

Supplementary Submission  
to the Senate Inquiry into:

Aged Care Living Longer Living Better Bill 2103  
Australian Aged Care Quality Agency Bill 2013  
Australian Aged Care Quality Agency (Transitional Provisions) Bill 2013  
Aged Care (Bond Security) Amendment Bill 2013  
Aged Care (Bond Security) Levy Amendment Bill 2013

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## Introduction

The Health Service Union (HSU) thanks the Senate Committee for this opportunity to provide a supplementary submission responding to questions asked of us by Senator Fierravanti-Wells when we addressed the Committee at the hearings conducted in Sydney on Tuesday 30 April 2013.

The HSU is a national union representing a diverse range of health professionals and employees in the health and community service sectors. The HSU represents members covering a broad range of skill sets including aged care workers, physiotherapists, occupational therapists, speech pathologists, podiatrists, psychologists, disability workers, mental health workers, paramedics, kitchen staff, cleaners, aboriginal health workers, health managers, nurses and personal care attendants. Our coverage varies from state to state and across Australia.

The HSU represents the interests of members in the workforce to improve member outcomes and contribute to the ongoing improvement of health and community care policy, services and facilities for clients.

We reiterate our support for the reforms and recommend them to the Committee. We ask that you to support the passage of the legislation in the next sitting of parliament.

## Response to questions

*Senator Fierravanti-Wells asked for information about the HSU's fees structure and membership numbers within the HSU.*

The Health Services Union does not set membership fees at a national level. Each Branch of the HSU sets its own fees. There is not a one size fits all. Membership fees include the provision of union services such as specialised staff, journey insurance, professional indemnity insurance the provision of union facilities and their upkeep and other member benefits such as negotiated discounts provided through various group buying programs.

Some Branches have their fees based on the occupation and hours worked by the individual member. For example, the HSU Tasmania Branch have set their fees for Juniors at \$6 a fortnight while the fees for a member who is a registered Nurse or Health Professional working full time are \$25.30 per fortnight. The HSU NSW Branch has a free membership for students. The HSU NSW Branch has set their fees for Trainees at \$13.80 a fortnight, while the fee for ordinary members is \$23.20 a fortnight. The HSU Victoria No 2 Branch have set their maximum fee to join the HSU at \$22.15 a fortnight. The HSU Western Australia Branch have set their membership fees based on a members income with members earning higher incomes paying more. The maximum fee is \$29.95 a fortnight.

*Senator Fierravanti-Wells asked why the HSU submission said the Workforce Supplement had enjoyed support across the industry?*

Following the Productivity Commission's "Caring for Older Australians" Inquiry Report of August 2011 the National Aged Care Alliance (the Alliance) has put forward consensus Blueprint for delivering positive aged care reform. The Alliance is a consensus body of national peak organisations representing consumer groups, provider groups, unions and professional groups. The Health Services Union is an active member. The Blueprint follows on from the Alliance's Vision Leading the Way – Our Vision for Support and Care of Older Australians, released in 2009.

In particular the Blueprint addresses five areas for reform. They are:

- a rapidly ageing population;
- a stretched aged care workforce;
- ageing infrastructure;
- inflexible, out dated service and funding models; and
- extensive lead times to implement change.

In terms of addressing a "stretched aged care workforce" and ensuring a quality aged care workforce it the Blueprint identified a need for:

- a bridging supplement for payment of fair and competitive wages for nurses, allied health professionals, personal carers and support staff;
- the Government, unions and provider representative organisations to sign a Heads of Agreement which ensures the bridging supplement is paid to aged care providers for increased wages; and

- incorporation of the wage increases into a registered industrial agreement to enable the supplement to be paid to individual aged care providers and ensure it is used solely to pay fair and competitive wages.

The following organisations added their name and logo to the Alliance's Blueprint:

Aged & Community Services Australia, Aged Care Association Australia (now Leading Aged Services Australia), Alzheimer's Australia, Anglicare Australia, Association of Independent Retirees, Australian & New Zealand Society for Geriatric Medicine, Australian Association of Gerontology, Australian General Practice Network, Australian Healthcare & Hospitals Association, Australian Nursing Federation, Australian Physiotherapy Association, Baptist Care Australia, Carers Australia, Catholic Health Australia, COTA, Diversional Therapy Australia, Health Services Union, Legacy, Lutheran Church of Australia, Presbyterian National Aged Care Network, Occupational Therapy Australia, Palliative Care Australia, The Pharmacy Guild of Australia, Returned Services League Australia, The Royal Australian College of General Practitioners, Royal College of Nursing Australia, United Voice and UnitingCare Australia.

The Blueprint and the plan for addressing a stretched workforce, including the "incorporation of the wage increases into a registered industrial agreement to enable the supplement to be paid to individual aged care providers and ensure it is used solely to pay fair and competitive wages" enjoyed the broad support of the industry.

A copy of the Blueprint can be found at [http://www.naca.asn.au/Age\\_Well/Blueprint.pdf](http://www.naca.asn.au/Age_Well/Blueprint.pdf).

Submissions to the Committee also inform us that the reform agenda still enjoys support from consumer, providers and unions. We recognise that providers are wanting more detail and this has been described as opposition to the legislation but we note the comments of UnitingCare Australia who are supportive of the passage of the Bills but have concerns about the detail.

"the detail will come in the principles under the act. So we are looking forward to a vigorous policy debate with the government."

The HSU believes that this statement and the sentiments behind it are an accurate reflection of the state of play.

*Senator Fierravanti-Wells asked us to look at the submission of Lutheran Aged Care Residential Network (submission 14) and respond the employer claims of having to sack 8 workers.*

The HSU is surprised by the LACRN's simplistic claim that applying the Workforce Supplement will cost eight jobs. The LACRN has not factored any savings from bargaining across their network. Some of the savings could include: improved retention; better qualified staff, better work, health and safety arrangements, improved productivity and increased workplace flexibility. A number of employers use their bargained agreements as recruitment tools, differentiating their facility with superior conditions to the one down the street who haven't bargained.

The HSU has bargained for improved productivity and better wages and conditions with other Lutheran faith based residential aged care and home care providers in the neighbouring states of NSW and Victoria.

LACRN may find that productivity gains negotiated through the bargaining process may mean there is no reduction in care to their residents.

*Senator Fierravanti-Wells went on to ask “why are you forcing employers to enter enterprise bargaining agreement?”*

The HSU would like to be able to force employers to bargain but this is not possible. The Award system provides a minimum safety net of wages and conditions. The bargaining process, (the final document could be called an EA, EBA, Collective Agreement, Enterprise Agreement or an Agreement) is not compulsory but allows the parties to come to new arrangements for the workforce over and above the award minimums.

The HSU bargains with employers to achieve better wages, safety, career progression, consultation, flexibility, rostering, salary packaging, allowances, training, and conditions for members. Bargaining provides advantages to both the employer and workers alike.

The HSU has a history of bargaining with small, medium and large employers. This year, HSU Branches will bargain with aged care employers and their representatives for better wages and conditions with the intention to make as many agreements Workforce Supplement compliant enterprise agreements as possible.

*Senator Fierravanti-Wells asked a question about unions going into worksites 24 hours a day.*

The HSU understands that this is not a real issue but a furphy. The LACRN told the Committee that their network had not been subject to workplace visits in the middle of the night. We remind the committee of the story of Henny Penny who overreacted to an acorn falling on her head and professed to the world the sky was falling. Like Henny Penny, the LACRN has overreacted.

In the verbal evidence to the Committee, Gerard Hayes advised the Committee that the HSU did intend to go to work sites when they are open to meet with members. Of particular concern to the HSU are the different work, health and safety arrangements in workplaces.

Like many providers, the HSU wants to ensure that proper procedures are in place and that work, health and safety practices and legislation is being met. This may involve a workplace visit during the night. The HSU is aware that the workplace is also a home and we take this into consideration when making work site visits. These concerns were reflected by Gerard Hayes when he was answering a question from Senator Fierravanti-Wells. He told the Committee, “... when things go wrong people have to account for that. This is why we believe if there is nothing to hide there should not be any concern. We are certainly not talking about invading people's privacy or taking any steps to take away the dignity of people, which certainly I and my union hold utmost in the aged-care sector.”

The appropriate notification will be provided to the facility management.

## Conclusion

The competition for skilled quality workers in Aged Care is ever increasing. The NDIS estimates the need for an additional 65,000 full time equivalent workers [from a current estimated 70,000] in only the next few years. The Acute Sector is always drawing aged care workers. The workforces are not dissimilar and providers will be required to compete against each other, or indeed internally within their own workforce to meet the service needs of both the ageing population and people with a disability seeking services.

Further the loss of workers within the sectors is significant, with an estimated one in four personal carers leaving the sector annually. The reasons are varied, but the principal reason remains wages and employment conditions with carer and support staff wages as low as \$16 - \$19 per hour.

The concerns within the sector are shared. We won't always agree on the cure, but the Workforce Supplement was largely supported by all cross sector interests.

The HSU reminds the Committee that it is employers who choose to take up the Workforce Supplement. Workers and Unions can only encourage employers to do so.

The Bills set the pathway for the industry for the next ten years. The Bills provide certainty to consumers, providers and workers. The Bills enjoy the support of the HSU and we recommend them to you.

**Health Services Union**

Attachment:  
Blueprint for Aged Care Reform  
National Aged Care Alliance