

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into the 2026–27 Budget Estimates**

Melbourne – Monday 18 May 2026

### **MEMBERS**

Sarah Connolly – Chair

John Pesutto – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Richard Riordan

Meng Heang Tak



**WITNESSES**

Ingrid Stitt, Minister for Ageing;

Jenny Atta, Secretary,

Naomi Bromley, Deputy Secretary, Health System Reform and Partnerships, and

Janelle Hearn, Executive Director, Aged Care and System Priorities, Department of Health;

Argiri Alisandratos, Deputy Secretary, Disability, Fairness and Emergency Management, and

Alison Rutherford, Acting Executive Director, Equality, Seniors, Women and Equity Strategy, Department of Families, Fairness and Housing; and

Priscilla Radice, Chief Executive Officer, Victorian Health Building Authority.

**The CHAIR:** I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2026–27 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, any comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings and anything you say may be picked up and captioned, even if you say it quietly.

As Chair I expect that committee members will be respectful towards our witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Ageing the Honourable Ingrid Stitt as well as the department secretary and other officials. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you some questions.

**Ingrid STITT:** Thank you, Chair. I begin by acknowledging the traditional owners of the lands on which we meet today, the Wurundjeri people of the Kulin nation, and I pay my respects to elders past and present and to any Aboriginal and Torres Strait Islander people who are here with us today.

**Visual presentation.**

**Ingrid STITT:** Victoria's population is ageing rapidly, increasing demand for aged care, community supports and health services. As our older population grows, it is essential that we support older Victorians to age well no matter where they live. That is why the 2026–27 budget invests \$35.7 million to support our nation-leading public sector residential aged care services, or PSRACS, including funding to continue providing high-quality care through nurse-to-resident ratios; \$22.5 million to maintain funding for our home and community care program for young people; \$5 million to boost the Victorian aids and equipment program; \$17 million to help more older Victorians receive hospital-level care directly in aged care homes, avoiding unnecessary trips to hospital; \$15.1 million to support non-government residential aged care providers meet new legislative requirements for nurses to administer medications; and \$7.5 million to continue the minor capital renewal program in our PSRACS.

Building on national aged care reforms, Victoria is continuing to strengthen safety, quality and workforce capability across the aged care system. From 1 July 2026 Victoria will be the first state to require high-risk

medicines in residential aged care to be administered by nurses and other qualified health professionals. These reforms strengthen medication safety for older Victorians and support safer high-quality care. In 2025–26 residential in-reach delivered more than 37,000 episodes of care directly into aged care homes, helping older Victorians avoid unnecessary hospital admissions. I also want to acknowledge the extraordinary work of nurses, personal care workers, managers and support staff during recent bushfire events. Whether services evacuated residents or sheltered in place, these decisions were guided by emergency services and clinicians, with resident safety always the highest priority.

Our public sector residential aged care services are home to more than 5500 people each year and continue to perform strongly under the Commonwealth's star ratings system, maintaining staffing ratings above the national average. We are continuing to strengthen workforce capability, support implementation of national reforms and deliver around 45,000 aged care assessments each year to help older Victorians access care sooner. While the Commonwealth remains the primary aged care funder and regulator, Victoria continues to work closely with providers to support implementation of the new *Aged Care Act* and maintain safe, high-quality care during this significant transition. We are continuing to invest in modern, safe and dementia-friendly public aged care facilities across Victoria, particularly in regional communities. These investments are delivering safe and modern care environments for residents while helping bring additional capacity online to support growing demand. We have completed four major projects this year, delivering 108 new beds, with another two projects in delivery, all in regional Victoria.

The Victorian government is also supporting older Victorians to live healthy, active and connected lives. The ageing well action plan sets our vision for Victorians to age well by staying connected to their communities and maintaining their independence. A key part of this is listening directly to older Victorians through the Senior Victorians Advisory Committee, chaired by Dr Suzanne Harrison.

We are also helping to ease cost-of-living pressures through practical support and participation initiatives. Since 1 January 2026 Victorian Seniors Card holders have been able to access free weekend public transport statewide. The seniors card program now supports more than 1.5 million members across Victoria, and the Victorian Seniors Festival also continues to play an important role in supporting participation and connection, delivering over 4700 free or low-cost events to more than 160,000 attendees across all 79 local government areas in 2025. And we recognised 17 outstanding older Victorians at Government House through the 2025 Victorian Senior of the Year Awards.

The Allan Labor government is committed to ensuring older Victorians can age with dignity, stay connected to their communities and access safe, high-quality care close to home, and this budget helps us achieve that goal. Thank you, Chair, and I look forward to answering questions from the committee.

**The CHAIR:** Thank you, Minister. The first 8 minutes are going to Mr Riordan.

**Richard RIORDAN:** Thank you, Chair. Thanks for the presentation, Minister. Quickly, the 'Department Performance Statement', page 45, has the heading 'Seniors Program and Participation', which outlines respite hours and support and says this performance measure replaces the 2025–26 performance measure 'Number of hours of respite and support services'. Despite the performance measure name change, both clearly outline the number of hours for respite and support. However, the number of hours has dropped from 440,000 – page 179 – last year down to 261,250 this year, on page 45. This looks like a 40 per cent reduction. Is it?

**Ingrid STITT:** Thank you for your question, Mr Riordan. I am sorry, that is a measure that is the responsibility of the minister for carers, so you might be best placed to ask her about that performance measure. It does not sit with the ageing portfolio.

**Richard RIORDAN:** Okay. All right. In your presentation you talked about some of the new aged care facilities, which are a great asset, and certainly as a regional MP, country communities do rely on their public aged care services. As of two weeks ago at the Camperdown 36-bed facility, which is a great new facility at the health service there, about half the beds are not open or available. Can you tell us why?

**Ingrid STITT:** Thank you for that question, and it is a beautiful facility. I did have the privilege of attending the opening of that service, and I know the community are really overjoyed that their older community members are going to be able to age with dignity in a modern, dementia-friendly facility. I might ask one of my

officials, Ms Hearn, to go to the issue of occupancy. Obviously we are proud of the fact that we have over 5400 beds across the state. Many of those beds are in regional Victoria. In fact –

**Richard RIORDAN:** Just specifically, though – the question was specific: is there a reason why half the beds have not opened yet in Camperdown?

**Ingrid STITT:** I mean, the facility – there may be reasons for –

**Richard RIORDAN:** Is it a staffing shortage?

**Ingrid STITT:** No, I do not believe so, but if you want, we can take that question on notice and we can come back to you with some up-to-date information.

**Richard RIORDAN:** We can take that on notice. Okay, that would be great. I just want to clarify my previous question. You said that questions around respite were not part of your portfolio. I have got advice that that has in fact changed. It has moved from carers to ageing. I wonder if Ms Atta can –

**Jenny ATTA:** Not to my knowledge, Mr Riordan.

**Richard RIORDAN:** Right, okay. Moving on. I am sure my other regional colleague will attest to this also – the continual digital disadvantage that many aged Victorians suffer is an ongoing problem. I know my office can be quite busy some days filling in what seem to be basic forms for elderly people, and I will refer specifically to a couple that are common in regional Vic. The CFA emergency services and volunteers fund tax exemptions for older farmers, the seniors card, Victorian veterans card, the Game Management Authority licensing and the power saving bonus, which is often very much sought after by older pensioners, all require online access and in many cases require an email address. Why does the government continue to disadvantage the most vulnerable with ongoing digital exclusion that cannot be solved unless that person has access to someone who can do it for them?

**Ingrid STITT:** Thank you for the question. I am not sure that I would completely agree with the premise of your question and the assertions that you are making about making it difficult, because I think the seniors portfolio has a very strong focus on digital inclusion. It is actually one of the key pillars of our ageing well action plan.

**Richard RIORDAN:** But you cannot get a power saving bonus unless you have got a computer and can use it, can you?

**Ingrid STITT:** Mr Riordan, you would be aware that there are a number of different ways that seniors and indeed many other members of the community who might have difficulty with digital access to government services can be supported to get that information in other ways.

**Richard RIORDAN:** But they have to rely on someone to do it for them.

**Ingrid STITT:** I know that my electorate office, for example, supports a lot of seniors in –

**Richard RIORDAN:** But, Minister, talking about encouraging independence and fruitful life and a good retirement –

**Ingrid STITT:** Yes.

**Richard RIORDAN:** Your government now insists that people do not get these things unless they can find someone that they can rely on to do it for them.

**Ingrid STITT:** I certainly recognise that some older Victorians continue to prefer to access services in a non-digital way, and there are a number of different points of access where they can get support for that. There is the U3A network and there are also local libraries that I know assist seniors.

**Richard RIORDAN:** Certainly a very exclusive way to view the world.

**Ingrid STITT:** Sorry?

**Richard RIORDAN:** Does your department have a concept that, certainly in a regional electorate like mine and I am sure Mildura, there are lots of people who live without any access to mobile phones, let alone internet coverage? You realise that is pretty common.

**Ingrid STITT:** Yes, and I am happy to talk to you about those matters. It may be in my government services hearing, Mr Riordan, where we can talk about our Connecting Victoria program.

**Richard RIORDAN:** But my question is –

**Ingrid STITT:** But in terms of seniors, I want to reassure you and the rest of the committee that this is an issue that we take very seriously. It is work that the Victorian seniors advisory group has been talking to me directly about, digital inclusion being an absolute priority for senior Victorians, and there are different ways in which programs are delivered, both through the department but also through other organisations, including NGOs, community groups, our libraries network and our local government network, who we work closely with.

**Richard RIORDAN:** Has your department done any work on how much your digital exclusion saves the government in not having to pass rebates on to particularly older pensioners who do not have access? Have you any sense of what the take-up is of older Victorians?

**Ingrid STITT:** I think that is probably a matter for the minister for energy to ask in terms –

**Richard RIORDAN:** You are not interested in that outcome?

**Ingrid STITT:** That is putting words in my mouth, Mr Riordan, and I am very interested –

**Richard RIORDAN:** Well, as the Minister for Ageing, I would have thought you would be very keen to know how accessible –

**Michael GALEA:** You know very well this is not about the energy portfolio.

**Richard RIORDAN:** No, no. Well, we can talk about how many people do not have a current fishing licence or cannot get their veterans card.

**The CHAIR:** Order!

**Richard RIORDAN:** I am talking about basic –

*Members interjecting.*

**The CHAIR:** Mr Galea –

*Members interjecting.*

**The CHAIR:** Mr Galea, you will stop with the interjections. Mr Riordan, you have asked a question. The minister is trying to answer you. Minister.

**Ingrid STITT:** Thank you, Chair. In the short time I have got left, I would point you to the important work that is included in our ageing well action plan, and a whole pillar of that work is dedicated to the issue that you are raising about digital inclusion.

**The CHAIR:** Thank you. We will go to Mr Hilakari.

**Mathew HILAKARI:** Thank you, Minister, and thank you, officials, for your attendance this afternoon. Minister, I would like to take you to public sector residential aged care services, which Mr Riordan touched on a moment ago, and their importance, particularly in regional and rural communities but also in metro areas as well. What sort of broader role do these play within the health system itself? We always hear about bed blockages, and the federal government has done some work on that, but what is that broader role that they play?

**Ingrid STITT:** Thank you, Mr Hilakari. They play an incredibly important role, as I know you are aware of in your community. Victoria's public sector residential aged care services do play that critical role in caring for

older Victorians, particularly in regional and rural communities, where often they are in a thin market and public services are often the only local provider available. While of course the Commonwealth is the primary funder and regulator of residential aged care, Commonwealth funding alone does not fully meet the cost of delivering high-quality public aged care services in Victoria, particularly in those smaller rural and regional health services where residents have increasingly complex care needs when they are entering aged care, such as dementia. That is why this year's budget invests \$35.7 million to continue to support our PSRACS.

We proudly operate the largest public sector residential aged care network in Australia, with many services integrated with our small local hospitals and health services. There is a direct correlation between our government's investments in public aged care and the high-quality care that older Victorians receive in those services. We obviously, through that investment, support our legislated nurse-to-resident ratios and our workforce capability and safe staffing levels across the system, because that is really fundamental to being able to deliver that high-quality care. As I mentioned, we are seeing residents entering aged care older and with more complexity, including dementia care, palliative care needs and chronic health conditions.

After the Royal Commission into Aged Care Quality and Safety the Commonwealth introduced those mandatory care minutes to ensure that older people living in our residential aged care receive the direct care time that they need to be able to live and age well. Since October 2024 aged care homes have been required to deliver an average of 215 care minutes per resident per day, including 44 minutes of direct registered nurse care. We already exceed those requirements in Victoria in our public aged care facilities, including those mandatory care minute requirements. That really, I think, is a testament to not only the legislative framework we have but also the ongoing investment. In quarter one of 2025–26, the national average was 223 minutes per resident, while our PSRACS are delivering 261 minutes of care. Importantly, the national average for registered nurse care was 51 minutes per resident per day, compared to 100 minutes in Victorian PSRACS.

It is a really fantastic service that is being provided. We have strongly performed against the national quality standards, including under the Commonwealth star rating system. In Victoria PSRACS currently achieve an average overall star rating of 4.28 out of 5, and that includes 4.61 out of 5 for staffing, which is an absolute testament to the amazing staff that we have in our public sector residential aged care. The services also play a really important role supporting the broader health system by helping older Victorians leave hospital safely, reducing delayed discharge pressures and ensuring care can be delivered closer to home in their communities. Importantly, that investment helps ensure older Victorians can continue to age with dignity close to their families, their support networks and in their own communities. I am very proud of the role that our PSRACS have played in the quality of care delivered.

**Mathew HILAKARI:** We saw that in the recent bushfires, that quality of care and support for communities. But you mentioned close to home, and in the thin markets that you have mentioned, particularly in regional or rural areas, public sector residential aged care services are so much more important. Can you speak to that importance, Minister?

**Ingrid STITT:** Yes, I can. I have already touched on how important they are to smaller communities who otherwise might not have access to either private or not-for-profit providers in their region or in their town.

**Mathew HILAKARI:** For those members of the community, where would they go then if not for public sector aged care?

**Ingrid STITT:** They would have to travel well outside their community –

**Mathew HILAKARI:** Away from home.

**Ingrid STITT:** away from their loved ones, so it is important. More than 90 per cent of our Victorian public aged care services are located in regional and rural communities, and to your point, Mr Hilakari, in more than 50 towns the public sector service is the only residential aged care provider available, so that is quite significant. It includes communities such as Ouyen, Robinvale, Red Cliffs, Terang and Willaura, where public aged care services really play that vital role in supporting older Victorians to remain close to their community, their families and their loved ones. In many of these small towns the public aged care service is also really closely connected with the local hospital and that broader health service, helping support continuity of care and also helping workforce retention and that long-term sustainability of our rural health services more broadly. These services are not only critical for older Victorians and their families, but they are really important for the

viability of local services. And the integration of public aged care with local hospitals and health services supports that continuity of care, strengthens patient flow across the health system and also reduces unnecessary pressure on our hospitals. It is just really important for wellbeing, dignity and connection, and I do not think we can overstate how that is so important for older Victorians as they age and become more frail and require more care. Ultimately, these services do help Victorians in all manner of ways, but they also help the broader health system to have the ability to have that large footprint of over 5400 beds across the state.

**Mathew HILAKARI:** I would have thought they were pretty major employers in a lot of those regional towns as well, so it is a fantastic thing.

**Ingrid STITT:** Yes, very much so.

**Mathew HILAKARI:** Minister, I am just going to take us to the medication administration reforms, also on page 50 of budget paper 3. They are coming into effect on 1 July this year, and I am just checking how we are going with that implementation without disrupting care for residents.

**Ingrid STITT:** Thank you. This is a really important reform, and we were proud to support the safe implementation and the change in the legislation, which will come into effect, as you said, from 1 July 2026. Older Victorians are increasingly entering residential aged care much later in life and, as I have already said, with often much more complex health needs. Medication management in our residential aged care settings is quite complex, high risk work, and it requires that strong clinical judgement and medical literacy and appropriately trained staff to administer medication. So in this year's budget we have included \$15.1 million over four years to support workforce growth in the non-government aged care sector, including graduate nursing pathways and opportunities for personal care workers to upskill and transition into enrolled nursing qualifications. This investment will also help providers build and retain the skilled workforce needed to implement these reforms safely and effectively, while ensuring continuity of care for residents. I think, importantly, this funding builds on last year's budget, where the government invested \$7.6 million into our public sector residential aged care to implement these reforms through the public aged care sector. We will be working closely with providers and with workers, their unions, to support the implementation of these changes. If I could also indicate that over 90 per cent of nurses are already administering medication in the system in our PSRACS, and it is a very high number also in the private and not-for-profit parts of the sector.

But notwithstanding that, we want to support the sector to implement these changes safely, and my department has been doing a power of work. I recently attended a forum where we brought a lot of providers together from across the state to share best practice and to share knowledge about some of the models of care that have already been rolled out, particularly in the public sector, which will form the basis for what other services can do to make sure that we can implement the reforms safely and appropriately. At the end of the day, this is really about the safety of our aged care residents and making sure that in a situation where many of them are frail they get the best care possible.

**Mathew HILAKARI:** Thank you, Minister.

**The CHAIR:** Thank you. We are going to go to Mr Puglielli.

**Aiv PUGLIELLI:** Thank you, Chair. Good afternoon, Minister and officials. My nonna late in life lived in an Italian-speaking aged care facility, and it was extremely important for her wellbeing in those later years of her life. In saying that, I represent the largest Chinese diaspora community in the country in Melbourne's north-east, and something that has been of keen interest to people who have been meeting with my office is the need for publicly funded aged care in Melbourne's east for people speaking Chinese languages as their mother tongue. Can I ask: Minister, are you aware of community representations on this issue, the desire for these services and what work is being undertaken to meet this demand?

**Ingrid STITT:** Thank you. That is a really great question and something that obviously is important to me in both the ageing portfolio but also in the multicultural and multifaith Victoria portfolio, where obviously we want to ensure that no matter what your cultural background, you have access to appropriate and culturally safe care as you age. Certainly supporting culturally safe and inclusive aged care remains a very important priority for our government. As I have said, we do operate the largest public sector residential aged care network in Australia. Public aged care residents come from a wide range of cultural and linguistic and faith backgrounds. I know that it has been raised with me many times, the importance of language. When people age, they tend to

want to go back to their mother tongue, if you like. That is something that I know that our aged care providers are very cognisant of. Also one of the Commonwealth's new quality standards goes to culturally appropriate care, which is certainly something the Victorian government will embrace and has been doing work on.

We have also obviously been looking at where it might be possible to provide additional opportunities for multicultural-specific care. I think that given some of the Commonwealth government's regulatory change and the large amount of reform that has gone in with the new *Aged Care Act* and with the new quality standards, it has not necessarily been as easy as some people in the community might have hoped originally, but we are continuing to work constructively across multicultural communities, including the Chinese and Indian seniors groups, to consider ways in which we can elevate the availability of culturally appropriate care.

**Aiv PUGLIELLI:** Thank you.

**The CHAIR:** Thank you very much, Minister and department officials, for taking the time to appear before the committee this afternoon. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request. The committee will take a short break before beginning its consideration of the multicultural and multifaith Victoria portfolio at 3:05 pm. I declare this hearing adjourned.

**Witnesses withdrew.**