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Weighing up the costs of aged care's retention bonus: opinion

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The bonus scheme aimed at retaining aged care facility care staff during the pandemic is causing more problems than it is worth, writes Mark Sheldon-Stemm.

The Aged Care Retention Bonus, [which was announced in March <https://www.australianageingagenda.com.au/covid-19/covid-retention-bonus-divisive-and-unfair-say-peaks/>](https://www.australianageingagenda.com.au/covid-19/covid-retention-bonus-divisive-and-unfair-say-peaks/), has opened a can of worms for providers by paying only select aged care employees whilst ignoring other essential workers in the industry.

Ancillary and administration staff such as cooks, laundry, cleaning, payroll, and reception employees are unhappy that the work they do has not been recognised with the two bonus payments.

This has often resulted in an atmosphere of animosity among co-workers.

The government's well-intentioned aim to persuade clinical and care staff to remain employed in aged care facilities has, in fact, also fallen flat as in some cases recipients have left in favour of Jobseeker.

In spite of the fact that Jobseeker payments will decrease in the future, its attraction lies in the receive-something-for-nothing basket, leaving only those employees dedicated to our aged community to battle the increased work load brought about by COVID-19.

To fend off any antagonism among facility colleagues, some providers are paying bonuses to all staff.

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One provider's costs averaged out at an approximately extra \$140 per staff member when payments had to be made to keep the peace across all staff.

In spite of the fact that these are only two one-off payments, a provider with 100 staff who is paying all employees to avoid conflict, has an additional cost of \$28,000 over and above the two bonus payments.

The other additional cost has been the calculation of the bonus as it relied on hours worked over a period and each worker had to be classified into the different groups.

For a reasonably sized provider, it would have taken a couple of days to calculate and with the threat of audits it was important the claim was correct.

It is hardly surprising that with the next instalment of the retention bonus due in August, some providers might seriously be thinking about rejecting the bonus payment as it costs them money and is not proving to retain staff as supposed.

This begs the question: 'What should be done during a pandemic to retain staff?' because the bonus scheme seems to cause more problems than it is worth.

Surely government spending should be focusing on major issues within aged care such as pandemic training and supplying facilities with additional resources to cope.

I suppose this well-intentioned scheme is just part of lessons learnt, as they keep telling us.

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