in the *Stage 2 Decision* at [414]:

"While we acknowledge that phasing-in may be a valid approach to increases in particular circumstances, there is no decision rule that this is the approach to be utilised in all cases. Whether phasing-in is appropriate is a matter to be determined based on the particular circumstances before the Commission."

¹ Stage 1 Decision [2022] FWCFB 2000 (4 November 2022).

² Stage 2 Decision [2023] FWCFB 93 (18 May 2023).

³ Australian Workers' Union [2022] FWCFB 4 at [153].

⁴ Section 166, *FW Act; Stage 1 Decision* [2022] FWCFB 2000 (4 November 2022), [982].

(3) The Commission has the power to make <u>appropriate transitional arrangements</u> to mitigate hardship where there is a need to do so. As the Full Bench observed in the *Penalty Rates – Transitional Arrangements Decision*⁵ at [142]:

"the determination of appropriate transitional arrangements is a matter that calls for the exercise of broad judgement, rather than a formulaic or mechanistic approach involving the qualification of the weight accorded to each particular consideration."

- (4) In exercising its power, the Commission will do <u>that which is "fair and just</u>" (s 577(a)). The Commission must take into account the objects of the FW Act and "equity, good conscience and the merits of the matter" (s 578). Fairness in this context is to be assessed from the perspective of both the employer and the employee.⁶ The Commission will determine what, "in all the circumstances" is "fair and reasonable."⁷ Fairness is plainly a relevant consideration, as encapsulated in both the modern awards objective (s 134) and the minimum wages objective (s 284).
- (5) Recent amendments to the FW Act have established <u>a clear imperative to</u> <u>eliminate identified gender-based undervaluation</u>. Such an effort is integral to the ability to achieve gender equality in the workplace relations systems.
 - (a) The modern awards objective speaks of a "fair and relevant minimum safety net", taking into account, inter alia, "the need to achieve gender equality in the workplace by ensuring equal remuneration for work of equal or comparable value [and] eliminating gender-based undervaluation of work" (s 134(ab)).
 - (b) Similarly, the minimum wages objective necessitates the establishment and maintenance of "a safety net of fair minimum wages", taking into account, inter alia, "the need to achieve gender equality, including by ensuring equal remuneration for work of equal or comparable value, eliminating gender-based undervaluation of work and addressing gender pay gaps" (s 284(1)(aa)).

⁶ Stage 1 Decision [2022] FWCFB 2000 (4 November 2022), [983]-[984].

⁵ *Penalty Rates – Transitional Arrangements Decision* [2017] FWCFB 3001 (5 June 2017).

⁷ Stage 2 Decision [2023] FWCFB 93 (18 May 2023), [420].

(c) Finally, these matters are reflected in the object of the FW Act to provide workplace relations laws that "*promote* [..] gender equality" (s 3(a)).

C. Commencement of minimum wage increases for "Aged-care employee – direct care" classifications under the Aged Care Award

9. The Full Bench in the *Stage 2 Decision*, at [413]-[418] and [420] carefully considered the proper approach to the commencement and phasing-in of minimum wage increases. The Full Bench found at [413] that:

"[w]e have decided that the interim increase should be paid, in full, from 30 June 2023 and should not be subject to any phasing-in..."

- 10. In so finding, the Full Bench carefully weighed:
 - (1) At [412], the finding of the Full Bench in the *Stage 1 Decision* at [922] that the evidence had established a significant change in work value and that the existing minimum rates do not properly compensate employees for the value of work performed. As the Full Bench then stated in the *Stage 1 Decision*:
 - "1. It is common ground as between the parties that the work undertaken by RNs, ENS and Certificate III PCWs in residential aged care has changed significantly in the past 2 decades such as to justify an increase in minimum wages for these classifications [...].
 - 2. Accordingly, in respect of direct care workers (including RNs, ENs, AIN/PCW/HCWs) the evidence establishes that the existing minimum rates do not properly compensate employees for the value of the work performed by these classifications of employees..."
 - (2) At [414]–[416], capacity to pay concerns raised by the Joint Employers and the Commonwealth proposal as to phasing-in. The Full Bench acknowledged the impact of an interim increase without phasing-in on these parties but ultimately was not convinced that, "the Commonwealth proposal as to phasing-in of the funding of the increase should be determinative of our decision with respect to the timing of the interim increase." Further, it considered that, "the evidence before us does not allow us to conclude that the employers cannot support 5 per cent of the increase for a period of 12 months"
- 11. The Full Bench found, at [417], that "there are compelling reasons [to allow for an interim increase] from the earliest possible date":

"Balanced against these considerations are the clear findings that existing minimum wages in the Awards do not properly compensate direct care workers in residential or in-home aged care settings, for the value of the work performed. We have also had regard to the Commonwealth submission in these proceedings, pointing to the findings in the Stage 1 decision, that work in the aged care sector has been undervalued because of gender-based assumptions and that there have been historical barriers to the assessment of work value in female dominated industries. We consider that the skills of direct care workers in the aged care sector have been "hidden" for the predominant reason that the vast majority of workers are women and that there are compelling reasons to recognise this by flowing an interim wage increase to direct care workers from the earliest possible date, having regard to the need to give notice to employers of the increases."

12. At [418], the Full Bench recognised that these "*compelling reasons*" were consistent with recent Amendments to the FW Act and found, critically, that "*to delay the interim increase would be inconsistent with these objectives*".

"This is also consistent with the recent amendments to the FW Act relating to matters relevant to this case, including the promotion of job security and gender equality, eliminating gender-based undervaluation of work, promoting the full economic participation of women and addressing gender-based pay gaps."

- 13. The above analysis of the Full Bench in the *Stage 2 Decision* in respect of the operative date and phasing of the interim increase has ready application to the present determination of the commencement and phasing-in of the final increase to be afforded to classifications of "*Aged-care employee direct care*" employees under the *Aged Care Award*.
- 14. The need for swift action to fairly compensate the (predominantly female) workforce for their work, long undervalued, was readily understood. The FW Act amendments established a clear imperative—a "*need to eliminate*" identified gender-based undervaluation. That imperative remains.
- 15. All classifications of "*Aged-care employee direct care*" under the Aged Care proceeding should receive the benefit of the final stage 3 increase to minimum rates as soon as possible.

- 16. As the ANMF has previously submitted:⁸
 - (1) There exists a longstanding consensus and recognition, as between the parties and across the industry, that direct care workers in aged care have been substantially underpaid and undervalued.
 - (a) In June 2018, the Aged Care Workforce Strategy Taskforce recommended that the industry develop a strategy to support the transition of PCWs and nurses to pay rates that better reflect their value and contribution.⁹
 - (b) The Royal Commission Final Report published 1 March 2021 recognised in plain terms at ([FR.2.214]) that:

"the bulk of the aged care workforce does not receive wages and enjoy terms and conditions of employment that adequately reflect the important caring role they play"

- (c) In December 2021, the parties adopted a Consensus Statement in which they agreed that wages in the aged care sector needed to be significantly increased because the work of aged care workers has been historically undervalued for a range of reasons and has not been properly assessed by the Fair Work Commission or any other industrial tribunal.
- (2) The applications to increase minimum rates for direct care aged care workers have been on foot for some time now:
 - (a) 17 November 2020 with respect to the *Aged Care Award*;
 - (b) 18 May 2021 with respect to the *Nurses Award* and the *Aged Care Award*; and
 - (c) 1 June 2021 with respect to the SCHCADS Award.

⁸ Stage 2 Submissions of the Australian Nursing and Midwifery Federation, 20 January 2023 at [80].
⁹ A god Core Workforce Strategy Toolsforce (2018). A metter of Core: Australia's A god Core Workforce

Aged Care Workforce Strategy Taskforce (2018), A matter of Care: Australia's Aged Care Workforce Strategy, Report, 2018 at 93.

- 17. In its *Stage 3 Decision*, delivered 15 March 2024, the Panel made a number of critical findings in respect of direct care employees in aged care.
 - (1) At [24], "...the work of aged care sector employees has historically been undervalued because of assumptions based on gender".
 - (2) At [156], in respect of all direct care employees in aged care, that there are "work value reasons" for the minimum award rates of pay for such employees "to be increased substantially beyond the 15 per cent interim increase," and that "[a] further substantial increase [was] warranted" having regard to:
 - (a) The "invisible" skills involved in aged care work and the reality that such skills have, until now, "never [been] properly comprehended". They have, instead, been "effectively disregarded". That is in the context of a history of "skills exercised in female-dominated industries and occupations" wrongly being considered "merely feminine traits" and as being "not representative of work value in the traditional, narrowly defined sense."
 - (b) As such, PCWs, HCWs and AINs have never been subject to a work value assessment.
 - (c) Although nurses have been subject to previous work value assessments, these assessments have never properly taken into account the professionalisation of the nursing occupation or the "*invisible*" skills exercised. Rather, the starting rate of the degree-qualified RN as less than the C7 rate, represents "*historic gender-based undervaluation of nurses*" work which likewise rendered unsound the starting-point award rates in the Nurses Award".
 - (d) And, in addition, the 17 findings concerning changes in the work of direct care employees in aged care that "represent a fundamental change in the work value of such employees independent of the matters identified [above]".
- 18. The ANMF submits it is time to finish what was started and grant classifications of direct care workers under the Aged Care Award the final increase without further delay. The operative date of 30 June 2024 is fair and reasonable in all the circumstances.

- 19. As the ANMF previously submitted,¹⁰ aged care employees have been subsidising the profit margins of their employers, the Commonwealth budget, and the taxpayer for some time now. This situation should not be permitted to continue.
- 20. The situation is particularly stark in circumstances where the aged care workforce in 2024, like all ordinary Australians, face acute cost of living pressures.

D. Minimum rate increases for direct care workers under the Nurses Award

- 21. The submissions at Part C above apply with equal force to classifications of aged care employees under the Nurses Award, save that the ANMF acknowledges the following three distinguishing features:
 - *First*, the classification structure has not been finalised for nurses in aged care, for the reasons identified in [207] of the *Stage 3 Decision*;
 - (2) *Second*, the Commonwealth has not yet stated a position in relation to its funding of increases for ENs and RNs;
 - (3) *Third*, for the reasons identified in the ANMF S3FS, AINs in home care should remain in the *Nurses Award*, together with a final increase to minimum rates.
- 22. For the reasons identified below, these differences would not prevent the Panel from making a determination regarding aged care employees under the *Nurses Award* prior to 30 June 2024 and for increased award minimum rates of pay to operate for those employees from that date. Alternatively, minimum rate increases for aged care employees under the *Nurses Award* would commence operation immediately upon a determination being made with respect to final wage increases for those employees.

D.1 EN and RN outstanding issues

23. At [207] of the *Stage 3 Decision* the Panel set out three reasons for declining to finalise the classification structure for nurses in aged care ("EN and RN outstanding issues"). Since that time, the EN and RN outstanding issues have been substantially progressed.

Stage 2 Reply Submissions of The Australian Nursing and Midwifery Federation, 9 February 2023 at [32].

- 24. The EN and RN outstanding issues were the subject of a conference of interested parties before Hatcher J on 04 April 2024. At the conference, the ANMF identified it intended to make submissions to the effect that:
 - the <u>three-year</u> university degree RN classification (*i.e.*, registered nurse level 1, year 1) should align with classification C1(a) in the C10 Metals Framework;¹¹
 - (2) EN pay point 1 should correspond to the new Level 6 Team Leader direct care employee classification in the Aged Care Award.¹²
- 25. At the 04 April 2024 conference, Hatcher J raised with interested parties various matters for consideration, including that:
 - there had been a decision in principle to increase minimum wages for nurses in aged care based upon work value findings;¹³
 - (2) there was some scope not to finalise minimum wage increases for nurses in aged care if the *Nurses Award* could be modified or reformed for all nurses;¹⁴
 - (3) if there was to be a full work value proceeding for nurses outside aged care, the Panel may have to move on implementing minimum wage increases for aged care nurses and interested parties may be confronted with something of a *fait accompli*.¹⁵
- 26. On 26 April 2024, the ANMF provided interested parties with a without-prejudice document setting out its proposed classification structure in the Nurses Award and appropriate minimum rates of pay in accordance with the directions of Hatcher J.
- 27. On 26 April 2024 the ANMF also filed ANMF S3FS, being submissions regarding the issues raised in the *Stage 3 Decision*. As identified in those submissions, there is now a joint position between the ANMF and the Joint Employers with respect to the issues at [24(1)] and [24(2)] above. Those submissions also address the issue identified at [207(1)] of the *Stage 3 Decision*, namely the proper classification structure under the *Nurses Award* and the role of annual progression.

- ¹³ Justice Hatcher, Transcript of Proceedings, (AM2024/11) and (AM2021/63) 4 April 2024 at [PN34].
- ¹⁴ Justice Hatcher, Transcript of Proceedings, (AM2024/11) and (AM2021/63) 4 April 2024 at [PN35].

¹¹ See, Stage 3 Decision at [204].

¹² See, Stage 3 Decision at [205].

¹⁵ Justice Hatcher, Transcript of Proceedings, (AM2024/11) and (AM2021/63) 4 April 2024 at [PN36].

- 28. Interested parties have been directed to file submissions and evidence in response to the ANMF S3FS by 16 May 2024. The proceeding is listed for a report back on 17 May 2024. As such, there is an ongoing process through which parties are being given an opportunity to be heard and the Commission is exploring whether the finalisation of the ANMF's application pertaining to aged care employees should be determined together with its broader application with respect to Nurses and Midwives (as foreshadowed in the *Stage 3 Decision* at [207(2)] and [207(3)]).
- 29. This process may give rise to the modification or reform of the *Nurses Award* for all nurses without the need for a full work value proceeding. Should this not be possible, however, in the ANMF's submission the Panel would move expeditiously to finalise the EN and RN outstanding issues and to make a final determination regarding minimum wage increases for aged care employees under the *Nurses Award*.

D.2 Commonwealth funding Commitment

30. The Commonwealth has committed to fund any wage increases determined by the Commission in Stage 3 of these proceedings that the Commission considers are justified by work value reasons, including associated on-costs.¹⁶ At Cth S3FS [2] it is said that:

"The Commonwealth strongly supports the wage increases determined in the Stage 3 decision ... and is committed to funding the increases for the relevant direct and indirect aged care workers, including on-costs incurred by aged care providers as a result of those wage increases in all Commonwealth funded aged care."

31. The proper understanding of these matters read together is that, while the Commonwealth is committed to funding such EN and RN increases as may be awarded, it has not made any submission as to the timing of funding for increases to the rates of ENs and RNs, because in the light of the terms of the *Stage 3 Decision* it thought it unnecessary to do so. That is regrettable, in light of the fact that the *Stage 3 Decision* identified increased minimum rates to be justified by work value reasons for a four-year degree qualified RN in aged care,¹⁷ and that rates should be set having regard to work value reasons for an EN in aged care with responsibility for supervising other PCWs.¹⁸

¹⁶ D Chin SC, Transcript of Proceedings (AM2020/99 and others) 14 December 2023 at [PN6528].

¹⁷ Stage 3 Decision at [204].

¹⁸ Stage 3 Decision at [205].

- 32. On 19 April 2024, representatives of the ANMF wrote to the Commonwealth's representatives (a copy of which is attached as **Annexure A** to these submissions). By that letter, the ANMF:
 - referred to matters discussed in conference before Hatcher J on 04 April 2024 and the directions made that day;
 - (2) foreshadowed that the ANMF would submit that its aged care application should be finalised shortly after 16 May 2024;
 - (3) requested that the Commonwealth inform the Commission as to its position concerning the timing and funding connected with ENs and RNs in aged care;
 - (4) requested that the Commonwealth immediately rectify any exclusion of wage increases for ENs and RNs in aged care from expenditure proposals considered by cabinet.
- 33. On 02 May 2024, representatives of the Commonwealth wrote to the ANMF's representatives stating, *inter alia*, that matters relating to the timing and implementation of any wage increases for aged care nurses would be the subject of a future decision of the Commonwealth, once the Commission has indicated the scope of those wage increases. A copy of that letter is attached as **Annexure B** to these submissions
- 34. In light of statements regarding the Commonwealth's strong support for and commitment to fund increases determined in Stage 3, it is presumed that the Commonwealth will act responsibly with appropriate haste to reformulate its funding position once the Commission has indicated the scope of wage increases for ENs and RNs in aged care. In any event, consistent with the finding in the *Stage 2 Decision*,¹⁹ the Panel would not regard any Commonwealth funding proposal as determinative.

D.3 AINs in home aged care

35. The ANMF has proposed a drafting amendment to the Nurses Award to ensure that home care AINs do not lose their interim increase and indeed would receive increases to their minimum rates consistently with the Panel's finding in the *Stage 3 Decision*.²⁰ Acceptance of the ANMF's proposed amended drafting would resolve this issue. This

¹⁹ *Stage 2 Decision* at [415].

²⁰ ANMF, Aged Care Award 2010 - DRAFT DETERMINATION, filed 26 April 2024.

would not otherwise delay the making of a determination to vary the Nurses Award or the commencement of minimum rate increases.

E. Conclusion

36. For the reasons identified above, final minimum wage increases for classifications of "*Aged care employee - direct care*" under the Aged Care Award and aged care employees under the Nurses Award would operate, in full, from 30 June 2024. In the event that no determination regarding wage increases for aged care employees under the Nurses Award has been made by 30 June 2024, such increases would operate immediately upon a determination being made.

J C McKenna J E Hartley V M G Jones Counsel for the ANMF

10 May 2024

Gordon Legal Solicitors for the ANMF 19 April 2024



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Dear Ms Besemeres,

AM2021/63; AM2024/11: Applications by Australian Nursing and Midwifery Federation and others

We refer to the Commonwealth's Submissions Concerning Operative Date and Phasing In, filed 12 April 2024 (**CS**).

We note the Commonwealth's decision to exclude Registered Nurses (**RNs**) and Enrolled Nurses (**ENs**) from the "*Commonwealth funding commitment*" identified in the CS. Respectfully, we do not consider that this course was justified by *Stage 3 decision* [2024] FWCFB 150 at [208]. The ANMF will address this further in its submissions in response to the CS, due 10 May 2024.

The purpose of this letter is to note developments concerning the timing of increased minimum rates for RNs and ENs in aged care.

The ANMF application to increase minimum rates for classifications under the *Nurses Award 2020* other than aged care employees, (**ANMF Broader Application**) was listed for mention on 29 February 2024 before Justice Hatcher. On that day, Justice Hatcher adjourned the mention to enable interested parties to consider the Stage 3 decision, with a view to identifying whether the ANMF Broader Application could be advanced in part or whole on a consent basis.

The ANMF Broader Application was relisted on 4 April 2024, together with AM2021/63 (**ANMF Aged Care Application**) as identified at [281] and [282] of the in the Stage 3 decision. During that mention various employer representatives identified the need for additional time to consider their position with respect to the ANMF Broader Application.

Justice Hatcher at PN34 to PN35 observed that:

...One of the problems which I think the Commission has to grapple with is, one, there's been a decision in principle to increase wages for nurses in aged care based upon a number of work value findings, and there's a timing issue.

Level 22, 181 William Street, MELBOURNE, VIC 3000 T: 03 9603 3000 / F: 03 9603 3050 W: gordonlegal.com.au /ABN 19 624 972 836 That is that there is some scope not to finalise the aged care matter if the award for all nurses can be, as it were, I'll just say modified or reformed. But if that process takes too long the Commission can't wait forever to flow increases to nurses in aged care which it[']s found that are already, in effect, owing...

Justice Hatcher later identified at PN82 that the parties could anticipate the Expert Panel to determine the operative date and any question of phasing in in about June. His Honour then went on to at PN83 to state:

And of course, once the operative date is determined that will set the clock ticking to finalise aged care nurses <u>by about the same timetable</u>. So, I think the parties would need to bear that sort of timeframe in mind... [emphasis added]

The Directions issued by Justice Hatcher on 4 April 2024 provided for the ANMF to file submissions, evidence and a draft determination by 26 April 2024 addressing three outstanding issues in the ANMF Aged Care Application. Submissions and evidence in response are to be filed by 16 May 2024. A report back has been listed for 16 May 2024.

The ANMF will submit that the ANMF Aged Care Application should be finalised shortly thereafter, to enable the introduction of wage increases for ENs and RNs in aged care at the same time as increases for other aged care classifications.

The program now established by the Commission allows for such a course.

It is desirable (at least), in this light, for the Commonwealth to inform the Commission what is position is concerning the timing of increased funding connected with RNs and ENs in aged care. If wage increases for RNs and ENs in aged care were excluded from expenditure proposals considered by cabinet, the ANMF requests that this be rectified immediately and that the "*Commonwealth finding commitment*" be reformulated.

Yours sincerely

Philip Gardner Special Counsel **Gordon Legal**



Our ref. 21002240 Your ref. 008470

2 May 2024

Phillip Gardner Special Counsel Gordon Legal

By email: pgardner@gordonlegal.com.au

Dear Mr Gardner

AM2021/63; AM2024/11: Applications by Australian Nursing and Midwifery Federation and others

- 1. We refer to your letter of 19 April 2024.
- 2. The Commonwealth consistently stated throughout these proceedings that:
 - a. it supports a wage increase for aged care workers that is justified by work value reasons and that it is committed to provide funding to support increases to award wages (together with any associated on-costs) made by the Commission in this matter, and
 - b. it is unable to properly consider and provide information on the appropriate approach to timing and phasing in of additional funding to support an increase to award wages for aged care workers until the quantum of that wage increase has been determined by the Commission.
- 3. The Commonwealth has committed to funding the wage increases determined by the *Stage 3 Decision* [2024] FWCFB 150, as set out in the Commonwealth's 12 April 2024 submissions.
- 4. In the *Stage 3 Decision* [2024] FWCFB 150, the Commission did not finalise the classification structure for Registered Nurses and Enrolled Nurses in aged care ([207]–[208]). The Commonwealth notes the matters you have raised as to the likely timing of a determination of those matters. As was stated in the Commonwealth's 12 April 2024 submissions, matters relating to the timing and implementation of any wage increases for aged care nurses will be the subject of a future decision of the

Commonwealth Government once the Commission has indicated the scope of those wage increases.

Yours sincerely

2m Wenn

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