



**THE HON MARK BUTLER MP  
MINISTER FOR MENTAL HEALTH AND AGEING**

The Hon John Murphy MP  
Chair  
Standing Committee on Petitions  
Parliament House  
CANBERRA ACT 2600

Dear Mr ~~Murphy~~

Thank you for your letter of 25 August 2011 to the Minister for Health and Ageing, the Hon Nicola Roxon MP, regarding the petition 545/887 made to the Speaker of the House of Representatives on the matter of aged care funding in Broken Hill. I am responding as the Minister for Mental Health and Ageing.

I have enclosed a formal response to the subject petition for the consideration of the Standing Committee on Petitions.

I appreciate you bringing the contents of the petition to the Australian Government's attention and trust that the attached information assists the House in responding.

Yours sincerely

**MARK BUTLER**  
10 NOV 2011

## **Petition to the Honourable the Speaker and Members of the House of Representatives**

This petition of citizens of Broken Hill, New South Wales, Australia, draws to the attention of the House the immediate urgency to rectify the dire situation in our hospital and nursing homes. There is an acute shortage of beds in the hospital and our aged care patients are being sent to Wilcannia – 200 kilometres from home, family and friends, to free up desperately needed hospital beds.

The Broken Hill population is 25% higher than the figures used to calculate current health and aged care funding for the city. The old hospital had 380 beds and the replacement has 80.

Broken Hill has given much to this nation and will do so again for the next 70-100 years according to recent announcements by Mayor Wincen Cuy.

We therefore ask the House to provide immediate extra aged care funding to enable our elderly citizens to remain in their home town and provide immediate funding to our hospital – increase beds and services appropriate to our population.

### **Response**

The Australian Government aims to provide equitable access for Australia's ageing population through the annual planning, distribution and allocation of new aged care places, as set out in the *Aged Care Act 1997*.

Each year, new aged care places are made available for allocation in each state and territory, based on their population projections and the level and type of aged care currently being provided. The distribution of new places across aged care planning regions seeks to achieve a balance in the provision of services between metropolitan, regional, rural and remote areas, as well as between people needing differing levels of care.

The Australian Government has increased the level of funding provided for aged care by more than 30% over the last three years. A total of \$54.2 billion will be provided for aged care over the next four years from 2011-12.

The Australian Government recognises the need for fundamental reform of the aged care system in order to ensure that it continues to provide high quality care and can respond to the needs of Australia's ageing population in a way that is sustainable for the future. The Government is already implementing reforms to the aged care system through a range of initiatives under National Health Reform.

Under the National Health Reform Agreement, all Australian Governments have agreed to major reforms to the organisation, funding and delivery of health and aged care. These reforms are designed to provide better access to services, improved local accountability and transparency, greater responsiveness to local communities and financial sustainability for the health system into the future through increased Commonwealth funding.

The Government is guaranteeing to provide at least \$16.4 billion in additional funding for public hospitals over the period 2014-15 to 2019-20. The Government is also investing up to \$3.4 billion between 2010 and 2017 to address key pressure points in public hospitals. This will deliver improved services for patients, including more beds, quicker emergency

department services and better access to elective surgery and subacute care.

On 7 October 2011, the Minister for Health and Ageing, the Hon Nicola Roxon MP, and Senator for New South Wales, the Hon Ursula Stephens, announced the signing of a \$7 million agreement to establish the Broken Hill GP Super Clinic. GP Super Clinics are designed to improve access to quality health care in communities and are a significant investment in taking pressure off public hospitals. It is expected that the Broken Hill GP Super Clinic will include general practice, nurses and allied health specialists with a strong emphasis on chronic disease management and lifestyle modification programs.

The Government has also asked the Productivity Commission to examine all aspects of Australia's aged care system, and to develop detailed options to ensure that Australia's aged care system can meet the challenges facing it in coming decades.

The Productivity Commission issued its Final Report, *Caring for Older Australians*, on 8 August 2011. The report includes proposals for extensive reform of Australia's aged care system and presents an integrated reform package. In formulating its response, the Government will be guided by four overarching principles.

Firstly, older Australians have earned the right to be able to access quality care and support that is appropriate to their needs, when they need it. Secondly, older Australians deserve greater choice and control over their care arrangements than the system currently gives them. Thirdly, funding arrangements for aged care must be sustainable and fair for both older Australians and for the broader community. Finally, older Australians deserve to receive quality care from an appropriately skilled workforce.

In developing its response to the Productivity Commission's report, the Government will be meeting with key stakeholders and has also started a national conversation with older Australians, their families and carers on the ageing reform agenda at forums across the country.

