



## **Aged Care Sector Welcomes National's \$23 million Commitment**

**October 20, 2008**

HealthCare Providers New Zealand welcomes today's \$18 million commitment by the National Party to support and retain aged-care nurses and the party's \$5 million commitment to increase respite care.

HealthCare Providers chief executive Martin Taylor said the launch of its policy today demonstrated that the National Party understands the severe pressures on the aged-care sector as the sector struggles to compete with public hospitals funded to pay higher nurse wages.

"This policy will stabilise the sector in 2009 and will allow policy makers a window of opportunity to plan how we as a nation can avoid a pending crisis in care for our elderly," Mr Taylor said.

The \$18 million per year funding promise is something HealthCare Providers has been calling for to help stave off the impact of a 12% increase in government nurses wages over the next three years.

"This government funds DHBs at a higher rate than the private sector, which means DHBs can afford higher wages. Consequently, this takes nurses from aged care providers and undermines the sustainability of this core health service.

"The equation is simple for Kiwis: the demand for elderly services is rapidly growing as our nation ages. We must plan strategically to provide proper care for our growing numbers of elderly. If this is not done now, the public of New Zealand will be hit with a crisis in the aged care sector by 2011.

"Today's policy by National is the first step towards addressing this," Mr Taylor said.

"The \$5 million per year commitment to respite care and the promise to direct DHBs to contract for specific respite beds will address the present respite care shortage," he added.

"The overall \$23 million a year funding commitment together with National's commitment to make DHBs pass on an inflation adjustment and update the aged-care costing model is good news for the elderly and for those who provide quality care to them," Mr Taylor said.

**ENDS**

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