

BUDGET - MISSED OPPORTUNITY FOR OLDER AUSTRALIANS

DATE: TUESDAY OCTOBER 6, 2020 – FOR IMMEDIATE RELEASE

National Seniors Australia says the budget announcement of 23,000 home care packages is a start but spread out over four years barely addresses the waiting list of almost 100,000 people.

The country's peak consumer organisation for older Australians was also hoping for more measures to address the failures from the aged care sector as exposed by the Royal Commission into Aged Care, Quality and Safety.

AGED CARE

National Seniors Chief Advocate Ian Henschke says the budget is a missed opportunity to address the home care waiting list.

"The government's announcement of an additional 23,000 packages over four years means fewer than an extra 6,000 people a year will get a home care package," Mr Henschke said.

"The waiting list has been described by our very own CEO, Professor John McCallum as a 'running sore' and this announcement is a band aid which barely covers the wound."

Mr Henschke also says the budget is disappointing in failing to solve the systemic problems in residential aged care.

"Creating more training for aged care staff and providers is a good start but we don't know how many employees will benefit from the \$11.3 million announcement."

"What we were hoping to see were more measures to make aged care providers more accountable."

MEASURES FOR RETIREES

While welcoming the two payments of \$250 to aged pensioners and Commonwealth Senior Health Card holders, Mr Henschke says the pension remains too low to live on especially for those paying rent.

"In our budget submission we called for an increase in Commonwealth Rent Assistance (CRA), sadly this has been ignored.

"So too was our campaign to have the Pension Loan Scheme (PLS) interest rate of 4.5% lowered," Mr Henschke said.

"This is a missed opportunity to help older Australian access their home equity to help have a better life, stimulate the economy and assist in paying for their own care."

Acknowledging the earlier cuts to deeming rates (used to deem what a pensioner earns on their savings), Mr Henschke expressed disappointment that the upper deeming rate of 2.25% remains.

“All we got tonight was just a reannouncement of the earlier measures to bring down the upper rate, but no one I know is getting a savings return of 2.25%.”

SELF-FUNDED RETIREES

Many self-funded retirees will benefit from the two bonus payments totalling \$500 if they are Commonwealth Seniors Health Card holders and they will also continue to benefit from the halving of the superannuation drawdown rate for this financial year.

“We welcomed the reduction of the superannuation drawdown rate earlier in the year,” Mr Henschke said.

“What we’d like to see now, is the government’s response to the Retirement Income Review which was called to address systemic problems in the retirement income system which have now been exposed by COVID-19.”

ENDS

Ian Henschke is available for comment, call 0488 047 380