



Our ref. 21002240

7 February 2024

Associate to the Hon Justice Hatcher
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Dear Associate

AM2020/99, AM2021/63 & AM2021/65 – Aged Care Work Value Proceedings

1. We refer to the above matters and write to inform the Expert Panel of additional information regarding the timing of the Commonwealth's 2024-25 Budget processes and its foreshadowed submissions on timing and phasing in which has become available since the hearing of these matters in December 2023.
2. In its written submission of 24 November 2023 (at [7]), the Commonwealth submitted that it is unable to properly consider and provide information on the appropriate approach to timing and phasing in of additional funding to support any further increase to award wages for aged care workers until the quantum of any further wage increase is determined by the Commission (either in a preliminary or final sense). As stated by Senior Counsel for the Commonwealth at the 14 December 2023 hearing (at PN6602 – PN6612), the Commonwealth at that time estimated that, once the quantum of any wage increase was known, the Commonwealth would require about eight weeks to formulate its position on implementation and any phasing in of funding, although the end of April 2024 was ideally the outer window for consideration in the 2024-25 Budget.
3. We have received the following further instructions relating to these matters:
 - a. The time required for the Commonwealth to formulate its position on the implementation and any phasing in of funding any further wage increase has been revised and shortened to a period of **four weeks** after the Commission has determined, in a preliminary or final sense, the extent of any such increase. The adjustment to the timing is as a result of needing to provide advice to Government in line with the Budget process, on receipt of a preliminary decision and again once the Commission provides the final determination.
 - b. Ideally, to support the Commonwealth to give final consideration to funding arrangements for any further wage increase as part of the 2024-25 Budget process, it would assist if the Commonwealth was aware of the Commission's final decision by the **end of March 2024** (instead of the end of April 2024, as had been previously foreshadowed).

4. The Commonwealth is happy to provide further information about these matters if it would assist the Commission.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Paul Vermeesch', with a large, stylized initial 'P'.

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