



WE STAND UP!

FOR HIGHER WAGES

**STATE WAGES REVIEW
SUBMISSION 2023**

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SUMMARY

The Health Services Union of Western Australia (HSUWA) welcomes the State Labor Government's (Government) commitment to this second wages policy review process. HSUWA Members appreciate the opportunity to communicate why the wages claim they have endorsed is essential to maintaining staffing levels and public confidence in a quality health system.

Members' wages have not kept up with the cost-of-living and their living standards continue to go backwards. Government policy has determined this steady decline over the six years the Government has been in power. At the same time, Government policy delivered five significant budget surpluses (with a sixth surplus forecast for 2023/2024) and ever-increasing extreme wealth for a small group of people and interests who exert unchecked media and political influence in this State.

Fairness is the enduring value of the WA Labor Party. The Government has the power and the tools to stop this growing inequity and turn it around. A wages policy that genuinely supports working people, relieves cost of living pressures and helps **maintain the workforce providing quality public health services** is the first, and now urgent, step.

HSUWA MEMBERS' WAGE CLAIM

Year 1 - 7% (from 1 July 2024)

Year 2 - 5% (from 1 July 2025)

HSUWA MEMBERS

HSUWA is a specialised union of health workers in Western Australia. Our Members ensure the effective running of WA hospitals and health services and work to ensure patients are provided with the best possible service and care.

Their jobs make up a significant part of the public health workforce, including Pharmacists, Physiotherapists, Medical Scientists and Researchers, Clinical Psychologists, Medical Imaging Technologists, Social Workers, Laboratory Technicians and Administrative roles ranging from frontline clerical services (in Emergency Departments and Wards for example) to senior management.

There are more than 22,000 public health workers covered by the HSUWA Industrial Agreement (HSUWA Agreement), representing the second-largest workforce in WA Health and one of the largest in the public sector.

INTRODUCTION

HSUWA welcomes the wages policy review process for a second time. We hope this positive initiative of Government, to consult the union Members they employ to deliver essential services, is now an embedded step in the wages policy process.

HSUWA Members' wages claim for the next HSUWA Agreement in 2024 is:

- Year 1 – 7% (from 1 July 2024)
- Year 2 – 5% (from 1 July 2025)

This claim is designed to provide immediate relief and support to the public health workforce.

After four years of a flat \$1,000 pay increase, the wages increase and cost of living payment won by HSUWA Members campaigning strongly in 2021 and 2022 with other Public Sector Alliance unions, led to a far better wages outcome than the proposed continuation of the \$1,000. However, two issues diluted this achievement and unfortunately reinforced our Members distrust of the Government.

The first was the divisive step of splitting the wages offer for employees between a flat amount and a percentage based on income. The second was the refusal to entertain the view, at the time, that a 3% pay increase in 2023 would not keep up with inflation. The annual September 2022 to September 2023 Perth CPI rate announced recently was 5.8%.

It is important that the Government understands the depth of feeling about the wages outcome in the last round of bargaining before you respond to Members' claim.

WE ASKED OUR MEMBERS -

HOW WAS THE MOST RECENT WAGES POLICY RECEIVED?

"Not well. Staff were particularly upset that it was a divisive policy that separated those earning more or less than \$100K pa."

"Begrudgingly. Accepted as wanted some relief, but not enough."

"Happy for wage rise but not satisfied as did not cover the cost-of-living increase."

"A band aid for a massive wound."

"Disappointment with pay offer given the significant work during the pandemic, comments regarding budget surplus and increasing inflation/cost of living."

"Poorly! Did not keep up with inflation and cost of living pressures, let alone appropriate remuneration for the work."

THE PUBLIC HEALTH WORKFORCE

The entire community relies on public health services performed by highly skilled people who expect decent pay and respect in return. Wages policy should be made in consideration of what is best for Western Australians from a societal and humanitarian perspective, as well as economic perspective.

Our Members, alongside other Public Sector Union members, have borne the brunt of budget repair which has limited earning capacity, savings and superannuation. Despite the highly valuable role HSUWA Members play in our society, their wages have been reduced in real terms. Over the past eight years, starting with the Barnett Government's 1.5% wages policy in 2015, there has been little or no opportunity to discuss real wage increases based on merit, recognition or reward.

It is well known and understood that many public health services are struggling to provide a full complement of services, particularly in the regions, and hundreds of shifts across the sector are unfilled every day. This puts the remaining workforce under pressure every day and people burn out and walk away.

COVID-19

The health workforce did not hesitate to stand up and rise to the challenge of the COVID-19 pandemic. HSUWA members were heavily involved in the COVID response, from clinical planning to contact tracing to data analysis and testing. They managed constant change, reconfigurations and, after a short initial lull, unceasing and even greater demand.

Members went to work when everyone else was asked to stay home. They kept going to work when there wasn't enough or the right PPE for them to be sure they were safe. Then, they worked in full PPE. They kept going to work despite the personal toll it took on them and the difficult working conditions at all the different stages of the pandemic. This is because, overwhelmingly, HSUWA members are committed and proud to work in public health. Beyond genuine thanks, the commitment of health workers during the pandemic has not been recognised and rewarded.

MEDICAL IMAGING TECHNOLOGIST

“Without imaging patients often can't be diagnosed, treated, operated on, or discharged. If they are waiting for us, they are often in limbo, whether that be in the ED, in an ambulance ramped, on the ward, or at home while their condition deteriorates. If we aren't thorough and efficient, the hospital isn't either.

We don't have the staff or resources to keep up and we run dangerously short-staffed regularly. Our workloads over the last few years have grown significantly. We cannot attract staff from private companies who are willing to pay staff significantly more, and recent pay improvements and better career pathways interstate, mean it is hard to attract from anywhere else. We are burnt out and our patients and families are paying the price.”

ECONOMIC CONTEXT

STATE GOVERNMENT AND PUBLIC SECTOR WAGES

The damaging and dampening effect on economic activity arising from a decade of continued public sector wage suppression is now fully embedded across the country. Earlier this year, the Australia Institute released research that showed that corporate price gouging, and the associated record profits generated by it, were a far more potent driver of Australia's inflation crisis than modestly rising wages. We now have a situation where, despite the significant increase in inflation across the country, public sector wages growth remains low, and workers continue to go backwards in real terms.

THE EFFECT TO HSUWA MEMBERS' BOTTOM LINE

To illustrate the real-world effect of the Government's wages policy since coming to power in 2017, we present two scenarios:

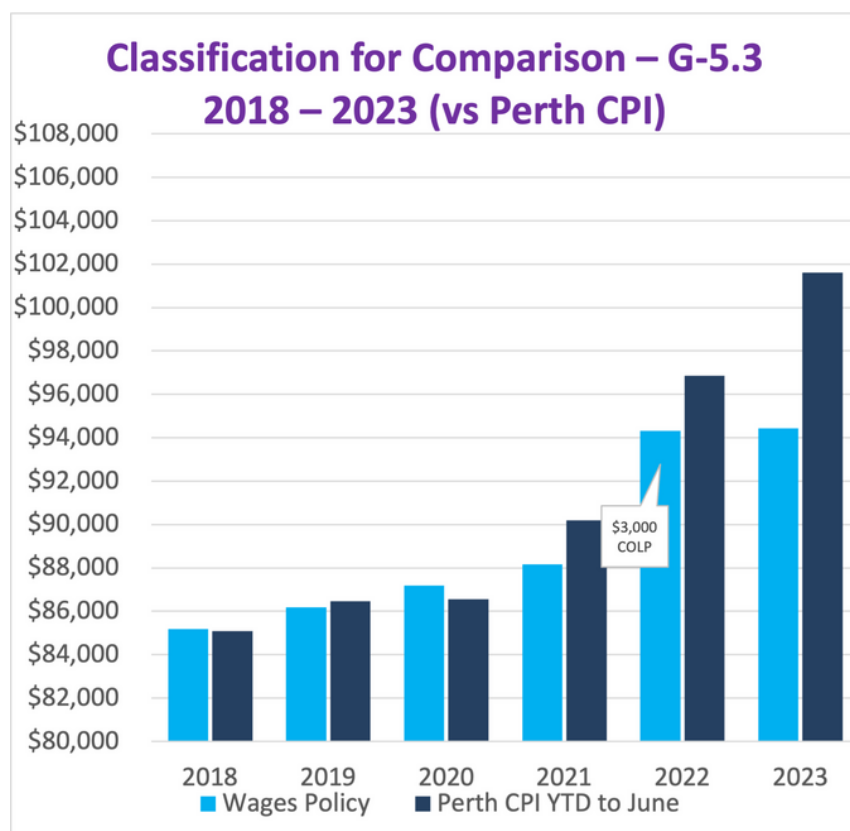


Figure 1: Under the HSUWA Agreement, there are 14 General Division Classifications, ranging from G-1 to G-14. Our analysis compares wages policy to Perth CPI. This Member is employed at Level G-5 has had three years of service at that level. The roles of Members employed at G-5.3 include Clerical Coordinators, Senior Finance Officers, Anaesthetic Technicians and Bio Engineering Technicians.

Figure 1: If salaries were paid since 2018 in line with Perth CPI, rather than under state wages policies, a Member at Level G-5.3 today in 2023 would be paid an additional \$7,169 or 7.6% more. We estimate that over the last two years alone (2022-2023), about \$1,057 less in superannuation was paid, which will also reduce overall retirement savings due to a compounding effect.

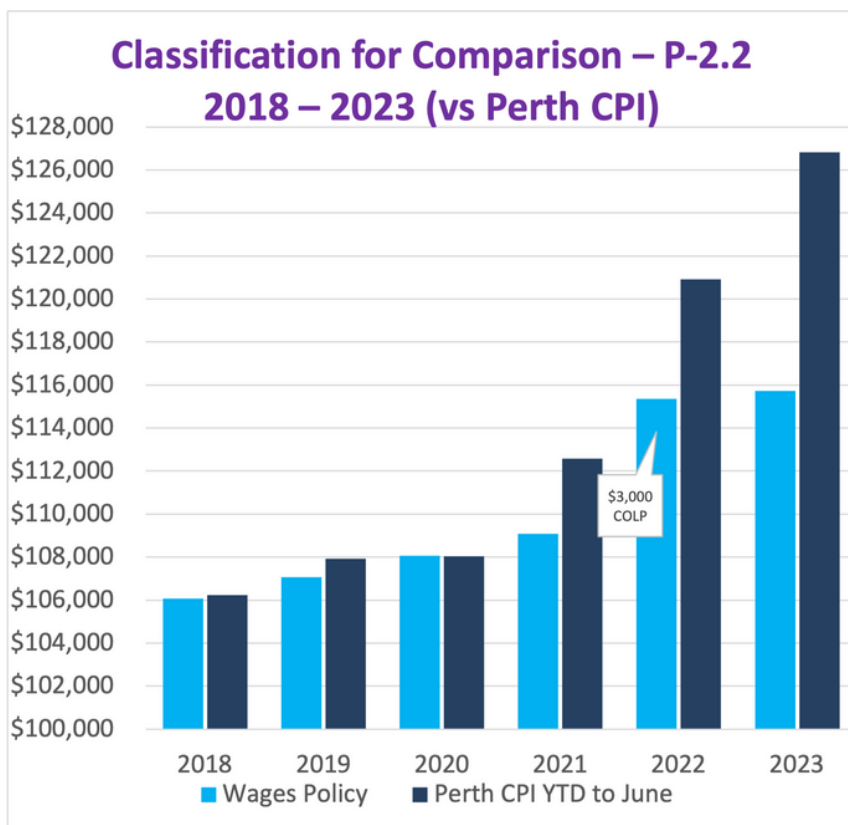


Figure 2: Under the HSUWA Agreement, there are 9 Professional Division Classifications, ranging from P-1 to P-9. Our analysis compares wages policy to PerthCPI. This member, employed at Level P-2, has had two years of service at that level. The roles of Members employed at P-2.2 include Senior Physiotherapists, Occupational Therapists, Social Workers, early career Clinical Psychologists, Senior Medical Scientists, Senior Radiation Therapists and Medical Imaging Technologists (Radiographers).

Figure 2: If salaries were paid since 2018 in line with Perth CPI, rather than understate wages policies, a member at Level P-2.2 today in 2023 would be paid an additional \$11,113 or 9.6% more. We estimate that over the last two years alone (2022-2023), about \$1,806 less in superannuation was paid which will also reduce overall retirement savings due to a compounding effect.

It would be deeply alarming if the Government, in its current strong financial position, did not act to redress the loss of real wages for HSUWA Members who served the people of this State with courage and conviction during the pandemic.



HOW HAS STATE WAGES POLICY AFFECTED YOU PERSONALLY?

"We can't retain staff and lack of experienced staff has restricted my ability to take annual leave."

"I don't think this government cares about me or what I do. I don't feel as motivated to help."

"I am someone who has a HECS debt. Given the indexation rate was 7.1% this year but my pay only increased by three I feel like I'm fighting a losing battle."

It has made living in an inflated economy difficult and the need to do some extra shifts to have a safe income to pay for the bills."

"Cost of living has gone up so much in comparison to wages that I can only just afford my essentials, I struggle with bills ... it leads to burnout."

"More than half my pay currently goes towards my rent."

"I am re-considering my career options. Not sure why we are all still here."

THE COSTS BEYOND WAGES

Looking at wages only as a single cost item of the annual State Budget, doesn't account for the flow on costs that are related to sustained low wage growth. In public health we believe there are many other associated costs, including:

- increasing turnover;
- short-term, expensive work arounds with locums, agency staff, contractors and consultants to cover gaps in services;
- financial incentives needed to attract people to WA Health and/or to work in regional areas (often on a short-term basis);
- increased ED presentations;
- longer-term health costs due to delayed treatment;
- longer inpatient stays and higher readmission rates; and
- reduced "cost offsets" to other government services – in the community, education and justice sectors, for example.

The long tail in the hidden costs arising from low wages growth for the public health workforce is only starting. Any guidance provided to the Government by Treasury, which lacks a comprehensive analysis of the cost stemming from a decline in real wages, falls short of the quality of advice the Government ought to receive.

REGIONAL HEALTH SERVICES

The pressures and challenges articulated throughout this submission are exacerbated for workers outside of the Perth metro area. As it stands, there is no coherent modern framework to support employment in the regions. We are told the impediment to a clearer, fairer and contemporary system is that “whole of Government” changes are needed and a review is underway. HSUWA, along with other public sector unions, has been advocating for this work to be done for years now, as we have been stymied in making any meaningful change under the Agreement making process. The lack of any urgency to complete this work and move support the regional health workforce in a co-ordinated and fair way is difficult to comprehend.



REVENUE

In 2017, the incoming Labor Government announced a range of measures to deal with budget repair in response to poor financial management of the Liberal Government. The most significant measure was the introduction of a public sector wages cap of \$1,000. The only measure not implemented was the increase to gold royalties, expected to raise nearly \$400 million in revenue.

The reaction from the WA gold industry in 2017 and the subsequent backdown of the Government meant they never participated in budget repair. While the years since has seen the price of gold soar and big profits for the resources sector, the Government has remained focused on expenditure, not on raising revenue.

The price of iron ore, while unpredictable, has delivered huge windfalls not only to the Government but to a handful of individuals and mostly foreign-owned companies. The constant forecasting of a drop in the iron ore price hasn't materialised and, given the energy transition ahead, is unlikely to anytime soon.

The Government is responsible for royalty arrangements and has a whole range of levers that could be accessed to ensure a more equitable distribution of wealth and better resourcing of public health services. There is a serious question of social equity where obscene wealth is acquired by a few from the sale of our State's resources. The benefits of our resources should flow more equitably to the Western Australian community.

In accordance with Labor's enduring value of fairness and to govern "in the broader interests of all, not in the sectional interests of a few" and its stated principle of "providing a fair distribution of the benefits of the state's economy", a clear-eyed reassessment of the distribution of the State's wealth is needed if the Government wants to continue to prioritise an operational surplus in the annual State Budget and provide the services the WA community expects and deserves.

While politically, the Government has chosen to ignore their capacity to do anything for fear of reprisal from those with powerful media and political influence, this is a serious disservice to current and future generations of Western Australians. In the urgent transition to clean energy, the Government should be proactive and seize all opportunities to establish more balance and fairness. The profits are so enormous there is plenty to go around.



MEDICAL SCIENTIST

“Our job is to collect process and analyse patient samples to provide test results for all hospital inpatients, outpatients and the ED as efficiently as possible. There is a large range of responsibility from detecting a mild illness such as an infection or iron deficiency, to the more serious, detecting a new presentation of leukaemia or providing lifesaving blood products during traumas and massive transfusion events.

The volume and complexity of our work has increased ... the number of staff we have to operate the laboratory and cope with this workload has barely increased. In the past 16 weeks alone, we have had over 80 shifts that could not be filled as we simply didn't have the staff to do so. On these days there was no discussion of how this would be managed or what work could be reduced to help staff cope. It was instead expected that the workload be absorbed by the staff who were working on those days.

I have worked for PathWest in 15 different hospitals around the State and can tell you each and every one of them are facing their own share of pressures and exploitation with a great lack of support or appreciation.”

ATTRACTION AND RETENTION

In 2021, HSUWA Members warned the Government of a developing understaffing spiral due to low wage growth in public health. In 2023, WA Health is no longer an employer of choice for skilled health workers. Other sectors – private health, private practice, NDIS, and other States can offer better pay and conditions.

Public sector health jobs simply do not hold the value they once did. All around, the essential costs of living are rising faster than their pay. Other contributing factors include increasing workload and service demand issues, safety concerns and the high prevalence of insecure jobs.

Many of the highly skilled and qualified professionals working in HSUWA-covered roles can practice interstate and overseas, and the competition for talent will only increase. This is evident in occupations providing mental health services and support (for example, Clinical Psychologists, Occupational Therapists and Social Workers), in Data Analysis and Health Informatics and in Medical Imaging, to name a few.

Non-competitive wages present a barrier to staffing WA Health. The Government's recruitment campaign for WA Health "Belong", offers a \$5,000 to \$10,000 financial incentive to attract workers from overseas and interstate. There is no publicly available information about this ongoing campaign – advertising and promotion costs, incentives paid or numbers employed.

In other States, highly qualified and/or specialised occupations, including Clinical Perfusionists, Genetic Counsellors and Medical Physicists for example, can receive total remuneration packages that significantly exceed those offered in WA. Many occupations require significant post-graduate study (in some cases it is required to become registered) that is not recognised or reflected in their pay.

Instead of having a transparent discussion about responding to these serious workforce issues and setting out a path forward, WA Health's overall response has been piecemeal and disjointed. The plan seems to be to support each HSP (Health Service Provider) to work through one short-term crisis fix after another. This is in part because of mixed and complicated (and often only short-term) funding arrangements and the dominant role of Treasury in spending decisions.

NO INFORMATION

There is no WA Health Workforce Strategy or underpinning Workforce Planning that the union is aware of. WA Health does not release key employment data relating to vacancies, advertising, recruitment, student placements and pipelines, turnover, retention or safety data such as unfilled shifts.

PHARMACIST

“There is a constant push for Pharmacists to be more educated in more complex roles with the expanded scope of practise in many jurisdictions around Australia. In WA, this includes both in and out of hospitals. The reason for this is the clear patient benefit and health system cost effectiveness of these initiatives. But without directly addressing remuneration it just means more liability, more work and more study.

Clear cracks are starting to show because of the Government’s wages policy. Recruitment is now difficult when it used to be extremely competitive. Experienced staff are leaving in droves.”

SPOTLIGHT ON THE MENTAL HEALTH WORKFORCE

While the Government has invested in mental health in each State Budget, it started from behind and has not kept pace with demand. In 2022, two separate reports talked about how serious the situation had become. Below we highlight just some of the workforce findings:

Mental Health Clinical Workforce Action Plan 2022 by WA Health

“The themes identified throughout consultations reflect a workforce crisis.

Blurring and diminishment of professional responsibilities, together with inconsistent workforce data and resourcing, has altered the ability of the system to sustain the workforce required to support service demand.

Drawn out recruitment processes, provision of short employment contracts, and increased reliance on locum workforces has contributed to a lack of consistent care. Staff are fatigued from managing increasingly high workloads, with limited opportunities to access professional development, without support to care for their own wellbeing. Without strong leadership to navigate and overcome these challenges, these factors have resulted in negative workplace cultures that are unattractive to prospective employees.” [p19]

“We need better pay as many of us are underpaid, hence people leaving private practise or end up working part time” [p13]

Final Report - Ministerial Taskforce into Public Mental Health Services for Infants, Children and Adolescents aged 0 – 18 years in WA by Robyn Kruk AO

“WA’s ICA mental health workforce has been on the frontline of a system in crisis. Staff working across ICA mental health services feel forgotten, underappreciated, and left behind; as investment in the broader health system has exceeded investment in the wider mental health system, which in turn has seen proportionally more investment in youth and adult services.

As the system has continued to experience capacity constraints and rising demand, staff are reporting feeling burnt-out, vicariously traumatised, and are leaving the workforce. This potentially impacts risk to workplace health and safety, clinical quality and safety, as well as to the experiences of children, families and carers. The future ICA mental health system must be better at supporting its workforce.” [p 86]



THE BIGGER PICTURE IN HEALTH

The serious workforce issues in public health today are years in the making. The pattern of under investing and poor planning has been ongoing for decades. But the slow progress of the longer-term planning and investment identified in the Sustainable Health Review in 2019, along with the pandemic and increasing service demands, have now stretched the system beyond capacity. Adding no meaningful wage increases, despite some short-lived relief in 2022, to those growing pressures and safety risks (and too often poor workspaces), has unsurprisingly led to seriously low morale.

The total focus on costs by the Government has a basis- but it limits health workers from challenging and improving existing systems; those who know what needs to improve in the health system, more than anyone. A culture has developed in WA Health that limits the ability of workers to influence decisions at any level.

We believe an important way to achieve long-term systematic change is by putting the concerns of the workforce at the forefront. This includes the effective organising of workers in a democratic union that allows decisions to be shared between health leaders – at both the worker and senior management level. If workers do not believe they can make change to their pay and conditions and improve their working life, it is understandable if they disengage.

HSUWA Members are eager to be a part of change, and will play a leading role in improving morale, health outcomes and addressing challenges if they are given the capacity and backing to do so. For the Government, making policy decisions informed by the expertise of workers at the local level is the quickest (and best) way to address the challenges in WA Health.



COMMENTS OR QUESTIONS ABOUT WAGES FOR THE GOVERNMENT

- *“How does Labor expect to maintain its dominance in WA if it violates its core principles and alienates its most loyal supporters (workers)?”*
- *“Do you expect people to stay healthcare?”*
- *“Please think about the added workload on existing staff to cover unfilled positions, training new staff and covering gaps, all while wondering if we can afford rent /mortgage. This is why people are leaving WA Health.”*
- *“Need to be rewarded for the valuable work we do. We need to attract new staff not just agency staff and keep the new staff members. We lose so much knowledge and training time.”*
- *“Wages has a direct correlation to providing a good service.”*
- *“Do you agree that to care for others you need to care for yourself first? AKA look after your health care workers so they can look after others!”*
- *“While we were working hard to preserve the health of the community please really think before deciding that we are not even worth a pay rise that meets the demands of living in that same community that we work so hard to look after.”*



CLERICAL

"I have been at the centre that provides both outpatient appointments and cancer treatment for 6 years and my current position is in New Cases where I manage incoming referrals for Haematology. In my position I process and deal with highly sensitive, crucial medical information, and diagnoses. As a specialised area we rely on staff with clinical knowledge, critical reasoning and extreme focus due to complexities of both analysing medical information and managing time critical activities. The position merits first rate staff due to the significant clinical risk involved.

In June this year, we received an increase to 40 FTE staff. That sounds like a decent number yet in excess of 50% of staff are part-time and 20% are from recruitment agencies. This is unacceptable. I ask you.... What stops us from attracting and retaining the cream of the crop of full-time administrative staff who have the skills we require to ensure patients are not compromised...because we know.... every day matters.

To be succinct, it's the limitations of 6-month contracts – they offer no job security. It's the subpar wages – they do not meet cost of living nor are they aligned with our skills and knowledge. There's also the realisation the state government does not support health workers. On the occasions where I have spoken to people considering working for the state government.... working in health care is never an option. They will not work in an under resourced, underpaid pressurised workplace.

It is estimated that each new hire costs as much as \$20,000 in training and it is astronomical to me that this repeated financial loss, as a result of constant staff turnover, is willingly absorbed by the State Government yet you contest our need for a wage increase?

I know my worth and I am confident that you actually do too. Be fair, make the right decision, the only decision."

GOVERNMENT MUST ACT RESPONSIBLY

The public system must remain competitive for the Government to deliver the quality services it promises for the people of WA. In addition to not holding on to current experienced staff, the State risks no longer being able to attract the young and mobile, highly educated health professionals of the future.

Abstaining from proactive, genuine efforts because workforce shortages in health are considered global and intractable or because it's considered impossible for the public sector to keep up with the private sector is not an option.

The Government must invest in our highly trained and committed public health workforce by improving wages enough to recover losses in recent years. The Government must encourage experienced staff to stay in public health. If you keep workers at the heart of your decision-making, the Government, the health system, and the State will be stronger for it.

HSUWAM Members' wages claim is designed to support the workforce and keep them in the game. This claim is consistent with other unions in the Public Sector Alliance that together represent over 100,000 public sector employees.

Proper and fair wage relief should be the Government's goal. This will retain experienced workers and restore the morale of a workforce that bore the brunt of COVID-19, is operating under increasing demands and pressures, is in short supply and whose living standards keep going backwards.

Thank you for the review. We are excited to see the outcome.



STAND UP!

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