

# MEDIA RELEASE

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## **New research: Funding and staffing top issues in Aged Care**

New research papers released today highlight staffing and funding as the biggest issues affecting the future of Australia's aged care system.

"These two research briefs synthesise research findings from CEPAR researchers, and from other sources, to present a comprehensive analysis of aged care policy in Australia," said CEPAR Director, Professor John Piggott.

Staffing is the largest expenditure item for aged care providers in a system that attracts some \$15 billion in public funding, expected to reach 2.2% of GDP by 2050, up from 0.8% today.

"We project that, unless there are considerable productivity improvements, the workforce will need to grow considerably - from 350,000 today to between 830,000 and 1.3 million by 2050 - to meet the increase in demand for aged care services.

"Overwhelmingly, aged care workers are older, well-educated women, working part-time who report high job satisfaction, but low wage satisfaction," Professor Piggott said.

Age Discrimination Commissioner Susan Ryan, who launched the briefs last night said, "While the funding and staffing challenges are huge, dramatic employment growth in many kinds of jobs in the aged care sector present new opportunities for mature, experienced people who are often blocked by age discrimination in other sectors. As well, businesses should be alert to opportunities in product and services innovation in this rapidly growing area."

Professor Piggott said that the other issue emerging from the research is that government may not have gone far enough in broadening the funding base for aged care.

"For example, greater contributions from those with substantial housing assets could be a way of dealing with the public's unmet expectations for care, addressing perceptions of inequitable contributions, and tackling growing public costs.

"The research briefs provide a basis for greater understanding of home equity release products, which may offer a way forward on funding," Professor Piggott said.

Professor Hal Kendig, a CEPAR Chief Investigator specialising in Aged Care policy, who was a major contributor to the research briefs, said that while four out of five Australians over the age of 65 currently do not need care, life expectancy adds to growing costs of aged care since people are living longer but not necessarily healthier lives.

"Even as chronic diseases become more manageable, we are seeing greater levels of multi-morbidity, where people in late life have two or more diseases," he said.

"We need better data in Australia to determine population wide changes to healthy life expectancy, and this is one area of research that CEPAR is looking to develop."

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The briefs are available at [www.cepar.edu.au](http://www.cepar.edu.au)  
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