



THE HON JUSTINE ELLIOT MP

Minister for Ageing

MEDIA RELEASE

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RUDD GOVERNMENT SPENDS RECORD LEVELS ON AGED AND COMMUNITY CARE - \$40 BILLION OVER FOUR YEARS

Over the next four years, funding for aged and community care will reach record levels of more than \$40 billion -- with \$28.6 billion of that on residential aged care alone.

“Caring for our ageing population is one of the major challenges facing our nation this century - and as a Government - we take that responsibility very seriously,” Minister for Ageing, Mrs Justine Elliot said.

“No government in Australian history will spend more on aged care and community care than this one. We are proud our plans for aged and community care.

“This is about planning for Australia’s future and the challenges of the 21st century.

“We want to ensure that older Australians can live independent lives and age in their homes, but also have the option to enter nursing homes if they need to,” Mrs Elliot said.

Australians now have the world’s fourth longest life expectancy – after the Japanese, the Swiss and Icelanders.

Currently, there are 2.7 million Australians aged 65 and over. Within 40 years that number will almost triple to around 7.2 million.

“For 12 years, older Australians and the aged care sector were neglected under the Howard Government – and we are responding to that,” Mrs Elliot said.

“The Rudd Government sees our ageing population as an opportunity - an opportunity to draw on the wisdom, knowledge and experience of older Australians.

“Our elderly population deserve the best - they are the people who built our nation,” Mrs Elliot said.

Measures announced in the 2008-09 Budget include:

- An additional \$293.2 million over four years to provide an extra 2000 transition care places to older people who no longer require hospital care, to help them recover and regain their independence before making a decision about their longer term care needs.

- Increasing the level of the Conditional Adjustment Payment (CAP) by 1.75 per cent from 7.0 per cent to 8.75 per cent of the basic aged care subsidy, meaning an additional \$407.6 million over four years for investment in the aged care sector and bringing total CAP payments over the next four years to \$2 billion.
- Increasing the nursing workforce in residential aged care by encouraging up to 1,000 nurses to return to the nursing workforce over 5 years. The Program is part of a larger measure through which the Government will provide \$138.9 million over five years across the Health and Ageing and Education portfolios to encourage 8,750 qualified nurses to return to the workforce and to create 90 new Commonwealth supported places in nursing in the second semester of 2008, with a further 1,170 places in 2009.
- \$300 million in zero real interest loans to aged care providers to encourage them to build or expand residential aged care and respite facilities in areas of high need, where providers might not normally invest. This measure will provide up to 2,500 aged care beds where there is a shortage of residential care beds.
- Regularly reviewing aged care planning ratios to take into account demographic changes and ensure the supply of aged care appropriately meets current and future demand – that older Australians needing care in the future receive the most appropriate services.

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