



Australian Government

Australian Government response to the
Senate Community Affairs Legislation Committee report:

Aged Care and Other Legislation Amendment (Royal
Commission Response No. 2) Bill 2021

DECEMBER 2023

Background

The Aged Care and Other Legislation Amendment (Royal Commission Response No. 2) Bill 2021 (2021 Bill) was introduced into the House of Representatives on 1 September 2021. On 31 March 2022, the 2021 Bill was returned to the lower house from the Senate with Parliamentary Amendments, however the Bill was not scheduled for consideration before the proroguing of the 46th Parliament. As a result, the 2021 Bill lapsed prior to securing agreement in the same form by both houses of Parliament.

At the time the 2021 Bill was introduced, and the Senate Community Affairs Legislation Committee handed down their report (including the below recommendations), the current Labor Government was in opposition. Since being elected, the Government introduced the *Aged Care and Other Legislation Amendment (Royal Commission Response) Act 2022* (RCR Act).

Recommendation 2 - 1.10 Labor Senators urgently call on the Government to address issues surrounding workforce recruitment and retention both in this Bill and more generally.

The Government's response to Recommendation 2 is:

Supports the recommendation.

The Government is aware that there are skill shortages in the aged care sector, and much needs to be done to ensure the new requirements under the RCR Act, as well as the subsequently passed *Aged Care Amendment (Implementing Care Reform) Act 2022*, can be met by providers.

Since the Government was elected in early May 2022, a number of key steps have been taken to build, train and support the aged care workforce. This includes a series of skills and training initiatives for the aged care workforce, including Fee Free TAFE to support training new and existing aged care workers, and 20,000 new university places to prioritise opportunities for under-represented groups, focusing on areas of national priority or skills needs, such as nursing.

The Government also made a number of submissions to the Fair Work Commission (FWC) in support of increased wages for aged care workers and has committed to funding the resulting increase in wages.

On 4 November 2022, the FWC made a decision for an interim increase to minimum wages of 15 per cent for aged care workers in direct care roles on the Aged Care Award, the Social, Community, Home Care and Disability Services Award and the Nurses Award.

On 21 February 2023, the FWC made a decision that the interim increase to minimum wages of 15 percent would also apply to Head Chefs/Cooks under the Aged Care Award, and Recreational Activities Officers/Lifestyle Officers under the Aged Care Awards. The FWC further decided that the interim increases would take effect from 30 June 2023.

The Government has invested \$11.3 billion from 1 July 2023 to fund the FWC's decision for an interim increase for direct care workers in the aged care sector.

Other workforce initiatives currently underway include:

- The Workforce Advisory Service - a free, independent and confidential service with places available to support residential and home care service providers with best practice advice on attracting, retaining and skilling their workforce.
- The Home Care Workforce Support Program to attract and train 13,000 new aged care workers for the home care sector.
- The Aged Care Transition to Practice Program to support around 1,400 new aged care nurses with training and professional development.
- The Clinical Placements Program to provide 5,250 nursing students with the opportunity to undertake high-quality clinical placements in the care and support sector.
- The Rural Locum Assistance Program, which supports providers with recruitment challenges.

Local guidance on aged care workforce support are provided through the Department's Regional Stewardship Network.

- This Network can actively support providers to navigate access to both Commonwealth and state programs.
- The Network can also link providers with Local Employment Facilitators and Boosting the Local Care Workforce Regional Coordinators (funded by Government).