



Aged Care Registered and Enrolled Nurses Award Wage Increases Questions and Answers

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Scope of award wage increases

Q1. Which aged care nurses will benefit from the decision?

A: These award wage increases apply to enrolled and registered nurses working in the aged care sector.

Q2. Why are the increases for nurses being phased-in?

A: The phasing has been determined by the independent Fair Work Commission. This is consistent with other agreements by the Fair Work Commission in respect of similar large increases across other awards.

The Government is committed to funding these award wage increases to retain and grow the aged care workforce, to ensure a higher standard of care for older people in Australia.

Q3. How are assistants in nursing and Nurse Practitioners being treated under this Fair Work Commission decision?

A: Assistants in Nursing within the aged care sector were reclassified under the *Aged Care Award 2010* and the *Social, Community, Home Care and Disability Services Industry Award 2010* (SCHADS) Award as part of the Stage 3 decision and included in the latest award wage increases commencing on 1 January 2025.

As part of the Fair Work Commission's decision Nurse Practitioners were not awarded further award wage increases.

Q4. Will the Fair Work Commission be making any more decisions under the Aged Care Work Value Case

A: The 6 December 2025 decision on further award wage increases for aged care nurses is the Fair Work Commission's final decision under the Aged Care Work Value Case.

The Fair Work Commission considered the evidence and submissions provided by relevant parties in determining increases to award wages under the *Aged Care Award 2010*; SCHADS Award; and *Nurses Award 2020*.

Over the duration of the case, the Fair Work Commission has determined award wage increases for all in-scope aged care workers. This includes registered nurses, enrolled nurses, nurse practitioners, assistants in nursing, personal care workers, home care aged care workers, recreational activity officers, head chiefs/cooks and ancillary workers (such as laundry hands, cleaners, food service assistants, administration staff, drivers, maintenance staff and gardeners).

Q5. Does the Aged Care Work Value Case apply to allied health employees?

A: Other aged care workers who are paid under other awards, such as allied health professionals, are not in-scope for the Aged Care Work Value Case.

Q6: Will the wage increase apply to casual and part-time aged care workers?

A: The award wage increase applies to the weekly base salary for full-time and part-time employees. It also adjusts casual rates and allowances. More information on current rates can be found on the Fair Work Ombudsman's the [Pay and Conditions Tool](#). The Pay and Conditions Tool will be updated with the aged care nurses changes closer to commencement on 1 March 2025.

Q7. Are the aged care nurses award wage increases the only increases in the award or will allowances also increase?

A: The award wage increase determined by the Fair Work Commission increases the weekly base salary for full-time and part-time employees. It also adjusts casual rates and allowances that scale with wages. The funding provided by the government covers the wage increase and includes provision for on-costs such as allowances.

Q8. Is there any increase in state and territory, or local council aged care sector wages and how do these providers fund the aged care wage increase?

A: The Fair Work Commission decision will only increase the *Nurses Award 2020* within the Fair Work system. State governments and local councils may operate under state awards or enterprise agreements that cover more than just aged care. They may also pay their workers under the Fair Work system.

Any state and territory or local council aged care providers that delivers services in residential aged care, the Home Care Packages (HCP) Program or the Commonwealth Home Support Programme (CHSP), will receive an increase in subsidies and supplements that will cover wage increases regardless of which award or agreement their workers are employed under.

There will be no change to subsidy rates for state government Multi-Purpose Service (MPS) providers.

Regional Councils delivering aged care services under the National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) Program will receive an increase to their dedicated funding based the proportion of workforce in each eligible position, and the cost of wages as reported by providers in Service Activity Reports.

Residential aged care funding

Q9. How will residential aged care nurses be funded?

A: Residential aged care nurses will be funded through an increase to the AN-ACC price and 24/7 Registered Nurse Supplement from 1 March 2025.

These funding increases will support residential aged care providers to meet the increased costs of award wages for registered and enrolled nurses.

Q10. How much will the AN-ACC price increase to cover the costs of the aged care nurses decision?

A: The AN-ACC price will increase from 1 March 2025 to fund residential aged care providers to meet the increased award wages for registered and enrolled nurses.

The Government is expecting advice from the Independent Health and Aged Care Pricing Authority (IHACPA) on the AN-ACC price by 21 February 2025. Based on this advice, the Government will announce the updated price.

The increased funding will automatically be applied to the March claims that are paid from April 2025.

Home Care Packages (HCP)

Q11. How will the Fair Work Commission's nurses decision be implemented in the HCP Program?

A: The Australian Government is supporting HCP providers to pass on the award wage increases for aged care nurses by increasing the HCP subsidy by 0.10% from 1 March 2025.

This increase will apply to the daily HCP subsidy rate and the following supplements with a workforce component:

- Viability supplement
- Dementia and cognition supplement
- Veterans supplement
- EACH-D Top-up supplement.

Supplements such as oxygen and enteral feeding supplements will not increase, as these supplements do not have a workforce component.

The government will continue to support the award wage increases for aged care nurses when Support at Home commences on 1 July 2025.

Q12. How were the HCP daily subsidies calculated?

A: The subsidy increase has been calculated based on what providers spent in 2023-24 on aged care nurses and will be sufficient to ensure almost every care recipient who receives care from a registered or enrolled nurse, continues to receive the same hours of care from 1 March 2025.

These increases are less than the award wage increases to account for the fact that many care recipients use their package to access goods, equipment, allied health and home modifications, which are not impacted by the wage increase, alongside their direct nursing and personal care services.

Q13. What is the process for increasing prices and consent requirements?

A: The department is aware that providers have recently reviewed their pricing schedules and updated Home Care Agreements due to the award wage increase for many aged care workers from 1 January 2025. The aged care nurses increase will require providers who employ registered or enrolled nurses to follow the same process.

Providers who employ registered or enrolled nurses should review their pricing models and if a reasonable and justifiable price increase for care and services delivered by aged care nurses is required Home Care Agreements with the affected care recipients will need to be renegotiated and mutually agreed to. This ensures care recipients are adequately informed and understand all the changes and the terms of the proposed agreement.

Reasonable and justifiable price increases for care and services must be:

- value for money and reflect the resources it takes to provide the care or service
- clear, understandable and transparent
- in the best interests of care recipients
- in line with program requirements and legislation
- directly related to coordinating allowable care or services or purchasing goods to meet the care recipient's assessed needs and goals.

Providers cannot make changes to Home Care Agreements without informed consent and agreement from care recipients.

Q14. What happens if a care recipient does not agree to the price increases?

A: If a care recipient does not agree to the proposed pricing changes:

- the provider should negotiate to reach agreement with the care recipient - provide a detailed rationale of the proposed changes in a way the care recipient will understand
- the care recipient may seek independent advice from consumer advocates, the Aged Care Quality and Safety Commission, family members or legal advisers
- the care recipient may wish to consider changing providers ([My Aged Care provides a range of tools to support choice](#)).

A provider should not use security of tenure provisions to cancel a Home Care Agreement where a care recipient does not consent to a change. Cancelling an agreement on this basis should only be used as a last resort. If this provision is used, the provider will have to demonstrate sufficient grounds for terminating provision of care. Where service provision is no longer viable, providers are expected to assist care recipients to find a new provider that is local to the region.

[Guidance on Home Services and Pricing Agreements](#) is available on the Aged Care Quality and Safety Commission's website.

Q15. Can the Home Care Package subsidy be paid in advance?

A: The HCP subsidy is paid in arrears as per legislation that came into effect on 1 September 2021.

The subsidy increase will take effect from the March 2025 claim. As per standard claiming arrangements, the provider can lodge the March claim from April 2025. There are no administrative or legal provisions to pay a subsidy in advance.

If a provider is behind on claiming, they can contact Services Australia for support via phone 1800 195 206.

Commonwealth Home Support Programme (CHSP)

Q16. Will the CHSP be extended?

A: The CHSP is currently being extended until 30 June 2027. Existing contracted CHSP providers are being invited to apply through a grant opportunity to recontract for the 2025-27 period. Increased nursing funding due from 1 March 2025 as a result of the FWC decision will be captured as part of the 2025-27 contract.

Q17. How will the aged care nurses award wage increase be implemented in the CHSP?

A: CHSP providers contracted to deliver nursing services will have their nursing activity indexed to cover increased award wages. Nursing activities outlined in the contract will be varied through a Notice of Change, increasing the funding from 1 March 2025. Increases during the 2024-25 year will transfer into the 2025-27 contract from 1 July 2025. Providers will be contacted in March 2025 regarding the Notice of Change.

CHSP nursing providers who have 2025-27 contract will have two further additional indexation increases to their nursing activity in October 2025 and 1 August 2026.

Multi-Purpose Service (MPS) program

Q18. How will the aged care nurses award wage increases be implemented in the MPS Program?

A: Non-state government MPS providers will receive an increase in subsidy payments from 1 March 2025, with the Aged Care Workers Supplement that they already receive.

The 0.85% increase to the flexible wage supplement from 1 March 2025 will be an average of \$1.43 per place per day to take into account a 0.85% increase in the wages/salaries paid to registered and enrolled nurses working in aged care.

A further increase of 0.68% increase will occur on 1 October 2025 and a 0.66% increase in 1 August 2026.

Q19. What do these subsidy increases take into account?

A: These increases reflect revised award rates that will take effect, commencing from 1 March 2025 for many aged care registered and enrolled nurses.

Q20. What about MPS providers?

A: Subsidy rates for other MPS providers will not be impacted. This is because the FWC's decision will increase the minimum award wages within the Nurses Award as part of the federal system only. Workers who are employed under arrangements outside the Nurses Award are out of scope for these increases.

National Aboriginal and Torres Strait Islander Flexible Aged Care (NATSIFAC) Program

Q21. How will the aged care nurses award wage increases be implemented for the NATSIFAC Program?

A: NATSIFAC providers will receive an increase in grant funding from 1 March 2025 – to accommodate the FWC decision in relation to award wage increases for aged care nurses. A further increase will occur on 1 October 2025 and 1 August 2026. The 1 March 2025 increase will be provided through variations to existing grant agreements which expire on 30 June 2025. The October 2025 and August 2026

increases will be built into the operational funding for the new 2025-26 and 2026-27 grant agreements.

Q22. What do these funding increases take into account?

A: This proposed increase will support increased award wages for registered and enrolled nurses working supporting the delivery of culturally safe aged care to older Aboriginal and Torres Strait Islander people on Country. Increases for each funded organisation were determined taking into account the proportion of workforce in each eligible nursing position, and the cost of wages as reported by providers in Service Activity Reports.

Short-Term Restorative Care (STRC) Programme and Transition Care Programme (TCP)

Q23. How will the aged care nurses award wage increases be implemented for STRC and TCP

A: The basic daily TCP and STRC subsidy rates and the daily dementia and veteran's supplement equivalent amount will be increased by 0.10% on 1 March 2025.

TCP and STRC providers will receive the increase automatically when their claims are processed.

Q24. What do these subsidy increases take into account?

A: All direct care labour costs relating to aged care nurses and a proportion of the worker's compensation relating to aged care nurses.

Historical Leave Liabilities

Q25. Is the Government funding historical leave liabilities?

A: The Government will provide funding for the increased cost of historical leave liabilities resulting from the aged care nurses award wage increase decision. This funding will be delivered through a grant opportunity with:

- 25% for residential aged care providers
- 50% for all other eligible providers.

In-scope Multi-Purpose Services providers will receive their leave liabilities funding through existing funding agreements and are not eligible for this grant.

Not all the leave liabilities currently held by providers will result in a payment of leave taken by an employee. The Government funding a proportion of the increased cost of leave liabilities is providing a reasonable contribution.

Residential aged care providers will be eligible to apply for a lower proportion of 25%. The AN-ACC price incorporates the cost of labour that provides sufficient funding for wages and on-costs including leave provisions.

The Government has still decided to fund a proportion of these increased costs in leave liabilities to ensure all residential aged care providers have sufficient funding to support their workers to take leave.

