

MEDIA RELEASE

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Budget delivers some good news for older Australians, but other things are missing

Australia's peak body of older Australians, Council on the Ageing (COTA) Australia, has welcomed a number of significant Federal Budget initiatives in pensions and aged care, but expressed concern about the plight of mature age and older workers who received no targeted support despite being equally vulnerable to long term unemployment as a result of the COVID induced recession.

COTA Australia Chief Executive, Ian Yates, said older Australians will be very pleased to see an additional 23,000 home care packages at a cost of \$1.6 billion, a record increase.

However, he said they would be disappointed that there is still no commitment and plan to get waiting times down to 30 days and ensure no one is prematurely forced into residential care.

"The new home care packages are a substantial step forward and to be applauded, as are the supporters of our 'Safer at Home' campaign who lobbied for this", Mr Yates said, "but we still have a way to go and more will need to be done in the May 2021 Budget," Mr Yates said.

Mr Yates said COTA also welcomed other aged care initiatives, including:

- \$29.8 million to implement the Serious Incident Response Scheme to provide better protection for residents in aged care;
- \$91.6 million over four years to create an independent assessment service for the new residential care assessment and funding tool;
- \$35.6 million over two years to extend the Business Improvement Fund, to help restructure residential aged care; and
- Commitments to upskilling aged care workers in dementia and funding the Aged Care Workforce Industry Council, which now needs to deliver leadership in workforce reform.

"Pensioners will be very pleased about additional pension supplements of \$250 in December and \$250 in March, a positive response by government to our strong lobbying for additional help to pensioners at a time that the indexation formula did not deliver an increase in the pension rate," Mr Yates said.

"However, we are disappointed that there is no increase in the inadequate Commonwealth Rent Assistance maximum rate, and that older unemployed people will still have their savings plundered by the Liquid Assets Test at the very time they should have retirement savings protected."

Mr Yates said COTA "welcomed the huge range and depth of economic stimulus measures that are the centrepiece of this Budget, including the support targeted at getting young people employed".

"But we are disappointed there is no parallel support to keep older Australians in work.

"They are equally vulnerable to redundancy, age discrimination and being locked out of the workforce, and we are fearful this will be exacerbated by the failure to match youth subsidies," he said.

Mr Yates said COTA welcomes the measures to improve the transparency and accountability of super funds by establishing the YourSuper comparison website, which will allow members to make more informed decisions about where their superannuation savings will earn the best return; and also the implementation of the "super follows you" recommendation so that less people will end with multiple accounts.

"However we note that the government has not made other announcements in response to the Retirement Income Review, and again call on government to release this independent, once in a generation review of our retirement income system, so that we can all share the rich data it provides on what's working and what's not adequate, so we can discuss positive ways forward to strengthen pensions and superannuation," he said.

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COTA also welcomes the announcement of an extra \$1 billion in loan funds to support development of affordable housing, and the abolition of Capital Gains tax on 'granny flat' arrangements provided there is a formal legal agreement in place to protect the interests of the older person.

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