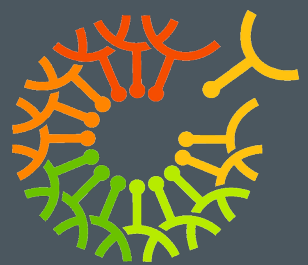


Policy Alert 21

2023
FEDERAL
BUDGET

COTA

For older Australians



The Council on the Ageing Australia acknowledges Australia's First Peoples as the original custodians of this land. We recognise their cultures, histories and ongoing relationship and obligations to the land, sky and waterways. First Nations people have a deep sense of belonging, both ancient and contemporary, because they are part of the world's oldest surviving, living culture.

COTA Australia is the peak body representing the almost nine million Australians over 50. For over 70 years our systemic advocacy has been improving the diverse lives of older people in policy areas such as aged care, health, retirement incomes, and more. Our broad agenda is focused on tackling ageism, respecting diversity, and the empowerment of older people to live life to the full.

Introduction



The Federal Government handed down its budget on Tuesday 9th May. The COTA team has been reviewing the budget to develop this outline of the measures and impacts of the budget for older Australians. The Budget included a range of measure designed to address cost of living pressures which are particularly relevant to those on fixed incomes and older women who are disproportionately impacted by unemployment. While there is more to be done to lift people out of poverty the Budget has recognised the cost pressures people are facing and has taken action to provide relief.

We see an effort to balance supporting people who are most vulnerable and in need of support with a broader agenda to balance the budget and minimise pressure on inflation.

The Government also flagged that in some areas – such as employment – there was more to do. A White Paper on Employment will be released later this year and we look forward to its recommendations on improving the participation and prospects for older workers.

*Patricia Sparrow
Chief Executive Officer
COTA Australia*



Cost of Living

JOBSEEKER FOR ALL AGES

Over 1 million people on the basic rate of JobSeeker will receive an increase of \$40 per fortnight, including 245,000 people over 55 years.

JOBSEEKER FOR LONG TERM UNEMPLOYED PEOPLE 55 YEARS AND OLDER

Currently people aged 60 years or over who have been on Jobseeker for more than 9 months (which means they are defined as being long term unemployed) receive a higher level of JobSeeker support in acknowledgement of additional barriers they face when looking for work, such as age discrimination or poor health.

This has now been extended to around 52,000 eligible recipients, aged 55 years and older who will receive an increase in their base rate of payment of \$92.10 per fortnight from September this year.

COMMONWEALTH RENT ASSISTANCE (CRA)

The announcement of a 15% increase to the maximum rate of CRA will assist many older Australians who rent. The measure will cost an additional \$2.7Bn over five years. Some 1.1 million households receiving CRA will benefit from this increase.

MEDICARE LEVY LOW INCOME THRESHOLD

The exemption from paying the Medicare Levy has been amended so that the threshold for singles will now be increased from \$23,365 to \$24,276.

ENERGY COSTS

Eligible households (including pensioners and Commonwealth Seniors Health Card holders) will receive up to \$500 as electricity bill relief. This measure will cost \$1.5bn over two years.

MEDICARE BULK BILLING FOR GP

An investment of \$3.5B to triple the GP bulk billing incentives is welcome in making sure that visiting a GP is again affordable for all Australians. The measure will cover many common GP consultations, inclusive of telehealth and videoconferencing, for over 11 million Australians including age pensioners and other Commonwealth concession cardholders.

CHEAPER MEDICINES

This measure is a fantastic win for older people especially those with chronic illness and/or complex health and wellbeing issues. Covering more than 300 common PBS medicines, more than 6 million people will be able to receive 60 days of prescribed medicines for the price of a one prescription. Plus, the implementation of this measure will free up millions of GP appointments.



Women's Budget Statement

A GENDER LENS OVER THE BUDGET

OLDER WOMEN

There are a range of positive measures in areas where women are disproportionately impacted (e.g. increased Jobseeker and CRA). However, the section on older women in the Statement then speaks predominantly about aged care (either as recipients or workers). This limited view of what impacts older women in a budget needs to be tackled to encompass the huge diversity and portfolios that older women engage with.

WOMEN'S SAFETY

With over \$1.3B funding allocated over 6 years government is investing in the current National Plan to Reduce Violence against Women and their Children 2010-2022 and the development of a new plan. Whilst the investment is welcome, a focus on older women and the impact of abuse and violence over a life span is missing. We will be advocating for this to be addressed in the development of the next National Plan.

Health

MYMEDICARE

The introduction of a voluntary patient enrolment scheme aims to strengthen the patient/primary care treatment team's relationship and result in better continuity of care. Implementing MyMedicare is expected to cost \$19.7 million over 4 years. Older people are expected to benefit with support for longer GP telehealth consultations with reduced administration for practices (\$5.9 million); new funding packages for general practices to provide comprehensive care to people who are frequent hospital emergency department users (\$98.9m); and for people in residential aged care (\$112 million).

MEDICARE URGENT CARE CLINICS

A \$358.5 million investment for more clinics in more places. This investment will take some pressure off hospitals and improve access to affordable care. Eight new Medicare Urgent Care Clinics will be operating this year, in addition to the existing 50 clinics. The good news for patients and communities is that the Clinics are free and are open for longer hours, providing access to urgent care when needed.

ORAL HEALTH

The Budget allocates \$219.4 million to extending public dental services. Although welcomed as the funding will enable 360,000 adults on low incomes to continue to access to public dental services, it falls well short of what is needed. A growing body of research



substantiates, poor oral health in older age impairs self-esteem and social interactions which, in turn, negatively affects health status and well-being. COTA continues to call for a Senior Dental Benefits Scheme to address the oral health needs of older Australians, especially those facing financial and/or social disadvantage.

MENTAL HEALTH

\$586.9 allocated to improve mental health, although the spend is targeted to strengthening the mental health system and building workforce capability. Unfortunately, none of the mentioned initiatives is targeted to facilitating the enhanced wellbeing of older people. We will take up the need for support for older people's mental health to be included in future mental health packages.

Aged Care

The Budget increases the overall spend on aged care to \$36.6 billion in 2023-24 including investment in key reform measures.

15% PAY INCREASE TO AGED CARE WORKERS

This \$11.3 billion is the largest investment within the aged care funding package. It funds the Fair Work Commission's interim decision to improve conditions for some of the most valuable yet lowest paid workers in Australia. This is long overdue and fully funded by Government. The Budget provides funding to continue the reforms set out by the Royal Commission into Aged Quality and Safety, particularly those which will strengthen public accountability and transparency under a changed regulatory regime:

A NEW AGED CARE ACT

\$81.9 million over 3 years from 2023–24 to develop and implement a new rights-based act, due to commence by 1 July 2024.

AGED CARE REGULATORY FRAMEWORK

\$72.3 million in 2023–24 to support the development and implementation of a new, stronger framework to support the new Age Care Act.

ENHANCEMENTS TO THE STAR RATING SYSTEM

\$139.9 million over 4 years from 2023–24 to improve the accountability and transparency of approved aged care providers.



NATIONAL WORKER SCREENING AND REGISTRATION SCHEME

\$59.5 million over 5 years from 2022–23 to fund the ICT infrastructure to establish the scheme from 1 July 2024.

Improved compliance monitoring. \$25.3 million in 2023–24 to ensure the Aged Care Quality and Safety Commission is appropriately resourced to deliver its audit and compliance program in 2023–24.

SINGLE AGED CARE ASSESSMENT SYSTEM

\$15.7 million over two years from 2023–24 to establish the system, including the establishment of a First Nations assessment workforce.



FOOD AND NUTRITIONAL STANDARDS

\$12.9 million over two years from 2023–24 for monitoring and enforcement of food and nutritional standards .

CONTINUED INVESTMENT IN HOME CARE PACKAGES

The Budget allocates \$166.8 million in 2023–24 to release an additional 9,500 Home Care Packages which we hope will reduce the time people are waiting for the care they need.

SUPPORT AT HOME DELAYED BY 1 YEAR

We are disappointed with the Government’s decision to postpone the commencement of the Support at Home Program to 1 July 2025. Older people have been waiting for reform in home and community care for too long and change is needed now. We will continue to advocate for design changes that enable choice and control for older people in care planning and service delivery and fairness and transparency in home care charges and costs.

CONTINUATION OF THE DISABILITY SUPPORT FOR OLDER AUSTRALIANS PROGRAM

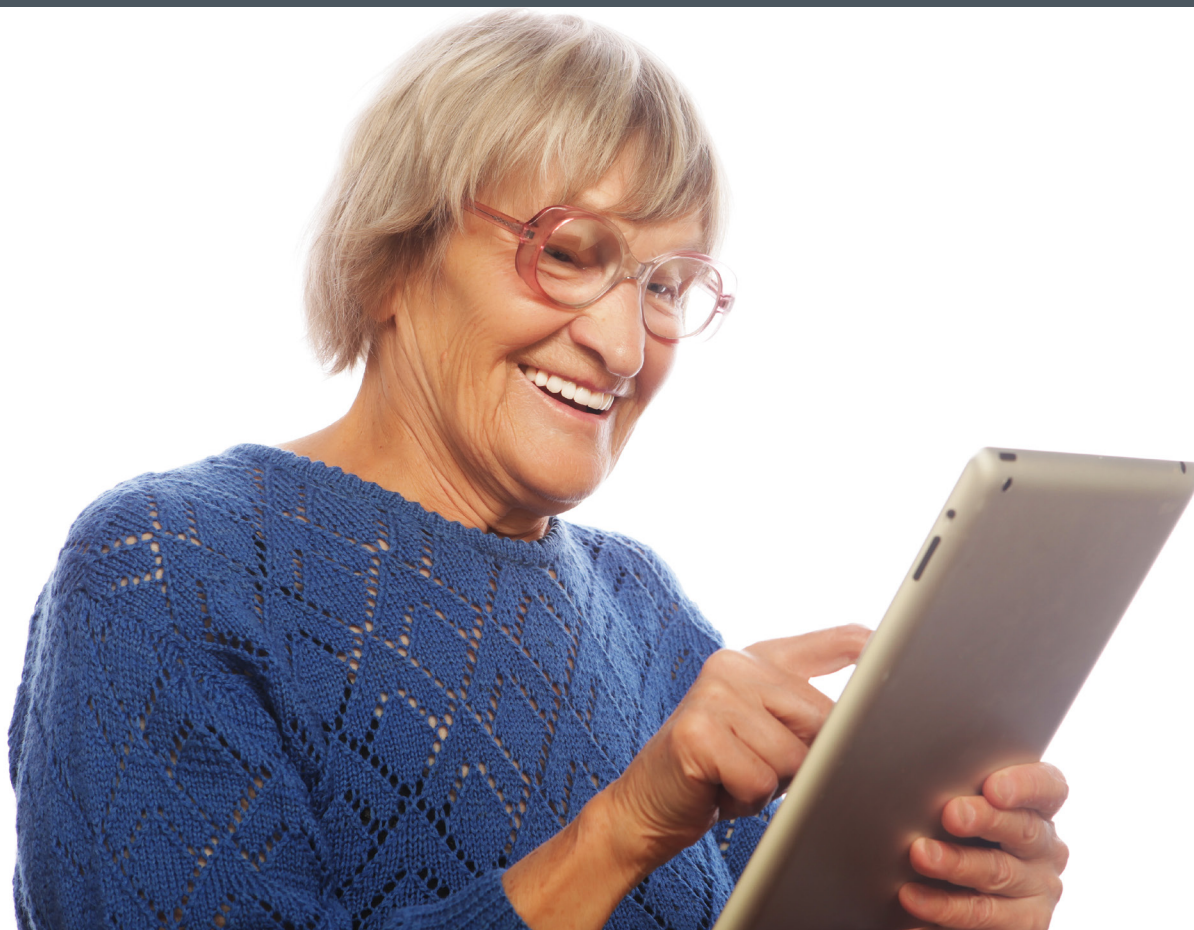
It is critical that the Government has allocated \$487.0 million over 4 years from 2023–24 (and \$133.6 million ongoing) to provide ongoing vital service continuity for older people with a disability.

AGED CARE TASKFORCE

This Taskforce will be asked to consider the future financing of the aged care system including what individuals would be asked to pay, inform the final design of the Support at Home program and consider quality and innovation in the system. At a post budget briefing Minister Wells likened this to the Strengthening Medicare Taskforce.

OTHER AGED CARE MEASURES

Including incentivising GPs to attend residential aged care, improving ICT infrastructure and technology, advising, and supporting aged care providers on viability issues, boosting funding indexation for First Nations services, improving the provider COVID-19 response and testing products for a new assistive technologies loan program.



Retirement Incomes

SUPERANNUATION TAX CONCESSIONS

As previously announced, superannuation balances in excess of \$3M will now be subject to a headline tax rate of 30%, up from 15%. This additional tax only applies to the portion of the balance over \$3M, rather than to the whole balance.

SUPERANNUATION GUARANTEE

The Superannuation Guarantee payments will be paid at the time when it is earned, rather than every three months as is currently the case. This is a win that ensures individuals get the super contribution in real time.

PENSION WORK BONUS

The Government has extended the temporary increase to the pensioners' work bonus income bank by \$4,000 until 31 December 2023. It's important that this measure continues, and an analysis occurs on whether it has been successful in getting more people into work. If it has it should be continued but if it hasn't new arrangements need to be developed and put into place. COTA Australia will work with Government to ensure people on pensions are able to work if they want or need to.

Digital

MODERNISATION OF MYHEALTHRECORD

The government will spend \$429m over two years to modernise this program, including the creation of a National Repository platform and targeted investment to increase allied health professionals' connection to MyHealthRecord.

DIGITAL ID

The Federal Government will progress the work to simplify access to government services through the next stage of Digital ID. COTA will work with the Government to ensure state or territory government issued proof of age card are included as proof of identity when using Digital ID services. This currently impacts 2.1 Million people.

E-SAFETY COMMISSIONER

The Commissioner will receive \$132.1M over four years to improve safety online, maintain its takedown scheme, deliver more education programs and hold industry to account in keeping their users safe online.

NATIONAL ANTI-SCAM CENTRE

The government will spend \$58M over three years to establish this centre within the Australian Competition and Consumer Commission. This is an important move to provide greater protections with scams on the rise.



SMS ID REGISTRY

The Australian Communications and Media Authority (ACMA) will establish and enforce an SMS sender ID registry to impede scammers seeking to spoof industry or government brands. This will cost \$10.9M over four years.

COMBATING MISINFORMATION AND DISINFORMATION

ACMA will also receive \$7.9M over four years to combat online misinformation and disinformation on global digital platforms to reduce the spread of harmful content.

WWW.COTA.ORG.AU



© COTA Australia Suite 9, 20 National Circuit Barton 2612

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without permission in writing from the publisher.