



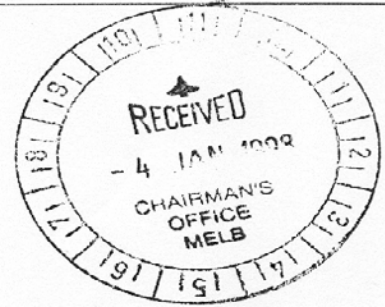
Minister for

■ Families, Youth and Community Care  
■ Disability Services



29 DEC 1998

Mr Gary Banks  
Chairman  
Productivity Commission  
LB2 Collins Street East  
MELBOURNE VIC 8003



Dear Mr Banks

I wish to express my support for the preliminary views of the Productivity Commission Inquiry into Nursing Home Subsidies which were published in a Position Paper on 23 October 1998. The Commission argues that equity of access to quality aged care services must be the core criterion in determining Commonwealth subsidies and that funding must be sufficient to enable Commonwealth Accreditation standards to be met.

In addition, the Commission recognises that the high cost of service provision in rural and remote locations justifies the establishment of a special needs funding pool. This potential pool is of particular interest to Queensland which is the most decentralised State. The delivery of high quality residential care in Queensland continues to be compromised by distance and insufficient funding.

In its Position Paper, the Productivity Commission has recognised that providers in Queensland are particularly disadvantaged by the current arrangements. It also considers that some short term relief for Queensland providers is warranted.

The Commission sees merit in the proposal of Aged Care (Q1d) that, if an additional quantum of monies is not made available by the Commonwealth, funds earmarked for indexing national subsidy rates should be redirected to a progressive increase in the rates paid to the lowest subsidised jurisdictions, particularly Queensland.

The low rate of Commonwealth subsidy paid to Queensland providers has been the subject of previous correspondence between the two jurisdictions. In the interests of equity and a fair distribution of available funding, I urge you to respond favourably to the views of the Productivity Commission and support the payment of additional funding to Queensland providers.

I look forward to your positive response which can only deliver improved care and support to older people in Queensland, particularly to those in residential aged care facilities.

Yours sincerely

A handwritten signature in black ink, reading "Anna Bligh." with a period at the end. The signature is fluid and cursive.

**Anna Bligh MLA**  
**Minister for Families, Youth and Community Care**  
**Minister for Disability Services**