



**Australian
Aged Care
Collaboration**

MEDIA RELEASE

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MYEFO sidesteps aged care workforce crisis

The Federal government has sidestepped the acute crisis in the aged care workforce by failing to make any commitment in its MYEFO statement released today to support a pay rise for those who care for frail, older Australians, the Australian Aged Care Collaboration (AACC) says.

As it heads towards the next federal election due by May 2022, the government is on notice that quality aged care has been rated second in a recent Pulse of the Nation Survey which saw Australians rate their top ten issues ahead of the election.

As we know, getting the workforce right is fundamental to delivering quality aged care for Australians. The AACC is seeking urgent government action on workforce shortages in a six point plan put forward to Health Minister and Aged Care Services Minister last month. We have received an inadequate response from the government to this plan.

Aged care is one of the fastest growing sectors of Australia's workforce as shown in the State of Australia's Skills report from the National Skills Commission which projects growth of aged and disability carers of 54,700 over the next five years and a demand for 46,500 registered nurses. The shortage of staff has now reached crisis proportions, threatening the breadth of age services providers are able to deliver.

We welcome the commitment in MYEFO to extend support for COVID-19 infection control and outbreak prevention in residential aged care including RAT testing, in-reach screening using PCR tests, and support for workers in COVID-19 hotspots. But funding for the broader costs that aged care providers are incurring to protect older Australians from COVID does not appear to have been extended.

We also support the move to unlock home equity through the newly named Home Equity Release Scheme to make access to aged care services easier and additional funding the implementation of aged care reform.

But it is disappointing there is no commitment to address support for greater indexation of subsidies paid to aged care providers and only an insignificant commitment towards improving workforce retention. Having to deal with ever increasing costs without adequate increases in government subsidies constrains the ability of providers to effectively and consistently meet the needs of older Australians in their care. A point that was well made by the Royal Commission.

Government has made available significant additional funding for its own internal costs associated with aged care reform, but has only partially recognised the significant additional regulatory costs placed on aged care providers with additional funding for Departmental ICT to assist with provider reporting obligations.

People in need of care are being turned away in some locations as providers battle to improve pay and to attract workers to fill the growing staff vacancies in aged care.

COVID-19 has presented the aged care sector with extraordinary challenges and providers and their staff have stood up to the challenge and provided compassionate care and support to older people.

In order to maintain that commitment from providers and their staff we need to implement a strategic response to workforce support measures now.

As detailed in the AACC Aged Care Reform Scorecard released this week, there is low confidence in the progress of aged care reforms within the sector. We repeat our call on the government to ensure the reform process remains transparent and that there is clear communication with the sector on a timetable for reform and for consultation of providers and other stakeholders.

As we have stated previously, now that the National Aged Care Advisory Council has been appointed, the AACC looks forward to a partnership with providers on the development and co-design of aged care reforms.

About the Australian Aged Care Collaboration

The AACC is a group of six aged care peak bodies: Aged & Community Services Australia (ACSA), Anglicare Australia, Baptist Care Australia, Catholic Health Australia, Leading Age Services Australia (LASA) and UnitingCare Australia. Together, the AACC represents more than 1,000 organisations who deliver 70 per cent of aged care services to 1.3 million Australians, either in their own homes or in communal residential settings.

The following representatives of the AACC are available for interview:

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