



Australian Government

Department of Health, Disability and Ageing



# Aged Care Worker Wages

Guidance for aged care providers on funding for the Fair Work Commission Aged Care Work Value Case 1 October 2025 award wage increases.

## Better and fairer award wages for aged care workers

The Australian Government has committed \$17.7 billion to support the decisions under the Fair Work Commission's Aged Care Work Value Case (ACWVC) to increase award wages for aged care workers. The Government expects that the workers covered by the ACWVC decisions receive the full benefit of this funding so the aged care sector can attract and retain a skilled workforce.

A valued workforce with the right skills and knowledge is critical to reforming 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, including care minutes, 24/7 registered nurse care requirements and Star Ratings of residential aged care providers, and provide better outcomes, including meeting the needs and rights of older people at the centre of aged care.

### Award wage increases

The Stage 3 and aged care nurses decisions under the ACWVC both included award wage increases from the first full pay period on or after 1 October 2025 for relevant aged care workers and nurses under the *Aged Care Award 2010*; Schedule F of the *Social, Community, Home Care and Disability Services Industry Award 2010* (SCHADS Award); and *Nurses Award 2020*.

The 1 October 2025 minimum award wage increases will apply to direct care employees in residential aged care, some home care employees working in aged care, and registered and enrolled nurses employed in aged care.

### Utilisation of additional Government funding

This Guidance and the associated funding relate to the increases to the award wages that will commence from the first full pay period on or after 1 October 2025 for relevant aged care workers as a result of the Fair Work Commission's decisions under the ACWVC.

The Government expects providers of residential aged care and in-home aged care to use the funding being provided by the Government from 1 October 2025 to support meeting the increased award wages and on-costs in the following way:

- Providers to pass on all additional funding for the benefit of their employees covered by the Fair Work Commission's decisions, including passing on any unspent additional funding received to meet previous wage increases.
- Providers are expected to work closely with employees and their representatives, including unions, to implement these changes in a cooperative way. This includes an expectation that providers involve employees and employee representatives about the approach to passing on all additional funding.
- 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 provided to support the Fair Work Commission's decisions relevant to the 1 October 2025 award wage increases.
- The Government does not support the use of the additional funding to support the Fair Work Commission's decisions relevant to the 1 October 2025 award wage increases for periodic wage increases as a result of usual enterprise bargaining practices, including through enterprise agreements.
- State, territory and local government providers of residential aged care and in-home aged care will receive funding to implement these award wage increases. The Government expects state/territory and local government providers that receive additional government funding for award wages and on-costs to pass on all funding to aged care employees. 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.

Funding will be provided through a range of existing funding arrangements. Information on these arrangements and the additional funding being provided relevant to the 1 October 2025 award wage increases can be found on the Department's webpage [Better and fairer wages for aged care workers | Australian Government Department of Health, Disability and Ageing](#).

A provider that decides to increase employees' wages in response to the Fair Work Commission's decisions before 1 October 2025 does so at its own discretion. Providers that increase wages before 1 October 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 1 October 2025 award wages increases.

## Communications

The Government expects providers to undertake workforce communications, in consultation with unions, to support these increases. Providers should inform employees of the ACWVC award wage increases in writing, consistent with the following:

- Providers will involve employees and employee representatives to communicate how they are implementing the funding received for award wage increases 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 October 2025 or from an earlier date if the increases were provided before 1 October 2025.

## **Accountability for passing on funding**

Residential aged care and in-home aged care providers must continue attesting in the Quarterly Financial Report that all funding provided to support the 1 October 2025 increases 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 a provider reports hourly wage rates below the minimum pay points in the relevant awards. 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**

The Department has developed this Guidance for the 1 October 2025 award wage increases in consultation with the Australian Nursing and Midwifery Federation, the Health Services Union, the United Workers Union, and Ageing Australia.

The Department will also work with Ageing Australia 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 and employers may 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

### 1 October 2025 award wage increases

The information below is about changes in classifications and hourly award wage rates that will take effect from 1 October 2025 (the first full pay period on or after 1 October 2025). It does not include the third tranche of award wage increases for registered and enrolled nurses in aged care, which will take effect from 1 August 2026 (the first full pay period on or after this date).

The increase in award rates payable (last column in the Guidance tables) is what the Government expects providers of residential aged care and in-home aged care to pass on to employees due to the Fair Work Commission's Stage 3 and 6 December 2024 decisions.

The Fair Work Ombudsman publishes current classifications and award hourly rates for aged care employed nurses ([MA000034](#)), home care aged care employees ([MA000100](#)) and residential aged care employees ([MA000018](#)).

[Fair Work Commission Determination - PR791118 – Nurses Award](#)

[Fair Work Commission Determination - PR791117 – SCHADS Award](#)

[Fair Work Commission Determination - PR791119 – Aged Care Award](#)

**Table 1: New minimum award rates – Aged care employed nurses (Nurses Award 2020)**

Employee Classification	Previous Hourly Rate (until 30 September 2025)	New Hourly Rate (from 1 October 2025) <sup>1</sup>	Increase in award rate from the first full period on or after 1 October 2025
Student enrolled nurse - less than 21 years of age	\$28.20	\$28.20	-

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<sup>1</sup> In the Nurses Award, the hourly rate when multiplied by 38 (the ordinary hours of work per week for a full-time employee) may not equal the weekly rate, due to the rounding rules applied by the Fair Work Commission.

Student enrolled nurse - 21 years of age and over	\$29.60	\$29.60	-
Enrolled nurse supervising other direct care employees	\$35.45	\$37.09	\$1.64
Registered nurse - Level 1 - 1st year	\$36.65	\$38.07	\$1.42
Registered Nurse - Level 1 - 1 year plus	\$38.43	\$40.00	\$1.57
Registered Nurse - Level 1 - 4 year plus	\$42.19	\$43.72	\$1.53
Registered Nurse - Level 2 - 1-3 years	\$45.76	\$47.34	\$1.58
Registered Nurse - Level 2 - completion of 3 years	\$47.57	\$49.48	\$1.91
Registered Nurse - Level 3	\$49.81	\$51.21	\$1.40
Registered Nurse - Level 4	\$58.34	\$59.19	\$0.85
Registered Nurse - Level 5	\$65.70	\$66.91	\$1.21
Nurse practitioner, 1st year	\$54.23	\$54.23	-
Nurse practitioner, 2nd year	\$55.84	\$55.84	-

**Table 2: New minimum award rates – Home care - Aged care employees (Schedule F of the Social, Community, Home Care and Disability Services Industry Award 2010)**

Employee Classification	Previous Hourly Rate (until 30 September 2025)	New Hourly Rate (from 1 October 2025)	Increase in award rate from the first full period on or after 1 October 2025
Home care employee level 1—aged care	\$30.85	\$31.13	\$0.28
Home care employee level 2—aged care	\$32.74	\$32.86	\$0.12
Home care employee level 3—aged care	\$33.82	\$34.59	\$0.77

Home care employee level 4—aged care	\$35.97	\$35.97	-
Home care employee level 5—aged care	\$36.70	\$37.35	\$0.65
Home care employee level 6—aged care	\$38.74	\$38.74	-

**Table 3: New minimum award rates – direct care classifications in residential aged care (Aged Care Award 2010)<sup>2</sup>**

Employee Classification	Previous Hourly Rate (until 30 September 2025)	New Hourly Rate (from 1 October 2025)	Increase in award rate from the first full period on or after 1 October 2025
Aged care employee - direct care - Level 1 - Introductory	\$30.49	\$31.13	\$0.64
Aged care employee - direct care - Level 2 - Direct Carer	\$31.82	\$32.86	\$1.04
Aged care employee - direct care - Level 3 - Qualified	\$33.27	\$34.59	\$1.32
Aged care employee - direct care - Level 4 - Senior	\$34.15	\$35.97	\$1.82
Aged care employee - direct care - Level 5 - Specialist	\$35.39	\$37.35	\$1.96
Aged care employee - direct care - Level 6 - Team Leader	\$37.14	\$38.74	\$1.60

<sup>2</sup> Aged care employee general classifications are not included in this table as they are not in scope for award wage increases on 1 October 2025.