

MEDIA STATEMENT

Federal Budget 2021–2022

Aged Care Reform package welcomed; engagement needed on key issues

The National Aged Care Alliance (NACA) acknowledges the significant reform and investment the Government has provided in the 2021-2022 Federal Budget (the Budget). We recognise, appreciate, and welcome the positive impact of several long-awaited Budget priorities, including but not limited to:

- ✓ A major rollout of Home Care Packages to remove the current wait list by mid-2023 at latest
- ✓ Creating a new single program to deliver timely and individualised care at home in 2023
- ✓ Implementing a single assessment service for all aged care programs
- ✓ Committing to commence a national network of Care Finders from early 2023 and continuation of the System Navigators Trial until then
- ✓ Providing substantial additional measures and support for informal and family carers
- ✓ Accepting the Royal Commission’s recommendation on minimum staffing minutes per day for personal carers and nursing, and having a nurse on duty, and funding the first phase of that recommendation from October 2022 at a cost of \$3.9 billion
- ✓ Significant investment in the short term in workforce training and development and for recruitment of additional home care staff
- ✓ Injecting a \$3.2 billion increase in residential care funding by increasing the basic daily fee by \$10 per resident per day
- ✓ Commitment to introduce the new Australian National Aged Care Classification (AN-ACC) funding system to residential aged care by October 2022
- ✓ Providing substantial additional support for those with dementia and their carers
- ✓ Investing extra funds in translation and interpreter services and in certification of providers who genuinely offer specific services for people of diverse cultural and language backgrounds
- ✓ Abolition of the bed licence and Aged Care Approvals Rounds from 2024 and placing residential care funding in the hands of consumers
- ✓ Acceptance of the Royal Commission’s recommendations on development of a new rights based Aged Care Act (which will require much careful consultation and negotiation to translate into enforceable legislation)
- ✓ a significant commitment to addressing many other recommendations arising from the Aged Care Royal Commission.

NACA acknowledges and welcomes both the scale and scope of the reform package. There are areas in which further opportunities exist to ensure the delivery of a high-quality aged care system for all older Australians. This includes areas where immediate action is needed and others where NACA seeks to engage with government to ensure that outcomes intended by the Royal Commission are achieved in the implementation. Some key issues are outlined below.

- **Workforce and Wages:** A well trained, competitively remunerated, and valued and supported workforce is essential to the delivery of high quality care and good consumer outcomes. Consumers must have access to the right workforce with the right skills at the time they need it. Registered Nurses are required around the clock in residential aged care.

Action to address significant wage disparity between aged care and other industries is urgent and critical. Government has acknowledged and will cooperate with the work value case before the Fair Work Commission, but this could take several years. NACA accepts that the Commission should be the

arbiter, but the “once in a generation” nature of this reform package justifies Government making an exception to its general approach and advising the Commission it is supportive of an increase, to help attract people to work in the aged care sector, and to retain current skills and expertise in a tightening labour market.

- **Allied Health:** The Royal Commission gave strong support for increased and improved access to allied health services in residential aged care, which is essential to better support physical and mental wellbeing and maintaining quality of life. Unfortunately, the Commission did not include allied health in its minimum staffing recommendations. While the Government has provided some support for allied health in the Budget, its response is limited and does not fulfil all the Commission’s recommendations. The implementation of AN-ACC, whilst very welcome, will not of itself address allied health access issues. NACA will seek to engage with government on ensuring older Australians in care do not have to wait too long to access to these essential services.
- **Culturally safe and inclusive practice:** While recognising support for diversity and First Nations communities in the Budget package it is critically important that there is a strong and clear commitment to firm and concerted action to ensure that the diversity of Australians’ experiences, needs, and preferences is reflected in core business across the aged care sector. There must be clear priority actions to ensure all Australians, regardless of who they are, have equitable access to high quality inclusive and culturally appropriate aged care are needed. As a matter of priority language and communication needs of older Australians should be well resourced. We look forward to further dialogue on how to achieve these.
- **Regional and remote:** We welcome support for services in rural and remote communities. Serious concerns remain for the viability of aged care services in regional, remote, and very remote communities. The capacity of many to attract sufficient and appropriate staff, and manage other increasing costs is severely limited, even with the significant funding boost provided in the Budget. A clearly funded integrated strategy across all caring portfolios to address this is urgently needed.
- **Nutrition depends on good oral health:** The Government has responded to the Royal Commission’s call for better nutrition in residential aged care in the Budget but did not provide any improved and increased support for oral health, which was also strongly recommended. The two go hand in hand. A commitment to fund and implement a Seniors Dental Scheme as recommended by the Royal Commission is needed.
- **Innovation:** Innovation and research are critical to drive real continuous quality improvement and best practice in aged care services. Many believe that more is required to adequately respond to this agenda than provided for in the Budget and Government’s response. Regulatory compliance alone is not sufficient to lift quality through evidence based and culturally driven continuous improvement.

NACA will continue to both work with and hold the Government and the Parliament to account in delivering on the vision of the Royal Commission into Aged Care Quality and Safety. We will work in partnership with all stakeholders to ensure Australia has a high-quality aged care sector for older people.

About the Alliance

The National Aged Care Alliance is a representative body of 55 peak national organisations committed to reforming aged care to better support and care for older people. It comprises representatives of aged care providers, consumer groups, unions and health professionals working together to determine a more positive future for older people and aged care in Australia. The Alliance vision, first endorsed and published in 2009, was updated in 2015 and remains current as the basis of Alliance work.

“Every older Australian is able to live well, with dignity and independence, as part of their community and in a place of their choosing, with a choice of appropriate and affordable support and care services when they need them.”

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