



## Aged-care industry demands increase

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AGED-care operators across Australia have written an open letter to Prime Minister Kevin Rudd, demanding an increase in funding.

The letter in the nation's daily newspapers highlights the shortfall between the July 1 minimum wage rise of 4.8 per cent and the 1.7 per cent increase in subsidies for aged care.

Aged Care Association Australia (SA)

chief executive Paul Carberry said 40 per cent of providers were operating at a loss.

For the other 60 per cent, the average profit per bed fell from \$3774 in 2004, to \$603 in 2008.

About 70 per cent of income to nursing homes comes from the Federal Government and the remainder is paid by residents.

Mr Carberry said 98 per cent of homes met

all of the standards.

“But you can't squeeze an industry financially year after year – so they've got to look for cuts – and then expect standards are always going to be high,” he said yesterday.

Aged and Community Services (SA) chief executive officer Alan Graham said providers want an annual 1.75 per cent increase in supplementary payments

reinstated.

Minister for Ageing Justine Elliot said funding per resident would increase by 5.4 per cent from July 1.

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