Good morning and thank you all for coming to this roundtable.

Please join me in acknowledging the Gadigal People of the Eora Nation, the traditional owners of the land on which we are gathered here today and paying respects to elders both past and present.

I also want to extend my respects to Aboriginal and Torres Strait Islander people here today.

I have invited you here today to discuss the Aged Care Roadmap and how it affects you.

The Roadmap was released in April last year and in my view it is a very valuable document.

It enables us to look to the future together - literally on the same page.

I am very interested to hear from you today about how the Roadmap sits with your own experiences as aged care consumers, carers and providers.

On the one hand, what in the Roadmap’s vision for aged care in the medium and longer term resonates most strongly with you?

And on the other, are there some components in its short-term vision that are causing you concern?

If so, how can we work together to address those concerns?

Working together is the key.

It’s why we are here today, it’s the underlying concept of the Roadmap, and it’s essential to the future success of Australian aged care.
The Australian Government fully acknowledges the need to work with the aged-care sector to ensure quality, affordable and accessible aged care for older Australians now and into the future.

We’ve already seen some great results from what we are calling policy “co-design” in the new home support package arrangements, which come into effect this month.

As Minister for Aged Care I will be pursuing the same co-design principles in other areas of aged care reform.

I won’t just be talking with providers and leaders.

I will be listening to you at every opportunity to ensure that your knowledge and experience is folded into our policy development mix.

Later this year I will be considering the next steps in the reform agenda.

The very broad reform of aged care was kicked off by the Productivity Commission’s 2011 Report Caring for Older Australians.

Our aged care system has always been amongst the best in the world.

But I think we can all agree with the report’s observations of limited consumer choice, variable quality, and inconsistent and inequitable subsidies and user contributions.

In the six years since the report’s release, we have made significant changes.

We now have an integrated entry-level program to support people in their own homes.

And new pricing and means-testing rules ensure that people with the capacity to pay, are doing so.

But we have more to do.

We need innovation to improve aged-care services in a market-driven environment.

Technology is making changes in every industry, including health.

Aged care is no different. Innovation and technology can improve the quality and efficiency of services, from personal care to social contact.

This applies to all forms of care – from residential care to home support.

I know that some providers are keen to take advantage of opportunities already available. It’s important for the whole sector to be aware that exciting innovations are available with more in development.

This year we celebrate 20 years of the Aged Care Act. In that time, Australia has changed, and so has ageing.

We will have an equal – if not greater degree – of change in the 20 years to come.
The challenge for us all is to match aged-care services to the needs and wants of older Australians, their families and carers.

It’s not just about rising numbers – and the 2015 Intergenerational Report estimated that in 2054–55, nearly two million Australians will be 85 years and older.

It’s about different expectations.

Older people now and in future want greater independence - they want to stay in their own homes and connected to their communities as long as possible.

They also want quality care.

And quality is not just about meeting minimum standards.

It’s not just safe care, physical health checks and the right medication.

Modern older Australians and their families – quite rightly – want quality of life.

They want to feel happy. They want to have food that appeals, they want enjoyable things to do and people to talk to.

They also want to feel relaxed, secure and at ease – which means that their individual cultural and personal needs are acknowledged and accepted.

This will be a priority as the Australian Government continues to reform our aged-care system.

Just as the Government is striving to make dementia care core business in the aged-care sector, similarly, we need to make it core business to cater for people from diverse cultural backgrounds - Aboriginal and Torres Strait Islander people, people with different gender and sexual preferences, people with mental illness.

We also need to ensure that people in rural and remote areas can get the aged care that they need.

The 2016–17 Budget provided more than $100 million over four years to increase and better target the viability supplement.

This came into effect at the start of this year for residential care, home care and flexible care.

A further increase of $19.3 million over four years to the viability supplement in residential care will start on 1 July.

This will mean a flat rate increase of an additional $2.12 per resident per day to eligible rural, remote and homeless service providers.

The reform agenda is all about giving consumers real choice and encouraging higher standards, through a more active market in aged care.
This will challenge some providers. And provide opportunities for others - opportunities to do things differently; to target your services; to be innovative and thrive in a market-driven aged care sector.

But we also need to ensure that our subsidies to the sector are sustainable, that costs do not expand exponentially.


More than two-thirds of the total, or $11.4 billion, was for residential care.

The total spend was 6.3 per cent higher than the previous year.

That’s way above the inflation rate.

But the forecasts are for aged care to grow even faster than this – around 6.5 per cent a year – to around $21 billion in 2019–20.

There are a lot of demands on government revenue.

That is why we have to focus hard on making services both:
- affordable – for consumers and for the Government; and
- sustainable – for the sector and the Government.

That is the background for today’s roundtable.

The Turnbull Government and I are committed to reform.

We are committed to giving aged-care consumers more choice, and more market power.

We are committed to greater and more consistent quality.

We are committed to finding innovative options, which can make our aged-care sector more affordable and sustainable.

All of which means we are committed to much of the Aged Care Roadmap.

But I know, from talking to smaller providers, that some of the timelines are causing concern.

Today is your chance to tell me, to tell my department, what you really think about the Roadmap – what are the priorities? Where are the risks?

I will be taking your views into consideration as we go into development of the next phase of the reform process.

I will also of course be very interested in the report of the legislated review of the 2012 aged care reforms.

That review is well under way and public consultation has begun with the final report provided in August.
So I urge you to be honest and frank in your discussions.

I need your help to find the right future path for aged care providers, large and small.

We need and want variety in our providers, reflecting the diversity in our aged care consumers.

That’s what choice and flexibility is all about.

Thank you