SENATE STANDING COMMITTEE ON
EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

QUESTIONS ON NOTICE
BUDGET ESTIMATES 2009-10

Outcome **5**

DEEWR Question No. **EW0050_10**

Senator Xenophon provided in writing.

Question

Recently the ANF called for aged care nurses to be paid at the same level of hospital nurses (as has the aged care sector for many years). The Productivity Commission said this would cost $400m in the first year and then $100m every year after that, just to catch up. Can DEEWR confirm the costs projected by the Productivity Commission?

Answer

The Productivity Commission released a Research Paper "Trends in Aged Care Services: Some Implications" (09/2008) on 25 September 2008.

Page 146 of the Research Paper states:

> *"The cost of achieving wage parity has been estimated at around $450 million in 2008 (ANF 2008). Additional amounts of around $100 million in subsequent years would be necessary to maintain wage parity under the current COPO adjustment arrangements".*

The Department of Education, Employment and Workplace Relations has not undertaken separate analysis.