



Rural aged care needs urgent reform

Aged care in rural Victoria needs urgent reform to meet projected demand from an ageing population, Rural Councils Victoria (RCV) has said in its submission to the Royal Commission into Aged Care.

RCV, which represents Victoria's rural communities, said funding and other reforms of rural aged care would help provide economic and employment opportunities across rural Victorian communities, helping create much-needed jobs and social stability in the post-COVID-19 recovery phase.

RCV is seeking:

- More than double the number of aged care beds in rural Victoria
- Emphasis on provision of care in people's own homes
- Changes to the funding model
- Equity in the model, to ensure carers in rural areas are adequately recompensed for long travel distances
- Construction of independent living units for aged care across rural Victoria

Rural Councils Victoria Chair Cr Mary-Ann Brown said:

"There is a chronic shortage of aged care in rural Victoria that may force older rural Victorians to move to regional cities to ensure they get the accommodation and care they need.

"As well as the personal disruption and cost, failure to meet service and accommodation needs for older people in rural settings has major effects on the social sustainability of communities if those people, and possibly their families, have to move away to access suitable support.

"Full local provision of services provides a large potential benefit for individuals, families and to rural communities from a social sustainability perspective.

"Full local provision of aged care also offers very real, and potentially large, economic and employment benefits arising from transfers of significant subsidy inflows from the Commonwealth Government."

Rural Councils Victoria Chair Cr Mary-Ann Brown said:

"In-home care is considered the best form of aged care and currently these programs deliver the vast bulk of services. However, current remote service subsidies under the Home Care Program are minimal and don't reflect the additional travel costs and additional time spent to deliver services in distant locations.

"Demand for home care packages is expected to increase by 130 per cent by 2031. This means that across rural Victoria, about 3,600 additional beds will be needed.

"In 2016, 29 per cent of the rural Victorian population was aged over 60, compared to 18 per cent of metropolitan Melbourne, and 23 per cent of regional cities. The population aged over 60 living in rural Victoria is expected to increase to 34 per cent by 2036 (compared to 21 per cent for Melbourne and 28 per cent in regional cities)."

“Changing the current aged care services system would help ensure the sustainability of Victoria’s rural communities.”

Background

The submission to the Royal Commission says:

Because of the demographic profile of most rural areas, meeting the growing demand for services and accommodation is vital to community welfare and viability.

The strains on local service provision stem in large part from reliance on market forces in areas where there is evidence of market failure or at least ‘thin markets’. In respect of Residential Care, much rural infrastructure is reaching end of life and there is little evident interest in new investment at the relatively small scale required.

In respect of non-residential care, rural councils in Victoria have provided much of this support in the past, but many are now reviewing their role or ceasing their service provision due to funding constraints.

These developments highlight the current dependence on and lack of viability of the commercial model of Home Care in the rural context. Combined with reduced financial returns from the consumer choice model of Home Care and high travel time/costs involved in home-based delivery, adequate access to care at home in rural Victoria is therefore under real threat.

RCV proposes changes to the in-home and residential care funding models currently in place at both the state and federal level would not only meet the expected increase in demand for services arising from an ageing population, but also create much needed investment and employment opportunities jobs in rural communities over the post-COVID-19 recovery phase.

Cr Brown said:

“Investing in in-home aged care for rural Victorians makes social, economic and practical sense. Instead of whole families having to move to ensure aging Victorians get the care they need, they can be looked after in their own homes, surrounded by their families with helpers arriving as needed.”

“Rural Victoria will desperately need jobs once the COVID-19 pandemic abates. Instead of councils shutting down their aged care services because of lack of funds, proper investment by state and federal governments can bring local jobs, retain local populations and help speed the recovery in rural Victoria.”

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About Rural Councils Victoria:

Rural Councils Victoria represents Victoria's rural councils, supporting and promoting sustainable, liveable, prosperous rural communities. Visit: ruralcouncilsvictoria.org.au