

MEDIA RELEASE

17 May 2013

'Modest Steps in the Right Direction': Ageing and Care Commentary on the 2013-2014 Budget

By Hal Kendig, Professor of Ageing and Public Policy, ANU Centre for Research in Ageing, Health, and Wellbeing. Chief Investigator ARC Centre of Excellence in Population Ageing Research.

Overall, major initiatives in ageing, as with other policy areas, appear to be largely on hold until after the Election. The 2013-2014 budget follows recent years of significant pension increases mainly for single pensioners; ongoing increases of health expenditure for all age groups; and notable initiatives to address age discrimination and enable people to work longer.

An initial reading of the 2013-2014 Budget suggests that the Government is slowly progressing with resources for the Living Longer, Living Better (LLL) reforms while implementing innovative new directions from the Advisory Panel on Positive Ageing.

After the Government launched its LLL aged care reforms last year, the 2012-2013 budget provided modest resources initially with outlays committed mainly for community care towards the end of the four year forward estimates. The current year budget slowly advances these plans including expanded home care packages and the My Aged Care website. Commitments for expenditure growth in later years have now been reduced apparently as part of overall budget trimming.

Valuable but small initiatives related to the Advisory Panel on Positive Ageing include a pilot program to facilitate pensioners downsizing their homes without financial penalties; increased access to broadband internet access; a scoping study on wound management; and a translational research and policy centre to apply evidence to the positive ageing agenda.

The modest 2013-2014 budgets set a challenging context for the 10 year aged care reform plans charted by the comprehensive Productivity Commission enquiry that reported last year. Significant resources would be required to advance LLB plans for consumer-directed care and entitlements in what already are heavily rationed allocations. The Commission recommended user pays is as part of the answer: this will require careful policy work to ensure equitable access and fair treatment for those with few resources of their own for accommodation and care.

In the aftermath of this Budget the Business Council released a well-publicised statement warning about the costs of population ageing ahead. That is the big picture issue but it is by no means clear that the spectre of ageing can be fairly raised as the major cause of projected rises in health care and income support expenditure.

The Positive Ageing Advisory Panel has initiated promising Government action for older people to contribute more to the nation's productivity and to their own support in the context of living longer and an ageing Australia.

For more information contact **Melanie Brake** on 0479 072 233