"LH-1"

Collated from the DPS Guide to Aged Care 2020	
Northern Territory Largest Providers	**Number of beds**
Australian Regional and Remote Community Services Limited	339
Regis Aged Care Pty Ltd	135
Southern Cross Care (SA & NT) Incorporated	85
Queensland Top 10 Largest Providers	**Number of beds**
The Uniting Church in Australia Property Trust (Q.)	4556
RSL Care RDNS Limited	2171
Churches of Christ in Queensland	1868
Ozcare	1630
Regis Group Pty Ltd	1347
Regis Aged Care Pty Ltd	1185
Arcare Pty Ltd	1115
McKenzie Aged Care Group Pty Ltd	1107
Queensland Health	992
Bupa Aged Care Australia Pty Ltd	967
South Australian Top 10 Largest Providers	**Number of beds**
Southern Cross Care (SA & NT) Incorporated	1356
Estia Investments Pty Ltd	1340
Resthaven Inc	1290
Allity Pty Ltd	1139
Eldercare Inc	985
Helping Hand Aged Care Inc	854
Country Health SA Local Health Network Incorporated	754
Aged Care & Housing Group Inc	681
Anglicare SA Ltd	590
UnitingSA Ltd	543
Tasmanian Top 10 Largest Providers	**Number of beds**
Southern Cross Care (Tas) Inc	686
OneCare Limited	590
Uniting Church in Australia Property Trust (Tasmania)	561
Respect Group Limited	440
Masonic Care Tasmania Incorporated	371
Regis Aged Care Pty Ltd	287
Japara Aged Care Services Pty Ltd	222
The Queen Victoria Home Inc	156
Meercroft Care Inc	127
Bupa Aged Care Australia Pty Ltd	119

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IN THE FAIR WORK COMMISSION

FWC Matter No: AM2020/99

Application to vary or revoke the Aged Care Award 2010

WITNESS STATEMENT OF LAUREN ELIZABETH BEAMER HUTCHINS

I, Lauren Elizabeth Beamer Hutchins, Divisional Manager, of [redacted] say as follows:

1. I am employed by the Health Services Union NSW/ACT Branch (**HSU**) as the Divisional Manager of Aged Care and Disabilities. I have been employed in this role since late November 2019.

2. This statement is made from my own knowledge and belief, unless otherwise stated. Where statements are not made from my own knowledge, they are made to the best of my knowledge, information and belief and I have set out the sources of my knowledge, information and belief.

My role

3. In my role as the Divisional Manager, I am responsible for overseeing and guiding the work of 14 organisers who organise our members in the aged care sector. This also involves regularly corresponding with the largest employers in residential aged care and their employer groups about pressing issues that affect members across the sector.

4. I frequently interact with members in aged care through attending workplace meetings, campaign meetings, one on one conversations and through emails. I also coordinate and chair quarterly meetings with delegates in the aged care sector in New South Wales and the ACT. Through all these interactions, I gain insight into the issues facing HSU members in the aged care sector, trends in the sector and changes in workplace conditions.

5. I liaise closely with the HSU Industrial Manager, Ms Ayshe Lewis, in relation to any industrial dispute in the sector and with other state branches across the national union in relation to common issues affecting our membership in aged care.

6. I am frequently in contact with individual organisers who visit workplaces daily about collective or individual workplace disputes and am asked to provide direction. Also, if there is a dispute at a workplace or across several workplaces, I will often attend meetings to facilitate discussions between the employees and the employer, with the assistance of the relevant organiser/s.

7. I facilitate weekly meetings of the organisers so that I am regularly updated on the issues facing aged care members, how these are being resolved or advising on how they may be resolved, as well as member engagement in our campaigns.

8. All these interactions allow me to confidently liaise with employers and employer groups about the issues facing aged care workers. For example, last year there was a significant amount of time spent in discussions with employers and employer groups about COVID and the sector's response, including how employers were managing personal protective equipment (**PPE**) and their position on supporting their staff with paid pandemic leave.

9. I was involved in selecting the member witnesses for this case. The HSU has endeavoured to identify witnesses in for-profit and non-for-profit providers, across Australia and in both rural and urban areas. Their evidence is representative of the environments, level of responsibility and type of work, that HSU members covered by the Aged Care Award 2010 (Cth) **(the Award)**, perform on a day-to-day basis.

Employers in the aged care sector

10. The residential aged care sector includes 845 approved providers who operate residential aged care services for older Australians. Combined these providers oversee the care of 183,989 permanent residents as of 30 June 2020.

11. The residential aged care sector compromises of for-profit (41.2%), religious (23.2%), charitable (18.7%), community based (13.1%) and combined government (3.8%) providers.

12. Annexed to this statement and marked '**LH-1**' is a table setting out the size of the major employers providing residential aged care by state and territory according to the number of beds in residential aged care. I note that some of these employers also provide home care services. The number of employees should, broadly speaking, correlate to the

number of beds- that is, the employers with the largest number of beds should employ the highest number of staff.

The Royal Commission into Aged Care Quality and Safety

13. I was involved in preparing the HSU's submission to the Royal Commission into Aged Care Quality and Safety (**Royal Commission**) in relation to the impact COVID was having on our membership and their working conditions.

14. Annexed to this statement and marked **LH-2** is a copy of the HSU's submission to the Royal Commission.

Workforce Submissions

15. In February 2020, submissions into the workforce (**Workforce Submissions**) of Counsel Assisting the Royal Commission became public.

16. The Workforce Submissions, at paragraph 535 state as follows:

> *535. A consistent theme in the evidence before the Royal Commissioners has been that aged care workers are insufficiently remunerated for the work they perform and endure poor working conditions. We submit that these deficiencies need to be addressed so that:*
>
> > *a. this important work is appropriately rewarded; and*
> > *b. the sector becomes a more attractive one in which to work to improve both attraction of new employees and retention of existing ones.*

17. A copy of the relevant extract of the Workforce Submissions is annexed to this statement and marked **'LH-3'.**

Royal Commission's Final Report

18. I have reviewed the Royal Commission's Final Report which was made public on 1 March 2021.

19. Recommendation 84 of the Final Report is in the following terms:

> *Recommendation 84: Increases in award wages Employee organisations entitled to represent the industrial interests of aged care employees covered by the Aged Care Award 2010, the Social, Community, Home Care and Disability Services Industry Award 2010 and the Nurses Award 2010 should collaborate with the Australian Government and employers and apply to vary wage rates in those awards to: a. reflect the work value of aged care employees in accordance with*

section 158 of the Fair Work Act 2009 (Cth), and/or b. seek to ensure equal remuneration for men and women workers for work of equal or comparable value in accordance with section 302 of the Fair Work Act 2009 (Cth).

20. A copy of the relevant extract of the Recommendations of the Royal Commission contained in the Final Report are annexed to this statement and marked '**LH-4**'.

The proposed changes to the Award in the HSU's application to vary the Aged Care Award 2010 filed in November 2020

21. The decision to change the wording from 'tasks performed' to 'roles' was based on the fact that 'roles' more accurately describes the way the classifications are set out in the Award. That is the descriptions of the work performed in a particular classification are 'roles' rather than 'tasks'. For example, a 'food services assistant' is a role, rather than a task.

Aged care employee- level 2

22. The HSU has sought to amend the Level 2 classification by including the following words:

"An employee who has more than three months' work experience in the industry or is an entry level employee (up to 6 months) in the case of a Personal Care Worker."

23. The purpose of using length of service in the classification descriptions is to introduce an objective indicator as to when and on what basis an employee is to move through the classification structure.

24. The purpose of this proposed amendment to the '*Aged care employee- level 2*' classification description is to enhance the career path for employees in General Administrative Services and Food Services in the Award.

25. The rationale behind including a six-month period of time for Personal Care Workers to move through this classification, was to align broadly with current industry practice and a traditional probation period. This allows a Personal Care Worker to move to Level 3 once they have exceeded the period of 6 months' service.

Aged care employee- level 3

26. The HSU has sought to amend the Level 3 classification by specifying that Personal Care Workers at Level 3 are to have at least six months experience. This amendment is necessary to create consistency with the amendments proposed for Level 2.

27. The HSU has also sought to amend the Level 3 classification to permit Recreational/Lifestyle Activities Officers to progress to the next classification once they have 6 months of service. The purpose of this amendment is to recognise the skills and experience these employees gain during that time and create consistency in the classification structure.

Aged care employee- level 4

28. The purpose of the proposed amendment from 'Certificate 3' to 'Certificate III', is to more accurately record the relevant qualification.

29. The purpose of the proposal to replace the words 'Grade 3' with 'qualified' is to make it clear, that Personal Care Workers with a Certificate III, are to be paid at the rate which attaches to this classification. In addition, there has been confusion amongst employees and employers where a Personal Care Worker Grade 3 is paid as an Aged Care Employee Level 4 (my emphasis added). This same reasoning was behind variations to the Personal Care Worker Grade 4 title and the Personal Care Worker Grade 6 title.

30. The purpose of including the words 'Recreational/Lifestyle Activities Officer (from six months)', is to create a better career path for these employees. The inclusion of this amendment, recognises employees' experience in this role, and provides them the ability to move through the classification in accordance with their experience and resulting increased skill set.

Aged care employee- level 5

31. The proposal to remove 'Grade 4 Personal Care Worker' and replace it with 'Senior Personal Care Worker' is for the reasons outlined above and also to reflect the increased responsibility of the Personal Care Worker at this level and create consistency in the Personal Care structure.

32. It is the case, that in practice, Personal Care Workers at this level, may be required to assist residents with medication and hold the relevant unit of competency (HLTHPS006). It is important that Personal Care Workers who have this qualification

and are called upon to assist residents with medication are paid at a higher rate as there is a higher level of responsibility and skill associated with this work.

33. Recreational/Lifestyle Activities Officer (qualified) is a new role in the Award which exists in the industry. The variation sought seeks to recognise the increased skill set of Recreational/Lifestyle Activities Officers who have obtained a Certificate IV in Leisure and Health.

Aged care employee- level 6

34. At level 6, he HSU has proposed to introduce a new role to be known as 'Specialist Personal Care Worker'. The introduction of this role reflects changes in enterprise agreements and changes in the sector involving creating roles that specialise in a particular type of care. The most obvious kind of specialist carers are employees working as Dementia Carers, in palliative care and in the Household Model of Care. These roles generally are associated with additional training and higher level of responsibility in making decisions about care, as well as supervising others.

35. The replacement of the word 'Advanced' with 'IV' simply reflects the updated wording of the relevant qualification. The reference to an "Associate" Diploma was amended for the same reason.

36. The HSU has also proposed to introduce a new role- that of Senior Recreational/Lifestyle Activities Officer- this is a new role and is included to reflect positions that exist within aged care, particularly in larger employers (such as, for example, RSL LifeCare) with the responsibility of coordinating other Recreational/Lifestyle Activities Officers.

Aged care employee – level 7

37. The purpose of proposing to remove 'Grade 6' and replace this title with 'Personal Care Supervisor' is to create consistency with titles with other roles at this level and for the reasons outlined above.

The working conditions of people working in the Aged Care Industry

38. Throughout my time working with members employed in residential aged care, the most striking feature of their working conditions, is how physically exhausting the work is. People are constantly running for the entire shift they are rostered on for. At the end of their shifts, not only are they physically exhausted, but they are emotionally exhausted

from the realisation that despite all their efforts, they were not able to spend as much time with the residents as they would have liked to. I am often told by HSU residential aged care members about the overwhelming sense of sadness that they carry, day in and day out, from not being able to do all the work they want to do with the residents despite their dedication and best efforts.

39. The work of aged care workers is incredibly emotionally challenging. One member, [redacted], described to me the process involved in preparing a deceased resident's body for the family to come and view. He described the process of putting the resident in their favourite clothes, moisturising their face and hands, and putting a rolled-up flannel underneath the resident's chin to stop their mouth from falling open. The member described to me how they would also spray the resident's perfume in the room to disguise any unpleasant smells. The compassion, and respect that is required of someone performing these tasks, is incredibly valuable. It is not a job everyone can do.

40. These are skills the member had learnt throughout the course of their time in the sector. However, unlike a mortician or a funeral director, members who deal with residents after they have passed, have usually known the resident for a reasonable period of time, and have developed a relationship with them. HSU members have told me that when some residents pass, it can be like a friend has passed. It is inevitable that the residents that our members in aged care are looking after will pass away. There is no way of avoiding that reality. It is a fundamental part of their job. The emotional toll this has on workers cannot be underestimated.

41. There is also a high rate of attrition and turnover in the sector. Members often tell me that they do not think they can continue long term in their jobs because of the conditions, including the emotional strain the work has on them, coupled with the low wages. In addition, workers can move to the disability sector and be paid $7 an hour more in wages, with the same qualification.

42. Many of our members have multiple jobs. I have met members who have three jobs and get changed into their different uniforms in the car park before each shift. They go from one job to the next just to make ends meet. One of the reasons for this is that a common feature of working conditions in the aged care sector is that employers will only contractually commit to engage an employee on a minimum number of hours, which is well below the number of hours they perform in practice. This means that an employer can withdraw or take away the additional number of hours an employee relies on, at any time and with no additional costs such as redundancy payments. Further, many workers as a matter of fact do not receive overtime payments for excess hours worked. If the

hourly rate of pay were to increase, this would reduce the financial hardship imposed on workers, including in circumstances where their fortnightly rostered hours are cut. It would also reduce the need for workers to have multiple jobs just to pay their bills.

The skills required of workers in aged care

43. Aged care workers are skilled professionals. In order to secure a job as a Personal Care Worker in Aged Care a personal care employee is usually required by the employer to have a Certificate III in Aged Care and Disability Services.

44. Annexed to this statement and marked **LH-5** is a sample of job advertisements for Personal Care Workers collected across for-profit and non-for-profit providers as collected for the purposes of preparing this statement (**Personal Care Worker Advertisements**).

45. The Personal Care Worker Advertisements demonstrate, that in order to secure a role as a Personal Care Worker, a potential employee is required to be able to demonstrate the following skills:

    a. at least a Certificate III in Individual Support a relevant aged care qualification;
    b. excellent communication skills;
    c. computer literacy;
    d. food handling skills;
    e. an aptitude for displaying empathy towards residents and their families;
    f. ability to manage competing demands on their time;
    g. knowledge of the unique social and cultural needs of residents;
    h. the ability to be an advocate for residents;
    i. the ability to use electronic clinical management systems;
    j. knowledge of how to dress a variety of wounds;
    k. knowledge of how to assist with medications;
    l. the ability to respond and recognise changes in the conditions of residents.

46. The list of skills set out above, have been identified by employers as the skills they require of their own employees.

47. A fundamental role that aged care workers perform is providing essential intimate care for elderly Australians living in Aged Care. For example, assisting someone that is newly incontinent in a compassionate and respectful way is a skill. Replacing an incontinence

pad, or assisting someone to have a shower without making a resident feel embarrassed or dehumanised is a real skill that is learnt over time. It is not the same as assisting a child. These are adults who have lived full lives.

48. I have seen members feeding residents who have difficulty swallowing, by placing food on a spoon and holding it up to residents' mouths. There is a high skill level involved in performing these tasks which preserves the dignity of the resident. For example, I have observed an HSU member speaking softly to a resident whilst they were feeding them.

49. Aged care workers' jobs also involve constantly observing and knowing their residents' behaviours. For example, members have described to me that in order to prevent skin tears from occurring, they are required to look out for the subtlest changes in residents' skin including the slightest hint of redness. If they miss an indication of poor health then this can have serious ramifications for residents' health.

50. Additionally, where a resident becomes agitated, Personal Care Workers have told me that they will need to stay calm, adopt de-escalation strategies and assess whether the environment is overwhelming, and whether the resident needs to be taken somewhere that is less stimulating. Knowing the signs that demonstrate that a resident is upset or agitated is something that comes about through getting to know each resident on a personal level.

51. When a new resident is admitted to a facility, Personal Care Workers are required to learn everything about them including what medication they take, how they like to be showered, what food they can eat and what they do not like. Their job then requires them to use all of that information to provide care to residents in a way that preserves their dignity. They also need to continuously track these matters as a resident's health deteriorates and they require greater or different care.

52. I am often told by members that dealing with families is a challenging part of the job. This is as family members have high expectations and it can be very challenging for staff to meet those expectations given the resources they are provided. Being able to communicate what each resident has been eating, what they have been doing day-to-day and how their mood has been, to family members is an important part of the role of Personal Care Workers.

53. Another part of the duties of aged care workers that is particularly important is that of acting as an advocate for residents to more senior employees or management. Many residents are unable to be that voice for themselves due to declining health, or because they have no family members to advocate on their behalf. For example, I have spoken

to members who advocated for increased access to snacks or milk for milo, or replacement curtains or furniture. I have spoken to members who have advocated for improved food quality and food choices. Advocacy - to amplify a resident's voice not speak for them - is a skill that aged care workers perform every day.

Food Services

54. It is generally accepted that weight stability is an important reflection of a resident's health, and whether their nutritional needs are being met. My observation of members who work in catering and food services is that they take their obligations to provide care through food very seriously. I can recall one example where the catering staff reviewed the ordering form, as prepared by management, and formed the strong view that the number of purees that had been ordered was not going to be enough. There are serious ramifications of providing incorrect meals to a resident with dysphagia. There was a dispute about the order on site. It turned out that the catering staff were correct, and that the new ordering system had not had the data entered in correctly, resulting in an underestimation of the quantities of purees being ordered. Because of their knowledge of the residents and their dietary needs, the catering staff were able to raise concerns which were addressed without consequence to the residents.

55. In my experience, food service employees are also required to embrace the individualised model of care and engage with residents about their meals. For example, food service employees understand the principles of person-centred care and how that applies to meal choice. I often hear from catering members when an employer fails to provide residents with their preferred choice of meal through ordering restrictions. I also hear from catering staff when they are concerned about the lack of fresh fruit and vegetables available for residents and their fears about the impact this has on residents' health and wellbeing.

56. Annexed to this statement and marked **LH-6** is a sample of job advertisements for employees covered by the Food Services Stream in the Award collected across for-profit and non-for-profit providers.

57. These advertisements, which in my experience are standard, demonstrate that in order to secure a role as a food services employee, a potential employee is required to be able to demonstrate:

    a. The ability to multi-task and perform work within deadlines;
    b. Experienced in ordering, delivery and handling/control of stock;

c. Empathy and respect towards aged care residents, staff and clients;
d. The ability to function within a busy kitchen whilst working harmoniously with the team;
e. Relevant qualifications for their level and experience;
f. The ability to prepare, cook and serve food in adherence with dietary requirements with a strong focus on food safety standards;
g. The ability to develop and implement a menu development, or support senior staff in this function;
h. That they promote quality standards and maintain service with standard operating procedures;
i. Service excellence around all aspects of the dining experience;
j. Strong front of house presence including communication with residents and families;
k. Great communication skills and excellent attention to detail;
l. Good understanding of Australian food and beverage standards and practices;
m. Confidence to satisfy the relevant probity checks required by legislation or policies.

General and Administrative

58. Employees who are not employed as Personal Care Workers are nevertheless actively involved in caring for the needs of residents. This is because, like Personal Care Workers, they interact with residents daily because of the nature of their work. For example, a cleaner will go into a resident's room primarily to clean the room. However, the cleaner will engage with the resident in conversation. These interactions all add to meeting the social needs of residents.

59. This is often encouraged by employers. For example, Opal has an organisation wide program called 'meaningful mates' where every employee is buddied with a resident. I recall a conversation with a laundry attendant working at Opal, [redacted] who told me affectionately about her interactions with a resident as part of this program. She came to know that the resident loved strawberry milk so once a week [redacted] would bring in a strawberry milk. They would sit together and have a conversation about the resident's life. [redacted] also told me about how when residents passed away, despite working in the sector for over 30 years, she still cries.

60. General and administrative workers who are not paid to provide personal care assistance to residents often provide important caring support, emotional support and social interaction to residents through their daily interactions.

Regulation

61. The aged care sector is heavily regulated by various pieces of federal and state legislation and regulation covering all manner of things, from individual funding, consumer rights to food safety standards. Aged care workers are required to work to these and modify their work practice as the standards change.

62. The most significant pieces of regulation in the work of aged care workers are the Aged Care Quality Standards (**ACQS**) the Aged Care Funding Instrument (**ACFI**) and accreditation by the Aged Care Quality and Safety Commission (**ACQSC**), as these often drive the work being performed.

63. Annexed to this statement and marked **LH-7** is the Aged Care Quality Standards guide as produced by the ACQSC. The ACQS define what good aged care should look like. It sets out 8 key standards for how a person receiving aged care at home or in a residential setting should interact with the sector. Aged care workers not only work to these standards, but I have also seen workers advocate on behalf of residents when they believe these standards are not being met by the providers.

64. ACFI provides the basis of funding to a residential aged care provider as determined by the assessed needs of a resident. These needs change over time. I often hear from members working in care roles about the pressure to ensure that documentation of their observations of residents is up to date for the purposes of increasing funding under ACFI. The higher the needs of a resident, the more ACFI funding. In some facilities there are dedicated ACFI staff, usually a carer or a registered nurse, whose sole purpose is ensuring that all possible information is gathered, documented, and then provided to maximise funding claimed under ACFI.

65. In order to run residential aged care, a facility must be accredited by the ACQSC. Maintaining accreditation entails undergoing a rigorous inspection of the facility and its paperwork by ACQSC inspectors, as well as interviews with workers, residents, and families. This happens over a series of days. HSU members have told me that in the lead up to inspections, carers and administrative staff are taken off their normal duties to review and update paperwork. Additional workers are often rostered for the inspection to ensure the facility is very clean and appears well staffed. There is huge pressure to

pass accreditation as failing could lead to sanctions, including restrictions on new residents entering the facility.

66. Aged care workers play a vital role in obtaining relevant information, collating that information and providing it to the relevant regulator.

Specialised carers

67. Residential aged care facilities will advertise the type of care they offer. This will often include dementia or palliative care. This is because the type of care provided as well as the physical environment is different for residents with dementia or palliative care needs than compared with care needed by residents with mobility or other health issues. For example, a dementia area within a facility may need additional infrastructure to ensure the safety of residents who might wander.

Household carers

68. A growing number of aged care providers are now introducing "household" models of care, that is creating a home like environment in a physical and social sense for residents. Purpose built facilities house smaller groups of residents in a share house-like arrangement. The workers in these 'households' have a higher level of responsibility in supporting residents to make decisions. In some models, a designated carer coordinates the 'household', including other aged care workers.

69. The move to the 'Household' model has seen the introduction of new roles within the sector. For example, at Uniting Care NSW & ACT this model is described as the Home Maker Model. There is a designated Home Maker role, a more senior carer who coordinates the other staff and oversees the running of the 'household'. The Home Maker is required to undertake additional training and is paid at a higher rate of pay than a carer in recognition of the increased level of responsibility.

Dementia carers

70. I have spoken to many members who talk about the specific and very individual needs of residents with dementia. Identifying and responding to signs that a resident may be distressed is a skill. It is also a critical part of a carer's role in ensuring a resident with dementia is cared for with dignity and respect. The skills necessary to providing dignified care have been recognised by some employers who have employed and trained carers

into specific dementia carer roles. For example, HammondCare employees Specialist Dementia Carers who undertake this work.

Palliative carers

71. I have spoken to members about palliative care and how this differs from other care work. Almost exclusively aged care residents receiving palliative care are bed bound and require support in almost all aspects of daily living. Palliative care requires a greater sense of awareness about pain and liaising with Registered Nurses and other health professionals about pain management. There is an emphasis on comfort and dignity for the resident and for their family members, who also require care and reassurance during this period. When the resident passes away, typically it is the same carer who has provided direct care to the resident who then tends to the body. This work is, generally, currently performed by personal care workers unless a facility is large enough to have a designated palliative area, where carers are rostered to perform this work because they are skilled in palliative care.

COVID-19

72. I became aware through my regular conferences with members that COVID presented significant challenges, particularly in respect of allowing residents to communicate with their families. Isolation from residents' families meant that HSU members carried the increased responsibility of satisfying the emotional and social needs of the residents. Members told me about the increased levels of depression they observed in residents who were unable to leave their facilities. Members told me of the emotional toll it had on them supporting residents throughout the lockdown periods of COVID, which in aged care were months long.

73. As a result of COVID, aged care workers were required to change the way they undertook activities. All activities needed to be held inside facilities as there were no outings allowed, nor were non-essential people allowed inside. Activities needed to be COVID safe, that is socially distanced, and materials sanitised.

74. Members were also required to learn new technologies, for example, zoom to assist with communication between residents and their families. There is a particular example that stands out in my mind from late last year. I was with a particular member, [redacted], around Christmas time who told me that she was going to go into work, despite the fact that she was not rostered on, so that one of her residents could speak to a loved one in London via zoom. This kind of dedication – going above and beyond the minimum

requirements of the job – is common in aged care work; I have consistently observed it amongst the HSU membership.

Career progression

75. The Aged Care industry tends to be hierarchical. There is a definite 'top', 'middle' and 'bottom'. I will often hear our members say 'I am just a carer'. There is a definite feeling out there among our members that if you are not a Registered Nurse, you are at the bottom of the pile. That is despite the fact that many of our members have been working in Aged Care for a long period of time and have developed very important skills, including in recent years stepping up to perform tasks a nurse would previously have done.

76. There is definitely a ceiling when it comes to career progression in Aged Care. If you do not have a degree in nursing, it does not matter how experienced you are, or how many additional skills you have, there is just no way for you to progress through the classifications. The effect of this is that, once people reach that ceiling, they either stay there despite their skills and desire to progress, or they train to and become a nurse, and leave the industry usually to work in hospitals.

77. There are some limited examples of specialised classifications in enterprise agreements that the HSU has negotiated with employers. For example, HammondCare and Uniting Care NSW & ACT include a specialised classification to recognise specialised carers, and have commenced discussions with RFBI to negotiate a new classification structure to promote career progression. These examples are rare, however I often speak to employers who would like to encourage and reward experience and skills. The only way to really address the barriers to career progression in the industry is to change the classifications in the Award. Despite all our efforts, the HSU has not been able to achieve these fundamental changes in the classification structure across the industry through bargaining.

Changes in models of care

78. Historically, when older people were placed in care, they were placed in what we would describe as institutions. For example, it was common practice to have multiple residents living in one large room, their beds separated by curtains, as you would see in a hospital ward. There was very limited privacy, let alone dignity, in care. Residents were not able to choose when or what they ate and had limited say in their day-to-day schedule.

79. There has been both a legislative and philosophical change in the delivery of aged care. Our system, though not perfect, now centres on the rights of residents, as reflected in the Charter of Aged Care Rights with the key tenets of dignity, respect, choice and control. The new norm are single rooms with en-suites, menus and daily activities, of buildings that look like hotels rather than hospital wards. This is a good thing. It also makes the work of aged care workers more challenging in a range of different ways.

80. More recently there has also been a shift towards making residential aged care even more home like with an even greater emphasis on choice and flexibility. This home-like model of care sees residents reside within smaller groups. At its ideal, it resembles a share house where residents can make decisions about things like group activities or menu planning. Residents can eat together or at a time of their choosing. Residents are supported by the same carers and support staff to reinforce the homeliness of the environment. For example, at Uniting Care this is described as the Home Maker Model. There is a designated Home Maker role, a more senior carer who coordinates the other staff and oversees the running of the "home". The impact of the increasing prevalence of this model of care is that carers are now required to be multiskilled. Within the 'home' they cook, clean and provide physical and emotional care and activities for residents while responding to the individual needs of each resident.

Lauren Hutchins

Date: 01.04.21

Victorian Top 10 Largest Providers	**Number of beds**
Japara Aged Care Services Pty Ltd	3006
Bupa Aged Care Australia Pty Ltd	2632
Estia Investments Pty Ltd	2163
Mercy Aged and Community Care Ltd	2041
Regis Aged Care Pty Ltd	1883
Arcare Pty Ltd	1826
Royal Freemasons Ltd	1618
Baptcare Ltd	1447
Allity Pty Ltd	1289
Blue Cross Community Care Services Group Pty Ltd	1281
Western Australian Top 10 Largest Providers	**Number of beds**
Aegis Aged Care Group Pty Ltd	1830
Uniting Church Homes	1158
Regis Aged Care Pty Ltd	1018
The Bethanie Group Incorporated	891
DPG Services Pty Ltd	843
Amana Living Incorporated	752
Baptistcare Incorporated	716
Brightwater Care Group Limited	650
Fresh Fields Aged Care Pty Ltd	503
Southern Cross Care (WA) Inc	475
New South Wales Top 10 Largest Providers	**Number of beds**
The Uniting Church in Australia Property Trust (NSW)	5031
DPG Services Pty Ltd	3343
Bupa Aged Care Australia Pty Ltd	2941
Catholic Healthcare Limited	2515
Anglican Community Services	2364
RSL LifeCare Limited	2046
Estia Investments Pty Ltd	1907
Illawarra Retirement Trust	1840
Southern Cross Care (NSW & ACT) Limited	1758
The Frank Whiddon Masonic Homes of New South Wales	1593
Australian Capital Territory Top 10 Largest Providers	**Number of beds**
Goodwin Aged Care Services Limited	294
The Uniting Church in Australia Property Trust (NSW)	291
Warrigal Care Limited	288
RSL LifeCare Limited	256
BaptistCare NSW & ACT	229
Presbyterian Church (ACT) Property Trust	176

Johnson Village Services Pty Ltd	169
Pines Living Pty Ltd	130
Bunyundah Nominees Pty Ltd	114
Southern Cross Care (NSW & ACT) Limited	114

"LH-2"

HSU
ACT•NSW•QLD

SUBMISSION ON THE IMPACT OF COVID-19 IN AGED CARE

The Health Services Union NSW/ACT/QLD (HSU) represents more than 13,000 workers in the aged care sector. HSU members are on the frontline of the COVID-19 pandemic. They are carers, cleaners, cooks, laundry workers, recreational activities officers, administration officers, and allied health aged care specialists.

We make this submission on behalf of those members. It draws on information provided by them about their working lives and on the experiences of HSU officers in the field.

Summary of key points

- The aged care sector was much more proactive than the federal government in its response to the COVID-19 pandemic;
- Coupled with this, the skills and expertise of care workers, particularly in the area of infection control, contributed enormously to slowing the spread of the virus in NSW;
- The impact of the pandemic has been to expose and exacerbate existing issues within the aged care sector, such as understaffing, precarious employment, outsourcing, and chronic underfunding;
- One of the most serious consequences of cost-cutting measures has been the expectation placed on outsourced cleaners to clean facilities within unachievable and dangerously short timeframes;
- Paid pandemic leave, as recently introduced into relevant awards, is crucial to preventing the spread of COVID-19 within residential aged care, and the government must commit to fully funding two weeks' paid leave to guarantee that aged care workers, the bulk of whom have their employment conditions set by enterprise agreements, are afforded this entitlement;
- Serious consideration must be given to developing a new funding model which properly addresses the chronic underfunding of the sector and to this end, the HSU has commissioned a report which recommends a small increase to the Medicare Levy to properly and meaningfully fund aged care.

The immediate response to COVID-19

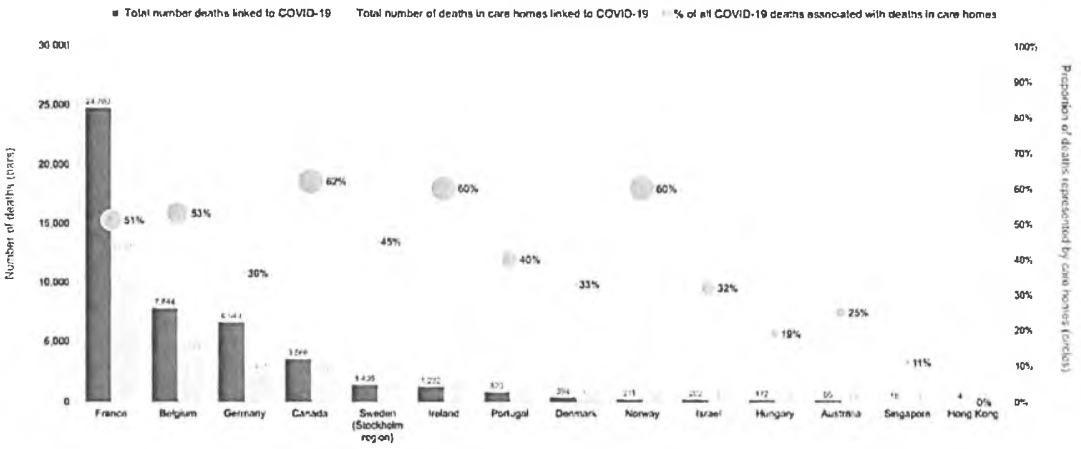
The Australian aged care sector moved rapidly in response to the COVID-19 pandemic. As early as 3 March 2020 RACFs in New South Wales commenced 'lockdown', that is, they were not allowing visitors except for family members of residents receiving end of life care.

The aged care sector was ahead of the federal government. On 16 March 2020 Senator the Hon Richard Colbeck Minister for Aged Care and Senior Australians announced that the government was encouraging RACFs to limit visits under national guidelines.

In New South Wales, the Public Health (COVID-19 Residential Aged Care Facilities) Order 2020 (the Order) came into effect on 24 March 2020.

The Order allowed for care and support visits, meaning: "...a visit of no longer than 2 hours made to the resident, by no more than 2 persons together, for the purposes of providing care and support to the resident." However, many RACFs maintained their lockdown restrictions for the safety of residents and employees.

The argument for lockdown restrictions is reinforced by relating the Australian experience to the international situation. Statistics compiled by the International Long-Term Care Policy Network show that countries that acted quickly and had strong systems in place to limit the spread of the virus not only kept the incidences of infection lower but also reduced the proportion of cases occurring in residential care.



The swift action taken by RACFs in saving lives cannot be underestimated, and the skills and expertise of care workers in the area of infection control contributed enormously to slowing the spread of the virus.

So what changed? How did we go from an internationally enviable position in aged care to now?

Because the federal government continues to react not lead. Instead of preparing for a second wave, the federal government prepared for easing visitation access into RACFs.

On 31 July 2020, the HSU again wrote to Minister Colbeck making some simple and desperately needed demands to prevent the spread of COVID-19 in aged care. The letter is attached as an annexure to this submission. These demands, as part of an Aged Care COVID-19 National Strategy are:

1. Mandated Personal Protective Equipment (PPE) use in every Residential Aged Care Facility (RACF) across the country;
2. Federal Government funding of PPE to every RACF to address any cost and supply issues;
3. Federal Government funding of paid pandemic leave for all aged care workers;
4. A National Primary Employment Program to support aged care workers, funded by the Federal Government; and
5. A surge workforce strategy that includes:
    a. Recruitment targets across the aged care skills mix (allied health, nursing, caring, and all

support roles), by state and territory;
b. Dedicated communications roles to support RACFs who work onsite during an outbreak;
c. Specific COVID-19 training for all surge workers;
d. Onsite management of surge workers and clear reporting guidelines.

No formal response has been received to date.

It is incomprehensible after Newmarch House, and now the devastation in Victorian aged care, that there still isn't a firm national direction on the use of PPE in aged care, nor a national workforce strategy.

28 people, 28 families.

Our figures show that since the first infection was recorded in NSW 15 RACF and Aged Care Independent Living communities have reported 61 COVID cases. Of these, sadly 28 aged care residents have died: 6 at Dorothy Henderson Lodge, 19 at Anglicare Newmarch House and 3 at Opal Care Bankstown.

On 3 March 2020 the first known COVID positive cases linked to an RACF were confirmed. A carer working at BaptistCare's Dorothy Henderson Lodge (DHL) in Macquarie Park had tested positive, so too a resident in her care. Over the coming weeks more employees and residents would become infected, and six residents would succumb to the virus.

Immediately the HSU began contacting members working at DHL and the two surrounding Anglicare facilities Cooinda Court and Shalom House. Many working at DHL had already been sent into self-isolation. There was very little information made available to them about the virus or what was happening at work. Members were scared with several having highly vulnerable family members to consider or themselves falling into high risk categories.

On 4 March 2020, the HSU wrote to Baptist Care management seeking assurances on the support being provided to employees who were in self-isolation and the safety of those continuing to work on site. The following day, after receiving no response from BaptistCare management the HSU issued a notice to inspect the DHL facility, and entered the premises at approximately 2.30pm on 5 March 2020.

> ***It was a hive of activity. People in head to toe PPE moving around the facility, but not a resident in sight. It looked like a sci-fi film but so it should.***
>
> HSU Official

HSU Officials met with Anderson Millen (BaptistCare Regional Operations Manager) who confirmed:

- Six employees were in self isolation
- NSW Public Health Unit and the Clinical Excellence Commission had visited the facility and were providing clinical guidance as well as PPE from the NSW Health stockpile
- BaptistCare had not contacted the employees in self isolation
- BaptistCare had not held discussions with employees at Cooinda Court or Shalom House

Rumours amongst employees were circulating that the infected carer had worked at Cooinda Court prior to being tested. Concerningly Mr Millen could not categorically deny this during the inspection, though later confirmed that this rumour was in fact incorrect.

Observing the facility, HSU Officials confirmed that adequate PPE was being supplied to employees and based on the comments made by Mr Millen, clinical support was available to ensure safe processes

were being followed. The major flaw in their response was BaptistCare's failure to implement a structured communications strategy targeted at their employees.

> ***Some workers had been off for two days self-isolating and no one at BaptistCare thought to give them a call to make sure they were ok. Says a lot really.***
>
> HSU Official

On 24 March Opal Care Bankstown recorded its first case of COVID-19. Again the HSU reached out to members and wrote to Opal Care requesting information. Members were scared having seen how COVID spread across DHL and just how deadly the virus was. The RACF can provide care for 155 residents at full capacity so the consequences of any systems failure would have been devastating.

By comparison Opal Care had a better communications strategy in place and were faster to respond to HSU requests for information. Perhaps Opal Care was better placed having had some experience in crisis management or having prepared after observing the DHL experience. Either way the experience of HSU members at Opal Bankstown was less emotionally fraught in those initial days.

On 11 April 2020, a carer working at Anglicare's Newmarch House in Kingswood tests positive for COVID-19. The carer had worked five shifts over an eight-day period at Newmarch House while likely infected, as well as working at Greystanes Disability Services.

The HSU wrote to Anglicare seeking confirmation of the support being offered to employees and clarification as to why an employee could work for so long undetected. Anglicare responded:

- *All staff are screened on entry and are not allowed in if they have illness symptoms, travelled overseas in last 14 days or been in close contact with anyone who has tested Covid19 positive.*
- *The care worker was seen by the Manager of Newmarch House on 6th April 2020 and displayed no symptoms at all.*

It is unclear if the carer was temperature checked on arrival as part of the "screening" process.

In reaching out to members at Newmarch House, HSU Officials observed an existing breakdown in the relationship between employees and management. One member in self isolation who had worked at the facility for years stated that local management would not have been able to identify her by name.

> ***When I got her [local manager's] call I was surprised. She would have had to look at a staff list. She wouldn't know me from a bar of soap.***
>
> HSU Member working at Newmarch House

As the outbreak spread Newmarch employees were sent into self-isolation and a "surge workforce" strategy was implemented. The HSU understands that the strategy sees the engagement of workers through a number of selected agencies.

Members employed by these agencies reported to the HSU that in those early days there were inadequate staff on the floor. Carers in the "non COVID" areas were working 12-hour shifts overseeing up to 16 residents. It is unclear what the staffing levels were in the "COVID" areas. In those critical first days Anglicare did not have enough staff on the floor to minimise exposure and risk.

It is worth noting the experience of the HSU that many aged care workers employed by agencies are on

student or temporary working visas, making them vulnerable to unsafe and unreasonable demands for fear of termination or even deportation.

In one of their public forums with residents' families, Anglicare management said that part of the staffing problem arose from some surge workers not being told that their assignment was Newmarch House until the day, and promptly deciding not to attend work. This begs the question, what systems, what training, what supports were in place for this "surge workforce" when they themselves didn't know they were part of it.

Each day saw more new cases and an increased number of affected facilities. Families tried desperately to find out what was happening on the inside, how their loved ones were being cared for. The utter failure of Anglicare management to communicate with families has been widely covered, seemingly an extension of its poor communications practices with its own employees.

On 4 May there were reports, later confirmed, that Aspen Medical, one of the agencies used to supply the surge workforce had been directed to stand down an employee for potential breaches of infection controls. It is astounding to think that this organisation, which has pocketed $57 million for its role in the COVID response, could have allowed such a failure to occur.

Finally, on 6 May the Aged Care Quality and Safety Commission (ACSQC) stepped in and demanded that an independent adviser be appointed to oversee the operation of Newmarch House, or Anglicare faced having its license to operate the facility revoked. By this stage 16 people had died and 69 people had been infected. Why did it take so long for the ACSQC to respond?

Other questions need to be answered. Why was the decision made to keep residents who were COVID negative at Newmarch House instead of being moved to hospital or some form of supported in home care with family? Why was neither the NSW nor federal government prepared to take full control of operations at Newmarch House? What preparations if any were made for the surge workforce, and why did these fail so dismally?

There will here rightly be a coroner's inquest into the 19 people who died at Newmarch House. Perhaps at this time those in positions of authority, who had the power to act but didn't, will be held to account.

Effect of COVID-19 on working conditions in aged care

The impact of the COVID-19 pandemic has extended beyond those facilities where infections were recorded and where tragically people have died. This pandemic has exposed and exacerbated the myriad existing issues within the aged care sector, especially those pertaining to staffing and employment conditions.

One such issue that has been brought to the forefront is that of workers with secondary, sometimes even tertiary, employment. Precarious employment in the aged care sector primarily takes the form of very low hour part-time contacts, rather than casual employment. While this provides flexibility for the employer, it comes at the expense of the worker who must take on additional employment to make ends meet.

Where employers have attempted to safeguard their facilities in the midst of the COVID-19 crisis by attempting to place restrictions on their staff working second jobs, workers are made to bear the costs themselves of a risk that employers have taken in prioritising the flexibility of their workforce over job

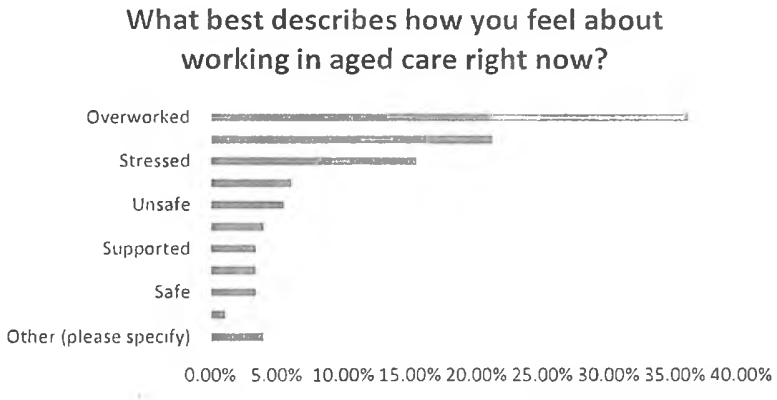
security. For many, the very low pay in personal care work, coupled with the loss of secondary income, would mean inability to pay bills, and afford housing and medical care.

In other circumstances, employees are engaged on contracted hours significantly lower than the hours for which they are usually rostered, making it very easy for employers to drastically and suddenly cut the hours of their staff. Some employers who have seen reduced occupancy since March are responding by doing just this.

This precarity is a consequence of severe underfunding, whereby occupancy margins are so narrow that a decline in occupancy of just a couple of percentage points can threaten the viability of not-for-profit providers and small regional and remote providers. In a context where the workforce is already stretched far too thin, introducing further cuts to staffing and conditions is dangerous.

While some larger providers have been broadly unaffected by the pandemic, many are experiencing such a reduction in new residents that it is affecting their ability to bargain with workers for desperately needed improvements to pay, job security, and conditions.

In May of this year the HSU conducted a survey on the effect of the pandemic on aged care workers. Just over 500 members responded, and those responses reflect the added strain the COVID-19 crisis has imposed upon a labour force already under-resourced and overworked.



Members cited inadequate staffing, lack of personal protective equipment (PPE) and the presence of COVID-19 in the community as major factors in opposing the relaxation of restrictions.

> ***Not enough staff or support systems in place. Visitors are not educated enough in the impacts it can have on the elderly and we will be left to clean up their mess.***
>
> HSU Member- Care Service Employee

> ***...families not following restrictions guidelines, [wandering] around the facility into other residents' rooms staying longer time than allocated and not following the 1.5 distance rule. I feel unsafe at work now.***
>
> HSU Member- Care Service Employee

This concern was reinforced by the comments of members working in RACFs that were allowing visitors inconsistent with the Order. The HSU has received reports of aggressive visitors, of family members sneaking into RACFs to visit residents.

> ***I don't think they have offered enough support during COVID-19. We have had many aggressive visitors not wanting to comply with restrictions. Our facility has continued with visits from family- complying with government regulations.***
>
> HSU Member-Lifestyle Coordinator

> ***I have been forced to be concierge to allow people into our facility. It was terrifying at first not knowing if I was at risk or putting others at risk or my family at risk. I was told you are lucky you have a job so as not to ask questions.***
>
> HSU Member

Members were also concerned for the mental health of residents who had not been able to see their loved ones.

> ***Our residents need contact with family to ensure their mental and physical wellbeing.***
>
> HSU Member- Client Services Officer

> ***Residents need emotional support by loved ones as workers are understaffed and overloaded with responsibilities.***
>
> HSU Member - Care Service Employee

When asked what would make their jobs safer members responded clearly:

- More staff
- Greater access to PPE (masks, gloves, hand sanitisers)
- Compulsory testing of staff and residents
- More supportive management
- Maintaining the restrictions to visitations

> ***More staff on the floor, as a carer you always feel drained. This job is not for the faint hearted, and since COVID came in... nothing has changed in terms of the workload, it's more.... carers do the extra cleaning and sanitising, more documentation, taking more precaution, hence all the extra Covid-19 training which all workers must adhere to, yet are there more staff on the floor to cope with the workload? a big fat NO!!!***
>
> HSU Member- Care Service Employee

> ***Better PPE, More staff, better equipment and education, not being over worked and being blamed when things are not working out where staff will then be stressed out and hurt themselves, family to have better understanding on how hard it is to work in aged care.***
>
> HSU Member- Care Service Employee

Understaffing in aged care was already a concern before the COVID-19 pandemic. The HSU submission to the Royal Commission into Aged Care Quality and Safety drew attention to the chronic underfunding of the aged care sector, one of the major effects being inadequate staffing levels. The Royal Commission highlighted this issue in its Interim Report.

Working 'short' due to funding constraints has a significant impact on the aged care workforce and their ability to deliver high quality and safe care to residents. Adding more duties, like visitor checks or additional cleaning, to an already excessive workload can only be detrimental to residents and aged care workers.

> ***It's already over my limits of workload. If I have more family to visit, I'll not handle it. Also in case of spreading covid19 from visitors, I will be the innocent victim and my family may be in danger as well because of me. Additionally, old people at aged care are very weak and vulnerable. Who will have responsibilities of all the worst cases what if outbreaks happen?***
>
> HSU Member- Care Service Employee

> ***It is already stressful not to have enough staff to deliver everyday needs to residents, on top of that some family members are non-appreciative. And now coming to work and thinking that we can acquire virus any second is really scary. For sure, we are scared to work in this unsafe working environment.***
>
> HSU Member- Care Services Employee

> ***It puts me and my family at risk for a lousy $23 per hour. Not much more than the dole at the moment. Makes me wonder why I bother. I do the right thing and home-school my 3 children so they don't get it and give it to me which I then take to work but now the government is undoing all our sacrifices.***
>
> HSU Member- Cook

Aged care workers continue to put themselves and their families at risk. On top of this, in an underemployed and overly casualised workforce far too many workers have limited job security and no access to adequate leave. The average aged care worker gets paid $550 a week, an appalling figure considering the work they have done since the COVID-19 pandemic was declared.

> ***Care Service employees put their own and family's health at risk every day during an outbreak/pandemic, we also worry about taking any infections into our work place and infecting residents. During these times if an outbreak occurs in our workplace, we would continue to care for our residents putting further risk on ourselves. Our commitment to our work is greatly undervalued and underpaid. I would hope in the near future we are paid more closer to our worth. During this current covid19 pandemic those still working are the least paid. Although this would most likely never happen as we care for those most vulnerable, but imagine what would happen if we all went on strike or quit.***
>
> HSU Member- Care Service Employee

Consequences of outsourcing work and the experiences of agency staff

The ability of the aged care sector to efficiently, comprehensively, and dynamically respond to COVID-19 risks and outbreaks has been hampered by the extent to which key parts of aged care provision, such as cleaning and catering, are outsourced to contractors solely as a means of achieving cost savings. In the context of a pandemic outbreak, these services are crucial to the health and hygiene standards of a facility. Yet, the ability to adopt uniform policies is impeded when staff at a single facility are employed by a variety of different organisations with divergent practices and employment conditions.

Indeed, aged care providers often use outsourced cleaning companies to implement key infection control

measures within their facilities, forfeiting any level of oversight of outsourced functions. Where there are issues of non-compliance by contractors, aged care providers similar do not see it as their responsibility. Alongside issues of non-compliance, there are very serious issues in terms of thoroughness and the sufficient allocation of time to complete tasks. In an instance raised by a contract cleaner to the union, time constraints have meant that cleaners may only have about four minutes to clean a resident's room where fifteen minutes would be necessary.

It is worth noting that both Anglicare and Dorothy Henderson Lodge engaged contract cleaners in the lead up to outbreaks in their facilities.

Another particular point of concern has been the experiences of agency workers, called in to assist at COVID-19 affected facilities requiring additional staffing support. These "surge" workers have been at the coalface of the pandemic. As previously stated, agency staff are not made aware of where they will be sent to work until the commencement of their shift. Had agency staff been afforded the respect of consultation, their needs and preferences may have been met, both for those willing staff who wanted the opportunity to help out at COVID-19 impacted sites and those staff who had overriding concerns and hesitations about COVID-19 risk if sent to impacted sites.

Paid Pandemic Leave entitlements

The belated recognition of the need for two weeks of paid pandemic leave for workers required to self-isolate has led to its inclusion as an entitlement in the award. However, the aged care sector is one predominantly covered by enterprise agreements, with only about 10% of aged care facilities being award reliant. This means that the introduction of paid pandemic leave in the awards relevant to aged care by no means guarantees that its benefits will be seen across the sector.

Further, the responses by enterprise agreement covered employers to this development have been varied. While some employers have been granting two weeks paid pandemic leave to workers since the start of the pandemic, many can only afford to partially implement the entitlement by offering a few days paid special leave in additional to existing personal leave balances. Others still cannot afford to provide any paid pandemic leave at all, demonstrating once again the chronic underfunding the aged care sector.

It is clear that, to ensure the ongoing safety of aged care residents and to prevent potential exposure to the virus, the government should commit to fully funding two weeks' paid pandemic leave for all aged care workers.

Aged Care funding for the future

Aged care in Australia was already in crisis before the pandemic. Any examination of the sector's ill preparedness must look at the impact chronic underfunding has had on resourcing.

In early 2020 the HSU commissioned economic analysts and policy advisers Equity Economics to explore sustainable funding models that would deliver high quality care and ensure proper remuneration for the aged care workforce.

Their report, together with a two-page summary, is annexed to this submission. It finds that:

> *Australia's residential aged care sector is not fit for purpose. Inadequate funding, poor transparency and a range of workforce challenges are failing older Australians. International*

> *comparisons reveal that based on current staff ratios, **only 42.5 per cent of Australian Aged Care Homes would be considered satisfactory under the star rating system used in the United States of America.** Australian aged care residents receive fewer total hours of care than international counterparts.*

The report makes three major recommendations:

- Lift quality standards through greater transparency and better quality information, applying the star rating system;
- Implement a new funding mechanism that reflects the true costs of providing care; and
- Address the inadequate pay of the hard-working aged care workforce.

It estimates that:

> ***The additional cost of delivering high quality, decent care to older Australians in residential aged care is between $2 billion and $20 billion over four years, depending on the ambition of reform.***
>
> ***To meet these costs, the Medicare Levy would need to increase by between 0.1 and 0.65 per cent.***

The argument for funding via an increase to the Medicare levy is supported by the Commission's own Research Paper No 6: Australia's Aged Care System: Assessing the Views and Preferences of the General Public for Quality of Care and Future Funding which recorded survey results indicating that:

> *Most members of the general public indicated that they would be willing to support aged care quality improvements by paying more tax. Two-thirds of the sample indicated that they currently pay income tax and the majority of current income taxpayers (61%) indicated they would be willing to pay more income tax to support a quality aged care system. These taxpayers were willing to pay an additional 1.4% per year on average to ensure that all Australians in need have access to a satisfactory level of quality aged care, and an additional 3.1% per year on average to ensure that all Australians in need have access to a high level of quality aged care.*

The COVID-19 crisis has exposed the realities of a failing system. That system can be repaired, but it will take urgent action and a commitment from government, providers and the wider community to supply the funding and resources needed to ensure the safety and wellbeing of our elderly and of the staff who care for them.

Authorised by Gerard Hayes, Branch Secretary
HSU NSW/ACT/QLD
Level 2, 109 Pitt St
Sydney NSW 2000

Contact:
Donna Austin, Research Officer
Ph: 0419 608 178 donna.austin@hsu.asn.au

Alison Goodwin, Research Officer
Ph: 0423 398 308 alison.goodwin@hsu.asn.au

DELIVERING DECENT RESIDENTIAL AGED CARE:

Funding The Care Elderly Australians Deserve

Australians have been shocked to hear how our current system of residential aged care is failing older Australians.

> *"We have found that the aged care system fails to meet the needs of our older, often very vulnerable, citizens. It does not deliver uniformly safe and quality care for older people. It is unkind and uncaring towards them. In too many instances, it simply neglects them."*
> *Aged Care Royal Commission Interim Report, 2019*

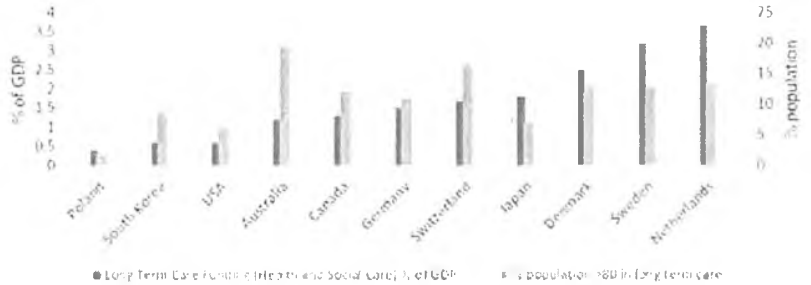
Covid-19 has only added to the precarious position of elderly Australians living in residential aged care. Our report provides a clear and affordable road map to delivering decent residential aged care for all Australians.

Inadequate funding, poor transparency and workforce challenges are failing around 300,000 older Australians living in residential aged care. As our population ages, the problems will only get worse.

Only 43% of Australian Aged Care Homes are considered satisfactory under the star rating system used in the United States.

To match comparable OECD countries, and lift the quality of aged care, Equity Economics estimates that Australia needs to spend an additional 0.5% of GDP annually, equivalent to an additional $9.7 billion per year on long term aged care services.

Figure 2: International Comparisons
(OECD Health Statistics 2019)



IN ORDER TO DELIVER HIGH QUALITY CARE WE RECOMMEND

- **Lift quality standards through greater transparency and better quality information, applying the star rating system;**
- **Implement a new funding mechanism that reflects the true costs of providing care; and**
- **Address the inadequate pay of the hard-working aged care workforce.**

This reform agenda would improve people's awareness and ability to assess aged care options for their family members; address the rising cost of aged care as a result of ageing, more complex needs, rising dementia; and lift quality by increasing the number of staff caring for aged care residents and attracting a caring and skilled workforce by lifting wages above the minimum wage.

Equity Economics estimates that the additional cost of these reforms is between $2 billion and $20 billion over 4 years, depending on the ambition of reform. To meet these costs, a modest increase in the Medicare Levy by between 0.1% and 0.65% is required.

High quality, safe and decent care for older Australians can be achieved if we can agree as a society to lift the Medicare Levy from its current level of 2% to 2.5%

Cost is often cited as the reason for a lack of reform. However, this report demonstrates that the cost of providing a decent level of care to older Australians is well within our reach.

> *"Growing old should be a dignified experience where self-respect can be maintained. The next generation must have confidence that their basic physical, psychological and human needs will be met and hopefully exceeded when they are at their most vulnerable." Lisa Backhouse's statement to the Aged Care Royal Commission, Darwin, 11 July 2019*

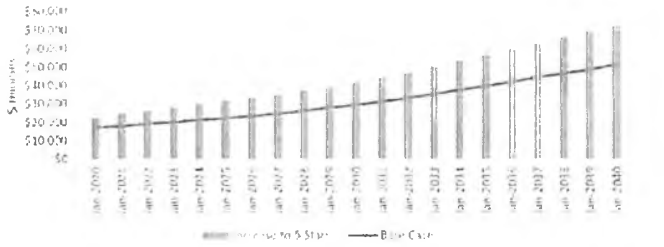
Due to population ageing, Equity Economics projections find that the amount the Government spends on residential aged care will increase over the next 20 years from around $13 billion in 2020 to almost $40 billion in 2040. However, as a percentage of GDP this is only an increase from around 0.9 per cent of GDP in 2020 to 1.1 per cent of GDP in 2040. A greater investment is needed if we are to provide older Australians with dignity in residential aged care.
At the same time, the sector is estimated to need to double and attract an additional 100,000 workers over the next 20 years.

Personal care workers in aged care are amongst the lowest paid workers in our society, despite being the most important person in the day to day care of aged care residents. While a sales assistant earns $25.58 per hour, a petrol station attendant earns $22.97 an hour, the average personal care worker earns just $22.87.

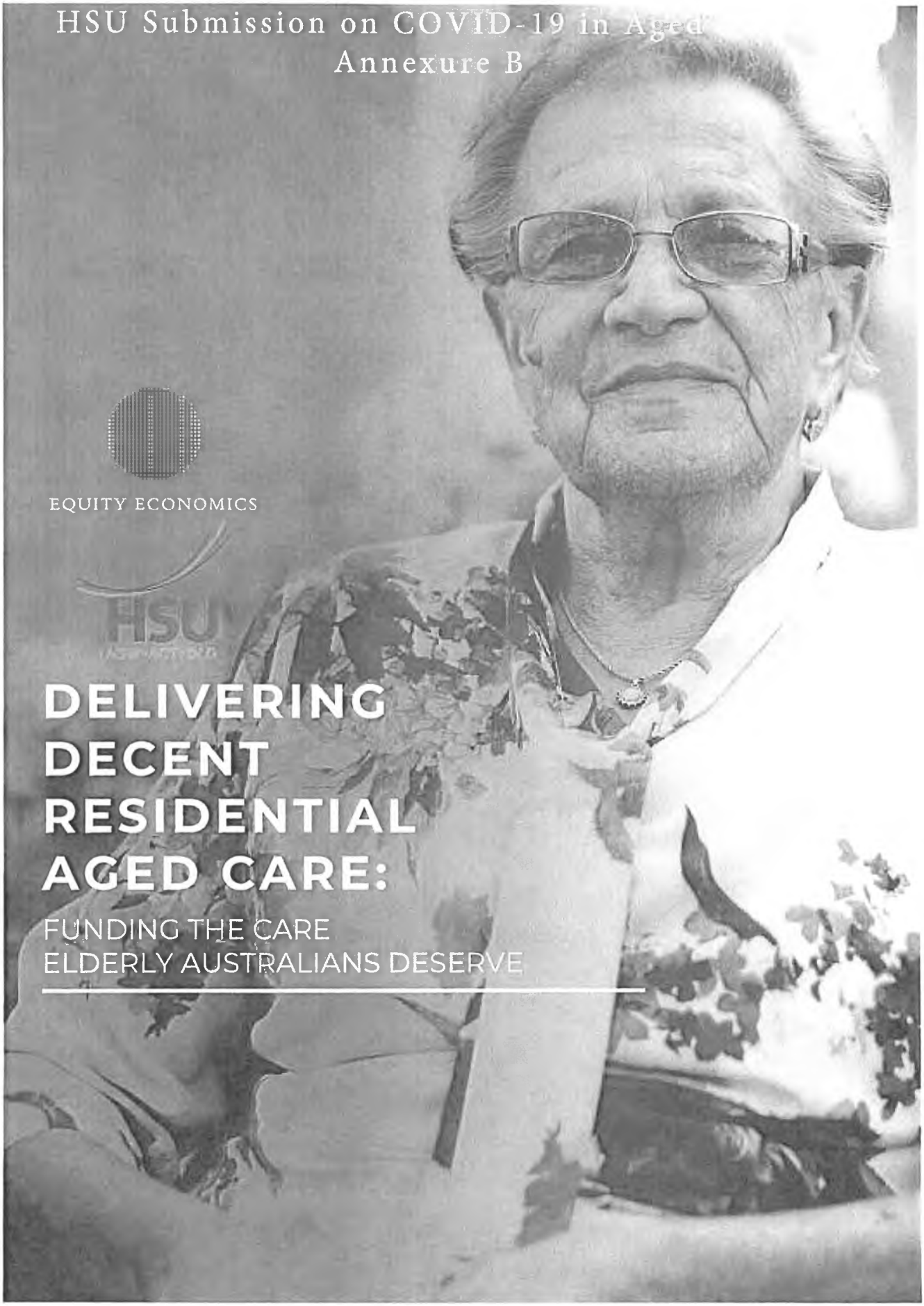
> *"Workforce is another key issue that has plagued the sector for a long time...Aged Care is not typically highly valued and aged care workers are paid less than other health care workers, making it very hard to attract and retain the best people. The issues are even greater in rural and regional areas." Frank Price, CEO of Royal Freemason' Benevolent Institution*

A pay rise for aged care personal care workers of 25% delivered over 4 years in real terms and increasing the number of care hours to meet the five star benchmark would increase the cost of aged care by $20.4 billion over 4 years. This would increase the spending on residential aged care in Australia from 0.94 % of GDP to 1.19% of GDP over 4 years.

Increase residential aged care quality standards to 5 Stars and Deliver aged care workers a long overdue pay rise



Aged care is an investment we can no longer afford to ignore. We have an opportunity to support the most vulnerable Australians, a critical workforce and lift the standards of care we will all ultimately face.



EQUITY ECONOMICS

HSU

DELIVERING DECENT RESIDENTIAL AGED CARE:

FUNDING THE CARE ELDERLY AUSTRALIANS DESERVE

Delivering Decent Residential Aged Care: Funding the Care Elderly Australians Deserve

Executive Summary

A global pandemic has once again revealed the precarious position of many elderly Australians living in residential aged care. With infections spreading through many aged care facilities, aged care workers putting themselves at risk, and resources being stretched to their limits to protect our most vulnerable citizens, the need for reform of our aged care sector is once again in the spotlight.

Unfortunately, this does not come as a surprise. Rather, it follows startling evidence and interim findings of the Royal Commission into Aged Care Quality and Safety in 2019, which confirmed that our current system of residential aged care is failing older Australians. To our nations great shame, the Royal Commission's Interim Report found that Australia's aged care system does not guarantee the delivery of safe or high quality care, is often unkind and uncaring towards older people and, in too, many instances, neglects them.[1]

Australia's residential aged care sector is not fit for purpose. Inadequate funding, poor transparency and a range of workforce challenges are failing older Australians. International comparisons reveal that based on current staff ratios, ***only 42.5 per cent of Australian Aged Care Homes would be considered satisfactory under the star rating system used in the United States of America.*** Australian aged care residents receive fewer total hours of care than international counterparts. As our population ages and the number of people relying on residential aged care services increases, the failures evident in the system will only get worse.

In this report we review the challenges confronting residential aged care in Australia, including the low quality of care afforded by the current system and challenges confronting the aged care workforce. We explore a range of responses recommended by the Royal Commission, including lifting quality standards through greater transparency, increased funding, a new pricing model and addressing the inadequate pay of the hard-working aged care workforce. Drawing on original research and modelling, we forecast the additional cost of such a system and provide a number of options to fund additional expenditure.

The additional cost of delivering high quality, decent care to older Australians in residential aged care is between $2 billion and $20 billion over four years, depending on the ambition of reform.

This reform lifts quality by increasing the number of staff caring for aged care residents and attracting and retaining a caring and skilled workforce by lifting wages above the minimum wage.

To meet these costs, the Medicare Levy would need to increase by between 0.1 and 0.65 per cent.

High quality, safe and decent care for older Australians can be achieved if we can agree as a society to lift the Medicare Levy from its current level of 2 per cent to 2.5 per cent.

This analysis demonstrates that high quality, decent residential aged care is achievable in Australia.

The recent health crisis and its sustained impact on the broader economy, demonstrate that ignoring the most vulnerable, poses a significant risk to all Australians. We cannot afford, nor can we continue to accept, the neglect of our elderly.

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[1] Royal Commission into Aged Care Quality and Safety (2019), Interim Report: Neglect

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About the Authors

Equity Economics is a unique economic consultancy firm commited to more inclusive economic growth and social policy. Founded in 2013, *Equity Economics* provides high-quality economic analysis and policy advice to a broad range of not for profit, community, corporate and government organisations. Our team is united by a commitment to addressing issues surrounding inequality and promoting access to quality services. Our skills span economic and health policy, social inclusion and participatory development. A driving motivation for our team is ensuring the community sector has access to the economic and financial skills and resources needed to thrive.

Introduction

On the face of it, Australia's aged care system is working well, delivering 300,000 Australians care every day. The majority are in residential aged care, with 188,000 residents and a further 109,000 people receive long term care in their own home.[2]

In 2017-18 Australia's aged care system quality assurance system judged that 97 per cent of residential aged care providers met the minimum standards.[3]

These impressive statistics hid systematic issues with quality and safety of care across the residential aged care system uncovered by the Aged Care Royal Commission.[4] The system has revealed itself to be fragmented, unsupported and underfunded.[5]

> *"We have found that the aged care system fails to meet the needs of our older, often very vulnerable, citizens. It does not deliver uniformly safe and quality care for older people. It is unkind and uncaring towards them. In too many instances, it simply neglects them."*
>
> *Aged Care Royal Commission Interim Report, 2019*

Counsel assisting the Royal Commission have noted that the in order to achieve high quality, safe and person-centred aged care services, there needs to be action on staffing numbers and mix, skill levels, remuneration and conditions of work.[6] ***Addressing these issues today will ensure that a growing number of Australians that will rely on residential aged care into the future can be assured of receiving quality and safe care.***

But as recognised by the Royal Commission in its 24 June 2020 Consultation Paper on Financing Aged Care, this will require additional spending that will need to be funded through either increased taxation, new models of financing or increased user fees[7].

Case study: The Perspective of a family member of an aged care resident

Extract of Lisa Backhouse's statement to the Aged Care Royal Commission, Darwin, 11 July 2019.

The aged care sector has undergone a monumental shift over the past decade, but reform has not kept pace.

When Mum entered the system the majority of residents were low care. The facility was essentially a supporting living arrangement where meals, laundry, cleaning and medical services were provided but normal life continued to a substantive degree. By the time Mum was deemed high care the centre had also morphed, much like a frog in boiling water, into a secure dementia facility where the doors no longer opened without code access, and hoists, electric hospital beds and medical paraphernalia were the norm.

The majority of residents are now (sic) high care patients and around half suffering some form of dementia. Their needs are greater than ever before and the work of the carer so much more important.

[2] Australian Institute of Health and Welfare (2020.) GEN fact sheet 2018–19: People using aged care. Canberra: AIHW.
[3] Dyer SM, Valeri M, Arora N, Ross T, Winsall M, Tilden D, Crotty M (2019). Review of International Systems for Long-Term Care of Older People. Flinders University, Adelaide, Australia.
[4] Royal Commission into Aged Care Quality and Safety (2019), Interim Report: Neglect
[5] Ibid.
[6] Royal Commission into Aged Care Quality And Safety Counsel Assisting's Submissions On Program Redesign (2020), Adelaide Hearing, 4 March 2020
[7] Royal Commission into Aged Care Quality and Safety (2020), Consultation Paper 2: Financing Aged Care, 24 June 2020

The vast majority of carers are loving, compassionate and diligent people who bring a wealth of pride to their work. They have extremely hard jobs and they do it well under the circumstances. However, they desperately need more training and better qualifications to meet the increasing demands and the complex needs of residents.

The workforce must be professionalised to improve standards and quality of care and, yes, that means regulation and appropriate funding and remuneration. It means developing proper career pathways to attract and retain the best employees. It is expensive and it's going to become more so as the baby boomers enter the system, but change must come, and it must come quickly.

Older Australians like mum have given of their bodies, minds and spirits to grow a future for their families and communities and have laid the foundations of a society we enjoy today. Growing old should be a dignified experience where self-respect can be maintained. The next generation must have confidence that their basic physical, psychological and human needs will be met and hopefully exceeded when they are at their most vulnerable.

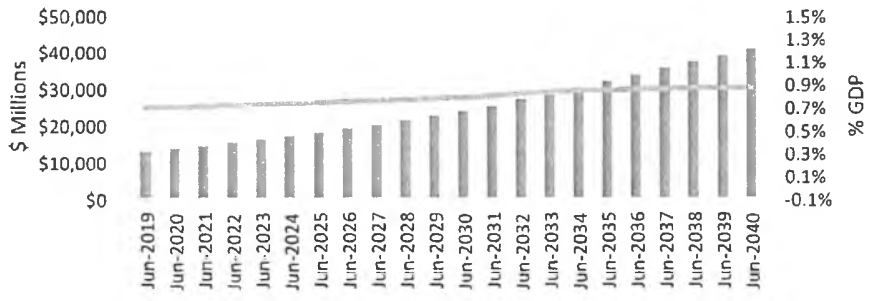
The current situation is heartbreaking at best, criminal at worst. When we look back in years to come, much like the orphanages of yesteryear, this will be our country's greatest shame.

Growing Costs of Aged Care

There is a widely held concern that the costs of aged care are going to skyrocket and become unaffordable as the population ages.

Due to Australia's ageing population the amount the Government spends on residential aged care will increase over the next twenty years, from around $13 billion in 2020 to almost $40 billion in 2040.[8] However, as a percentage of GDP this is only an increase from around 0.9 per cent of GDP in 2020 to 1.1 per cent of GDP in 2040.[9]

Figure 1: Increasing Costs of Aged Care



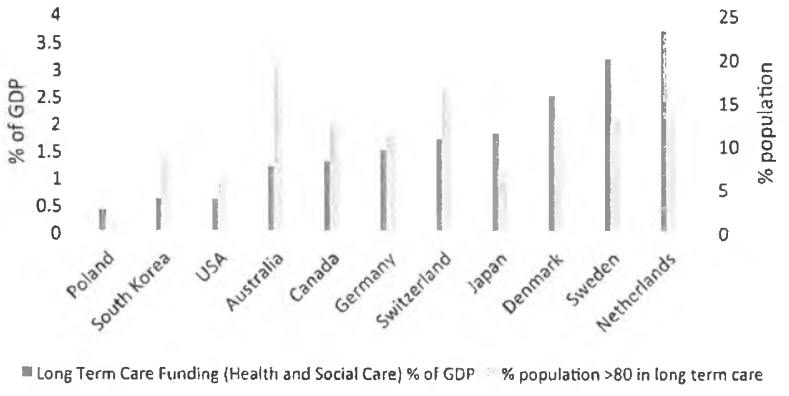
Despite Australia having a larger percentage of our over 80 population living in residential accommodation, it currently spends less than comparable countries in the OECD on long term care.[10]

Australia spends an estimated 1.2 per cent of GDP on long term health and social care, which includes approximately 0.9 per cent of GDP on residential care.[11]

[8] Calculations by Equity Economics (see Appendix)
[9] Calculations by Equity Economics (see Appendix)
[10] Dyer SM, Valeri M, Arora N, Ross T, Winsall M, Tilden D, Crotty M (2019). Review of International Systems for Long-Term Care of Older People. Flinders University, Adelaide, Australia.
[11] Dyer SM, Valeri M, Arora N, Ross T, Winsall M, Tilden D, Crotty M (2019). Review of International Systems for Long-Term Care of Older People. Flinders University, Adelaide, Australia and author's own calculations.

To match comparable countries, Australia needs to spend an additional 0.5 per cent of GDP, which is equivalent to an additional $9.7 billion per year on long term aged care services annually.[12]

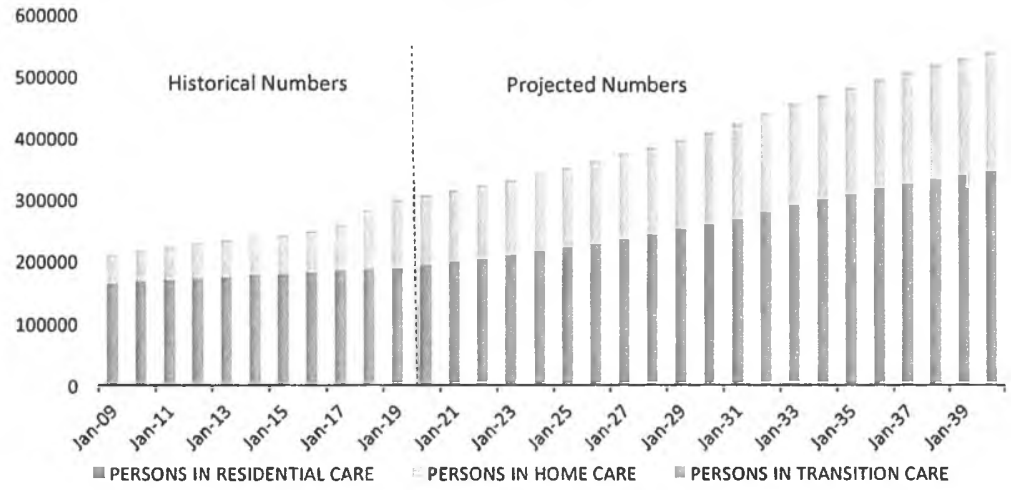
Figure 2: International Comparisons[13]



Growing Number of Australians Needing Care

Over 188,000 Australians currently live in residential aged care facilities[14], because they are unable to be cared for at home. ***Due to an ageing population the number of Australians living in residential aged care is projected to increase to around 350,000 by 2040.***[15]

Number of Receiving in Aged Care



The needs of people living in residential aged care are also changing, with greater acuity and increasing numbers of people with dementia entering aged care.[16] This is driven partly by the ageing population, but also Government policies which aim to keep people in their homes for longer.[17]

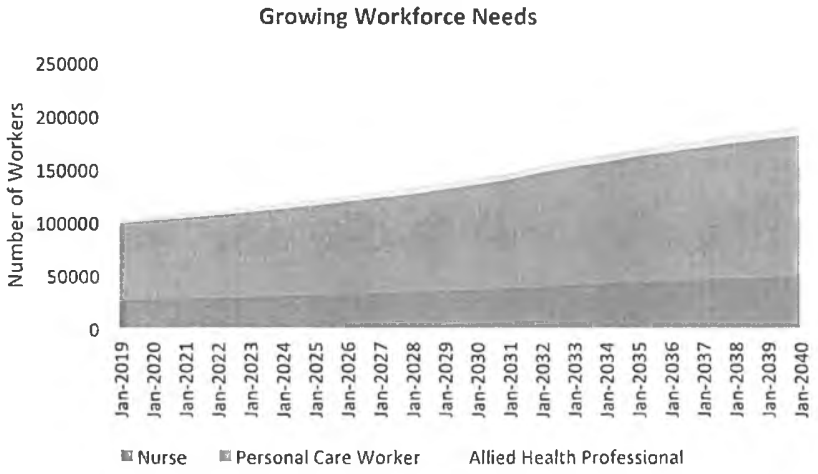
[12] Equity Economic calculation
[13] OECD Health Statistics 2019
[14] Australian Institute of Health and Welfare 2020. GEN fact sheet 2018–19: People using aged care. Canberra: AIHW.
[15] Calculations by Equity Economics (see Appendix)
[16] Aged Care Workforce Strategy Taskforce (2018), A Matter of Care Australia's Aged Care Workforce Strategy, June 2018
[17] Ibid.

The number of Australians with dementia is expected to continue to grow, from around 459,000 in 2019 up to 800,000 by 2040.[18] Additional complexity makes the provision of high quality care more important to outcomes, but also adds to the need for a highly skilled, trained and adequately resourced workforce in aged care.

Growing Workforce Needs

In order to meet the future demand for aged care services the aged care workforce needs to grow. Ensuring that the sector continues to attract and retain highly skilled workers will become more difficult. Particularly as demand for care workers in the disability sector is also growing.[19]

We estimate by that the residential aged care will require an additional 100,000 workers over the next twenty years due to an ageing population, taking the total caring workforce to 200,000.[20]



The Government's 2018 Workforce Strategy highlighted some of the issues facing the industry in meeting these future needs, including the undervaluing of the personal care workers role.[21] Personal care workers in aged care are amongst the lowest paid workers in our society, despite being the most important person in the day to day care of aged care residents. For example:

- Retail Sales Assistant (ALDI) – Average Hourly Pay $25.58
- Gas Meter Reader – Average Hourly Pay $22.97
- **Average Personal Care Worker - $22.87**

Source: Wage comparator website: payscale.com.au

However, there is currently no Government strategy in place to lift wages and address the undervaluing of the workforce, which drives shortages of qualified care workers. This presents a real risk of shortages and skill gaps that will further undermine the quality of care received by older Australians in residential aged care.

[18] Australian Institute of Health and Welfare (2014), Australia's health 2014. Australia's health series no. 14. Cat. no. AUS 178. Canberra.
[19] Aged Care Workforce Strategy Taskforce (2018), A Matter of Care Australia's Aged Care Workforce Strategy, June 2018
[20] Calculations by Equity Economics (see Appendix)
[21] Aged Care Workforce Strategy Taskforce (2018), A Matter of Care Australia's Aged Care Workforce Strategy, June 2018

Moving towards a system that provides high quality and safe care for all Australians needing residential aged care will require systematic reforms to funding of aged care; improving transparency and the quality of information on aged care; and expanding the aged care workforce.

With Australia's aged care system in crisis, and future pressures looming, the market structure of the sector is critical. In the next chapter we explore the market for aged care services in Australia, how it compares to international best practice and what reforms are needed to deliver high quality care.

Building a stronger market for aged care

The aged care sector in Australia has been established as a quasi-market, with providers funded largely by Government based on the number of residents in care and residents free to choose their aged care provider. Providers are free to charge consumers above the Government subsidies.

There are alternative models to fund aged care, including block funding, competitive tendering and government provision. We do not explore these in this report, instead focusing on what theory and empirical research indicates about the market characteristics needed to drive high quality and safe care in quasi-markets.

Economists champion markets as the best way to drive optimal levels of quantity and quality. More competition between providers drives more efficient allocation of resources. However, in order for this to occur the market for aged care needs to conform with the characteristics of a perfect market.

The market for aged care has a number of 'imperfections' including:

- Measuring outcomes and success is difficult.[22] This is because the impact of provider effort on outcomes is hard to determine due to the differences between residents that are unobservable and the long time frames over which outcomes occur.
- Quality has many dimensions and assessment of quality is subjective and heavily influenced by the relationship between carers and users.[23]
- Residents with high care needs often have to rely on others to make decisions about care.[24]
- The absence of private insurance markets to cover costs of social care means that Governments dominate the financing of the sector.
- There is asymmetry of information with providers possessing more information about service quality and how it impacts residents[25] leading to adverse selection and moral hazard.
- The use of aged care services is not discretionary as residents rely on the services provides for their day to day living needs.[26]
- Aged care is an experience good meaning that assessing quality before moving into an aged care service is difficult, and the heavy reliance on services for day to day needs increases the negative consequences of making a poor decision. This creates high transaction costs for users contemplating a change of aged care provider.

[22] Knapp, M., Hardy, B., & Forder, J. (2001). Commissioning for quality: ten years of social care markets in England. Journal of social policy, 30(2), 283-306.
[23] Malley, J., & Fernández, J. L. (2010). Measuring quality in social care services: theory and practice. Annals of public and cooperative economics, 81(4), 559-582.
[24] Knapp, M., Hardy, B., & Forder, J. (2001). Commissioning for quality: ten years of social care markets in England. Journal of social policy, 30(2), 283-306.
[25] Ibid
[26] Ibid

These inherent imperfections in the market for aged care services mean that the impact of competition depends on the specific features of the market.[27] In particular the price setting mechanism and the ability of users to accurately observe price and quality will determine whether competition can deliver high quality and efficient care.[28]

Market Features

All markets have specific characteristics, which define how they operate. In aged care we are interested in the impact of six characteristics under competition on quality, costs and access:

1. Price setting – whether prices are set centrally by Government or the market determines the price.
2. Level of prices – whether prices are set above or below the marginal cost of providing services.
3. Risk Structure of Compensation in Finance – whether the price setting mechanism includes adjustments for residents more likely to need higher levels of care.
4. Quality Information – whether residents have reliable and easy to understand quality information
5. Quality Oversight – whether the regulators enforce firm or weak quality oversight
6. Supply Restrictions – whether providers are free to enter the industry, or restrictions are placed on supply.

The theoretical and empirical research is summarised in Table 1.

Table 1: Impact of Competition on Quality and Costs

		Australia's Aged Care System	Impact on Quality	Impact on Costs
Price Setting	Fixed Prices		↑	↓
	Price Competition	✓	↓	↑
Level of Prices	Prices set above marginal cost	✓	↑	-
	Prices set below marginal cost		↓	-
Risk Structure included in Finance	Price reflects cost of higher needs patients	✓	↑	↓
	Price does not reflect cost of higher needs patients		↓	↑
Quality Information	Quality Information available		↑	↓
	No Quality Information Available	✓	↓	↑

[27] Propper, C. (2018). Competition in health care: lessons from the English experience. Health Economics, Policy and Law, 13(3-4), 492-508.
[28] Dranove, D., & Satterthwaite, M. A. (2000). The industrial organization of health care markets. Handbook of health economics, 1, 1093-1139.

Quality Oversight	Strong Quality Oversight	✓	↑	↓
	Weak Quality Oversight		↓	↑
Restrictions on Supply	Free entry		↑	↓
	Regulated Entry	✓	↓	↑

Price Setting

In order for the market for aged care services to deliver an optimal outcome, competition needs to occur on quality and not on price. This is because where providers compete on price it becomes the dominate signal in the market and allows providers to skimp on quality.

If prices are set centrally, then price competition cannot occur. The central setting of prices is a core requirement in a market with inherent information asymmetries to allow for quality competition.

Level or Prices

Prices need to be set above the marginal cost of production in order for providers not to be incentivised to skimp on quality. The marginal cost of production is the price of producing one extra unit of a good.

A key feature of markets with asymmetry of information is that providers can reduce quality without any penalty. If the price paid for services is below the marginal cost of providing services at a certain quality, providers will simply skimp on quality in order to make a profit. They can do this because no one in the market can provide a quality service for the price paid.

Risk Structure of Compensation in Finance

Adequate risk structure in finance arrangements ensures there are no inherent incentives to cream skim or skimp on quality[29]. The nature of payments and the degree to which the individual characteristics of users linked to resource use are imbedded determines the risk structure. Greater competition in a market with inadequate risk structure will enhance incentives to cream skim or skimp on quality and may result in a reduction in overall quality or an increase in costs.[30]

Quality Information

There are two interconnected pathways through which publication and access to performance information can improve quality. First, users reward higher quality providers by selecting the provider. Without quality information there is no penalty for low quality providers in the market, as it cannot be observed by users. Second, providers can identify where they underperform and improve.[31]

Under competition these two pathways are connected by the providers motivation to maintain and expand market share, which competition can strengthen.

Quality Oversight

Government regulation and oversight of quality in social care markets is an important determinant in minimising quality differences across geographical areas. The extent to which the Government

[29] Propper 2010
[30] Propper 2010
[31] Berwick et al 2003

sets minimum requirements and enforces these standards can underpin the operation of quasi markets and maintain quality.

Supply Restrictions

Supply restrictions which limit new entrants can ensure that new providers are able to provide a basic level of service and strengthen general quality oversight. On the other hand, restrictions act to limit competition, reducing the penalties for providing poor service, and may lead to insufficient supply in certain markets.

Australia's Aged Care System

Price Setting

Aged care funding in Australia works through a combination of Government subsidy and private contributions, with aged care providers free to compete on price. Residents can be asked to provide an upfront accommodation bond of $550,000 and a daily accommodation charge.

A summary of subsidies is below.

Table 2: Daily ACFI Subsidy Rates[32]

Level	Activities of Daily Living (ADL)	Behaviour (BEH)	Complex Health Care (CHC)
Nil	$0.00	$0.00	$0.00
Low	$37.16	$8.49	$16.48
Medium	$80.92	$17.60	$46.95
High	$112.10	$36.70	$67.79

Because providers can set prices above this level, they can use this to signal higher quality – which may or may not actually exist - leading to higher costs and skimping on quality.

Level of Subsidies

In recent years the level of subsidies has not kept pace with cost increases in the residential aged care sector, undermining the financial viability of an increasing number of providers.

Savings of over $1.6 billion in the 2018-19 Budget further undermined the profitability of the sector.[33]

Prices set below marginal cost will lead to skimping on quality, as providers are able to reduce quality to make a profit without being penalised in the market. As occurs in the funding of hospitals, setting prices based on average cost leads to better outcomes where providers are not incentivised to skimp of quality.

[32] Australian Government Department of Health (2020), Schedule of Subsidies and Suppliments for Aged Care, https://www.health.gov.au/resources/publications/schedule-of-subsidies-and-supplements-for-aged-care
[33] The Commonwealth of Australia (2018), Budget 2018-19

Case study: The perspective of an aged care provider

Frank Price has been the CEO of Royal Freemason' Benevolent Institution since 2016. RFBI is an awarding winning aged care provider that operates 22 residential aged care villages, 20 retirement villages as well as home care services across NSW and ACT. RFBI employs 1900 people and cares for 2500 older Australians each day, of which 1335 are in residential aged care.

We always endeavour to provide high quality care to our residents, but the system is under pressure making it harder and harder to deliver.

Over the past 5 years there have been considerable changes made to the to the legislative and the quality framework adding to the workload of aged care providers, yet funding has been reduced.

Residents are coming into aged care much older and with more complex health care needs. There has also been a shift in the type of residents who are being admitted, with a much greater number coming into aged care with dementia. This has significant impacts on the care that is required and the type of living space they need to live well.

The current model of funding is not consistent with the sector meeting the Government's quality standards.

I am proud of the care we provide to our residents, but the aged care system needs to be redesigned so that providers are rewarded for keeping pace with the changing needs and preferences of residents. The current model does not align with the quality standards and simply does not reward us for providing quality care. If our residents improve in their health or mobility, our funding is reduced. There is no incentive to provide more personalised – usually more costly – care interventions.

Quality ultimately reflects the culture of an organisation. If the funding model remunerated providers based on the quality of their service, then poor performers would soon be weeded out.

Workforce is another key issue that has plagued the sector for a long time. As our ageing population requires care, there has been a surge in demand for aged care workers – and indeed health care workers across the board. Aged Care is not typically highly valued and aged care workers are paid less than other health care workers, making it very hard to attract and retain the best people.

The issues are even greater in rural and regional areas, where there is a smaller local workforce to draw from and it is more difficult attract people to move to these areas from a city location. These challenges then drive up costs as you are required to contract agency labour whilst trying to recruit qualified personnel. This also affects quality of care due to the fact that you don't have consistency in the workforce.

Critical to ensuring residents are able to access affordable and high quality care and services is having an appropriate financial model whereby providers are paid appropriately for the services that we deliver and one that allows providers to attract better qualified and experienced people into the industry. This financial model at the moment is driven by the Federal Government and as such does not reflect the requirements of the consumer and provider.

Risk Structure Included in Finance

The level of subsidy is linked to broad levels of need (see Table 2), and supplements are provided for additional care needs. While this provides a degree of risk structure in the finance mechanism, it is not comprehensive and is likely to lead to cream skimming on quality and higher costs.

Quality Information

There is currently no clear and accessible quality information for users of aged care in Australia, such as a star rating system. As a result, providers do not have to compete on quality and high quality providers are not effectively rewarded in the market. This leads to lower overall quality.

Quality Oversight

While there are quality standards in Australia, oversight is largely through self-regulation with a limited role of inspections. The fact that a vast majority of care homes clear these requirements and yet quality remains such an issue points to fundamental issues with these standards and how they are measured. Improving quality oversight could help improve quality and reduce costs across the aged care sector.

Restrictions of Supply

There are restrictions on the supply of subsidised aged care beds in Australia. These restrictions make it less likely that poor performing age care providers will leave the industry – due to the lack of competition. This acts to reduce quality and increase the cost of provision.

Strengthening the Market

A number of major reforms have been proposed in the Aged Care Sector, by the Government and in submissions to the Age Care Royal Commission. We discuss these below, before making a number of recommendations on strengthening the Aged Care market.

Funding

The Australian Government has proposed a new model for residential aged care funding, the Australian National Aged Care Classification (ANAC)[34].

Funding will comprise of three components:

- An initial upfront adjustment payment
- A fixed price per day for the cost of care that are shared equally by all residents, which will vary by location and other factors;
- A variable price per day for the costs of individualised care for each resident based on their case mix class.

Importantly the price paid per day for the cost of care would be set by an independent body, which should help ensure that it is sufficient to deliver quality care.

These reforms will ensure that the pricing regime properly reflects risk, and therefore will improve quality, reduce costs and improve access. However, if the new regime sets reimbursements below marginal cost it may continue to undermine quality.

[34] Australian Government Department of Health (2019), Proposal for a New Aged Care Funding Model – Consultation Paper

Quality

There is along history of reports into Australia's aged care sector recommending ratings along the lines used in England or the USA. In the 2004 'Hogan Review', the Productivity Commission's 2011 Caring for Older Australians inquiry and, most recently, in the 2017 Carnell-Paterson Review, which led to the new Aged Care Quality and Safety Commission[35].

There were reports that the Government will introduce greater transparency regarding the quality of aged care providers from 1 July 2020, however this did not eventuate and there were no details of this new system available at the time of finalisation of this report. The key feature of these systems is that they allow users to differentiate based on quality, as this drives competition.

A star rating system, as is used in the United Kingdom, would help consumers choose between providers and reward providers of high quality care[36]. Concerns have been raised that the majority of Australian care homes would not meet a reasonable standard and do so would require substantial additional funding.

For example, ***based on current staff ratios only 42.5 per cent of Australian Aged Care Homes would be considered satisfactory under the star rating system used in the United States of America***[37]. Fear of not meeting basic standards should not be a reason for not implementing such standards.

Star Rating System Case Study – United Kingdom

After first implementing a star system back in 2004, the Care Quality Commission introduced the current system in 2014. The Care Quality Commissions inspects care in nursing homes. During inspections, each home is rated against five questions:

- is it safe,
- is it effective,
- is it responsive,
- it is caring and
- is it well led?

The four ratings are:

★★★★ outstanding,

★★★ good,

★★ requires improvement, or

★ inadequate.

Homes must display their ratings on the physical premises and on their website.

Research has found that these ratings are a reliable measure of how residents feel about their life in the home.

Homes with lower rates of staff turnover and fewer vacancies have higher star ratings.

[35] Royal Commission into Aged Care Quality and Safety (2019), Interim Report: Neglect

[36] Eagar K, Westera A, Snoek M, Kobel C, Loggie C and Gordon R (2019) How Australian residential aged care staffing levels compare with international and national benchmarks. Centre for Health Service Development, Australian Health Services Research Institute, University of Wollongong.

[37] Dyer SM, van den Berg MEL, Barnett K, Brown A, Johnstone G, Laver K, Lowthian J, Maeder AJ, Meyer C, Moores C, Ogrin R, Parrella A, Ross T, Shulver W, Winsall M, Crotty M (2019). Review of Innovative Models of Aged Care. Flinders University, Adelaide, Australia.

Recommendations:

The market characteristics of the current Aged Care system are driving the poor performance across the sector, and these need to be reformed if Australians are going to have a high quality and safe aged care into the future.

The priorities for reform should focus on the following areas, which will ensure that the market for aged care services operative efficiently and delivers high quality and safe care:

Recommendation One: Implement a New Funding Mechanism Proposed by the Australian Government.

The ANAC proposal would ensure that the level of funding received by providers reflected the true costs of providing care. This will help ensure there is not cream skimming and improve quality and efficiency.

Recommendation Two: Ensure that the price paid is set above the marginal cost to deliver care.

The price setting mechanism needs to ensure that sufficient funding is provided to deliver an acceptable standard of care, but it should not support inefficient or poorly managed providers or provide higher than necessary funding.

The financial impact of this recommendation is modelled in the following section.

Recommendation Three: Produce easy to understand quality information.

Regardless of the funding mechanism, it is critical that users are making choices between providers based on easy to understand and reliable quality information. This will ensure there is an incentive or reward for providers that offer quality care and help safeguard against poor practices.

While implementing Recommendation One is possible within the current funding envelope for residential aged care services, additional investments will be required for Recommendations Two and Recommendation Three.

Recommendation Three will require a modest investment to develop and implement quality star ratings, which we estimate at $5 million to establish and $20 million ongoing.

The implementation of Recommendation Two will depend on choices about the level of quality and the measures needed to attain that level. We discuss these fully in the next section of the report.

Achieving high quality aged care

While there is widespread understanding and support for an increase in the quality of care within the sector, community and government, there is a less clear understanding as to the cost of such an increase would be and how that could be funded.

To ensure that the price paid for aged care services is not below the marginal cost of delivering high quality and safe care will require additional funding.

There are arguments as to whether case mix funding or staff ratios are the best way to deliver higher quality care, with evidence for each approach.[38] Given the existing use of a choice and competition in Australia, there is logic in using the case mix system, as currently proposed by the Government, as it allows for innovation and as noted in the previous section with the right market settings can deliver higher quality care.

Either approach however requires a determination of the optimal level of quality. This is beyond on the scope of this report and is ultimately a decision for the Government. However, we can explore the fiscal implications of measures to increase the quality of care.

There are a number of determinants of care quality received by residents of aged care homes, including the condition of physical facilities, the training and management of staff, the turnover of staff and the number and type of staff that provide care services.[39]

We focus on the understanding the costs that would be associated with two measures that have been widely recommended in a number of reviews of the aged care system to support higher quality care:[40]

- an increase in care hours; and
- an increase in the salaries of care workers services.

These measures alone may not be adequate, with a focus on staff training and the physical infrastructure of residential care homes also important.[41] However, they represent the biggest cost drivers of improving quality of care.

Increasing care hours would directly improve quality of care of residents, but also reduce the level of staff turnover, which is also an important factor in care quality. 75 per cent of personal care workers cite working conditions as a reason for considering leaving the industry.

Lifting the salary of care workers to reflect the value of the work they perform would also improve retention and attract the additional workers to the industry required to deliver high quality care into the future.[42]

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[38] McNamee J, Poulos C, Seraji H et al. (2017) Alternative Aged Care Assessment, Classification System and Funding Models Final Report. Centre for Health Service Development, Australian Health Services Research Institute, University of Wollongong.
[39] House of Representatives Standing Committee on Health, Aged Care and Sport (2018), Report on the Inquiry into the Quality of Care in Residential Aged Care Facilities in Australia
[40] Royal Commission into Aged Care Quality and Safety (2019), Interim Report: Neglect
[41] Eagar K, Westera A, Snoek M, Kobel C, Loggie C and Gordon R (2019) How Australian residential aged care staffing levels compare with international and national benchmarks. Centre for Health Service Development, Australian Health Services Research Institute, University of Wollongong.
[42] Aged Care Workforce Strategy Taskforce (2018), A Matter of Care Australia's Aged Care Workforce Strategy, June 2018

Increase in Care Hours

A 2019 survey of aged care workers found that 87 per cent of residents have to rush residents in their care because they have too many tasks to complete, and 94 per cent do not have enough time to talk to residents.[43]

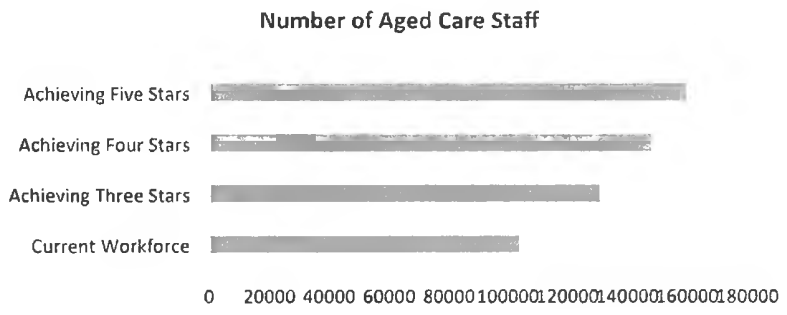
Australian aged care residents receive fewer total hours of care than international counterparts.[44] A study undertaken for the Aged Care Royal Commission highlights the deficiencies of the Australian system compared to a number of international counterparts. Australians in aged care receive less care hours on average than in comparable countries.[45] Only 42.5 per cent of Australian care home would meet the satisfactory level of three stars under the United States system.[46]

Increasing the number of care hours received on average by Australian residents of aged care facilities to match those received in the United States and Canada would help drive quality improvements across the sector.

	Current Average Minutes Per Residents	Increase in Minutes per Resident to Meet 3 Stars	Increase in Minutes per Resident to Meet 4 Stars	Increase in Minutes per Resident to Meet 5 Stars
Registered Nurse	36	4	11	28
Aged Care Worker	144	19	43	48
Allied Health Professional	8	13	13	13
Total Increase in Care Minutes		**36**	**67**	**89**

It should be noted that these are average figures and some residents would require more care and others less care.

Increasing care minutes would increase the number of staff needed to care for residents in residential aged care. With the increase in the residential aged care workforce of between 28,000 and 59,100 in 2019-20.



[43] United Workers Union (2019), Submission to the Royal Commission in to Aged Care and Quality, December 2019
[44] Eagar K, Westera A, Snoek M, Kobel C, Loggie C and Gordon R (2019) How Australian residential aged care staffing levels compare with international and national benchmarks. Centre for Health Service Development, Australian Health Services Research Institute, University of Wollongong.
[45] Ibid
[46] Ibid

Increase in Salaries of Care Workers

Personal care workers provide the majority of care in aged care homes and are on very low rates of pay.[47] But they are critical the industry and provider organisations, spending the maximum amount of time with residents and working with them daily in close proximity.[48]

A number of reviews have recommended that increasing the rate of pay would help lift quality in the sector, but there is a need for government to increase funding to pay for any increase.[49]

Full time personal care workers on award rates of pay earn between $20.73 per hour and $25.18 per hour, which is only marginally above the minimum hourly wage set by the Fair Work Commission of $19.49 per hour.

This undermines quality because it makes attracting and retaining high quality and well-trained staff difficult. Increasing rates of pay for personal care workers would further help address the quality of aged care provision.

Case study: The perspective of an aged care worker

Helen is 55 years of age and has been an aged care worker for ten years. Helen works at an aged care facility in Western Sydney that has 90 residents.

I love my job and being able to care for our elderly. I enjoy hearing their stories and being needed. It is humbling to provide the personal care that they need, washing them, feeding them and cutting their nails.

Coming from Western Sydney and living in the local area, I enjoy being able to connect to the residents and bond with them. Knowing them is really important. The quality of care – it's not just about showering, changing pads or feeding – it's about connecting with them – that's the important part of quality of care.

We learn that familiarity is important for the residents with dementia, but I see it as just as important for other residents. Because I have that relationship when I walk into their room in the morning, I can see if they are unhappy today, or in pain, or not well.

Time – it's a dream – to have more time to do our job. People are sore – the work is physically demanding as well as requiring emotional and caring skills.

Looking after 18 patients with only two of us at any one time, we are flat out the entire shift and never have time to tend to the resident's emotional needs. Everything becomes rushed, and clinical. Simply things, like sitting down and taking care to cut their nails and talking to residents is not possible. We need more time.

Covid-19 has placed additional pressure on us. The stress has given me headaches, and while everyone else in health care is recognised – once again we are left unrecognised. This is reflected in how much we are paid.

It is ok for me; I've earnt my money before I started in aged care but for the younger workers it is hard to make ends meet. They could earn more at Woolworths, and with less stress.

What I hope is that by the time I retire the industry provides better jobs, where we can deliver high quality care. For that we need more staff. And we need to be paid a fair wage.

[47] Aged Care Workforce Strategy Taskforce (2018), A Matter of Care Australia's Aged Care Workforce Strategy, June 2018
[48] Ibid.
[49] Ibid.

Labour costs are the biggest proportion of aged care costs, with approximately 100,000 full time equivalent care staff employed across Australia. The majority of staff are personal care attendants, represent almost 70 per cent of all care staff[50]. In addition, there are almost 10,000 enrolled nurses working in aged care centres and almost 4,000 allied health professionals.[51]

A shortage of staff and high turnover in the aged care workforce have been found to have negative impacts on quality of care.[52] An unbreakable cycle of high turnover, low staff satisfaction, increased costs of recruitment and training and negative quality of care has been widely reported.[53]

There are several channels through which turnover influences quality. High turnover reduces staff levels and availability, in turn rendering residential aged care homes unattractive places to work and making it harder to fill vacancies. High turnover also increases recruitment and training costs, reducing available budgets for quality measures.[54]

The Health Services Union is pursuing an increase in wages of 25 per cent in real terms over four years for personal care workers, which would improve retention in the sector and help attract the new workers needed to deliver higher quality care.

	2020-21	2021-22	2022-23	2023-24
Increase	12.5	7.5	7.5	7.5
Inflation	2.5	2.5	2.5	2.5
Real Increase	10.0	5.0	5.0	5.0

The wage increase if successful would add the costs of providing age care services but would help ensure that quality and safety in the aged care sector was addressed.

[50] Aged Care Workforce Strategy Taskforce (2018), A Matter of Care Australia's Aged Care Workforce Strategy, June 2018
[51] Ibid
[52] Ibid
[53] OECD/European Commission 2013a, A Good Life in Old Age? Monitoring and Improving Quality in Long-term Care, OECD Publishing.
[54] Castle, N., & Engberg, J. (2005). Staff Turnover and Quality of Care in Nursing Homes. *Medical Care, 43*(6), 616-626.

The cost of sustainable quality aged care

Delivering a higher quality and safe aged care system will require substantial additional investment, but also a number of choices. Below we estimate the costs over the forward estimates and out to 2040 of increasing rates of pay for personal care workers and increasing the average care hours to meet the three, four and five star benchmarks in the United States (see Appendix for methodology).

Increasing Salaries By 25 per cent over Four Years

A pay rise for aged care personal care workers of 25 per cent over four years in real terms would increase the cost of aged care by $2.2 billion over four years. This would increase the spending on residential aged care in Australia from 0.94 per cent of GDP to 0.98 per cent of GDP over four years.

	2020-21	2021-22	2022-23	2023-24
Impact on Aged Care Costs ($m)	324	464	620	795

Increasing Salaries By 25 per cent and Increasing Care Hours to Three Stars

A pay rise for aged care personal care workers of 25 per cent over four years in real terms and increasing the number of care hours to meet the three star benchmark would increase the cost of aged care by $10.2 billion over four years. This would increase the spending on residential aged care in Australia from 0.94 per cent of GDP to 1.08 per cent of GDP over four years.

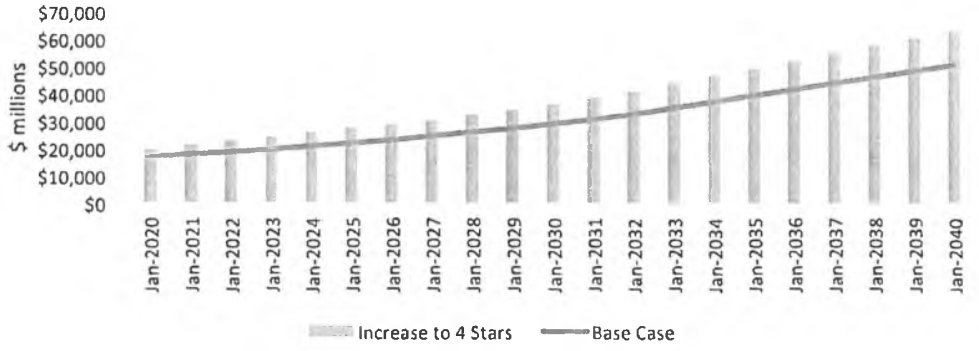
	2020-21	2021-22	2022-23	2023-24
Impact on Aged Care Costs ($m)	2,130	2,391	2,680	2,999

Increasing Salaries By 25 per cent and Increasing Care Hours to Four Stars

A pay rise for aged care personal care workers of 25 per cent over four years in real terms and increasing the number of care hours to meet the four star benchmark would increase the cost of aged care by $15.7 billion over four years. This would increase the spending on residential aged care in Australia from 0.94 per cent of GDP to 1.19 per cent of GDP over four years.

	2020-21	2021-22	2022-23	2023-24
Impact on Aged Care Costs ($m)	3,371	3,717	4,098	4,515

Increase to 4 Stars and Pay Rise

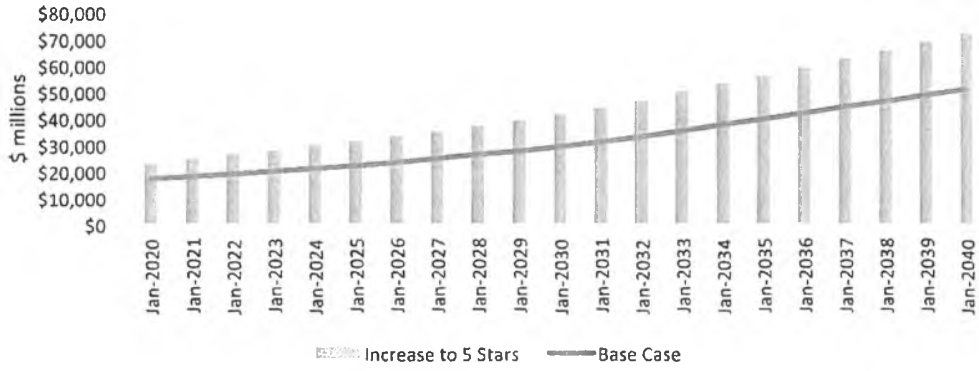


Increasing Salaries By 25 per cent and Increasing Care Hours to Five Stars

A pay rise for aged care personal care workers of 25 per cent over four years in real terms and increasing the number of care hours to meet the five star benchmark would increase the cost of aged care by $20.4 billion over four years. This would increase the spending on residential aged care in Australia from 0.94 per cent of GDP to 1.19 per cent of GDP over four years.

	2020-21	2021-22	2022-23	2023-24
Impact on Aged Care Costs ($m)	4,464	4,866	5,308	5,789

Increase to 5 Stars and Pay Rise



Funding high quality aged care

The early findings of the Royal Commission into Aged Care confirm the need for greater investment, regulation and care of our elderly. These recommendations come with additional costs, as modelled in the previous chapter. The challenge confronting all Australians now is how to optimally fund this essential investment? As outlined in the Royal Commission's recent consultation paper on Financing Aged Care[55] options exist that are both affordable and implementable, if the Australian Government determines decent aged care for older Australians is a priority.

As with any public investment or expenditure a range of funding options are available to government. In economic theory, government funding is justified when there is a public good or market failure in the provision of functions or services. Market failure may arise where there is a public good that can be consumed collectively, as opposed to private goods that can be exclusively used, or where distributional factors mean income and wealth inequality would fail to ensure the quality or level of access to services which society considers necessary and "fair". As discussed in above in *Building a Stronger Aged Care Market*, there are a number of 'market imperfections' in aged care that necessitate a role for government in both the regulation and funding of aged care.

Government has a range of options available to increase funding of aged care, from fully funding the provision of services, to a mix of public and private contributions, and finally privately funded services appropriately regulated.

1. **Increased public funding** requires additional revenue from taxation or a reallocation of existing expenditure. Given existing fiscal pressure on a range of policies areas, such as unemployment benefits, pensions, education and health costs, an argument for a major reprioritisation of the existing budget to meet the proposed increase in funding of aged care will be challenging. Increased public funding consequently likely requires increased taxation. In the case of aged care this could include measures such as increasing the Medicare Levy or other taxes, considered further and costed below.

2. **Rebalancing public and private funding contributions** to increase the total funding available for aged care. This could be achieved by increasing the share of private funding required to meet total costs. Options in aged care to achieve this include increasing daily co-contributions by incorporating the family home into the asset tests for aged care or increasing the use of reverse mortgages, also discussed further below.

3. **Social Insurance Models** would work by requiring contributions to a dedicated, pooled fund that is then used to finance aged care costs for eligible individuals. While these models can incentivise more efficient allocation of resources, without corresponding reforms to the market for aged care services they would have little additional benefit over the tax based systems currently used.

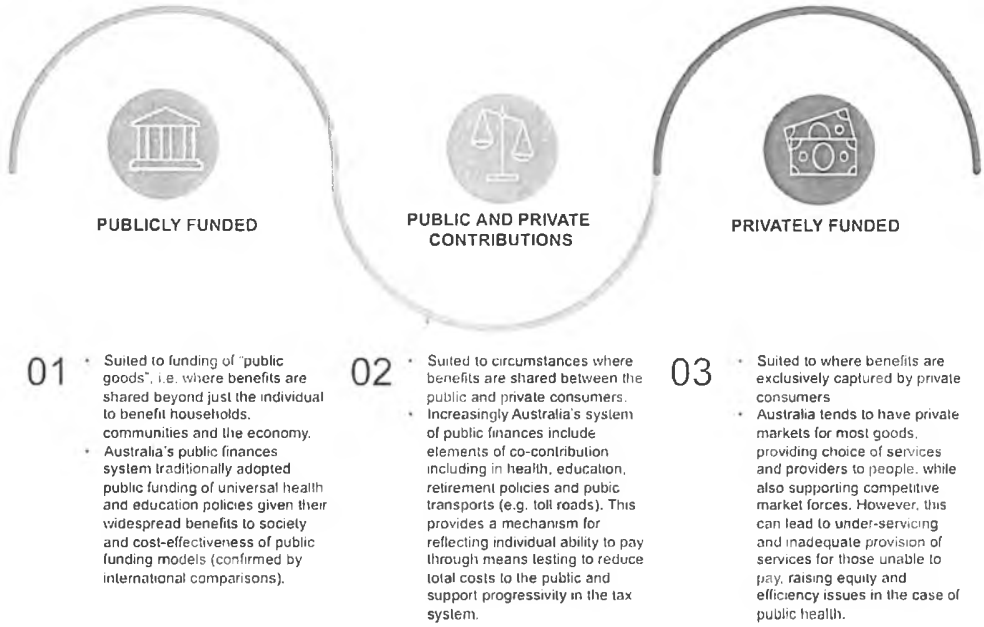
4. **Increased use of private insurance and other financial products** have been variously explored in the past, however the inherent market failures in private insurance for long term care have limited the success of these markets, and they remain a realtively small part of financing arrangments in most countries. While expansion may help fund

[55] Royal Commission into Aged Care Quality and Safety (2020), Consultation Paper 2: Financing Aged Care, 24 June 2020

increased aged care costs, private insurance is unlikely to meet the bulk of additional financing needs. As such, this option is not developed further here, though we note that the market for aged care should continue to provide flexibility and choice for self-funded aged care, including fee-for services whether they be in home care, private hospital cover or other retirement facilities, appropriately regulated.

The Australian government currently adopts a mix of public and private funding for aged care. The challenge in lifting the quality of aged care is identifying sources of public funds and determining the right mix of public and private contributions to meet higher cost for quality care.

Spectrum of funding options



This simplified framework for public finances, suggest a range of potential funding options for funding higher quality aged care. Consideration has been given to tax measures that raise significant revenue, changes to superannuation that could produce the required savings and reforms to asset tests that would increase private contributions to aged care. Each of the available options involves policy choices and political challenges. But all present an affordable way forward to address the inadequate investment currently being made in aged care in Australia.

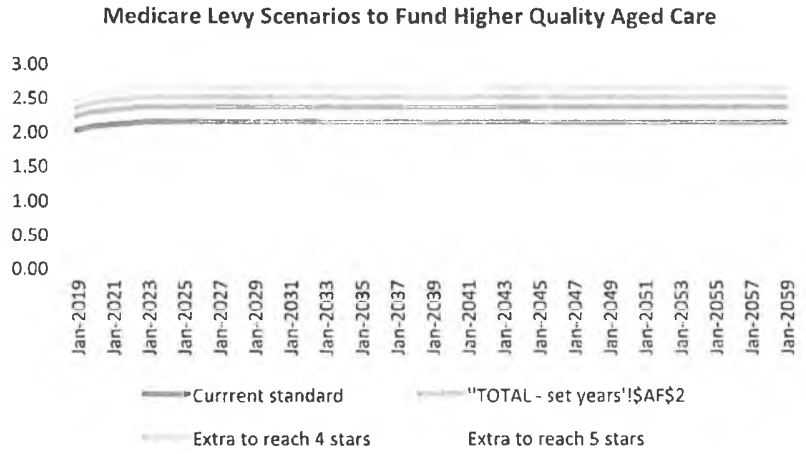
Australia's health care system is the envy of the world. Our goal is to achieve an equivalent reputation in aged care. This is an achievable aspiration for Australia, being amongst the wealthiest nations in the world, with an established system for the provision of cost-effective, quality health care and social services.

Drawing on the lessons of Medicare, it is possible to envisage a quality aged care system, universally available to all elderly Australians in need.

Australia's universal health system is funded, in part, through the Medicare Levy. This model has managed to ensure high quality health care, train and afford a skilled workforce, supported innovation through a range of providers, while constraining costs to the individual and public purse. One funding option is to apply the Medicare Levy model to aged care, which similarly seeks to provide access to care to all elderly Australians who cannot afford their own care, with the ultimate goal of improving health outcomes and living standards, benefiting the entire community.

The Medicare Levy is a progressive tax, currently levied at 2% of taxable income. Depending on people's circumstances, those with low incomes may get a reduction or exemption from paying the levy. The Medicare Levy is collected in the same way as income tax, making it a relatively efficient and simple tax to administer.

To meet the proposed costs of higher quality aged care (involving additional costs of between $2 billion to $27 billion over four years), the Medicare Levy would need to increase by between 0.1 and 0.65 per cent. (See Annex A for the Medicare Levy costing methodology).



Increasing taxation is always challenging. However, there is evidence that the public is prepared to support higher taxation where the revenue is being applied to clear areas of need, with costs and benefits broadly shared across the community. This was demonstrated with the unanimous support displayed in the then Parliament, for the Medicare Levy increase to fund the National Disability Insurance Scheme, delivering long-overdue support for people living with a disability. Public support for higher quality aged care in Australia is also widely endorsed and accepted by the community, lending support to the case for a Medicare Levy increase to fund aged care.

As is the case with the existing Medicare Levy, the related tax revenue would not necessarily be hypothecated to health or aged care, given that total health and aged care costs would continue to exceed the Medicare Levy. This is important for maintaining the general principle of fiscal consolidation and sound fiscal management. However, by linking the increase in the Medicare Levy to higher quality aged care, the public can better appreciate the purpose of tax reform, contributing to long overdue investments in aged care and strengthening Australia's fiscal position at a critical time for economic recovery.

The Medicare Levy is one of a range of potential funding options to deliver decent aged care to older Australians Other funding options involve varying degrees of challenges in terms of public support, impacted groups, equity and efficiency, particularly relative to the Medicare Levy discussed above.

The choice of revenue options - whether personal income tax, superannuation taxes, company taxes, land or housing taxes, amongst others - will depend on the goal's government is seeking to achieve from tax reform. Different taxes will be better suited to particular policy goals. For instance, if the goal is increasing the progressivity of the tax system by targeting those most able to pay, increasing marginal tax rates on personal income may be preferable. If the goal is to reduce inefficient or highly distortionary taxes, the government may opt for negative gearing or capital gains tax reform, though the link to aged care is less clear. If aligning the revenue measure to the beneficiaries of the expenditure is desirable - which can also help to make the case for tax reform - superannuation taxes or even franking credits could be considered. The generally accepted principles of good tax policy are that it is equitable, simple, efficient (low transaction costs) and certain (allowing people to plan their finances without the risk of sudden or dramatic changes). Weighing these principles, arguments can be made for and against funding options. The challenge for Australia is to insist aged care be prioritised and support funding of this critical investment.

No funding option is without its challenges or opponents. However, as the world grapples with disruption and an economic downturn more severe than the Great Depression, it's time to think differently about how we shape the nation we want for the future. And that includes a high quality, decent aged care system where every elderly Australian can feel safe, valued and cared for.

Conclusion

Even before the Aged Care Royal Commission started its proceedings, there had been a number of reports calling for an increase in funding for residential aged care in Australia. However, none of these reports have put a number on the increase in funding needed. We have developed the costing and shown that increasing funding from between $2 billion and $20 billion is necessary to ensure that a sustainable workforce and improvements in the safety and quality of residential aged care.

Underfunding and a lack of transparency in the quality of care has hampered the operation of the market and resulted in a system that is not meeting the basic needs of residents.

We are currently making a choice, in not funding a quality and safe care for older Australians.

Cost is often cited as the reason for a lack of reform. However, this report demonstrates that the cost of providing a decent level of care to older Australians is well within our reach.

Depending on the level of quality chosen additional costs could be met by a modest increase in the Medicare Levy of 0.5 per cent and would ensure every Australian needing residential aged care as they age receives quality care.

It would provide personal aged care workers with a needed pay rise and ensure that the industry can continue to attract and retain high quality staff. And importantly it would allow for an increase in care hours, that underpins quality and safety in the sector.

Aged care is an investment we can no longer afford to ignore. We have an opportunity to support the most vulnerable Australians, a critical workforce and lift the standards of care we will all ultimately face.

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Annex A: Model assumptions and methodology

Projections for the number of people in care

Projections for the Australian population by age cohort were derived from Australian Bureau of Statistics (ABS) data for the current population (Australian Demographic Statistics, September 2019, ABS cat. no. 3101.0), and ABS estimates of future population (Population Projections, 2017 (base) to 2066, ABS cat. no. 3222.0). The particular ABS population estimates used to derive the projections are from series B.

Projections for the number of people in care, by age cohort, were derived by assuming that the proportion of people in care (relative to the relevant population cohort) remains constant over time. Data on the current number of people in care (by age cohort) is from the Australian Institute of Health and Welfare (People using aged care services, 2018-19).

Projections for amount of care required

A number of projections for total staff minutes of care were derived. Data on the number minutes of care for individuals (per day) were obtained from material prepared for the Royal Commission into Aged Care Quality and Safety (Research paper 1: How Australian residential aged care staffing levels compare with international and national benchmarks). This data includes the current minutes of care, as well as estimates for minutes of care required to meet benchmarks consistent with the US Centres for Medicare and Medicaid Services (CMS) system. The data includes minutes of care by different types of aged-care professional.

The above data, combined with projections for the number of people in care by age cohort, was used to derive projections for total staff minutes stratified by; age cohort, the level of care and type of aged-care professional. These projections were further stratified for the time of day when care occurs. The intensity of care differs throughout a day – for example, during the day versus during the night. Data for the relative intensity of intra-day care was obtained from the above Royal Commission data source.

In the aggregate, the degree of required care differs across age cohorts due to a variety of physical and cognitive factors. Data on the relative care needs of age cohorts was obtained from the Resource Utilisation and Classification Study (Report 5: A funding model for the residential aged care sector). The projections were adjusted accordingly, and aggregated by age cohort. Finally, the revised set of projections for total staff minutes were converted to staff FTEs – stratified by; the level of care, the time of day and type of aged-care professional.

Projections for total wage costs

Wages for each aged-care professional were based on the relevant (current) award rates of pay. Projections for total wage costs were derived for each level of care (aggregating the projections for FTEs stratified by time of day and type of aged-care profession, and the relevant rates of pay).

Projections for total costs

Projections for total costs, by the level of care, were derived by scaling-up total wage costs by the relevant factor(s). The Resource Utilisation and Classification Study (Report 3: Structural and individual costs of residential aged care services in Australia) contains estimates of the total fixed costs of aged-care facilities relative to total wage costs, by facility size. Data on the number of facilities, by size, was obtained from the Australian Institute of Health and Welfare (People using aged care services, 2018-19).

Output of model

The model can be used to estimate the total cost of a particular increase in wages for the current level of care, but also where the level of care is set to increase to a particular CMS benchmark. The increase in total costs from the baseline (current level of care and current rates of pay that increase with CPI inflation) are reported in dollar-terms, and also as a required increase in the Medicare Levy.

"LH-3"

Part 5 Terms and conditions of employment

535. A consistent theme in the evidence before the Royal Commissioners has been that aged care workers are insufficiently remunerated for the work they perform and endure poor working conditions. We submit that these deficiencies need to be addressed so that:

a. this important work is appropriately rewarded; and

b. the sector becomes a more attractive one in which to work to improve both attraction of new employees and retention of existing ones.

Remuneration

536. In 2011, a Full Bench of what was then Fair Work Australia (**FWA**), concluded that 'a very significant proportion of the employees in the aged care sector are low-paid in that they are paid at or around the award rate of pay and at the lower award classification levels'.[531] The case before FWA was an application for a 'low paid authorisation' under the *Fair Work Act 2009* (Cth) by two unions representing over 60,000 aged care employees employed by over 300 aged care employers. We examine the case later in these submissions.

537. Trade union representatives are well placed to make observations about the terms and conditions of employment of their members. The Royal Commissioners received extensive evidence from representatives of relevant trade unions in the aged care sector.[532]

538. For example, Mr Paul Gilbert, Assistant Branch Secretary of the Australian Nurses and Midwifery Federation said:

> ... the comment I hear when I go and have meetings is, 'I could get paid more working on the checkout at Aldi,' and it's technically true. And so they see themselves as – 'Why is my life treated as being – my – what I dedicate myself to being seen as of less worth than that position?'. And that's, interestingly, what they tend to compare themselves to, because they see those jobs advertised with an hourly rate of 24, 25 and 26 dollars.[533]

539. Ms Lisa Alcock, Industrial Officer with the HWU recounted two stories. The first was of a woman whose partner worked in an aluminium smelter in a role that required no specific education or training, and was paid $100,000 a year. By comparison, she had a TAFE qualification and was paid $21 an hour, which worked out to be about $40,000 a year 'at best with penalty rates and

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531 *United Voice and AWU, Queensland* (2011) 207 IR 251 at [19].

532 See for example, Exhibit 11-24, Melbourne Hearing 3, Statement of Carolyn Smith, WIT.0487.0001.0001 at 0002-.0003 [14]-[19]; Exhibit 11-21, Melbourne Hearing 3, Statement of Paul Gilbert, WIT.0430.0001.0001 at [44]-67; and Exhibit 11-22, Statement of Clare Tunney, WIT.0577.0001.0001 at [7]-[37].

533 Transcript, Melbourne Hearing 3, Paul Gilbert, 16 October 2019 at T5978.25-30.

loading'.[534] The other was of a woman who had to pay a man $150 an hour to clean her gutters, when she was only paid $21 an hour to clean a person.[535]

540. Ms Carolyn Smith, Secretary of the United Workers' Union[536] explained that, from her experience:

> Aged care workers are some of the lowest paid workers in Australia. This is significant problem for the industry and is recognised by providers and workers as an obstacle to genuine reform. The 2018 A Matter of Care Report found that direct care staff were paid significantly below the market median and were undervalued by at least 15%.
>
> Residential Care Workers are covered by the Aged Care Modern Award which provides minimum rates for a full time aged care worker ranging from $20.73 to $25.18 over seven steps. This is a relatively flat classification structure with the difference between the lowest and highest rates of pay being $169 per week, for a full time worker. As an hourly rate this is less than $5 per hour. This amount in no way reflects the increase in skills, experience and even qualifications gained by aged care workers over time.
>
> United Voice is party to more than 180 current and expired agreements in the aged care sector across Australia. Under our agreements the classification approximated with Aged Care Worker Level 1 under the award starts at $20.90 to $24.53 and Level 5 between $23.59 to $27.89. The majority of agreement-reliant Level 1 workers sit between $21.09 p/h and $22.49 p/h, with the $24.53 rate anomalous. The majority of agreement-reliant Level 5 workers sit between $23.59 to $24.92, with the rate of $27.89 being anomalous.[537]

541. Professor Sara Charlesworth has been researching the terms and conditions of care workers for a number of years.[538] Her view is that the low remuneration reflected the gendered nature of the work, because:

> it is assumed to be the work that women are born to do naturally and, as such, with paid care work being seen as equivalent to unpaid care work it's therefore viewed as something that a lot of women are capable of doing, and so that it's not particularly skilled work.[539]

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534 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5979.44-5980.5.

535 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5979.36-40.

536 Formerly United Voice.

537 Exhibit 11-24, Melbourne Hearing 3, Statement of Carolyn Smith, WIT.0487.0001.0001 at 0002-.0003 [17]-[19].

538 Exhibit 11-52, Melbourne Hearing 3, Statement of Professor Sara Charlesworth, WIT.0381.0001.0001 at [9]-[13.]

539 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6085.36-44.

542. The low rate of remuneration directly affects both attraction and retention of aged care workers. In evidence that reflected much of what the Royal Commissioners heard from care workers themselves. Ms Alcock told us:

> workers in this industry enter it because they care deeply about providing high quality care to residents. I think it's probably true to say they don't enter the industry to earn incredible amounts of money; they know they're not going to come out with $100,000 a year. But we're not going to be able to retain workers unless we increase their rates of pay, and we make the industry safer. We're just not going to be able to retain workers, and we're not going to be able to generate and attract the next generation of high quality workers either. I think from the HWUs perspective we need to increase funding and that funding needs to be directly linked to wage increases and increases in staffing as we've discussed today.[540]

543. This evidence is broadly supported by home care worker Ms Janice Hilton, who warned:

> Our pay doesn't keep up with the cost of living so we're attracting the wrong sort of people into the positions now.[541]

544. A number of aged care providers also referred to the need to increase remuneration for aged care work alongside other changes to meet the future needs of the sector. Nicolas Mersiades, Director of Aged Care at Catholic Health Australia expressed the view that:

> much greater attention will be required to workforce training and development, including opportunities for continuous staff development, and to terms and conditions of employment and remuneration if the aged care sector is to be equipped to attract and retain the almost three-fold increase in the formal aged care workforce (to 980,000) that the Productivity Commission estimates will be required by 2050.[542]

545. Evidence from both approved providers and their representatives was that providers would love to pay their staff higher wages, but that they are constrained by the amount of funding provided by the Commonwealth government.[543] This is a reason providers give to unions for being unable to increase wages.[544] The implication from that statement appears to be that, if

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540 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T6017.18-27.

541 Transcript, Melbourne Hearing 3, Janice Hilton, 17 October 2019 at T6158.16-17.

542 Exhibit 1-50, Adelaide Hearing 1, Statement of Nicholas George Mersiades, WIT.0011.0001.0001 at 0013 [59].

543 Exhibit 11-23, Melbourne Hearing 3, Statement of Jenna Field, WIT.0363.0001.0001 at 0005 [24]; Transcript, Melbourne Hearing 3, Darren Mathewson, 16 October 2019 at T5996.28-30. See also Exhibit 11-62, Melbourne Hearing 3, Statement of Richard Hearn, WIT.0440.0001.0001 at .0006 [25].

544 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5975.9-13.

the Commonwealth were to increase funding, approved providers would pass on at least part of that increase to workers.

546. However, the evidence of Mr Gilbert of the ANMF was that there have been three times, in his 24 years' industrial experience, where 'the Commonwealth Government has increased taxpayer subsidies to aged care to improve wages, and not once did that deliver a dollar in improved wages'.[545] There is evidence of two such occasions when this has occurred.

547. The first was in 2002/3. The federal budget allocated $211 million over 4 years for increased subsidies to:

> allow providers of aged care to attract and retain more aged care nurses by offering them pay rates closer to those of nurses in the public hospital sector.[546]

548. The second was more recently, in the 2012/13 federal budget. The sum of $1.2 billion was provided over 5 years to address workforce pressures in aged care.[547] This was delivered by way of a 'workforce compact' in an attempt to improve wages for aged care workers in order to retain existing workers and encourage new workers.

549. There is no evidence that either initiative resulted in improved wages in the sector.

550. This evidence suggests that merely increasing the level of subsidies paid to providers without more is unlikely to translate into higher levels of remuneration for the workforce.

551. Mr Wann of the Department of Health admitted that the Department of Health 'does not have full visibility of the remuneration and working conditions applicable to the hundreds of thousands of aged care workers across the country at any one point in time'. He was of the view that 'issues relating to remuneration and working conditions are matters for providers as employers'.[548]

552. In our submission, while that is strictly correct, Mr Wann's statement seriously discounts the important role of the Commonwealth government as funder of the aged care system. As Mr Mersiades put it:

> The role of government in relation to the aged care workforce in many respects is the same as for other sectors of the economy. That is, pulling its economy-wide levers to secure a strong economy and funding and

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545 Transcript, Melbourne Hearing 3, Paul Gilbert, 16 October 2019 at T5997.7-10; Exhibit 11-21, Melbourne Hearing 3, Statement of Paul Gilbert, WIT.0430.0001.0001 at 0007 [32].

546 Transcript, Melbourne Hearing 3, Paul Gilbert, 16 October 2019 at T5998.5-8.

547 Transcript, Melbourne Hearing 3, Paul Gilbert, 16 October 2019 at T5997.15-20.

548 Exhibit 11-72, Melbourne Hearing 3, Statement of Charles Wann, WIT.0379.0001.0001 at 0022 [100].

> regulating the higher education and vocational education and training (VET) sectors.
>
> The significant difference that distinguishes the aged care sector from most other sectors of the economy is that the government is also the primary funder and regulator, and therefore directly and significantly influences the viability of employers through its regulation of care prices and revenues.
>
> How the government performs its funding and regulatory role therefore influences the aged care sector's capacity to compete in the labour market, to create attractive work places, and to foster a positive image of aged care as a career for potential employees.[549]

553. When asked what role the Commonwealth has in improving the conditions and the remuneration of aged care workers in Australia, Professor Charlesworth said:

> It has a huge potential role but in fact over the years, because there have been inadequate rises ... there has been inadequate accounting for normal rises to wages, particularly through the national minimum wage case, which is the main way that wage rises are received if they're frontline care workforce, and by not paying indexation some years, by paying part of indexation, by not paying CPI wage increases, providers don't have the money to be able to pay better.[550]

Industrial mechanisms to increase wages

554. Apart from the gendered nature of care work, another key factor in the systemically low remuneration of the sector is the limitations inherent in the modern industrial system. Evidence about this was received from Professor Charlesworth (from an academic perspective), Darren Mathewson from Aged and Community Services Australia, and Jenna Field from LASA (from an approved provider perspective) and Clare Tunney, Lisa Alcock and Paul Gilbert (from an employee perspective).

555. The two main industrial mechanisms these various witnesses spoke of were industrial awards and enterprise agreements. The Australian industrial relations system under the *Fair Work Act 2009* (Cth) provides for a guaranteed safety net of minimum terms and conditions of employment primarily through modern awards.[551] Terms and conditions that exceed those minimum requirements are to be bargained for through enterprise-level collective bargaining.

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549 Exhibit 1-50, Adelaide Hearing 1, Statement of Nicholas George Mersiades, WIT.0011.0001.0001 at 0013 [60]-[62].

550 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6086.13-19.

551 *Fair Work Act 2009* (Cth), s 3(b); 5(4).

Awards

556. There was evidence that the 'modern awards' which cover aged care workers are not presently adequate.[552] The *Social, Community, Home Care and Disability Services Award 2010* (relevantly) covers home care workers,[553] and the *Aged Care Award 2010* covers aged care workers in residential aged care facilities.[554] In addition, the *Nurses Award 2010* covers nurses.[555]

557. As a safety net, modern awards set the minimum pay rates for workers covered by the relevant award. In the case of personal care workers working in a residential environment, that rate is only $2.09 an hour more than National Minimum Wage.[556] For personal care workers working in a home care setting, that rate is only $1.49 an hour more than the minimum wage.[557] In circumstances where it is extremely difficult to negotiate wage increases through an enterprise agreement (see below), the award rates operate in practice as the default rates of pay, rather than as part of a minimum safety net.

558. The process for reviewing modern awards was described by Professor Charlesworth as a 'long, tortuous process',[558] which has only resulted in 'piecemeal improvement' since 'award modernisation' commenced in 2009/2010.[559] Professor Charlesworth said that:

> at the moment, and this is both employers and unions, are spending an enormous amount of resources in this modern award process and it's just inching forward and, as I said, over the time since the modern awards came in, 2010, there have been some very small improvements in conditions but they are not improvements over and above that had existed prior to award modernisation, certainly in some awards.[560]

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552 See, e.g., Ex 11-24, Melbourne Hearing 3, Statement of Carolyn Smith, WIT.0487.0001.0001 at 0002-.0003 [17]-[19].

553 Exhibit 11-52, Melbourne Hearing 3, Statement of Professor Sara Charlesworth, WIT.0381.0001.0001 at 0006 [21].

554 Exhibit 11-52, Melbourne Hearing 3, Statement of Professor Sara Charlesworth, WIT.0381.0001.0001 at 0008[27].

555 Exhibit 11-23, Melbourne Hearing 3, Statement of Jenna Field, WIT.0363.0001.0001 at 0003[16].

556 Exhibit 11-52, Melbourne Hearing 3, Statement of Professor Sara Charlesworth, WIT.0381.0001.0001 at 0008 [28].

557 Exhibit 11-52, Melbourne Hearing 3, Statement of Professor Sara Charlesworth, WIT.0381.0001.0001 at 0008 [28].

558 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6086.43.

559 Exhibit 11-52, Melbourne Hearing 3, Statement of Professor Sara Charlesworth, WIT.0381.0001.0001 at 0007 [25]-[26].

560 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6087.39-44.

559. The other issue identified by Professor Charlesworth was the job classification structure in the awards. Professor Charlesworth described them as 'very meagre',[561] and went on to say that:

> For home care workers they're required to have basic oral communication skills [in the Award]. That seems absolutely ridiculous; they need highly developed communication skills. They need to be able to talk to somebody, maybe a new client, the first time they meet them who is very anxious about having someone in their home. They need to have the communication skills to be able to put someone at their ease, to work out fairly quickly how somebody likes to be spoken to ... The way that the skills are described in a very rudimentary way in both awards really fails to acknowledge the complexity of the work that is being done, the judgment and the deep knowledge that people have to have about working with – if you just think of just straight body, intimate body work with a variety of older people who have not just different needs as individuals, but have different needs on different days at different times of the day.[562]

560. As will be seen later in these submissions, in one significant case before the Fair Work Commission significant amendments were made to the *Social, Community, Home Care and Disability Services Award 2010*. These amendments delivered significant pay rises to care workers.

Enterprise Agreements

561. There was evidence of the many reasons why the enterprise bargaining system is not working to increase wages in aged care. These included:

- the Commonwealth provides the majority of the funding, and approved providers are unable to afford wage increases within the funding framework;[563]
- a decentralised workforce which makes organising and collective discussion very difficult;[564]
- employees have a reluctance to take industrial action, as it may cause a risk to the health and safety of the residents or clients for whom they care;[565] and

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561 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6087.38-39.

562 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6091.12-27.

563 Transcript, Melbourne Hearing 3, Darren Mathewson, 16 October 2019 at T5984.39-47; T6003.4-7.

564 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6087.16-19; Transcript, Melbourne Hearing 3, Clare Tunney, 16 October 2019 at T5990.39-42.

565 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5991.29-34.

- workers who are already low paid may not be able to afford the income reduction that results from taking industrial action.[566]

562. As Clare Tunney of United Voice explained:

> We have not found enterprise bargaining to be an effective means to increase the pay and conditions of the majority of workers in the aged care sector. Today, not only are we struggling to maintain existing terms and conditions with many providers, but we are also seeing the erosion of these conditions.[567]

563. Professor Charlesworth agreed, stating that 'enterprise bargaining is not practical ... particularly in home care. ... In home care, it's almost impossible'.[568] She explained that this is in part due to the nature of home work: workers communicate via a smart phone and there is very little opportunity for unions to organise.

564. The Aged Care Workforce Strategy Taskforce report observed that wages in aged care are significantly lower than comparable wages in the acute health sector. Estimates of the differential vary between 10% and 15% on the evidence.[569] What is so concerning about this evidence is that, based on the responsibilities nurses have in aged care settings where they are required to work often without the support that would be present in a hospital and they are dealing with the very challenging clinical needs of the residents, one might expect them to be paid more than their hospital counterparts and not less.

565. We submit that these differentials must be addressed to ensure that workers with aptitude, skills and training are attracted to and remain within the aged care sector. The sector must become an employer of choice. However, addressing the wages gap is far from easy as you heard this morning from Professor Harrington and Dr Ravenswood.

566. These factors that are specific to the aged care sector need to be seen against a broader background of what is a sustained period of historically low wage growth. The authors of a recent book about the subject note that in recent years, 'private sector Wage Price Index growth has been especially weak, languishing below 2% (on a year-over-year basis) since 2016'.[570]

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566 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5991.21-27.

567 Exhibit 11-22, Melbourne Hearing 3, Statement of Clare Tunney, WIT.0577.0001.0001 at 0007 [25].

568 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6087.16-21.

569 Exhibit 11-1, Melbourne Hearing 3, General Tender Bundle, tab 205, ACW.9999.0001.0022 at .0121

570 J. Stanford, 'Charting Wage Stagnation in Australia' in A. Stewart et al (2018), *The Wages Crisis in Australia* (University of Adelaide), p 23.

Other mechanisms for improving remuneration levels

Equal Remuneration Order

567. In the cases in recent years in which substantial pay rises have been obtained by care workers, active engagement by the government has been vital. One concerned an Australian application for an equal remuneration order and the second was a similar application in New Zealand.

SACS case

568. The first case involved Social and Community Service (**SACS**) workers in Australia. In 2010, five unions led by the Australian Services Union applied to Fair Work Australia (**FWA**)[571] for an equal remuneration order under Part 2-7 of the *Fair Work Act 2009* (Cth). The SACS case, as it is known, was ultimately successful and delivered a significant number of employees employed under the SCHADS Award pay increases of between 19% and 41% in Modern Award pay rates phased in over eight years.[572]

569. The employees concerned performed care work in the community service sector. FWA noted that 'more than 80% of the employees in the industry are female'.[573] There was extensive evidence before FWA that 'the funding structures, the size and geographical spread of workplaces and enterprises and the industrially passive nature of the industry made access to enterprise bargaining difficult'.[574] The evidence before the Royal Commissioners is that the aged care sector shares all of these features.

570. FWA summarised the ASU's case as follows:

> the SACS industry is female dominated, ...the work in the industry is undervalued and that there is a causal relationship between those two things – the undervaluation arises because it is a female dominated industry.[575]

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571 Fair Work Australia was subsequently renamed the Fair Work Commission.

572 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 207 IR 446. For a detailed discussion of the case, see Cortis, N and Meagher, G (2012) 'Recognition at Last: Care Work and the Equal Remuneration Case' 54(3) *Journal of Industrial Relations* 377; for a broader discussion of equal remuneration under the *Fair Work Act 2009* (Cth), see Smith, M and Stewart, A, 'A New Dawn for Pay Equity? Developing an Equal Remuneration Principle under the Fair Work Act; (2009-10) 23 *Australian Journal of Labour Law* 152.

573 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [31]. For more detail about the industry, see [167]-[169]; [225].

574 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [170]-[174].

575 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [30].

571. This was the case that was ultimately accepted by FWA.[576] FWA was 'in no doubt that gender has an important influence' in the gap between pay in the social, community and disability service industry and that in State and local government employment'. This was based on the evidence that the work was caring work. Smith and Stewart summarise the reasoning in the SACS case as follows:

> much of the work is caring work; that such a characterisation can contribute to, that devaluation of work; that work in the sector was indeed undervalued; and given that caring work has a female characterisation, that the undervaluation was gender-based.[577]

572. The Royal Commissioners have heard evidence about the female characterisation of aged care work, in particular, home care work, in Melbourne Hearing 3 from Professor Charlesworth, who described:

> the gendered norms that underpin the devaluation of care work are premised on an ideology of domesticity that positions the care women do, both in home and as paid work, as natural and therefore unskilled.[578]

573. Professor Charlesworth gave evidence that home care workers feel that society does not value their role and that often do not feel valued by their employers.[579]

574. In the SACS case, the Commonwealth submitted that:

> the remuneration of employees in the SACS industry has been undervalued and that a gender-neutral rate of remuneration that reflects the value of work performed, but which excludes other factors such as labour market attraction or retention rates and productivity should be fixed.[580]

575. FWA noted that there was:

> considerable evidence in this matter and widespread acceptance by the parties that a major reason for the actual wage rates in the SACS industry is the level of funding provided by governments.[581]

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576 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [245]-[290].

577 Smith, M and Stewart A 'Shall I compare thee to a fitter and turner? The role of comparators in pay equity regulation' (2017) 30 *Australian Journal of Labour Law* 113 at 129; see also Cortis, N and Meagher, G (2012) 'Recognition at Last: Care Work and the Equal Remuneration Case' 54(3) *Journal of Industrial Relations* 377.

578 Exhibit 11-52, Melbourne Hearing 3, Statement of Sara Charlesworth, WIT.0381.0002.0001 [15].

579 Transcript, Melbourne hearing 3, Sara Charlesworth, 16 October 2019, T6085 29-44.

580 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [123].

581 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [270].

576. In the second part of the SACS case,[582] FWA received a joint submission from the applicant unions and the Commonwealth government. FWA noted an announcement by the Prime Minister in November 2011 that 'the Australian government would provide over $2 billion during the six-year implementation period'.[583] The ultimate cost was approximately $3 billion.[584]

577. The Commonwealth and the unions jointly proposed an outcome which was largely accepted by the FWA. FWA made orders accordingly.

578. Commentators have noted that 'the success of the [SACS] case was widely seen to have hinged on securing federal government engagement from the outset'.[585]

579. However, in a subsequent case seeking a similar order for early childhood workers, the Fair Work Commission significantly changed the law by requiring evidence of an appropriate comparator before deciding if any pay differential was gender-related.[586] According to Creighton and Stewart, the FWC's new interpretation 'plainly created significant impediments to the success of industry-wide claims of the type advanced in this case'.[587]

The New Zealand Pay Settlement

580. In June 2017 a settlement was reached in New Zealand between government bodies, employer representatives, employee representatives which led to a pay rise for aged and disability residential care and home and community services workers of between 15% and 50%, depending on a worker's qualifications and experience.[588] There was also some additional funding for training. The settlement followed a pay equity claim which had been made by an aged care worker, Kristine Bartlett, on the basis of what she alleged was the systemic devaluation of the work she performed because it was mainly performed by women.

581. Following on from the settlement, the *Care and Support Workers (Pay Equity Settlement) Act 2017* (NZ) (**the NZ Act**) was introduced to implement

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582 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446.

583 *ASU v Australian Business Industrial (Re Equal Remuneration Case)* (2012) 208 IR 446 at [14].

584 *Social and Community Services Pay Equity Special Account Act 2012* (Cth); Smith, M and Stewart A 'Shall I compare thee to a fitter and turner? The role of comparators in pay equity regulation' (2017) 30 *Australian Journal of Labour Law* 113 at 129.

585 MacDonald, F et al (2018), 'Access to Collective Bargaining for Low-Paid Workers' in McCrystal S et al (eds), *Collective Bargaining under the Fair Work Act* (Federation Press, 2018), at 223.

586 *Equal Remuneration Decision 2015* [2015] FWCFB 8200 – see generally Smith M and Stewart A, 'Shall I compare thee to a fitter and turner? The role of comparators in pay equity regulation' (2017) 30 *Australian Journal of Labour Law* 113.

587 Stewart A et al (2016), *Creighton and Stewart's Labour Law* (6th ed) at [15.44].

588 See *Terranova Homes and Care v Service and Food Workers Union and Kristine Bartlett*, CA631/2013 [2014] NZCA 516.

changes to funding, wages and training for care and support workers in residential aged care, home and community care, and disability support.

582. In her evidence to the Royal Commissioners, Dr Ravenswood highlights that whilst there is limited evidence of how the implementation of the NZ Act impacted on the quality of care provided to clients:

> Where [the NZ Act] was implemented as intended with higher wages, no reduction in weekly hours (unless chosen by the healthcare assistant), and guaranteed training opportunities [the NZ Act] had a significant positive impact on the workforce. Healthcare assistants' wages increased to a level where some spoke of being able to afford basic items such as reading glasses, could work fewer hours (some worked long weekly hours to make enough money) and spend more time with family, some could save up for holidays (Douglas and Ravenswood, 2019).

583. Dr Ravenswood considers the decision by the government to intervene in the settlement and the legislative changes which followed, 'marked a change' to the otherwise 'distant approach' the New Zealand government has had on domestic supply chains and it is an example of how government can become involved in employment matters.

584. However, there were unintended consequences of the NZ Act. These included an increased workload and work intensification by residential aged care providers as staff numbers are reduced, a reduction in training and education compared to what had been offered previously (and the offering of online courses instead of on the job or face to face training) and the recruitment of new employees who were on the lowest tier of wages prescribed. Workers were also indirectly restricted from changing employer as the wage level they receive is based on their level of experience with their current employer.[589]

585. We submit that there is much that Australia can learn from the New Zealand experience. Plainly, increases in wages and allocating funding to training will not be enough. We must look to our existing mechanisms to the extent that they are able prioritise labour standards. Where they are unable to do so, we ought to consider what is needed. Further, we must reconceptualise the role of government in regulating employment standards in aged care. And, as Dr Ravenswood has told us, we must include the voice of the worker and the older person in any changes we make.[590]

Low Paid Bargaining under the Fair Work Act 2009 (Cth)

586. A third case concerned the Australian aged care industry directly. It involved an application under Division 9 of Part 2-4 of the *Fair Work Act 2009* (Cth) by

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589 Exhibit 15-2, Adelaide Hearing 3, Statement of Katherine Ravenswood, RCD.0011.0043.0008.

590 Exhibit 15-2, Adelaide Hearing 3, Statement of Katherine Ravenswood, RCD.0011.0043.0010.

unions representing aged care workers in Queensland for a 'low wage bargaining order'.[591]

587. When it was introduced in 2010, the 'low paid bargaining stream' in Division 9 of Part 2-4 of the *Fair Work Act 2009* (Cth) was hailed by some commentators as part of the 're-regulation of collective bargaining'.[592] A leading labour law text observes that 'the low-paid stream certainly represents an important departure from the overwhelming focus on promoting bargaining at the *enterprise* level under the FW Act...'.[593]

588. Of particular importance in this regard, is s 246(3) of the *Fair Work Act 2009* (Cth) which empowered Fair Work Australia to direct a third party that is not an employer to attend a conference if satisfied that:

> the person exercises such a degree of control over the terms and conditions of the employees ...that the participation of the person in bargaining is necessary for the agreement to be made.

589. As noted above, FWA accepted that aged care workers were 'low-paid employees' which was a threshold question. The FWA concluded that the phrase is 'intended to be a reference to employees who are paid at around the award rate of pay and who are paid at the lower award classification levels'.[594] One of the matters to which FWA was required to consider in determining the application was 'the extent to which the terms and conditions of employment of the employees who will be covered by the agreement is controlled, directed or influenced by a person other than the employer, or employers, who will be covered by the agreement' (s 243(3)(d)). The FWA concluded that:

> there is no doubt that funding plays a pervasive role in workplace relations in the sector. The level of funding is a significant consideration when employers make decisions in relation to wages and conditions to be afforded to their employees. The Australian government plays the dominant role in the provision of funds.[595]

590. Although FWA ultimately granted the authorization, it excluded many employers on the basis that they were already covered by agreements under the Act. Creighton and Stewart observe that 'the stringent tests for accessing the unique scheme of multi-employer bargaining ...mean that its use ... has been quite limited'.[596] MacDonald et al (2018) concluded that 'realising the

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591 See *United Voice v AWU, Qld* (2011) 207 IR 251. For a general discussion of Div 9 of Part 2-4 of the *Fair Work Act 2009*, see Stewart A et al (2016), *Creighton and Stewart's Labour Law* (6th ed) at [25.56]-[25.65].

592 R Cooper and B Ellem, 'Fair Work and the Re-regulation of Collective Bargaining', *Australian Journal of Labour Law*, 2009, Vol 22, 284, 299-304.

593 Stewart A et al (2016), *Creighton and Stewart's Labour Law* (6th ed) at [25.65].

594 *United Voice and AWU, Queensland* (2011) 207 IR 251 at [17].

595 *United Voice and AWU, Queensland* (2011) 207 IR 251 at [33].

596 Stewart A et al (2016), *Creighton and Stewart's Labour Law* (6th ed) at [25.65].

potential of the low-paid bargaining provisions in the FW Act has proven elusive'.[597]

591. On 18 February 2020, staff of the Royal Commission held an informal workshop with a number of Australia's leading labour law academics. The participants were:

- Professor Andrew Stewart, Adelaide University;
- Professor Meg Smith, Queensland University of Technology;
- Professor Fiona McDonald, RMIT University;
- Senior Lecturer Tess Hardy, University of Melbourne; and
- Professor Paula McDonald, Queensland University of Technology.

592. They were asked to assume that it is desirable for the levels of remuneration, classification structures, levels of training and career paths of aged care workers to be improved. They were asked about the best available mechanism under the current law to achieve these outcomes. The advice from this group was that, for the reasons discussed above, neither the low wage bargaining steam nor equal remuneration orders were likely to be fruitful. They considered that it may be possible to amend the three awards applying to aged care workers to effect such improvements. However, they advised that history suggests that, without strong federal government commitment and a co-operative approach that involves the employers, unions and care recipients, success will be elusive.

593. We will return to the issue of the important leadership role of the Commonwealth government in Part 6 of these submissions.

Employment conditions generally

594. Mr Gilbert said that:

> With the right incentives (decent minimum standards, professional recognition, low or no fees, and career paths) people will want to work in aged care and, over time, seek out the education opportunities required.[598]

595. Ms Tunney explained that her union's members:

> report that they are provided with fewer types of training, and that training is occurring less frequently. Furthermore, some training that used to be conducted face-to-face is now being provided online. Often, workers are required to complete online training outside of work hours.[599]

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597 MacDonald, F et al. (2018), 'Access to Collective Bargaining for Low-Paid Workers' in McCrystal, S et al (eds), *Collective Bargaining under the Fair Work Act*, at 217.

598 Exhibit 11-21, Melbourne Hearing 3, Statement of Paul Gilbert, WIT.0430.0001.0001 at 0038 [213].

599 Exhibit 11-22, Melbourne Hearing 3, Statement of Clare Tunney, WIT.0577.0001.0001 at 0006 [24a].

596. During Melbourne Hearing 3, Ms Tunney said:

> We consistently hear that they're concerned about low pay, the erosion of existing conditions, that they don't have adequate training, they don't have manageable workloads, that there aren't enough staff on the floor and that they have significant concerns about job security.[600]

Travel time

597. An important issue that was raised by a number of witnesses was payment for travel time for home care workers. There is no provision for paid travel time between clients in the *Social, Community, Home Care and Disability Services Award 2010*, and consequently, as the vast majority of home care workers are not covered by an enterprise agreement, they do not receive it.[601]

598. Ms Alcock told the Royal Commissioners that:

> There are women right now, sitting in their cars, waiting to go into someone's home and not being paid for that time. And that isn't their time. So they're not paid for kilometres travelled. They're not paid to travel between homes. That's not their time, and they're not paid for any of that work.[602]

599. Home care worker, Ms Hilton gave evidence of her personal experience, which was that although she was paid some allowance towards travel time, that did not always reflect the reality:

> The travel time between clients' homes isn't right. They might have me down for ten minutes, but it will take me twenty minutes to get there. I don't get paid for the wear and tear on my car.[603]

600. Professor Charlesworth described her experience of researching payment for travel time for home care workers in Australia and internationally.[604] Her evidence was that the issue of travel time went directly to the question of whether personal care work was valued:

> I think the whole issue of travel time is absolutely – it's very revealing about the lack of value we accord home care workers' work. It's hard to think of any other job where you are required to travel from client to client and you are not paid for your travel time. You are recompensed for your

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600 Transcript, Melbourne Hearing 3, Clare Tunney, 16 October 2019 at T5976.28-31.

601 Exhibit 11-20, Melbourne Hearing 3, Statement of Lisa Alcock, WIT.0463.0001.0001 at 0006 [33].

602 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5999.47-6000.4.

603 Transcript, Melbourne Hearing 3, Janice Hilton, 17 October 2019 at T6156.17-19.

604 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6089.12-38.

> mileage when you travel, when you use your own car, which home care workers do but you are not paid for your travel time.[605]

Split shifts

601. A related issue for home care workers which was raised in the evidence was that of the split shift arrangements available under the *Social, Community, Home Care and Disability Services Award 2010*. The consequence of this provision is that workers are only paid for the time they are tending to clients, not for wait times in between.[606] Ms Alcock described the situation as follows:

> For a part-time employee – because in my experience those workers are not engaged as casuals, they are engaged as part-time employees, there is no minimum period of engagement. So they can be engaged on the split shift provisions for, say, 30 minutes or an hour at a time over, say, 12 hours, and they're not paid for the time between people – between those shifts.[607]

Low hour contracts

602. Many aged care employees work on low hour part time contracts that can be increased by their employer,[608] leading to reduced certainty and security of hours but providing what Ms Alcock described as 'maximum flexibility for the employer to change the way they roster that flexibility into the workplace'.[609] Ms Hilton gave evidence of the effect that this arrangement has on her life:

> I'm on a 30-hour contract fortnightly, which can be up to 39 hours fortnightly. If I ask – if I get asked to do extra shifts, I do them, if I can. I have foster children, one with a disability. So I need to spend time with them as well. Rosters are changing regularly, which makes it difficult to try and have some work-life balance and plan ahead for events.[610]

Daily risk of assault

603. The Royal Commissioners heard evidence of the daily risk that aged care workers face, of assault by the very people they are there to care for. Ms Kathryn Nobes is a care worker who has worked in aged care since 2015. Her evidence to the Sydney hearings was that she and her co-workers were exposed to regular assaults by the people living with dementia that they look after. She explained that the working conditions that she and her colleagues endure impact on the quality of care they are able to provide. Ms Nobes

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605 Transcript, Melbourne Hearing 3, Professor Sara Charlesworth, 16 October 2019 at T6089.12-17.

606 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T6005.26-30.

607 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T6005.31-36.

608 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5981.40-43.

609 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T5982.1-3.

610 Transcript, Melbourne Hearing 3, Janice Hilton, 17 October 2019 at T6155.32-36.

called for more training about dementia for care workers in part to address this risk.[611]

604. Ms Alcock described the situation as:

> I think we have a culture at the moment which accepts that in aged care and social community – that if you work in this industry, you should be prepared to be assaulted and sexually assaulted on a weekly basis.[612]

605. Ms Tunney agreed, and drew particular attention to the situation faced by home care workers:

> Yes, we repeatedly hear from aged care workers and particularly home care workers that they regularly experience assaults. The home care workers are particularly vulnerable because they're in private residences, they are exposed to difficult situations both with the clients that they care for but also the families of clients, and also they have, as Ms Alcock has outlined, they don't have any control over the actual work spaces that they work in and the sorts of hazards that they are exposed to also like heat – excessive heat and cigarette smoke, those sorts of things.[613]

606. Counsel Assisting note that research about the NDIS workforce reveals similar concerns. For example, a September 2019 report which examined the impact of the NDIS delivery model on working conditions concluded that disability support workers are 'experiencing increased levels of violence at work'.[614] The authors noted that:

> The frequency of violence from clients, the general absence of reliable reporting systems, and the inadequacy of training, support and back-up for [disability support workers] are all exacerbated by the fragmented model of service delivery inherent to the NDIS's marketised model.[615]

607. Mr Gilbert of the ANMF described assaults in aged care as 'very common'. His evidence was that:

> There are a couple of aspects to it. I think sometimes you [can] be assaulted … because you happen to be down doing up somebody's shoe laces and it's a matter of convenience. … I've been assaulted – in my history – in that same circumstance. On other occasions, it's a consequence of being rushed. People are rushing people to comply with their timelines and that's creating a situation where someone who has already got issues around their mental competence is getting frustrated

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611 Exhibit 3-28, Sydney Hearing, Statement of Kathryn Nobes, WIT.0143.0001.0001 at .0004 [22b].

612 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T6001.15-18.

613 Transcript, Melbourne Hearing 3, Clare Tunney, 16 October 2019 at T6006.36-42.

614 Prof D. Baines et al (2019), *Precarity and Job Instability on the Frontlines of NDIS Support Work,* (The Centre for Future Work), pp 6 and 26-28.

615 Prof d. Baines et al (2019), *Precarity and Job Instability on the Frontlines of NDIS Support Work,* (The Centre for Future Work), p 27.

> and angry at being forced down a path and that's a consequence of being rushed. People are getting six minutes to get a resident out of bed, washed, in a chair, in a lounge room. It's just madness.[616]

608. Ms Alcock highlighted the seriousness of the problem, stating that:

> I'm convinced that we will potentially have a death in residential aged care unless we address occupational health and safety seriously.[617]

609. The 2016 Aged Care Workforce Census surveyed participants about occupational health and safety in aged care.[618] Around a quarter of respondents 'raised OHS concerns' ranging from manual handling concerns and overwork caused by staff shortages.[619]

610. Similarly, in its 2017 report entitled 'Future of Australia's aged care sector workforce', the Senate's Community Affairs Reference Committee was:

> concerned at the evidence presented to it in relation to poor working conditions and threats to workers' health and safety, which the Committee has heard are impacted by issues including insufficient staffing levels and the need for existing staff to cover staff shortages. These issues in turn impact on quality of care, and contribute to the poor reputation of the industry. [620]

611. The Committee concluded that:

> poor working conditions [are] an urgent matter given the impacts on the need to grow and sustain the aged care workforce and on the ability of staff to deliver a standard of care expected by the community.[621]

Physical work

612. Ms Janice Hilton described doing 'six hours of cleaning without a break' and described her work in aged care as 'physically demanding, especially in a heatwave'.[622]

613. Ms Lavina Laboya, an aged care worker, told the Royal Commissioners that she had been warned by more experienced workers that she should leave the profession if she wanted to avoid back problems:

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616 Transcript, Melbourne Hearing 3, Paul Gilbert, 16 October 2019 at T6012.1-9.

617 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T6017.35-37.

618 Exhibit 11-1, Melbourne Hearing 3, General Tender Bundle, tab 89, CTH.0001.1001.2805 at 2969.

619 Exhibit 11-1, Melbourne Hearing 3, General Tender Bundle, tab 89, CTH.0001.1001.2805 at 2970-2971.

620 Senate Community Affairs Reference Committee, *Future of Australia's aged care sector workforce*, 2017, p 49. The evidence is summarised at paras 3.23 – 3.29.

621 Senate Community Affairs Reference Committee, *Future of Australia's aged care sector workforce*, 2017, p 49.

622 Transcript, Melbourne Hearing 3, Janice Hilton, 17 October 2019 at T6153.34-35.

> My back and my shoulder are always sore and I worry that if I injury my back while I am young, I won't be able to get a job after that. A lot of the people I work with are much older than me and they tell me to get out and save my back. If there were more staff and better equipment I might stay in aged care but management refuse to acknowledge that there is a problem.[623]

614. Ms Laboya also described the pressures of working in an under resourced environment, both in terms of staff and equipment:

> During the morning shift at both facilities there isn't enough time to spend with each resident, and other staff and I spent each around 10 to 15 minutes with the residents and we're constantly rushing.[624]
>
> ...
>
> The other issues that affect the staff at both facilities I work is the lack of equipment. We don't have enough equipment or the equipment is faulty. We put tags on the equipment to advise that it's faulty, but it may not be fixed. For example, at the first facility, we only with one hoist that can raise all the residents. We have to run back and forth with the one weight hoist across the facility.[625]

615. Ms Alcock of the HWU gave an example of how rostering can result in unsafe work practices. She presented a scenario where a worker is working at night where there are fewer staff rostered. A resident needs to visit the bathroom but needs a two-person lift to safely get out of bed. A personal care worker is alerted to the needs of the resident, but for whatever reason cannot find the other rostered personal care worker on the night shift. If the worker does not help the resident they may get out of bed and fall and hurt themselves. The worker is directed not to assist the resident unless they have 2 workers to assist with the lift. If the worker assists the resident by themselves, the worker risks being disciplined by her employer. [626]

616. It is clear that each of these occupational health and safety issues is exacerbated by a lack of staff. As the evidence before the Royal Commissioners demonstrates, workplace safety concerns are one of the many reasons that the aged care sector is not presently seen as an employer of choice.

Conclusion

617. It is broadly recognised that poor terms and conditions of employment, exacerbated by low staffing levels and poor training opportunities and career paths are a disincentive for people to want to work in aged care. They also

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623 Transcript, Melbourne Hearing 3, Lavina Laboya, 18 October 2019 at T6224.40-47.

624 Transcript, Melbourne Hearing 3, Lavina Laboya, 18 October 2019 at T6222.26-28.

625 Transcript, Melbourne Hearing 3, Lavina Laboya, 18 October 2019 at T6224.3-8.

626 Transcript, Melbourne Hearing 3, Lisa Alcock, 16 October 2019 at T6014.21-33.

are part of the reason why sector has difficulty retaining its existing staff. Most workers are on minimum award rates.

618. The issues are complex with statutory mechanisms such as the low paid bargaining scheme appearing to hold much promise but failing in practice to deliver. Staff of the Royal Commission will continue to examine these issues. However, based on the work to date, two things are abundantly clear. First, for there to be any significant improvement in the terms and conditions of employment of aged care workers, there must be a co-operative approach by all relevant parties – employers, unions, care recipients and the Commonwealth government. Secondly, the equal pay cases in Australia and New Zealand show that where there is such an approach and the government provides real and tangible leadership, change can be effected that improves the lives of aged care workers.

619. In the final part of our submissions, we address questions of leadership more generally.

c. act as a centre of research and training for aged care in a catchment area

d. act as a hub for approved providers in a particular region and support training of aged care workers from surrounding aged care services.

Recommendation 84: Increases in award wages

Employee organisations entitled to represent the industrial interests of aged care employees covered by the *Aged Care Award 2010*, the *Social, Community, Home Care and Disability Services Industry Award 2010* and the *Nurses Award 2010* should collaborate with the Australian Government and employers and apply to vary wage rates in those awards to:

a. reflect the work value of aged care employees in accordance with section 158 of the *Fair Work Act 2009* (Cth), and/or

b. seek to ensure equal remuneration for men and women workers for work of equal or comparable value in accordance with section 302 of the *Fair Work Act 2009* (Cth).

Recommendation 85: Improved remuneration for aged care workers

In setting prices for aged care, the Pricing Authority should take into account the need to deliver high quality and safe care, and the need to attract sufficient staff with the appropriate skills to the sector, noting that relative remuneration levels are an important driver of employment choice.

Recommendation 86: Minimum staff time standard for residential care

1. The Australian Government should require approved providers of residential aged care facilities to meet a minimum staff time quality and safety standard. This requirement should take the form of a quality and safety standard for residential aged care. The minimum staff time standard should allow approved providers to select the appropriate skills mix for delivering high quality care in accordance with their model of care.

2. From 1 July 2022, the minimum staff time standard should require approved providers to engage registered nurses, enrolled nurses, and personal care workers for at least 200 minutes per resident per day for the average resident, with at least 40 minutes of that staff time provided by a registered nurse.

LH-5

Aged Care Job Ads 31 March 2021

Carer - Residential Aged Care
Personal Carer - Residential Aged Care
Blue Care
Sunshine Coast

- Casual opportunity | Enjoy work-life balance
- Join one of Queensland's largest not-for-profit aged care provider
- $23.42 - $28.53 p/h + 9.5% super + Not-for-profit salary packaging

We're seeking applications from Personal Carers, Assistants in Nursing and Support Workers to deliver outstanding care to our Warana Beachwood Aged Care Facility residents.

You'll provide care to your clients living in our residential home, supporting their independence and improving their quality of life through activities that include:

- Daily living assistance including showering, personal hygiene, help at meal times and general mobility
- Providing care in accordance with their individualised Care Plan
- Supporting with community based recreational and social activities
- Transportation and assistance with shopping and appointments

What you'll need:

- Certificate III Aged Care, Home and Community Care or Disability Support
- Blue Card and Yellow Card or willingness to obtain
- Experience with technology incl. smartphones, tablets, laptops etc
- Confidence to satisfy the relevant probity checks required by legislation or policies

Supporting our clients in the best way possible is important to us. To be employed by Blue Care, you will be required to complete the free NDIS Worker Orientation Module prior to commencement and provide a copy of your certificate on completion.

https://www.seek.com.au/job/51893051?type=standout#searchRequestToken=08ea60e8-4d88-4533-a9f7-835139d480cc

PERSONAL CARER AGED CARE
Joseph Banks Aged Care Facility
Fremantle & Southern Suburbs

Joseph Banks Aged Care Facility
a 24/7 residential aged care facility.

We seek an **experienced and appropriately qualified** PCA (Carer) Cert 3 or 4 to provide quality person centred care to our residents in a modern open plan building which is home to 81 people.

The successful candidate will **have a Cert 111 or Cert IV qualification.**

The successful candidate can demonstrate they have at least 12 months working experience **in an Australian aged care facility.**

The successful candidate will be responsible for all ADL's, be medication competent and/or be willing to complete our training which is the nationally recognised Memorandum of Understanding.

The successful candidate must have **good english language skills** including comprehension of written & spoken **English (IELTS general level)** and be able to effectively document using a manual system.

It is preferred that you have a good working knowledge of manual handling and workplace safety within an aged care environment.

We are looking for the right person to join our friendly team to help us continue to provide excellence in Aged Care.

https://www.seek.com.au/job/51875413?type=standard#searchRequestToken=08ea60e8-4d88-4533-a9f7-835139d480cc

Residential Carer
Goodwin Aged Care Services Limited
ACT

Residential Carer-Monash

- Permanent Full-time opportunity
- Reputable not-for-profit organisation
- Superior Aged Care Residential facilities across Canberra
- Generous salary packaging options in addition to your competitive pay

Who we are
We are Goodwin, a multi-award-winning, quality seniors' services and accommodation provider in the ACT. For over 65 years, our community-based, not-for-profit organization has provided the Canberra and regional community with experience-driven retirement villages, reliable and innovative in-home community care, and superior standard residential aged care facilities.

What we offer
Goodwin offers rewarding work plus a range of career paths for an exciting future of your choice. We also offer significant employee benefits such as discounts from local companies, training, workplace incentives, family and lifestyle provisions.

Who we need
We are currently seeking for Residential Carer from active members of local communities who are enthusiastic and energetic, and who ideally have a passion for aged care or have worked or volunteered as a carer supporting older people, people with disability or children and young adults.

Residential Carer's provide personal care for our low, high care and dementia residents. You will afford them services in line with their individual care plans ensuring they live a life full of dignity and respecting individual rights.

Experience in the delivery of care outcomes for older people, in managing people to achieve outcomes and strong level interpersonal skills are essential. Good attention to detail, efficiency and effectiveness and sound level skills in office systems, procedures, documentation, record keeping will ensure you succeed in this role.

You must be a self-starter, able to work unsupervised. A Certificate III in Aged Care/ Individual Support is desirable; however we provide skills training and sponsor our employees to gain Certificate III and higher qualifications as you progress your career.

If this sounds like you and you're excited by an opportunity to work with Goodwin, click apply now!

The successful candidate must possess the right to work in Australia; be vaccinated against influenza and be willing to undergo a Criminal Background Check as a pre-requisite to employment.

https://www.seek.com.au/job/51869351?type=standout#searchRequestToken=0c94cce5-ee00-41be-98dd-5829cdc3555e

Carer
Bupa Aged Care Australia
South West Coast VIC

Bupa Bellarine Lakes, is a beautiful care home located south west of Melbourne and is close to Geelong and the Surf Coast's beaches. Specialising in Residential Care, Respite Care, Palliative Care and Specialised Dementia Care.

About the Role
Working as part of team of empathetic and caring clinical professionals, you will make a positive impact on the life of our residents with your compassionate, supportive approach that empowers our residents' choices and independence.
Please note this is a casual role

Duties

- Communicating
- Mobility
- Social activities
- Eating
- Showering
- Dressing
- Grooming
- Toileting
- Medication Assistance

Skills and Experience

- Minimum of a Cert III in an Aged Care qualification is essential with Cert IV highly regarded
- Previous aged care experience highly regarded
- The ability to work as part of a tight knit team and take direction as required
- Excellent communication and interpersonal skills
- An understanding of Resident Rights, Aged Care Accreditation Standards and Outcomes
- Must have a current national police certificate or be willing to complete a criminal history check
- Must have flexible availability for a variety of shifts throughout the week, including weekends and evenings

Benefits

- Work close to home in one of our many community based homes
- Flexibility across our 24/7 operations
- Generous leave provisions including 12 weeks paid parental leave
- Generous discounts on health, travel, home, car, landlords and pet insurance
- 35% discount on frames, lenses, sunglasses and accessories at Bupa Optical stores
- 10% discount at Bupa Dental clinics
- Health and wellness initiatives and discounts through Bupa SMILE program
- Discounts at Apple and Samsung
- Workplace giving and Bupa fund matching
- Internal transfer opportunities to any of our 64 homes across Australia
- Clinical learning opportunities and more through online and face to face training

https://www.seek.com.au/job/51904557?type=standard#searchRequestToken=0eaf7414-4084-4af3-a677-14ce196df564

LH-6

Aged Care Job Ads 9 November 2020 (Chef/Cook/Kitchenhand)

NSW

Chef/Experienced cook:

Your main responsibilities will include:

- Hands on with food preparation in all areas of the kitchen following standard recipes and correct techniques
- Maintaining cleanliness standards of the kitchen
- Meeting all HACCP standards including completing required administrative tasks
- Working at times with specialised equipment
- Liaise with the care recipients for their menu choices
- Stock take and ordering
- Education and training of new staff and kitchen assistants
- Leadership experience, including rostering, budgets, managing and supervising staff
- Have experience in all aspects of the kitchen including experience in a high volume production with a strong focus on nutritional requirements and food safety paperwork.

To be successful in this role you will have:

- A minimum of two years in a chef / experienced cook position
- Appropriate qualifications and/ or relevant work experience in a similar role
- Demonstrated strong leadership and influencing skills including the ability to work collaboratively in a team environment
- Demonstrated advanced customer service skills
- The ability to work in a fast paced and hands on environment
- Experience in hotels and banquet environments
- Knowledge of food safety practices, HACCP and OHS
- Excellent cooking skills and overall technical expertise.
- Having flexibility and dedication, combined with the ability to thrive under pressure and achieve results
- The ability to lead from the front, in a 'hands on' manner and drive people development and training.
- Demonstrated effective interpersonal and communication skills (written and verbal)
- Your colleagues will describe you as hard working, customer focused and a good team player. You will be proficient with computers and computer software to include use of Word, Excel and other relevant programs.
- Been involved in menu development and food initiatives
- Ability to represent the team within our homes on a one to one and group level

https://www.seek.com.au/job/50834254?type=standard#searchRequestToken=4ef50440-0621-4f72-ac25-778c6d1c8fe8

Weekend Chef

The successful applicants will possess:

- Experience in aged care as a chef (essential)
- A Certificate III in Commercial Cookery/preferably be trade qualified
- Hold Food Safety Supervisor certification
- Knowledge of relevant regulatory bodies, legislative requirements including accreditation, local council and state government
- Sound knowledge of texture modified food and thickened fluid
- Intermediate level of computing skills
- Exceptional leadership capabilities and the ability to motivate a team of professionals

https://www.seek.com.au/job/50811675?type=standard#searchRequestToken=4ef50440-0621-4f72-ac25-778c6d1c8fe8

Weekend Cook

About the role:

- Cover the Head Chef role at the weekend or when required in addition to weekday Food Services Officer duties
- Contribute to the creation of the seasonal menu.
- Create nutritious meals and snacks in line with the food services program.
- Ensure detailed compliance with the food safety program.
- Oversee and manage service of meals.
- Create enjoyable food experiences for customers.
- Full accountability for the food experience and hospitality operations in the home in the absence of the Head Chef.
- Create hero moments for our customers.

Our ideal candidates will demonstrate the following:

- Passion for food
- Excellent produce selection and rotation skills
- Outstanding budgeting and ordering skills
- Inspirational team leadership
- Completion of Certificate IV in Commercial Cooking or trade qualification
- Food Safety Supervisory Certification
- 3 years' experience as a Cook
- Outstanding customer service skills
- Good communication and organisational skills
- Ability to work to direction

https://www.seek.com.au/job/50827260?type=standout#searchRequestToken=4ef50440-0621-4f72-ac25-778c6d1c8fe8

Relief Cook/ Food Services Assistant

Reporting to the Chef & GM, you will be mainly responsible for:

- Ensuring all food service activities are completed in accordance with Food Safety Plan (FSP), Allity Food Standards and as directed by the Chef.
- Ensuring compliance with OH&S
- Providing all food service activities to residents including serving meals, and dining room set-up and clearing.
- Assisting with general food preparation, kitchen duties, stock control and continuous improvement activities.

About You

To be successful for this role, you must demonstrate the following:

- A current Safe Food Handling Certificate
- Previous experience as a Food Service Attendant and Cook is essential
- Flexibility & commitment to work across various shifts on short notice
- Aged Care experience will be highly regarded
- Current Flu Vaccination Certificate
- Knowledge of good hygiene practices
- Good communication skills
- Positive attitude with a willingness to learn
- Professional presentation

https://www.seek.com.au/job/50908971?type=standout#searchRequestToken=4ef50440-0621-4f72-ac25-778c6d1c8fe8

Cook

As well as leading a team in delivering high-quality food to our residents, this role will also encompass:

- All compliance aspects of food preparation & cooking, presentation, serving of meals, mid meals, which are palatable and nutritious, using the recipes and menus.
- That all foods are handled according to the food safety plan and compliant with the Aged Care Nutrition and Hydration requirements.
- Ensure that the food cooked is of suitable consistency for the consumption of individual residents.
- Ensure that food is prepared in appropriate quantities to meet the resident's menu choice.
- The preparation of cultural/religious meals to meet the needs of the individual residents within the budgetary constraints.
- Prepare Special diets in accordance with dietician or Care Manager guidelines (e.g. Diabetic, high/low protein, gluten-free or coeliac).
- Prepare and account for kitchen snack and meals, which are made available after kitchen hours.
- Be aware of the resident's food preferences and substitute alternatives where possible.
- Prepare and present food within the set time frame to ensure freshness quality and to maintain food safety. • Monitor and register food wastage.
- Make sure the meal times are adhered to by that includes catering staff and carer's deliver.
- The meals in a high quality and efficient manner.
- Ensure the catering services meets and exceeds the level of compliance required under the Aged Care standards for accreditation.

The experience required to deliver the highest standards of quality should be combined with:

- Staff Management experience
- Cook qualifications and experience and understanding of special dietary needs
- Experience within Aged Care is a must
- Experience working within set budgets
- Time management and interpersonal skills
- Willingness to work as part of a broader catering team to continually improve the catering experience in our home

Essential Selection Criteria:

- Diploma in Hospitality
- Certificate IV in Commercial Cooking or equivalent
- Current Police Check

https://www.seek.com.au/job/50766477?type=standard#searchRequestToken=4ef50440-0621-4f72-ac25-778c6d1c8fe8

Cook

You will bring to the role your passionate and caring nature and you will have:

- Cert III in Commercial Cookery
- Experience within a commercial kitchen (highly regarded)
- Strong leadership and communication skills
- Excellent documentation practice
- An ability and willingness to fulfill the duties of a kitchen hand when required
- Experience with delivering a range of fresh meals (highly regarded)
- A commitment to keeping yourself and others safe
- The right to work in Australia

https://www.seek.com.au/job/50836453?type=standout#searchRequestToken=4ef50440-0621-4f72-ac25-778c6d1c8fe8

Kitchen hand

Key Responsibilities:

- Providing meal service to elderly residents
- Cleaning of serveries
- Adhering to and completing quality assurance documents
- Washing dishes in the main kitchen and plating of meals
- Preparing salads and sandwiches in the main kitchen
- Function set up and clear down
- Assist the Chef and Chef Manager as required in preparation of food/beverages
- Food, coffee and tea service

https://www.seek.com.au/job/50865573?type=standard#searchRequestToken=4fba9eae-86de-4370-8141-be828f6606cf

Catering Assistant

Selection Criteria:

- Experienced in cooking fresh meals
- Understanding of how to develop nutritious and wholesome food including the preparation of special meals – low salt, diabetic, soft and pureed.
- Experience in working in a fast paced kitchen and or bulk food preparation
- Knowledge and experience in working to the compliance of the Food Safety Standards to HACCP level
- Must be available for weekends
- Great customer service

https://www.seek.com.au/job/50787050?type=standout#searchRequestToken=4fba9eae-86de-4370-8141-be828f6606cf

Food and Housekeeping Services Officer - Opal Windward Manor

The successful candidates will possess:

- Excellent communication and organisational skills
- Kitchen hand experience, preferably in aged care
- Previous experience in a commercial cleaning or a busy kitchen/ cleaning role
- A certificate in food safety would be highly regarded
- Empathy with the needs of the frail aged (dementia care included)
- Ability to work independently and as a member of a team

https://www.seek.com.au/job/50849275?type=standout#searchRequestToken=4fba9eae-86de-4370-8141-be828f6606cf

Victoria

Chef

To be considered for the role you will have:

- Appropriate Chef Qualifications or Trade Cook certificate or equivalent
- Current Food Handling/Food Safety Certificate
- Demonstrated knowledge and understanding of Food Safety regulations, guidelines, standards and relevant legislation
- Relevant experience in menu and food preparation
- Experience in a supervisory role
- Demonstrated initiative and ability to work independently within specific guidelines
- Commitment to the provision of high quality, nutritious and appetizing food and beverages
- A strong sense of pride and accomplishment in service delivery

https://www.seek.com.au/job/50784524?type=standout#searchRequestToken=918d23cb-aeb2-43dc-8a19-efed0ebe4d5d

Weekend Chef

What we require from you:

- Certificate III (or similar) in Commercial Cookery
- Food Safety Certification (highly desirable)
- Experience in executing all aspects of kitchen operations and food preparation in an aged care, or similar catering environment
- Ability to work well with other team members
- A commitment to genuine, friendly customer service
- Motivation, enthusiasm and a positive 'can-do' attitude
- Ability to work in a fast-paced, challenging & time-sensitive environment
- Pride in personal appearance & hygiene

https://www.seek.com.au/job/50849269?type=standout#searchRequestToken=918d23cb-aeb2-43dc-8a19-efed0ebe4d5d

Chef

Duties

- Offering our residents, a varied, healthy and well-balanced diet that takes individual preferences into account
- Ensuring residents receive sufficient food and fluids to meet their nutritional requirements
- Ensuring residents are assisted in maintaining their dietary customers according to their religious and cultural beliefs
- Liaising with our residents, their families and the care home management and staff
- Leading, coaching and development of delegated staff
- Management of all food preparation and cooking activities
- Implement and maintain all infection control and safe food handling procedures
- Timely completion of all required documentation and reporting

Skills and Experience

- Certificate in Commercial Cookery or equivalent is essential
- Previous experience gained in a similar role ideally within the aged care industry
- Excellent verbal and written communication and interpersonal skills
- Highly developed organisation and time management skills
- The ability to solve problems independently
- An understanding of Resident Rights, Aged Care Accreditation Standards and Outcomes
- Must have a current national police certificate or be willing to complete a criminal history check

https://www.seek.com.au/job/50892434?type=standard#searchRequestToken=918d23cb-aeb2-43dc-8a19-efed0ebe4d5d

German Chef

What we require from you:

- Certificate III (or similar) in Commercial Cookery
- Specialising in German cuisine a MUST
- Food Safety Certification (highly desirable)
- Experience in executing all aspects of kitchen operations and food preparation in an aged care, or similar catering environment
- Ability to work well with other team members
- A commitment to genuine, friendly customer service
- Motivation, enthusiasm and a positive 'can-do' attitude
- Ability to work in a fast-paced, challenging & time-sensitive environment
- Pride in personal appearance & hygiene

https://www.seek.com.au/job/50841912?type=standout#searchRequestToken=918d23cb-aeb2-43dc-8a19-efed0ebe4d5d

Cook

About you

You will bring your agility and hands-on experience and you will have:

- Cert III in Commercial Cookery
- Experience within a commercial kitchen highly regarded
- Aged Care experience (highly regarded)
- Strong leadership and communication skills
- Excellent documentation practice
- Ability to fulfill the duties of a kitchen hand when required
- Experience with delivering a range of fresh meals highly regarded

https://www.seek.com.au/job/50840505?type=standout#searchRequestToken=918d23cb-aeb2-43dc-8a19-efed0ebe4d5d

Kitchenhand

What this role involves:

- Dishwashing and cleaning of the kitchen, equipment & dining areas
- Setting up and clearing dining rooms and tray service to resident rooms
- Heavy lifting
- Exceptional customer service, serving food to elderly residents and patients
- Maintaining legislated food hygiene and safety practices
- Fast, effective service throughout busy periods - with a smile
- Assisting the broader team as required

https://www.seek.com.au/job/50849068?type=standout#searchRequestToken=983281b3-e5f5-4669-a1f3-9a53eeb9b7b5

Food Services Assistant

The successful applicant will have -

- A current Police Record Check (PRC)
- A current Influenza Certificate (2020)
- A current Food Handling Certificate
- Experience in an aged care kitchen
- Good communication skills and demonstrated ability to engage in conversation with consumers
- The ability to work in a fast-paced environment
- The ability to work as part of a team.

https://www.seek.com.au/job/50849615?type=standard#searchRequestToken=983281b3-e5f5-4669-a1f3-9a53eeb9b7b5

Food Services Assistant

Key Requirements:

- Food Safety or Food Handling Certificate
- At least 1 year of relevant experience
- Aged Care experience highly desirable
- Experience in laundry and cleaning will be looked upon favourably
- Familiarity with State Food Handling regulations/HACCP
- Ability to work independently and as a team member
- Must have a valid work permit, current police check and influenza vaccine

https://www.seek.com.au/job/50868466?type=standout#searchRequestToken=983281b3-e5f5-4669-a1f3-9a53eeb9b7b5

Perth

Cook

About you

- Certificate 3 or 4 in Commercial Cookery
- A passion for customer service with a friendly, enthusiastic and caring attitude
- Previous experiences as a cook/chef in aged care is desirable
- You are a highly driven self motivator who can work autonomously or within a team environment
- Knowledge of hygiene and workplace health and safety
- Attention to detail with the ability to multi-task and prioritise your work in a busy environment
- Permanent resident of Australia or have unlimited working rights within Australia

https://www.seek.com.au/job/50813933?type=standard#searchRequestToken=e68fdf0e-c1d8-4541-8c76-2f939a94f1cb

Weekend Cook

What this role involves:

- Execution of food preparation and presentation
- Adherence to dietary requirements (allergies, texture modified, purees, etc.)
- Stock ordering, rotation and stocktaking
- Maintain a clean kitchen, equipment and utensils
- Maintaining legislated food hygiene and general safety practices
- Fast, effective service provided with a smile
- Assisting the broader team as required

What we require from you:

- Certificate III (or similar) in Commercial Cookery (desirable)
- Food Safety Certification (highly desirable)
- Experience in executing all aspects of kitchen operations and food preparation in an aged care, or similar catering environment
- Ability to work well with other team members
- A commitment to genuine, friendly customer service
- Motivation, enthusiasm and a positive 'can-do' attitude
- Ability to work in a fast-paced, challenging & time-sensitive environment
- Pride in personal appearance & hygiene

https://www.seek.com.au/job/50770445?type=standout#searchRequestToken=e68fdf0e-c1d8-4541-8c76-2f939a94f1cb

Assistant Cook

About You

- Availability and flexibility to work weekdays and weekends for a variety of shifts.
- Experience in food preparation and cooking for large numbers of people.
- A high level of food safety knowledge.
- Sound written and verbal communication skills.
- Able to supervise and organise staff to deliver high quality catering services.
- Be able to work effectively and efficiently within a team environment and independently as required.
- Hold a Certificate III in Commercial Cookery (or equivalent).
- Aged Care experience will be highly regarded.
- Have empathy with the elderly.
- Have full Australian working rights and able to pass a national police clearance.

https://www.seek.com.au/job/50852060?type=standard#searchRequestToken=e68fdf0e-c1d8-4541-8c76-2f939a94f1cb

Catering Assistant

What this role involves:

- Assisting with basic, general food preparation
- Resident service - serving our residents meals and snacks
- Re-stocking as required, and after meal periods.
- Dishwashing and cleaning of the kitchen, equipment & dining areas.
- Maintaining legislated food hygiene and safety practices.
- Fast, effective service throughout busy periods - with a smile.
- Working as directed by the Chef Manager as required
- Assisting the broader Emerald Life team as required.

https://www.seek.com.au/job/50898923?type=promoted#searchRequestToken=ac1b54b3-d562-4ebc-b11f-0f5f7990f636

Kitchenhand

As an important part of the Aegis team, you will:

- Provide food services under the direction and supervision of the Cook/Chef Manager.
- Prepare and serve meals as appropriate and in accordance with care plans.
- Ensure a clean working environment in accordance to infection control guidelines.
- Ensure correct food handling techniques are used at all times.

About You

- Reliable, punctual and a team player.
- Have knowledge of food safety programs.
- Be able to work effectively and efficiently within a team environment and independently as required.
- Have at least 2 years experience in a similar role - preferably in the Health industry.
- Customer service ethos with a focus on quality service.
- Have good communication and interpersonal skills.
- Have empathy with the elderly.
- Have full Australian working rights and able to pass a national police clearance.

https://www.seek.com.au/job/50842138?type=standard#searchRequestToken=ac1b54b3-d562-4ebc-b11f-0f5f7990f636

Kitchenhand

ABOUT YOU:

- Food Safety Handler certificate – Level 1
- Experience in large-scale catering and Aged Care is highly desirable
- Ability to operate in a team environment and prioritise during peak periods
- A passion for great food service whilst being customer and safety focused
- An understanding that producing nutritious meals is an important part of home life for residents (and their families)

https://www.seek.com.au/job/50889440?type=standout#searchRequestToken=ac1b54b3-d562-4ebc-b11f-0f5f7990f636

Kitchenhand

Skills and experience

- A passion for interacting with our residents.
- Must have, at a minimum, Certificate 2 (prefer Cert 3)
- Previous experience as a kitchen hand in an aged care environment.
- Experience in preparation, meals, serving and good knife skills
- Ability to multitask and work with minimal supervision
- Demonstrated experience in record keeping
- Clear communication skills both written and verbal.
- Work cooperatively within a team environment

https://www.seek.com.au/job/50894159?type=standard#searchRequestToken=e5c2117e-c317-498d-9134-bdefdc5ebb26

Aged Care Quality Standards

Standard 1

Consumer dignity and choice

Consumer outcome:

1 (1) I am treated with dignity and respect, and can maintain my identity. I can make informed choices about my care and services, and live the life I choose.

Organisation statement:

1 (2) The organisation:

1 (2) (a) has a culture of inclusion and respect for consumers; and

1 (2) (b) supports consumers to exercise choice and independence; and

1 (2) (c) respects consumers' privacy.

Requirements

1 (3) The organisation demonstrates the following:

1 (3) (a) Each consumer is treated with **dignity and respect**, with their identity, **culture and diversity** valued.

1 (3) (b) Care and services are **culturally safe**.

1 (3) (c) Each consumer is supported to exercise **choice and independence**, including to:

i) **make decisions** about their own care and the way care and services are delivered; and

ii) **make decisions** about when family, friends, carers or others should be involved in their care; and

iii) **communicate their decisions**; and

iv) make connections with others and **maintain relationships** of choice, including intimate relationships.

1 (3) (d) Each consumer is **supported to take risks** to enable them to live the best life they can.

1 (3) (e) **Information** provided to each consumer is **current, accurate and timely**, and communicated in a way that is clear, easy to understand and enables them to exercise choice.

1 (3) (f) Each consumer's **privacy is respected** and personal **information kept confidential**.

Standard 2

Ongoing assessment and planning with consumers

Consumer outcome:

2 (1) I am a partner in ongoing assessment and planning that helps me get the care and services I need for my health and well-being.

Organisation statement:

2 (2) The organisation undertakes initial and ongoing assessment and planning for care and services in partnership with the consumer. Assessment and planning has a focus on optimising health and well-being in accordance with the consumer's needs, goals and preferences.

Requirements

2 (3) The organisation demonstrates the following:

(a) **Assessment and planning**, including consideration of risks to the consumer's health and well-being, informs the delivery of **safe and effective care** and services.

2 (3) (b) Assessment and planning identifies and addresses the consumer's **current needs**, goals and preferences, including advance care planning and **end of life planning** if the consumer wishes.

2 (3) (c) Assessment and planning:

i) is based on ongoing **partnership with the consumer** and others that the consumer wishes to involve in assessment, planning and review of the consumer's care and services; and

ii) **includes other organisations**, and individuals and providers of other care and services, that are involved in the care of the consumer.

2 (3) (d) The outcomes of assessment and planning are effectively communicated to the consumer and documented in a **care and services plan** that is readily available to the consumer, and where care and services are provided.

2 (3) (e) Care and **services are reviewed regularly** for effectiveness, and when circumstances change or when incidents impact on the needs, goals or preferences of the consumer.

Aged Care Quality Standards

Standard 3

Personal care and clinical care

Consumer outcome:

3 (1) I get personal care, clinical care, or both personal care and clinical care, that is safe and right for me.

Organisation statement:

3 (2) The organisation delivers safe and effective personal care, clinical care, or both personal care and clinical care, in accordance with the consumer's needs, goals and preferences to optimise health and well-being.

Requirements

3 (3) The organisation demonstrates the following:

3 (3) (a) Each consumer gets **safe and effective personal care, clinical care**, or both personal care and clinical care, that:
- i) is **best practice**; and
- ii) **tailored** to their needs; and
- iii) optimises their **health and well-being**.

3 (3) (b) Effective **management of high-impact** or high-prevalence **risks** associated with the care of each consumer.

3 (3) (c) The needs, goals and **preferences** of consumers **nearing the end of life** are recognised and addressed, their comfort maximised and their dignity preserved.

3 (3) (d) Deterioration or change of a consumer's mental health, cognitive or physical function, capacity or condition is **recognised and responded to** in a timely manner.

3 (3) (e) Information about the consumer's condition, needs and preferences is **documented and communicated** within the organisation, and with others where responsibility for care is shared.

3 (3) (f) Timely and appropriate **referrals** to individuals, other organisations and providers of other care and services.

3 (3) (g) **Minimisation of infection**-related risks through implementing:
- i) standard and transmission-based precautions to prevent and **control infection**; and
- ii) practices to promote **appropriate antibiotic prescribing** and use to support optimal care and reduce the risk of increasing resistance to antibiotics.

Standard 4

Services and supports for daily living*

Consumer outcome:

4 (1) I get the services and supports for daily living that are important for my health and well-being and that enable me to do the things I want to do.

Organisation statement:

4 (2) The organisation provides safe and effective services and supports for daily living that optimise the consumer's independence, health, well-being and quality of life.

Requirements

4 (3) The organisation demonstrates the following:

4 (3) (a) Each consumer gets **safe and effective services** and supports for daily living that meet the consumer's needs, goals and preferences and optimise their independence, health, well-being and quality of life.

4 (3) (b) Services and **supports for daily living** promote each consumer's emotional, spiritual and psychological well-being.

4 (3) (c) Services and supports for daily living assist each consumer to:
- i) participate in their **community** within and outside the organisation's service environment; and
- ii) have social and personal **relationships**; and
- iii) do the things of **interest** to them.

4 (3) (d) Information about the consumer's condition, needs and **preferences** is **communicated** within the organisation, and with others where responsibility for care is shared.

4 (3) (e) Timely and appropriate **referrals** to individuals, other organisations and providers of other care and services.

4 (3) (f) Where **meals** are provided, they are varied and of suitable **quality and quantity**.

4 (3) (g) Where **equipment** is provided, it is safe, suitable, clean and **well maintained**.

* **Services and supports for daily living** include, but are not limited to, food services, domestic assistance, home maintenance, transport, recreational and social activities.

Aged Care Quality Standards

Standard 5

Organisation's service environment*

Consumer outcome:

5 (1) I feel I belong and I am safe and comfortable in the organisation's service environment.

Organisation statement:

5 (2) The organisation provides a safe and comfortable service environment that promotes the consumer's independence, function and enjoyment.

Requirements

5 (3) The organisation demonstrates the following:

5 (3) (a) The service **environment is welcoming** and easy to understand, and optimises each consumer's sense of belonging, independence, interaction and function.

5 (3) (b) The service **environment**:

i) is **safe, clean, well maintained** and comfortable; and

ii) enables consumers to **move freely**, both **indoors and outdoors**.

5 (3) (c) Furniture, fittings and equipment are **safe, clean, well maintained** and suitable for the consumer.

* An organisation's **service environment** refers to the physical environment through which care and services are delivered, including aged care homes, cottage style respite services and day centres. An organisation's service environment does not include a person's privately owned/occupied home through which in-home services are provided.

Standard 6

Feedback and complaints

Consumer outcome:

6 (1) I feel safe and am encouraged and supported to give feedback and make complaints. I am engaged in processes to address my feedback and complaints, and appropriate action is taken.

Organisation statement:

6 (2) The organisation regularly seeks input and feedback from consumers, carers, the workforce and others and uses the input and feedback to inform continuous improvements for individual consumers and the whole organisation.

Requirements

6 (3) The organisation demonstrates the following:

6 (3) (a) Consumers, their family, friends, carers and others are encouraged and supported to **provide feedback** and **make complaints**.

6 (3) (b) Consumers are made aware of and have access to advocates, **language services** and other methods for raising and resolving complaints.

6 (3) (c) Appropriate **action is taken** in response to complaints and an **open disclosure** process is used when things go wrong.

6 (3) (d) Feedback and complaints are **reviewed and used** to improve the quality of care and services.

Aged Care Quality Standards

Standard 7

Human resources

Consumer outcome:

7 (1) I get quality care and services when I need them from people who are knowledgeable, capable and caring.

Organisation statement:

7 (2) The organisation has a workforce that is sufficient, and is skilled and qualified to provide safe, respectful and quality care and services.

Requirements

7 (3) The organisation demonstrates the following:

7 (3) (a) The **workforce is planned** to enable, and the number and mix of members of the workforce deployed enables, the delivery and management of safe and quality care and services.

7 (3) (b) Workforce interactions with consumers are **kind, caring and respectful** of each consumer's identity, culture and diversity.

7 (3) (c) The workforce is **competent** and members of the workforce have the **qualifications and knowledge** to effectively perform their roles.

7 (3) (d) The workforce is recruited, **trained, equipped and supported** to deliver the outcomes required by these standards.

7 (3) (e) Regular assessment, **monitoring and review** of the performance of each member of the workforce.

Standard 8

Organisational governance

Consumer outcome:

8 (1) I am confident the organisation is well run. I can partner in improving the delivery of care and services.

Organisation statement:

8 (2) The organisation's governing body is accountable for the delivery of safe and quality care and services.

Requirements

8 (3) The organisation demonstrates the following:

8 (3) (a) Consumers are **engaged in** the development, delivery and evaluation of care and services and are supported in that engagement.

8 (3) (b) The organisation's governing body promotes a **culture of safe, inclusive and quality care** and services and is accountable for their delivery.

8 (3) (c) Effective organisation wide **governance** systems relating to the following:

i) **information** management
ii) continuous **improvement**
iii) **financial** governance
iv) **workforce** governance, including the assignment of clear responsibilities and accountabilities
v) **regulatory** compliance
vi) **feedback** and complaints.

8 (3) (d) Effective **risk management** systems and practices, including but not limited to the following:

i) managing **high-impact** or high-prevalence risks associated with the care of consumers
ii) identifying and responding to **abuse and neglect** of consumers
iii) supporting consumers to **live the best life** they can
iv) managing and preventing incidents, including the use of an incident management system.

8 (3) (e) Where clinical care is provided – a **clinical governance framework**, including but not limited to the following:

i) **antimicrobial** stewardship
ii) minimising the **use of restraint**
iii) open **disclosure**.