

AGED CARE SECTOR STAKEHOLDER CONSENSUS STATEMENT

17 December 2021

This Statement has been prepared by stakeholders from the aged care sector. The Aged Care Workforce Industry Council is not party to this Statement. The Council engaged an independent facilitator to support the stakeholders to develop this Statement.

Introduction

Throughout the period September to December 2021 the Aged Care Workforce Industry Council (ACWIC) convened meetings of stakeholders from the aged care sector to consider the applications made by the Health Services Union (HSU) and the Australian Nursing and Midwifery Federation (ANMF) to the Fair Work Commission (FWC) to increase the wage rates of aged care sector workers by 25% (the applications).

ACWIC convened these meetings in response to the recommendations of the Royal Commission into Aged Care, Quality and Safety. Recommendation 76 (2) (e) recommended that:

(2) By 30 June 2022, the Aged Care Workforce Industry Council Limited should:

...

(e) lead the Australian Government and the aged care sector to a consensus to support applications to the Fair Work Commission to improve wages based on work value and/or equal remuneration, which may include redefining job classifications and job grades in the relevant awards.
(Emphasis added)

Participants at the meetings came from stakeholder organisations that represent the aged care workforce, aged care providers, and consumers – older Australians and their families. The Federal Government via the Department of Health was invited to attend and participate but declined.

Arising from these meetings and pursuant to the Recommendation, this Statement has been prepared by stakeholders from the aged care sector. This Statement reflects the matters over which the parties have reached agreement but does not represent the entirety of the views of each of the stakeholders.

The organisations supporting the Statement are listed in Attachment A.

The parties to the work value case will participate in discussions to attempt to reach a Statement of Agreed Facts in relation to the applications in early 2022.

STATEMENT

Value of the work

The stakeholders agree that wages in the aged care sector need to be significantly increased because the work of aged care workers has been historically undervalued for a range of reasons¹ and has not been properly assessed by the Fair Work Commission or any other industrial tribunal.

Minimum wages in awards need to be set according to the value of the work done by workers in aged care, recognising increases in the complexity of the nature of the work and skills and responsibility involved in doing the work and changes to the conditions under which work is done.

The stakeholders believe that in properly valuing the work of aged care workers and setting minimum wages in awards, the Fair Work Commission should take into account the following:

1. Australians are living longer. The proportion of Australians over the age of 65 is set to increase from 15 per cent to 23 per cent by 2066². With advanced age often comes increased frailty which is associated with increased morbidity, declining function and a concurrent need for supports. As a result, aged care consumers are entering aged care with more frailty, co-morbidities and acute care needs. Thus, the acuity of recipients of aged care services has increased and this trend is expected to continue.
2. The proportion of people with dementia and dementia-associated conditions receiving aged care services has increased.
3. With an increase in the ageing population, the need for embedded and effective palliative care is now more prevalent than historically was the case.
4. Aged care services are provided to consumers in residential aged care facilities (residential care), clients' own homes (home care) and in clustered domestic and household models of care. Home care is increasing as a proportion of aged care services.
5. Clustered domestic and household models of care are growing in prevalence. These models of care require greater numbers of staff with a broad range of capabilities.
6. The academic discipline of gerontology has evolved considerably in the last 20 years and informs options for the provision of care.
7. In each of the settings, consumers are increasingly requiring and receiving care to meet more complex needs including acute and sub-acute care. The need for socio-emotional skills in addition to clinical and care skills is more apparent.
8. There is an increase in the number and complexity of medications prescribed and administered.³

¹ For example, see the *Royal Commission into Aged Care Quality and Safety*, Final Report, Summary and Recommendations, page 41.

² <https://www.aihw.gov.au/reports/older-people/older-australia-at-a-glance/contents/demographics-of-older-australians/australia-s-changing-age-and-gender-profile>.

³ ANMF 110 [Trends in Medication Use 2016-2021 \(fwc.gov.au\)](https://www.fwc.gov.au) at 2 and 8, Reiersen F. Trends in Medication Use 2016-2021 September 2021 and <https://onlinelibrary.wiley.com/doi/full/10.1111/imj.14871> M. C. Inacio, C. Lang, S. C. E. Bray, R. Visvanathan, C. Whitehead, E. C. Griffith, K. Evans, M. Corlis, S. Wesselingh. *Health status*

9. The expectations of aged care consumers and their families, and the community, about the provision of aged care services has risen over time.⁴ The philosophy of care is person-centred based on choice and control, and this requires a focus on the individual needs of each resident and client.
10. Aged care caters for the diverse Australian community and needs to meet the cultural, social and linguistic needs of communities such as Aboriginal and Torres Strait Islander people, CALD, LGBTQI+ and other diverse communities.
11. Older people of CALD backgrounds are an increasingly significant proportion of the population, making up approximately a third of people aged 65 and over. Cultural diversity among older people seeking care is changing and increasing. As of June 2019, at least 1 in 4 home care consumers were CALD older people and 1 in 5 among residential care and home support consumers.
12. Communication with consumers and their families requires skills in interpersonal communication and cross-cultural awareness.
13. The work demand of aged care workers is changeable and work is done to rigorous time and performance standards.
14. Changes in staffing levels, skills mix and, consequently, workloads, have a significant impact on the changing nature of the work and therefore work value.
15. Since 2003, there has been a decrease in the number of nurses, both Registered Nurses (RNs) and Enrolled Nurses (ENs), as a proportion of the total workforce employed in aged care.⁵ RNs are the clinical leaders in residential aged care and have experienced an increase in managerial duties (including co-ordinating and supervising and delegating) and/or administrative responsibilities. Expectations of RNs have increased markedly (along with a shift from residents with lower to higher social and clinical needs). Nurses are required to detect changes in resident health status, identify elder abuse and anticipate medical decision-making. Overall, there are more demands upon nurses due to workforce structures and meeting governance requirements. They develop care plans and oversee their implementation and review.
16. Again since 2003, there has been an increase in the proportion of PCWs and AINs (care workers) in aged care with less direct supervision. PCWs are being required to perform duties that were traditionally undertaken by nurses (such as peg feeding and catheter support) after receiving relevant training and/or instruction. Care workers in both residential care and home care are performing increasingly complex work along with the increasing complexity of the needs of residents entering care. There are more expectations of care

and healthcare trends of individuals accessing Australian aged care programmes over a decade: the Registry of Senior Australians historical cohort_2 May 2020_

⁴ <https://agedcare.royalcommission.gov.au/sites/default/files/2020-09/research-paper-11-aged-care-reform-projecting-future-impacts.pdf>.

⁵ The 2016 Aged Care Workforce census and survey report undertaken by the National Institute of Labour Studies (NILS) research team shows in 2003 RNs were 21.4% of the direct care workforce; this decreased to 16.8% in 2007, and to 14.7% in 2012, and that it increased to 14.9% in 2016. The latest census and survey, the *2020 Aged Care Workforce Census Report*, indicates RNs make up 15.6% of direct care workers.

workers to detect changes in resident or client condition, identify elder abuse and assist with medications and other treatments.

17. Consumer-directed Home Care Packages have resulted in a less structured stream of duties for home care workers, who must now perform a broader range of duties. Home care workers must plan and adapt to different duties and levels of expectations from client to client. The proportion of home care packages at levels 3 and 4 have increased.
18. Funding for Home Care Packages going directly to clients means that providers have less discretion about how to allocate funding among perceived areas of need.
19. Home care workers work with minimal supervision, and the increase in acuity and dependency of recipients of aged care services means that these workers are exercising more independent decision-making, problem solving and judgment on a broader range of matters.
20. Labour turnover and the use of lower hours, part-time, casual and agency staff in home and residential care results in longer-serving and permanent staff having more responsibility for continuity of care. These staff then need to mentor new starters and irregularly employed employees as well. Casual and agency staff face the added pressure of dealing with changing settings and consumers.
21. Care work requires workers to engage with a range of people, many of whom are vulnerable people. The work consistently requires significant degrees of discretion and judgement to be exercised, and strong interpersonal and communication skills. The changes in, and changes sought to, the qualifications and training of direct care workers reflect changing care needs.

For example:

- (a) The addition of a reference to the care of older people to the Registered Nurses Accreditation Standards 2019
- (b) The skills considered necessary to be added to current training for the Certificate III in Care Support, as follows:
 - (i) Person-centred behaviour supports
 - (ii) Providing loss and grief supports
 - (iii) End of life and palliative care
 - (iv) Dementia care
 - (v) Management of anxiety and adjustment to change
 - (vi) Supporting relationships with carers and families
 - (vii) Falls-prevention strategy
 - (viii) Assisting with monitoring and modification of meals
 - (ix) Working with people with mental health issues

- (x) Providing or assisting with oral hygiene and recognising and responding to oral health issues
 - (xi) Effective care for members of diverse population groups including aboriginal and Torres Strait Islander people
 - (xii) Use of information technology
22. The changes in the characteristics of aged care consumers (increased acuity, frailty and incidence of dementia) mean the conditions under which work is done are more challenging for employees providing indirect care support services (such as food services, cleaning or general/administrative work). These workers are an important part of the aged care team. Their work necessitates higher levels of skill when compared to similar workers in other sectors, or to aged care in the past.
23. There has been a change in the regulatory regime applying to aged care. Changes to the Aged Care Funding Instrument (ACFI) requirements and a new funding instrument is soon to be introduced. There have also been changes to regulations concerning the use of physical and chemical restraint and to incident reporting arrangements. These changes mean nurses and care workers are required to meet increased quality and safety standards and meet increased documentation requirements.

Attraction and retention of workers

Wages in aged care need to be competitive to attract and retain the number of skilled workers needed to deliver safe and quality care.

Minimum award wages of nurses are significantly lower than in the acute health sector, making aged care a less attractive choice for nurses. Minimum award wages of PCWs are significantly lower than for disability support workers

Providers of both aged care and disability support would benefit from alignment of wage levels to support the mobility and the aggregate supply of staff in both sectors.

Similar challenges are faced in the attraction and retention of support staff, who are an integral part of aged care functional teams.

Funding

A decision of the Fair Work Commission to increase minimum wages in the aged care sector must be fully funded by the Federal Government and linked to transparency and accountability measures as to how funding is used.

Attachment A

Aged & Community Services Australia (ACSA)

Aged Care Industry Association (ACIA)

Aged Care Reform Network

Australian Nursing and Midwifery Federation (ANMF)

Carers Australia

Council on the Ageing (COTA)

Federation of Ethnic Communities' Councils of Australia (FECCA)

Health Services Union (HSU)

Leading Age Services Australia (LASA)

National Seniors Australia

Older Persons Advocacy Network (OPAN)

United Workers Union (UWU)