



Media Release

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New maths for aged care doesn't add up Mr Rudd

Aged and Community Services Australia (ACSA) today called on the Prime Minister to do his home work.

ACSA CEO Greg Mundy said a quick scan of the figures shows that the Prime Minister and his cabinet must have been away the day simple arithmetic was explained.

- For example: today Fair Work Australia announced a 4.8 per cent increase in the minimum wage; Last week the increase in subsidies for aged care was 1.7 per cent;
- the average Australian wage went up by 3 per cent in the past 12 months – aged care received a 1.7 per cent increase in subsidies;
- Ordinary time earnings went up by 5.8 per cent – aged care subsidies were increased by 1.7 percent.

“Whichever way you look at it the outgoings are higher than income for aged care providers. This is to say nothing of the 2.9 per cent increase in CPI and a range of other costs,” Mr Mundy said.

“It doesn't add up particularly when aged care providers are expected to pay care workers more money as the Minister for Ageing says they should.

“We expect the Government will explain the revenue stream in aged care, how there is record funding in aged care, how the Productivity Commission is inquiring into all things aged care. This is all good but increasingly providers can't balance the books and something will have to give.

“We are not crying poor Mr Rudd. For many residential and community care providers it is a reality and it is older Australians who will ultimately pay the price – those numbers do add up.

“Older Australians deserve the best Mr Rudd why can't you deliver?”

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