

MEDIA RELEASE

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MYEFO confirms aged care commitments but structural aged care reforms must continue in next Budget

Today's Mid-Year Fiscal and Economic Outlook (MYEFO) statement will facilitate current aged care reforms while the Aged Care Royal Commission continues its work, but major structural reform is needed to fix the aged care system so it works properly for older Australians and their families, the peak consumer body for older Australians said today.

Council on the Ageing Chief Executive, Ian Yates, said the \$537 million aged care package announced in response to November's Aged Care Royal Commission Interim report, plus \$97 million of new spending, including the funding of election commitments such as Aged Care Navigators for culturally and linguistically diverse communities, and an extra \$11.4 million for the Aged Care Quality and Safety Commission, will help cut home care wait times, improve access to services and improve safety and quality for consumers.

However, he said COTA continues to urge the government to set a timetable and develop a clear plan to cut home care wait times to no more than 60 days, and also to develop a structural adjustment strategy for residential aged care, including putting funding for residential aged care packages into the hands of consumers.

"MYEFO has confirmed and put into the Budget commitments made in response to the Royal Commission, and it honouring promises made in the Federal Election, which is obviously welcome," Mr Yates said,

"As well as new home care packages MYEFO will also provide \$11.4 million to the Aged Care Quality and Safety Commission to strengthen its essential work on behalf of consumers and families, which is very good news.

"The government needs a phased, realistic and committed plan to reduce home care wait times to a maximum of 60 days over the next 2-3 years, Mr Yates said, "because without workforce planning and reform of the home care program it won't get there just with extra money."

"COTA also recognises the financial pressure many residential aged care providers are under; however additional funding for residential care must focus on structural reform as an essential first step towards real transformation of aged care, as the Royal Commission has flagged," Mr Yates said.

"And more than 18 months after the government's in principle commitment in the 2018 Federal Budget to deliver older Australians real choice in residential care providers we still don't have a clear timetable for this to happen, yet this is not something that needs to wait for the Royal Commission."

Mr Yates said the government needs a concerted strategy in place to enable residential care providers who want to leave the sector, or who are not up to the standards the community expects, to be exited and to enable better providers to take over those beds and homes, and free them up from unnecessary restraints, so they can grow.

"That is what would be worth putting money into, it would respond to current pressures and lay the groundwork for further transformative change in 2021 - so COTA stands ready to work with government on putting such a structural adjustment process in place by next May's Budget.

"In the meantime, government must redouble its effort to implement the clear and consistent recommendations of previous inquiries, which the Royal Commission has pointed out has not happened," Mr Yates said.

"There is absolutely no point in holding inquiries if we are not going to act on them."

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COTA Australia is the peak policy development, advocacy and representation organisation for older Australians, representing COTAs in every State and Territory and through them over 500,000 older Australians.