TO THE HONORABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

This petition of Aged and Community Services Australia

Draws to the attention of the House its deep concern regarding the Government's decision to reduce subsidies to care for people entering nursing homes from 1 July 2012.

This will reduce the level of funding for new residents and subsequently may lead to a reduction in the number of staff therefore impacting on the level of care provided. This is not in the best interests of one of the most vulnerable groups in our society - frail older Australians.

The Department of Health and Ageing is implementing the Government's directive to achieve savings in Aged Care Funding Instrument (ACFI) subsidy payments for 2012/13 which will be in the order of \$430 million. This is additional to the \$50 million in 2012/13 announced in the 20 April *Living Longer Living Better* announcement.

As the representative body of the not-for-profit sector, our members provide services to the most vulnerable older people in our community.

 We therefore ask the House to: reconsider this decision and determine in a more considered

 manner what is the real cost of caring for older Australians is through an independent cost of care

 study so that appropriate funding for care can be provided.