

# AGED CARE WORK VALUE OUTCOME FOR NURSES WORKING IN AGED CARE

Changes coming into effect on 1 March 2025

### Work value background

On 20 December 2024 the Fair Work Commission (FWC) published its final determination in the work value case for nurses working in residential and home care aged care (<u>Determination</u>).

This is great news for all ENs and RNs working in aged care, as the Determination marks the final outcome of the aged care work value case commenced by the ANMF in 2021. The ANMF applied to vary the Nurses Award to increase minimum award wages for nurses working in aged care, on the basis that the work had never been properly valued due to gender-based undervaluation and that the work has increased in complexity and skill over the last decades.

The FWC agreed that award wages were too low. In July 2023, the FWC granted a 15% interim increase to minimum rates. This increase was passed on to all aged care nurses, through an increase in Commonwealth funding to providers to pay higher wages.

The FWC acknowledged that further increases were warranted and scheduled additional hearings throughout last year. The ANMF provided evidence and submissions in response, arguing that the total increase should be in excess of 30% for all classification levels. The FWC also sought submissions on the Nurses Award classification structure. The ANMF argued that no changes to the classification structure were necessary, however, the FWC determined that it was appropriate to make some changes.

#### Minimum award rate increases

The ANMF argued that all nurses working in aged care should receive the same percentage increase to the minimum award rates. The FWC determined, however, that different increases were justified for different pay points within classifications.

There are some classification levels that will not receive an award rate increase, as the FWC considered the 15% increase was sufficient to recognise work value increases. These award classification levels are Level 4, Grade 3, Level 5, Grade 5 and Grade 6 and Nurse Practitioners. Due to the calculation method adopted by the FWC, RNs at Level 1, pay point 8 will not receive an increase in the first tranche of increases, but will in the later tranches.

For the majority of pay points in the structure, an increase in minimum rates will apply. The total increases vary from 4.2%- 25.5% and are additional to the 15% already granted.

## When will increases come into effect?

All applicable increases will come into effect over three tranches, so for example, if the total increase awarded is 12%, this will be reflected in three increases of approximately 4% each. Award increases will be implemented on 1 March 2025, 1 October 2025 and 1 August 2026.

#### Changes to the classification structure

Despite the ANMF's submissions, the FWC considers that the current classification structure is not reflective of work value or a contemporary way of providing career progression. This means that a new structure will come into effect in the Nurses Award from 1 March 2025.

Except for Nurse Practitioners, all classification levels will have changes to how incremental progression operates. There is a reduction in pay points within levels, with some classifications having all increments removed. The ANMF did not seek these changes, arguing instead for retention of incremental progression at the FWC.

Briefly, for nurses working in aged care, the following changes will be made:

- Enrolled nurse
  - Five pay points for ENs will be reduced to a single pay point.
  - The definition of EN will change to include that an EN may be required to supervise other direct care employees.
- RN Level 1
  - Eight pay points will be reduced to three pay points, being 1<sup>st</sup> year, on completion of 1<sup>st</sup> year and on completion of 4 years.
  - The existing rate for an RN pay point 8+ will be preserved, as it currently higher than the rate set for 1 March 2025.
- RN Level 2
  - Four pay points are reduced to two pay points, being years 1-3 and on completion of three years.
- RN Level 3
  - Four pay points will be reduced to a single pay point.
- RN Level 4
  - Three grades will be reduced to a single level. The existing Level 4, Grade 3 pay point will be preserved, as it is higher than the single rate.
- RN Level 5
  - Six grades will be reduced to a single level. The existing Level 5, Grade 5 and Grade 6 will be preserved, as it is higher than the single rate.
- Nurse Practitioner
  - The current 1<sup>st</sup> year and second year pay points remain and there is no increase to the current award rate.
- Note: there will be no separate entry point for 4 year degree qualified RNs, or Masters qualified RNs.

For more details, please see the translation table and pay rates that will come into effect on 1 March 2025.

#### **Enterprise agreements**

The attached figures are the minimum rates payable under the Nurses Award. This means wage rates can be no less than the minimum. For nurses covered by an enterprise agreement, rates should also increase, but the percentage increase may vary, depending on current rates. Enterprise bargaining negotiations may also impact the wage increase. If your agreement rate is lower than the award rate, it must be increased to at least match the award rate.

#### More information

The ANMF will provide further updates on implementation of the award increases across the aged care sector. The ANMF is working with providers and the Department of Health and Aged Care to ensure Guidance Material on the wage increases and classification structure is published as soon as possible.

If you have any questions, please contact your ANMF Branch.

## AGED CARE NURSES TRANSLATION TABLE AND PAY RATES FROM

# 1 MARCH 2025

Aged care nurses —	Current	New aged care nurses	Tranche 1 rate	Minimum
current	weekly rate	classifications	1 March 2025	Hourly rate
classifications	(\$)		(\$)	(\$)
Enrolled nurse				
Pay point 1	1209.10	Enrolled nurse	1301.60	34.25
Pay point 2	1225.20	may supervise other direct care	1301.60	34.25
Pay point 3	1241.50	employees	1301.60	34.25
Pay point 4	1259.30		1301.60	34.25
Pay point 5	1272.00		1301.60	34.25
Registered nurse		Registered nurse		
Level 1		Level 1		
Pay point 1	1293.60	First year of employment classified at this level	1345.60	35.41
Pay point 2	1320.00	In excess of 1 year and up to 4 years	1411.10	37.13
Pay point 3	1352.50	of employment classified at this	1411.10	37.13
Pay point 4	1388.50	level	1411.10	37.13
Pay point 5	1431.00	In excess of 4 years classified at this	1549.20	40.77
Pay point 6	1472.50	level	1549.20	40.77
Pay point 7	1515.10		1549.20	40.77
Pay point 8+	1554.50		1554.50	40.91
Level 2		Level 2		
Pay point 1	1595.70	First 3 years of employment classified	1680.10	44.21
Pay point 2	1621.10	at this level	1680.10	44.21
Pay point 3	1649.20		1680.10	44.21
Pay point 4+	1676.20	In excess of 3 years employment classified at this level	1746.50	45.96
Level 3		Level 3		
Pay point 1	1730.20	All years at Level 3	1828.70	48.12
Pay point 2	1762.00		1828.70	48.12
Pay point 3	1792.40		1828.70	48.12
Pay point 4+	1824.50		1828.70	48.12
Level 4		Level 4		
Grade 1	1974.80	All years at Level 4	2141.80	56.36
Grade 2	2116.30	-	2141.80	56.36
Grade 3	2239.80		2239.80	58.94
Level 5		Level 5		
Grade 1	1992.70	All years at Level 5	2412.10	63.48
Grade 2	2098.60	-	2412.10	63.48
Grade 3	2239.80		2412.10	63.48
Grade 4	2379.40		2412.10	63.48
Grade 5	2624.30		2624.30	69.06
Grade 6	2871.40		2871.40	75.65
Nurse practitioner		Nurse practitioner		
1 <sup>st</sup> year	1991.00	1 <sup>st</sup> year	1991.00	52.39
2 <sup>nd</sup> year	2050.10	2 <sup>nd</sup> year	2050.10	53.95