

Australia: Health Services Union hails meagre award “win” for aged care workers

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A Fair Work Commission (FWC) decision raising minimum wages in the aged care sector, handed down last week, has been hailed by the trade unions and the corporate media as a major victory for more than 200,000 workers in residential and home care services across Australia.

In reality, the changes to the industrial award, which sets the legal floor for wages and conditions in the sector, falls far short of what is required to keep pace with the soaring cost of living and make up for decades of cuts to real wages.

Health Services Union (HSU) national president Gerard Hayes declared the FWC decision “a historic improvement,” that would deliver pay rises of up to 28.5 percent, a figure that was breathlessly repeated throughout the corporate media.

This claim is a complete fraud. The phoney figure is arrived at by adding the highest increase awarded to any single employment classification—Level 5 (with certificate IV) personal care workers—to a 15 percent “interim” increase ordered by the FWC in November 2022 and implemented in July 2023.

Both the “interim” increase and last week’s determination are part of a “work value” case, originally filed by the HSU in 2020. The prospect that a Labor government would fund a 25 percent pay rise for aged care workers was heavily promoted by the union in the lead-up to the May 2022 federal election. Now, almost two years after the election, workers still have no idea when the final pay rise—of less than 25 percent for most workers—will be introduced.

The average pay increase under last week’s ruling amounts to around 6 percent for “direct carers,” including personal care workers, assistants in nursing and home care workers. Some of these workers will receive a nominal pay rise of as little as 2 percent.

The FWC found that so-called “indirect” carers “do not perform work of equivalent value to direct care workers justifying equal rates of pay” and awarded an increase of just 3 percent, except for laundry hands, cleaners and food services assistants, who will receive a 6.96 percent pay rise.

The wages of registered and enrolled nurses working in aged care will not increase under this determination, as they are the subject of a separate application to the FWC by the Australian Nursing and Midwifery Federation (ANMF).

Aged care workers are among the most poorly paid workers in the country. Hourly wages for personal care workers currently start at just \$27.56 per hour, while those who hold a Certificate III in Aged Care—the most common classification—are paid just \$30. Under the FWC’s determination, these qualified workers will be paid \$1,223.90 per week, still less than the national median wage of around \$1,300.

Under the FWC’s determination, almost all pay classifications will remain below this average figure. Weekly rates of pay for aged care employees in a direct care role will range from \$1,101.50 (level 1) to \$1,370.80 (level 6 team leader). For indirect care workers, weekly pay will be between \$938.20 (level 1) and \$1,136.70 (level 7).

Wages in aged care have nominally risen faster than inflation over the past year as a result of the work value case and general increases to award wages by the FWC. But these percentage increases fall far short of what is necessary to provide a decent standard of living.

Data from CoreLogic for January lists the national median rent as \$601 per week, more than half the full-time wage for aged care workers in all but the two highest pay classifications under the award changes.

In his remarks to the media, Hayes noted that, “For

the last decade aged care has been held together by the goodwill and commitment of severely underpaid, insecurely employed workforce.”

In fact, the deterioration of wages as well as job security and working conditions has been overseen by the trade unions, including the HSU, which have suppressed industrial action by workers for decades and enforced the decisions of the FWC on awards, as well as regressive enterprise agreements where they apply.

Since 2020, the HSU bureaucracy has used the “work value” case to divert opposition among aged care workers to their dire wages and conditions into the safe channel of appeals to the pro-business FWC. The purpose is to shut down any demand from workers for strikes or other industrial action and prevent any disruption to the profits of the private operators that dominate the aged care sector.

Now, Hayes and his cronies, with the full support of the corporate media, are deliberately misrepresenting the reality of the award wage increase in order to ensure smooth operating conditions continue for the corporations and the government.

This is an extension of the operations carried out by the HSU, ANMF and other unions in recent years, co-opting striking health and education workers into the Labor Party’s 2022 federal and 2023 New South Wales (NSW) election campaigns.

This was done under the pretext that improvements to wages and conditions in health, aged care and throughout the public sector could only be achieved through the election of Labor governments. In fact, Labor has only deepened the attack on real wages.

Labor’s August 2023 wage “increase” for NSW public sector nurses and midwives was just 4 percent—a massive cut in real terms. It followed a deal by the HSU, which narrowly pushed through a \$3,502 pay “increase” which saw many health workers receiving a larger cut to real wages than under the government’s initial 4 percent offer, which workers had voted down.

This is part of a broader assault on social spending by the federal Labor government, including cutting total federal spending on health by \$11 billion over two years, largely due to the termination of COVID-19 safety measures.

Aged care services across the country have seen dire conditions for both residents and staff for decades. The most recent federal government Royal Commission

into Aged Care—the 24th such inquiry in the past three decades—revealed dangerous levels of understaffing, low rates of registered nurses and inadequate training of personal carers, which has created a disaster for residents and their families, producing the conditions where neglect and abuse can take place.

The ongoing COVID-19 pandemic has exacerbated these conditions. More than 6,300 aged care residents have now been killed by the virus, more than half of which have occurred following the election of the Labor government in May 2022. Some 187,650 residents and at least 105,536 aged care workers have been infected across 19,594 recorded outbreaks.

The continued spread of COVID-19, which has also exacerbated staffing shortages, is the direct result of the profit-driven removal of virtually all public health measures, particular spearheaded by the federal Labor government.

This underscores that, in order to take forward a fight for decent wages and safe working conditions in aged care, workers need to take up a political struggle against Labor and the political establishment.

This is impossible within the framework of the HSU or any other trade union, whose leading members hold powerful positions within the Labor Party apparatus, and which function as an industrial police force of governments and big business.

Instead, workers need their own organisations of struggle. The Socialist Equality Party (SEP) offers every assistance to workers in building rank-and-file committees, democratically controlled by workers themselves and not union bureaucrats, through which workers can take matters into their own hands and discuss, develop and fight for demands based on what is needed, not what governments or corporate bosses say is affordable.

The struggle for decent wages and conditions in aged care is inseparable from the fight to reverse the privatisation of the sector and establish a system that provides a high standard of aged care for all who need it, rather than just those who can afford it.



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