



MEDIA RELEASE

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CATHOLIC HEALTH SAYS FEDERAL BUDGET MUST TACKLE COVID COSTS AS WELL AS ADDRESS SYSTEMIC ISSUES IN AGED CARE SECTOR

Catholic Health Australia is calling on the Government to go beyond retention bonuses for aged care staff and use the upcoming Budget to slash training fees for would be workers and lift care subsidies to provide urgent relief in the Omicron-plagued sector.

"Although welcome, retention bonuses do not work in isolation," CHA Chief Executive Officer Pat Garcia said. "Catholic Health Australia has sent the government a suite of reforms that not only target the current COVID-19 crisis but also address the broader systemic issues the industry faces.

"Catholic Health Australia is urgently calling for more affordable training pathways, as well as a meaningful lift in care subsidies that truly reflect rising COVID-19 prevention costs. In line with the Royal Commission, the Government should also join with providers and the unions to put in a wage claim to the Fair Work Commission to lift wages for workers."

In its Budget [submission](#) CHA, whose members provide about around 15 per cent of the nation's aged-care services, says the aged care sector is under considerable stress due to the costs of buying rapid antigen test kits and PPE on the open market and to replace furloughed staff, including more overtime payments and incentives to fill rosters. With 56 per cent of aged care homes already operating at a loss, these additional costs are pushing many operators to the brink.

CHA's Budget submission makes a number of recommendations including:

- Additional payments paid directly to aged-care workers, which would help retain and attract staff and compensate them for the stresses they are under.
- An uplift in the rate of care subsidies to meet the additional COVID-related costs.
- Bring forward the additional training places funded in the May 2021 Budget and offer incentives, such as fee waivers and bonuses, to attract trainees.
- The Budget submission also proposes additional measures to address the causes of the underlying financial pressures facing residential aged care, including indexation which reflects the actual movement in costs.

Mr Garcia said: "A clear-eyed look at care subsidies is needed. The \$10 per resident per day increase announced in the last Budget has effectively been swallowed by rising COVID related costs. In fact, residential aged care homes incurred an operating loss of \$7.30 per bed day in September quarter of 2021, compared with an operating loss of \$5.06 in the same period a year earlier.



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"The Government should bring forward the additional training places funded in the May 2021 Budget. Slashing fees and providing other incentives to train and join this rewarding sector would also help with future workforce pressures."

Notes to editors: Catholic Health Australia (CHA) is Australia's largest non-government grouping of health and aged care services accounting for approximately 10 percent of hospital-based healthcare in Australia. Our members also provide around 25 percent of private hospital care, 5 percent of public hospital care, 12 percent of aged care facilities, and 20 percent of home care and support for the elderly.