



Aged Care Worker Wages

Guidance for aged care providers on
Stage 3 of the Fair Work Commission
Aged Care Work Value Case

Better and fairer wages for aged care workers

With the Australian Government's commitment of \$3.8 billion to support increased wages to the aged care sector, it is important that the aged care employees covered by the Stage 3 decision of the Aged Care Work Value Case receive the full benefit of this funding and the aged care sector can attract and retain a skilled workforce.

This investment builds on the \$11.3 billion over four years in support of the Stage 2 interim increase of 15% to award wages that commenced from 1 July 2023 for many aged care employees.

A valued workforce with the right skills and knowledge is critical to reform the aged care system. This starts with fair wages for workers, a supportive workplace and recognition of the complex, often undervalued work involved.

A more skilled and diverse workforce will deliver safe, consistent, high-quality aged care services for in-home care recipients and aged care residents. Building our aged care workforce will help the sector deliver 24/7 registered nurse care, increased care minutes for residents, culturally safe practices, and increased system transparency.

In addition, a valued and happy workforce means employees are more likely to stay in their workplace for longer. This helps to improve compliance results and the Star Ratings of residential aged care providers, and provide better outcomes, including meeting the needs and rights of older people.

Award increases and new classification structures

The Fair Work Commission's Stage 3 decision in the Aged Care Work Value Case includes:

- Award wage increases of 3% for 'general and administrative services' employees employed under the *Aged Care Award 2010* (Aged Care Award).
 - Level 2 laundry staff, cleaners, and food services assistants will receive a 6.96% award wage increase in total due to being reclassified to Level 3.
- Further award wage increases for direct care aged care employees employed under the Aged Care Award and employees under the new Schedule F of the *Social, Community, Home Care, and Disability Services Industry Award 2010* (SCHADS Award). These increases vary by occupation and classification and are in addition to the Stage 2 interim increase of 15% from 30 June 2023.
- Aged care assistant in nursing/nursing assistants will move from the *Nurses Award 2020* (Nurses Award) to the Aged Care Award and the new Schedule F

of the SCHADS Award, depending on whether they are working in residential aged care or home care.

- New classification structures have been introduced into the Aged Care Award and SCHADS Award for aged care employees. This will require some employees to be reclassified.
 - The Fair Work Commission has included instructions on how employees are to be translated to the new classification structure.
 - Providers are required to ensure employees are transitioned to the correct new award classifications when passing on pay increases, whether they are award-reliant or covered by enterprise agreements.

Award wage increases will be implemented in two tranches. Award wages for employees identified above will increase from the first full pay period on or after 1 January 2025.

- Most general and administrative services employees will receive their full increase from 1 January 2025.
- Most aged care employees working in direct care and home care will receive their increases split over two tranches – tranche 1 from 1 January 2025 and in tranche 2 from 1 October 2025.

These increases will apply to direct care aged care employees (including personal care workers, recreational activities officers/lifestyle workers, and assistants in nursing), other 'general and administrative services' employees including cleaners, laundry staff, food services assistants, maintenance staff, gardeners, bus drivers, and administrative staff covered by the Aged Care Award, and home care employees covered by new Schedule F of the SCHADS Award.

Minimum award rates

The Fair Work Commission's decisions in the Aged Care Work Value Case and the Annual Wage Review increased national minimum award wages for aged care employees.

Providers employing workers under these awards must be aware of changes to award wages and classifications to ensure they are meeting their legal obligations to comply with minimum award wages under the *Fair Work Act 2009*. This legal obligation means providers must ensure they have followed the Fair Work Commission's instructions in translating employees to the new award classification

structures and that they are complying with the correct new award wages for each employee.

The 2023-24 Annual Wage Review increase to award wages was 3.75% and applied from the first pay period on or after 1 July 2024. The government increases aged care program funding through annual indexation, that considers all increased labour costs, including the Annual Wage Review increases to award wages.

Utilisation of additional Government funding

This guidance and the associated funding relate to the Aged Care Work Value Case Stage 3 award wage increases for providers of residential aged care and Home Care Packages that will increase on 1 January 2025.

The government expects providers of residential aged care and Home Care Packages to use the wages funding in support of the Stage 3 decision in the following way and consistent with the guidance tables below:

- Providers to pass on all additional funding to support implementation of the Stage 3 decision to their employees through increases to wages and on-costs. On-costs associated with these changes to wages include increases to superannuation, leave entitlements, penalties, and allowances.
 - Employees are those performing work covered by one of the two relevant awards where that work relates to providing aged care services.
 - Providers are expected to involve employees and employee representatives about the approach to passing on all additional funding and how the new classifications map back to providers' enterprise agreements. This will help to transition employees accurately to the new classifications and ensure they receive the appropriate wage increases.
- The usual enterprise bargaining should continue to occur, with periodic wage increases drawn from the provider's revenue. Providers are expected to provide periodic increases, including through enterprise agreements, separately to the additional funding to support the Stage 3 decision. The government does not support absorbing these periodic increases under the funding provided in support of implementing the Stage 3 decision.
- State, territory and local government providers of residential aged care and Home Care Packages will receive funding to implement the Stage 3 decision through increased subsidies. The government expects state/territory and local government providers that receive additional government funding for wages to pass on all funding to aged care employees included in the Stage 3 decision. However, we recognise that the state-based industrial relations processes

may take some time to update relevant awards and/or enterprise agreements in response to the Fair Work Commission decisions.

- Funding should not be used for short-term localised incentives which apply to only some staff in a particular area/s of labour shortage. Any short-term incentives should be funded from the provider's own resources.

A provider that decides to increase employees' wages in response to the Stage 3 decision before 1 January 2025 does so at its own discretion. Providers that increase wages before 1 January 2025 should clearly document and communicate to employees and employee representatives that this increase is occurring and agree with relevant unions and/or employees that these claimed increases were in consideration of the Stage 3 award wages increases.

Residential aged care funding

There are two funding streams to support the Stage 3 decision in residential aged care:

- The Australian National Aged Care Classification (AN-ACC) price increase from 1 October 2024 included funding to support residential aged care providers to meet the increased costs of higher award wages for direct care employees. This funding is being provided across the annual period from October 2024 to October 2025 to support the Stage 3 award wage increases commencing from 1 January 2025. The increase reflects 2024-25 pricing advice from the Independent Health and Aged Care Pricing Authority.
- The Hotelling Supplement increase from 20 September 2024 included funding to support residential aged care providers meet the increased costs from higher award wages for general and administrative services aged care employees commencing from 1 January 2025.

The increased AN-ACC price and Hotelling Supplement also includes funding for other costs, including regular inflation.

More information is available on the Department of Health and Aged Care's website on the ['Funding higher wages in residential aged care'](#) page.

Home Care Packages funding

The [Home Care Packages subsidy](#) will increase by 0.93% from 1 January 2025 to support Home Care Packages providers to meet the increased costs of higher award wages for home care – aged care employees.

More information is available on the department's website on the '[Subsidy increase in the Home Care Packages Program](#)' page.

Guidance Tables

The Guidance Tables below provide the difference in dollar terms between the current award rate and the new award rate for each award classification. The tables also set out the classification changes that will start from 1 January 2025 (from the first full pay period on or after 1 January 2025).

The additional amount payable (last column) is what the government expects providers of residential aged care and Home Care Packages to pass on to employees as a result of the Fair Work Commission Stage 3 decision. Employers are not limited to passing on these dollar amounts and may choose to pay over and above the amounts in the last column of the tables. Passing on funding allocated to support wage increases will help address long-term work value issues, improve gender equity, and contribute to the delivery of quality aged care services.

Communications

The Stage 3 award wage increases are part of substantial changes in award classification structures for employees in aged care. The government expects providers to undertake workforce communications in consultation with unions to support these changes. Providers should inform employees of the Aged Care Work Value Case award wage increases and any classification changes in writing, consistent with the following:

- Providers will involve employees and employee representatives to communicate how they are implementing the funding received for wages and on-costs, including timing and any back pay arrangements.
- Providers to communicate with employees about their individual wage increase and new wage rate from the first full pay period on or after 1 January 2025 or from an earlier date if the increases were provided before 1 January 2025.
- Providers will engage with employees and employee representatives to communicate any resultant changes to existing workplace classification structures and how employees will transition to the new classifications.

Accountability for passing on funding

Residential aged care and Home Care Packages providers must continue attesting in the Quarterly Financial Report that all funding provided to support the Stage 3 decision is passed through to employees. The attestation confirms providers have passed on all funding for award wage increases to employees as increases in their wages and on-costs. The department will continue to publish providers' quarterly attestation responses.

The Quarterly Financial Report also collects information on hourly wage rates, labour costs, and the primary way employees are engaged and paid (i.e. Award, Enterprise Agreement, Individual Agreement).

The department will continue to analyse this information and closely monitor providers' expenditure on labour costs to identify trends in this spending over time. These trends will be published through the Quarterly Financial Snapshot. The department will also continue to refer providers to the Fair Work Ombudsman, where hourly wage rates are reported by the provider to be below the minimum pay points in the relevant awards. The accuracy of the submitted data will be checked with the provider before a referral is made.

Providers are required by law to provide accurate information to the Commonwealth.

Next steps and future increases

This Guidance for tranche 1 has been developed by the department in consultation with the Australian Nursing and Midwifery Federation, the Health Services Union, the United Workers Union, and the Aged & Community Care Providers Association (ACCPA).

The department will work with ACCPA and unions to support implementing the second tranche (1 October 2025) of the Stage 3 decision and the future Fair Work Commission decision on aged care registered and enrolled nurses.

The department will also work with ACCPA and unions to follow up worker complaints about the implementation of government funding related to the Aged Care Work Value Case award wage increases.

For advice and support on the awards and enterprise agreements, employees may also contact the Fair Work Ombudsman either by calling 13 13 94 between 8am – 5:30pm Monday to Friday, or by sending an [online enquiry](#). Information on the award rates, including pay guides and a pay and conditions tool, is available on the Fair Work Ombudsman's [website](#).

Guidance for aged care providers: Fair Work Commission Aged Care Work Value Case Stage 3

The information below is about changes in classifications and hourly wage rates that will take effect from 1 January 2025 (the first full pay period on or after 1 January 2025). It does not include the second tranche of increases from the Stage 3 decision for some direct care employees, which will take effect from 1 October 2025 (the first full pay period on or after 1 October 2025). The Fair Work Ombudsman publishes current classifications and award hourly rates for home care employees ([MA000100](#)) and residential aged care ([MA000018](#)).

Table 1: Residential aged care - Direct care (Aged Care Award 2010)

Previous Classifications (Aged care -direct care employees)	Current Award Hourly Rate (from 1/7/24)	New Classifications (Aged care – direct care employees) ¹	New Award Hourly Rate (1/1/25)	\$ Increase from current award to new award hourly rates
Level 1	\$28.60	Level 1 - Introductory	\$29.46	\$0.86
Level 2	\$29.73	Level 2 - Direct Carer	\$30.74	\$1.01
Level 3	\$30.88	Level 2 - Direct Carer ²	\$30.74	\$ -
Level 4	\$31.24	Level 3 - Qualified	\$32.14	\$0.91
Level 5 (Without Cert IV qualification)	\$32.30	Level 4 - Senior	\$33.00	\$0.70
Level 5 (With Cert IV qualification)	\$32.30	Level 5 - Specialist	\$34.19	\$1.89
Level 6	\$34.04	Level 5 - Specialist	\$34.19	\$0.15
Level 7	\$34.65	Level 6 - Team Leader	\$35.89	\$1.24

¹ Fair Work Commission (2024) [Aged Care Award 2010, Determination 11 September 2024](#), aged care direct care employees

² "Current Award Hourly Rate (from the first full pay period on or after 1/7/24" will be retained for direct care employees previously classified on Level 3 (Clauses I.1.1 and I.1.2)

Table 2: Residential aged care - direct care employees (previously Assistant in Nursing/Nursing Assistants) (Aged Care Award 2010)

Previous Classifications (Nursing assistant – Aged care employees – Assistants in nursing/Nursing Assistants – Nurses Award 2020)	Current Award Hourly Rate (from 1/7/24)	New Classifications (Aged care – direct care employees)³	New Award Hourly Rate (1/1/25)	\$ Increase from current award to new award hourly rates
Nursing assistant, 1st year (less than 3 months' experience)	\$29.33	Level 1 – Introductory	\$29.46	\$0.13
Nursing assistant, 1st year (more than 3 months' experience)	\$29.33	Level 2 – Direct carer	\$30.74	\$1.41
Nursing assistant, 2nd year	\$29.79	Level 2 – Direct carer	\$30.74	\$0.95
Nursing assistant, 3rd year and thereafter	\$30.27	Level 2 – Direct carer	\$30.74	\$0.47
Nursing assistant, Experienced (the holder of a relevant Certificate III qualification)	\$31.24	Level 3 – Qualified	\$32.14	\$0.91

³ Fair Work Commission (2024) [Aged Care Award 2010, Determination 11 September 2024](#), Assistants in Nursing/Nursing Assistants previously covered by the *Nurses Award 2020*, transitioned into *Aged Care Award 2010* under aged care direct care employees

Table 3: Residential aged care - General and administrative services (Aged Care Award 2010)

Previous Classifications (Aged care employees - General and administrative services)	Current Award Hourly Rate (from 1/7/24)	New Classifications (Aged care – General and administrative services)⁴	New Award Hourly Rate (from 1/1/25)	\$ Increase from current award to new award hourly rates
Level 1	\$24.87	Level 1 - General	\$25.62	\$0.74
Level 2	\$25.86	Level 2 - General	\$26.63	\$0.78
Level 2 <i>Laundry, kitchen, cleaning personnel (moved from Level 2 to Level 3)</i>	\$25.86	Level 3 - General ⁵	\$27.66	\$1.80
Level 3	\$26.85	Level 3 - General	\$27.66	\$0.81
Level 4	\$27.17	Level 4 - General	\$27.98	\$0.82
Level 5	\$28.09	Level 5 - General	\$28.93	\$0.84
Level 6	\$29.60	Level 6 - General	\$30.49	\$0.89
Level 7	\$30.13	Level 7 - General	\$31.03	\$0.90

⁴ Fair Work Commission (2024) [Aged Care Award 2010, Determination 11 September 2024](#), aged care general and administrative services employees

⁵ The Fair Work Commission has reclassified Level 2 workers in laundry, kitchen, and cleaning to become classified as Level 3 under the *Aged Care Award 2010*.

Table 4: Home Care - Aged care employees (Social, Community, Home Care and Disability Services Industry Award 2010)

Current Classifications (Home care employees - aged care)	Current Award Hourly Rate (from 1/7/24)	New Classifications⁶ (Aged care employees, home care)	New Award Hourly Rate (1/1/25)	\$ Increase from current award to new award hourly rates
Level 1 (With less than 3 months' experience)	\$28.94	Level 1—Aged Care - Introductory	\$29.81	\$0.87
Level 1 (With 3 months' experience or more)	\$28.94	Level 2—Aged Care – Home Carer	\$31.64	\$2.70
Level 2 Pay Point 1	\$30.61	Level 2—Aged Care – Home Carer	\$31.64	\$1.03
Level 2 Pay Point 2	\$30.82	Level 2—Aged Care – Home Carer	\$31.64	\$0.82
Level 3 Pay Point 1 (with Cert III)	\$31.24	Level 3—Aged Care - Qualified	\$32.67	\$1.43
Level 3 Pay Point 2 (with Cert III)	\$32.20	Level 3—Aged Care - Qualified	\$32.67	\$0.47
Level 4 (Without Cert IV qualification) Pay Point 1	\$34.08	Level 4—Aged Care - Senior	\$34.75	\$0.67
Level 4 (Without Cert IV qualification) Pay Point 2	\$34.76	Level 4—Aged Care - Senior ⁷	\$34.75	\$ -

⁶ Fair Work Commission (2024) [Social, Community, Home Care and Disability Services Industry Award 2010, Determination 11 September 2024](#)

⁷ "Current Award Hourly Rate (from the first full pay period on or after 1/7/24" will be retained for home care employees previously classified on Level 4, Pay Point 2 and Level 5, Pay Point 2 (Clause G.1.2)

Level 4 (With Cert IV qualification) Pay Point 1	\$34.08	Level 5—Aged Care - Specialist	\$35.46	\$1.37
Level 4 (With Cert IV qualification) Pay Point 2	\$34.76	Level 5—Aged Care - Specialist	\$35.46	\$0.69
Level 5 Pay Point 1	\$36.54	Level 6—Aged Care – Team Leader	\$37.43	\$0.88
Level 5 Pay Point 2	\$37.98	Level 6—Aged Care – Team Leader	\$37.43*	\$ -

Table 5: Home care Assistant in Nursing/Nursing Assistants moving to Home Care employee – aged care classifications in the Social, Community, Home Care and Disability Services Industry Award 2010

Previous Classifications (Nursing assistant – Aged care employees, Nurses Award 2020)	Current Award Hourly Rate (from 1/7/24)	New Classifications (Home care employees – aged care)⁸	New Award Hourly Rate (1/1/25)	\$ Increase from current award to new award hourly rates
Nursing assistant, 1st year (less than 3 months' experience)	\$29.33	Level 1 – Aged Care - Introductory	\$29.81	\$0.47
Nursing assistant, 1st year (more than 3 months' experience)	\$29.33	Level 2 – Aged Care – Home Carer	\$31.64	\$2.31

⁸ Fair Work Commission (2024) [Social, Community, Home Care and Disability Services Industry Award 2010 , Determination 11 September 2024](#), Assistants in Nursing/Nursing Assistants previously covered by the *Nurses Award 2020*, transitioned into *SCHADS Award 2010* under home care – aged care employees

Nursing assistant, 2nd year	\$29.79	Level 2 – Aged Care – Home Carer	\$31.64	\$1.85
Nursing assistant, 3rd year and thereafter	\$30.27	Level 2 – Aged Care – Home Carer	\$31.64	\$1.37
Nursing assistant, Experienced (the holder of a relevant Certificate III qualification)	\$31.24	Level 3 – Aged Care - Qualified	\$32.67	\$1.43