



## **THE HON JUSTINE ELLIOT MP**

### **Minister for Ageing**

#### **MEDIA RELEASE**

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#### **Aged Care Sector to Benefit from \$148 Million Indexation Boost**

Minister for Ageing, Justine Elliot today announced a \$148 million boost in funding to the residential aged care and community care sector during the 2009-10 financial year as a result of annual indexation.

This brings total Government funding to the sector next financial year to more than \$9.9 billion and is in addition to the recent Budget initiatives.

The Government will provide the aged care sector with more than \$44 billion in funding over the next four years, including additional funding flowing from measures in the 2009-10 Budget.

The 2009-10 Budget included the Government's commitment to maintaining the Conditional Adjustment Payment, which will deliver \$2.3 billion to the residential aged care industry over the next four years.

It also contained an additional \$728 million in revenue for residential aged care over the next four years as a result of the increases in the base rate of the age pension and viability supplements.

As a result of indexation, from 1 July, payments for residential care subsidies and supplements will increase by \$130 million and community care subsidies by \$18 million – an increase of nearly two per cent.

The Rudd Government will provide aged care homes with an average of nearly \$45,000 a year over the next four years to care for each resident. This is in addition to the average resident contribution of around \$20,000 a year, a contribution met by the Government in circumstances where the resident cannot afford to pay.

Minister Elliot said: "This increase in funds flowing to the sector will help assist in meeting the cost of the care needs of our ageing population.

"The additional funds will assist older Australians live independently in their own homes and communities and also provide for high quality aged care home if it is needed," Minister Elliot said.

"The Government is boosting the viability of Australia's aged care sector and improving the protection of the nation's frail and elderly.

"During 2009-10, the Government will provide \$9.9 billion in funding to the aged care sector, including \$7.1 billion for residential aged care," Minister Elliot said.

**For more information, contact Mrs Elliot's office on (02) 6277 7280**