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Aged care

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Concern about 'missing' 10,000 aged care places

Phillip Coorey Political Editor

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The federal government made a late decision to withdraw 10,000 extra home care places from Tuesday's federal budget, prompting warnings from the aged care sector that this would only increase costs for the taxpayer.

Sources have told *The Australian Financial Review* that Tuesday's budget was expected to contain funding for another 10,000 places, on top of the 10,000 that were announced in February this year.



Federal Health Minister Greg Hunt. Lukas Coch

Instead, only the February packages, which cost \$282 million, were "announced" in the budget.

The office of Health Minister Greg Hunt disputed the claim, which was verified by separate sources, that extra places were culled in the final days when the budget was prepared.

"There were 10,000 places included in the budget and were announced in February," a spokeswoman said.

"All up, 40,000 places have been added since December 2017, and they have increased from 60,308 in 2012-13 to 157,154 in 2022-23 through this budget."

According to the government's estimates, there are 128,000 ageing Australians waiting for home care packages.

Need to bite the bullet: COTA

Chief executive of Council of the Ageing Australia Ian Yates was disappointed the anticipated extra places went missing on budget night.

"We've actually got to bite the bullet," he said.

"We can't go on with more than 100,000 people on a waiting list for 18 months or more when they are in high-level need."

He said home care was ultimately a cheaper option for taxpayers than residential care.

The Financial Review understands Labor is planning a major announcement during the election campaign on aged care which will include more home care places.

The government's late withdrawal of the extra places may be part of \$3.2 billion in spending decisions which were planned but later revoked.

The budget contained \$3.2 billion in spending cuts under the headline "decisions taken but not yet announced".

A spokesman said these cuts were unannounced decisions contained in the midyear budget update released in December but which were subsequently revoked in the lead-up to the budget. The \$3.2 billion would then have been factored into the bottom line, helping shore up the surplus numbers over the next four years which totalled \$45 billion.

NDIS 'a very difficult program': PM

Similarly, \$1.6 billion that was earmarked for the National Disability Insurance Scheme next financial year instead contributed to the forecast \$7.1 billion surplus for 2019-20 because it could not be rolled out the door fast enough.

In his budget reply on Thursday night, Labor leader Bill Shorten was scathing of the government's administration of the scheme, promising to lift staffing caps to ensure the effective rollout of services.

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Prime Minister Scott Morrison acknowledged on Friday there were still teething problems with setting up the NDIS but he angrily rejected any suggestion the government was skimping on the disabled.

"The NDIS is a very difficult program. We supported it when we were in opposition and we're implementing it now we're in government," he said.

"It is an extremely complex program to put in place. There are frustrations with the program which [Minister Paul Fletcher] and I share and we are working to address," he said.

"As we continue to do that and we're working with the states and territories and as we do that, more programs will come forward and more packages approved.

"The NDIS is uncapped for its funding. As much funding as is needed is there."

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