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UnitingCare Australia urges Albanese Labor Government to address cost of living, aged care in October Budget

UnitingCare Australia is urging the Albanese Labor Government to address the rising cost of living for lower income earners and ensure older Australians are supported by a sustainable, high quality aged care sector in the upcoming October Budget.

“Our recommendations to the Government reflect our deep concern about the crisis in aged care, and the number of people in our community who are struggling with the rising cost of living on unacceptably low wages or income support,” said National Director, Claerwen Little.

“The October Budget is an opportunity to rebalance the economy by strengthening social infrastructure and investing in people in order to deliver greater returns on investment of Government resources.”

UnitingCare Australia is calling [for a \\$5 billion increase](#) in funding for aged care services, to address inadequate indexation and increased costs associated with the ongoing management of COVID-19 pandemic, and inflation. Providers are still operating under sensible and necessary COVID-safe practices, meaning the cost of PPE, RATS, and vaccinations continue to add financial pressure, even after an additional \$810 million was allocated to the aged care support program for the remainder of 2022 by the Minister for Health and Aged Care.

“The funding shortfall in aged care has caused a loss in operating results from an operating profit of \$9 per bed per day in 2017 to a \$16 loss in 2022,” said Ms Little.

UnitingCare Australia is also recommending longer term investment and better indexation for community services contracts.

“We welcome the recent announcement from the Minister for Social Services that service delivery contracts will be more secure and better reflect rapidly increasing costs.

“The rising cost of living has driven a rise in demand for community services, while insufficient indexation has left the sector with less funding to deliver services to more clients,” Ms Little said.

“Longer term funding contracts and proper indexation for community services funding grants will assist the sector to support a higher number of people, and provide more certainty for our staff.”

In the Australian Community Sector Survey Report in April 2022, 80 per cent of community sector organisations reported their funding did not cover the cost of service delivery.

“The October Budget must provide cost of living relief to those who need it most and ensure we are one step closer to a sustainable aged care system, defined by world-class excellence and innovation. UnitingCare Australia is committed to doing everything we can to work in partnership with the Albanese Labor Government to bring this vision to life.”

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