



Our ref. 2100240

23 July 2021

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Associate to the Hon. Justice Ross AO  
Fair Work Commission  
Level 4, 11 Exhibition Street  
Melbourne VIC 3000

Dear Associate

**AM2020/99; AM2021/65 and AM2021/63**

1. We refer to the above proceedings, and to the directions of the Fair Work Commission (**FWC**) on 1 July 2021.
2. As required by Direction 5, the Commonwealth, through this letter and its enclosures, files the information and data requested by Schedule 1 to the Directions which is currently available. As further required by Direction 5, the Commonwealth will file any further information and data not currently available as soon as it becomes available.
3. Consistent with the leave granted by the FWC on 21 July 2021, where the information requested is contained in a publicly available document, we have provided that information by way of a hyperlink to that publicly available document.

**Response to HSU Schedule**

1	As mentioned in the Commonwealth's response of 16 July 2021, this information is not presently available as it is dependent on finalisation of the 2020 Census dataset. However the Commonwealth is committed to filing this information as soon as it is available and no later than the end of August 2021.
2	As mentioned in the Commonwealth's response of 16 July 2021, this information is not presently available as it is dependent on finalisation of the 2020 Census dataset. However the Commonwealth is committed to filing this information as soon as it is available and no later than the end of August 2021. As also noted in the Commonwealth's response of 16 July 2021, the Census focuses on direct care staff and there is limited information in regard to some ancillary staff.
3	As mentioned in the Commonwealth's response of 16 July 2021, this information is not presently available as it is dependent on finalisation of the 2020 Census dataset. However the Commonwealth is committed to filing this information as soon as it is available and no later than the end of August 2021.

<p>4</p>	<p>For ease of reference, the Commonwealth repeats the response provided on 16 July 2021, below.</p> <p>(1) The ABS is determining how it can progress work to better meet user demand in relation to the Australian and New Zealand Standard Industrial Classification (ANZSIC), through its participation in the International Standard Industrial Classification of all economic activity review, which is currently underway.</p> <p>(2) The ABS began a targeted update of the Australian and New Zealand Standard Classification of Occupations (ANZSCO) in March 2021, as an initial step in modernising ANZSCO. Alongside this targeted update, a new approach to maintaining classifications, like ANZSCO, is being developed.</p> <p>The new approach is researching:</p> <ul style="list-style-type: none"> <li>– new data sources which can be used to inform classification maintenance;</li> <li>– the process to set priority areas for focus each update – the ABS are expecting that an update will be undertaken every 1-2 years;</li> <li>– a regular consultation process to ensure stakeholders are aware of when and how they can contribute; and</li> <li>– how statistical impacts can be managed, particularly when more structural changes are proposed (for example, moving occupations/unit groups to a new minor group/sub-major group/major group).</li> </ul> <p>The focus of future targeted updates will be determined through stakeholder consultation on need and relative prioritisation. Further information on how to participate in this consultation process will be provided later in the year. Feedback has already been provided to the ABS from other parts of the Commonwealth (including the National Skills Commission) about the need to focus on care occupations. The feedback is a useful early indication of priority for future attention on care occupations.</p>
<p>5</p>	<p>In relation to workforce data the work that is already progressing is the National Aged Care Workforce Census 2020. Data and findings from the 2020 Aged Care Workforce Census will be made publicly available on the Australian Institute of Health and Welfare (AIHW) GEN website (<a href="http://gen-agedcaredata.gov.au">gen-agedcaredata.gov.au</a>). The report broadly covers workforce demographics, service characteristics and the impact of COVID-19. Users will be able to explore the data further through an interactive dashboard. The AIHW will be able to provide data in addition to the dashboard data on request.</p> <p>In addition, the Commonwealth provided funding to the Aged Care Workforce Industry Council (ACWIC) in the 2020-21 Budget, to progress implementation of the Aged Care Workforce Strategy. The ACWIC is working in collaboration with BPA Analytics (BPA) to produce the Aged Care Census Database, which houses the sentiments of over 133,000 aged care workers about their experience in the workplace. The ACWIC is working with BPA who collected the data over 20 years to</p>

	develop a 'Workforce Narrative' and insights that takes a deep dive into the results of the 133,000 survey responses.
6	<p>As noted in our letter of 16 July 2021, the Commonwealth is only able to provide this data for the past 4 years. Further, the Commonwealth does not collect data in relation to questions 6(2)(d) or 6(2)(e).</p> <p>This question requested information "for each (deidentified) provider". Given the nature of the sector, the Commonwealth is concerned that data specific to each provider, even if the provider was not named, may allow for identification of the provider it related to. As such, the Commonwealth is unable to provide information at the provider level. Provision of identified or identifiable data is restricted by Division 86 of the <i>Aged Care Act 1997</i>.</p> <p>The Commonwealth has therefore provided the requested information for question 6(1) and 6(2)(a)–(c) on an aggregated basis in the enclosed spreadsheet (Tables 2 to 4).</p>
7	<p>This information is publicly available, including for the years 2010 to 2021, at: <a href="https://www.pc.gov.au/research/ongoing/report-on-government-services/2021/community-services/aged-care-services">https://www.pc.gov.au/research/ongoing/report-on-government-services/2021/community-services/aged-care-services</a>.</p> <p>See Table 14A.12 of 14 Data Tables.xlsx, which is available to download from this page. Data is provided for the 2010-11 to 2019-2020 financial years, broken down at the State and Territory level and Australia as a whole.</p>
8	<p>The Commonwealth provides the following publicly available reports, held by the Commonwealth:</p> <ul style="list-style-type: none"> <li>• <a href="https://www.gen-agedcaredata.gov.au/Topics/Care-needs-in-aged-care">https://www.gen-agedcaredata.gov.au/Topics/Care-needs-in-aged-care</a>;</li> <li>• <a href="https://www.gen-agedcaredata.gov.au/Resources/Reports-and-publications/2020/September/Report-on-the-operation-of-the-Aged-Care-Act">https://www.gen-agedcaredata.gov.au/Resources/Reports-and-publications/2020/September/Report-on-the-operation-of-the-Aged-Care-Act</a>;</li> </ul> <p>and</p> <ul style="list-style-type: none"> <li>• <a href="https://www.gen-agedcaredata.gov.au/Resources/Reports-and-publications/2021/February/Report-on-Government-Services-2021-part-f.-chapter">https://www.gen-agedcaredata.gov.au/Resources/Reports-and-publications/2021/February/Report-on-Government-Services-2021-part-f.-chapter</a></li> </ul>
9	<p>This information is included in the publicly available Health Portfolio Budget Statement (see page 106).</p> <p><a href="https://www.health.gov.au/sites/default/files/documents/2021/05/budget-2021-22-portfolio-budget-statements-budget-2021-22-health-portfolio-budget-statements.pdf">https://www.health.gov.au/sites/default/files/documents/2021/05/budget-2021-22-portfolio-budget-statements-budget-2021-22-health-portfolio-budget-statements.pdf</a></p>
10	<p>As stated in our letter of 16 July 2021, the Commonwealth is unable to provide a response regarding planned decisions.</p> <p>In relation to publicly announced decisions, the Commonwealth refers the parties and FWC to the Australian Government's response to the Final Report, in particular,</p>

	<p>the responses to Recommendations 78–83 (pages 52–56), available at :  <a href="https://www.health.gov.au/sites/default/files/documents/2021/05/australian-government-response-to-the-final-report-of-the-royal-commission-into-aged-care-quality-and-safety.pdf">https://www.health.gov.au/sites/default/files/documents/2021/05/australian-government-response-to-the-final-report-of-the-royal-commission-into-aged-care-quality-and-safety.pdf</a></p>
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**Response to ANMF Schedule**

8	<p>The requested data is set out in the enclosed spreadsheet (Table 1).</p>
9	<p>As stated in our letter of 16 July 2021, the Commonwealth only has this data available for financial years 2010-11 to 2019-20. Data for financial year 2020-21 will be available in November 2021.</p> <p>This data is publicly available in the Reports on the Operation of the Aged Care Act 1997 (ROACA), available here: <a href="https://www.health.gov.au/sites/default/files/documents/2021/05/roaca-aihw-gen-gen-agedcaredata.gov.au">Report on the operation of the Aged Care Act - AIHW Gen (gen-agedcaredata.gov.au)</a></p> <p>For financial years 2016-17 to 2019-20, this data is also available in the Aged Care Data Snapshot series, under the Expenditure Summary tab: <a href="https://www.health.gov.au/sites/default/files/documents/2021/05/aged-care-data-snapshot-aihw-gen-gen-agedcaredata.gov.au">Aged care data snapshot - AIHW Gen (gen-agedcaredata.gov.au)</a></p>
10	<p>This information is included in the publicly available Health Portfolio Budget Statement, see table 2.3.1 on page 101.</p> <p><a href="https://www.health.gov.au/sites/default/files/documents/2021/05/budget-2021-22-portfolio-budget-statements-budget-2021-22-health-portfolio-budget-statements.pdf">https://www.health.gov.au/sites/default/files/documents/2021/05/budget-2021-22-portfolio-budget-statements-budget-2021-22-health-portfolio-budget-statements.pdf</a>.</p>
11	<ol style="list-style-type: none"> <li>1) \$17.7 billion over 5 years from 2020-21. Refer to 2021-22 Budget Paper 2, pp 99-104: <a href="https://budget.gov.au/2021-22/content/bp2/download/bp2_2021-22.pdf">https://budget.gov.au/2021-22/content/bp2/download/bp2_2021-22.pdf</a></li> <li>2) The full \$17.7 billion is responsive to the recommendations made in the Final Report.</li> <li>3) Any of the \$14.3 billion in new funding provided as subsidies and supplements to aged care approved providers or the new home care package funding is available to be spent on wages and salaries of employees covered by the Nurses Award, Aged Care Award and the SCHADS Award. Approved providers have control over how these funds are used. See note on grant funding below.</li> <li>4) As per the response to question 11.3, approved providers have control over how funding is used, so beyond what is necessary to meet minimum staff time requirements identified in recommendation 86 of the Final Report any of the additional \$14.3 billion in new funding provided as subsidies and supplements to aged care approved providers or the new home care package funding is available to be spent to cover the increases to wages and salaries.</li> <li>5) Any Commonwealth funding (other than grant funding – see below) provided to aged care providers is available to address the percentage wage increase (if any) for aged care workers in the classifications affected by the applications in</li> </ol>

	<p>AM2020/99, AM2021/63 and AM2021/65. Approved providers have control over how these funds are used.</p> <p><b>6)</b> The Commonwealth (other than grant funding – see below) does not require aged care approved providers to spend a particular amount on initiatives to be implemented in either the residential aged care sector and the home care aged care industry. Approved providers have control over how these funds are used.</p> <p>Commonwealth grant funding is subject to particular conditions regarding how the funding is spent, which may affect the portion of the funding which either can or must be spent on wages. As part of the \$17.7 billion in funding around \$988.6 million will be provided to aged care providers as grant funding. Not all grant terms for funding through the period have been finalised. However, the Commonwealth has identified \$397 million in grant funding to providers for the relevant period where the grant terms are expected to limit the availability of that funding for employee wages.</p>
12	<p>For ease of reference, the Commonwealth repeats the response provided on 16 July 2021.</p> <p>Currently, and up to 2023, the basic subsidies for home and residential care are indexed annually based on Wage Cost Index 9 (WCI-9). From 2023 the Independent Hospital and Aged Care Pricing Authority (IHACPA) will start reviewing and recommending pricing for aged care. In developing its pricing advice for aged care, IHACPA will consider and analyse the costs of care and services, including consideration of the impact of staff wages in the aged care sector.</p>
13	<p>For ease of reference, the Commonwealth repeats the response provided on 16 July 2021.</p> <p>The Government has not yet made a decision on this matter as it does not want to pre-empt a decision of the FWC. Any additional funding following a decision by the FWC would be subject to a decision of Government.</p>
14	<p>For ease of reference, the Commonwealth repeats the response provided on 16 July 2021.</p> <p>The Government has not yet made a decision on this matter as it does not want to pre-empt a decision of the FWC. Any additional funding following a decision by the FWC would be subject to a decision of Government.</p>

Yours sincerely

A handwritten signature in black ink, appearing to read 'SRR', with a long horizontal flourish extending to the right.

**Stephen Reeves**

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