

Award-winning
care that connects,
inspires and enriches
lives every day.

Support Services
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Whiddon

4 August 2023

RE: Recognition Payment

By now, you will be aware of the Work Value Case where the Fair Work Commission (FWC) approved an initial 15% increase to the modern award rates for employees classified in direct care roles in Aged Care. This adjustment has been processed and was effective from the first full pay period on or after the 30 June 2023. This was great news and very welcome, however unfortunately for employees in non-direct care roles such as Administration, Hospitality and Maintenance, we still await the decision by the FWC as to whether an increase will also be applied to these valuable roles.

Whiddon have been vocal about our disappointment that all roles were not considered in the initial 15% increase and that the FWC process has still not finalised a decision for those in non-direct care roles. Whilst these roles are still under consideration, which gives us hope, we are yet to be advised of any clear time frame as to when that decision will be made. For us, it important that we acknowledge your valuable contribution now whilst we await what we hope will be good news from the FWC.

Whiddon recognise the work that you do and the valuable role that you play in our organisation for our residents, clients, and your co-workers. **As such, we wish to provide you with a discretionary recognition payment to acknowledge the value you bring to our organisation and aged care.** We acknowledge this does not replace a permanent rate increase, rather it is a demonstration of our appreciation for the contribution you make, not just to Whiddon, but to the aged care industry. Whiddon will continue to monitor the progress of the FWC process and communicate updates to you as soon as we hear them.

We genuinely appreciate your dedication to all things Whiddon, and we are very grateful to have people like you on the team.

For further information please refer to the FAQ's attached to this letter.

Sincerely



Chris Mamarelis
Chief Executive Officer



Alyson Jarrett
Deputy Chief Executive Officer (COO)



Questions and Answers

Who is eligible?

The recognition payment is payable to employees in non-direct care roles within our Residential Aged Care (RAC) services who were not eligible for the initial 15% increase from the FWC decision. These roles include:

- Administration
- Hospitality: catering, cleaning, laundry
- Maintenance

Employees employed in our RAC services and active as of the payment date are eligible. Employees who worked within the calculation period however terminated prior to the payment date will not be eligible. The date of payment will be on or after the first pay period after the **1 September 2023**. This is likely to be around the **8 September 2023**. Full time, part time and casual employees are eligible.

How much is the payment amount?

The payment is a **minimum** of \$50 and a **maximum** amount of \$900 plus superannuation which will be prorated depending on the average hours worked over the most recent 12-week period prior to the payment date. Average hours are capped at 38 hours per week.

The 12-week period used will be based on the most recent pay cycles prior to the payment date. The dates are as follows:

- Easton Park/Mudgee: 05/06/2023 – 27/08/2023
- All other sites: 29/05/2023 – 20/08/2023

How is the payment calculated?

The average hours an employee works is taken over the previous 12-week period as per the above dates. For example, if an employee has worked an average of 20 hours per week over the 12-week period the payment will be calculated as follows:

Example based on 20 hours average per week.

- $20 \div 38 = 0.52$ (FTE)
- $\$900 \times 0.52 = \468 (pro-rated payment amount)

Explanation: 20 hours average per week (employee's average hours) \div 38 hours per week (Full Time hours) = 0.52 (employees full time equivalent). This means the employee works just over half the number of hours a full-time employee would work. We take this employee average and

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apply it to the full-time equivalent payment amount of \$900. In this scenario, the employee will receive just over half the payment amount that a full-time employee would receive. Superannuation is applied on top of the \$468 figure.

If you work more hours over this period, your payment will be more, up to the maximum payment of \$900.

I have been on leave, am I still eligible?

Employees on approved paid leave will have their paid leave hours taken into consideration as part of the average hour's calculation.

For employees on unpaid leave under the below categories, we will take the average hours over the 12-week period prior to their last working day before commencing leave.

Eligible unpaid leave categories:

- Workers' compensation
- Sick leave
- Maternity leave
- Approved LWOP

Periods of unapproved leave are not eligible.

Will I be taxed?

Yes. The bonus will attract tax. The marginal tax rate will be used. This equates to somewhere between 31-37% based on the employee profile and average earnings. Payment will be made via a separate pay run and not part of the fortnightly payment run.