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MEDIA RELEASE

CHSP Alliance calls for fair funding of Australia's primary aged care system

The CHSP Alliance is calling on the Australian Government to begin correcting a significant funding imbalance in Australia's aged care system, with an immediate investment in the Commonwealth Home Support Program (CHSP) in the December 2026 MYEFO.

In its new funding submission, *Investing in Primary Aged Care*, the Alliance argues that CHSP should be recognised and funded as a core part of Australia's primary aged care system, providing prevention, early intervention and ongoing support that helps older Australians remain independent and living at home.

Despite its scale, CHSP has received substantially less funding growth than other parts of aged care. Between 2020–21 and 2024–25, CHSP expenditure increased by around 21 per cent, compared with 39 per cent for residential aged care and 107 per cent for Home Care Packages. The Alliance estimates this left CHSP approximately \$1.4 billion below the level it would have reached if it had shared in the average funding growth of those two programs.

CHSP Alliance Co-Convenor and Chair of Meals on Wheels Australia, Paul Sadler, said "Retaining CHSP was an important first step. The next step is to fund it properly. CHSP supports more than 800,000 older Australians each year, but its funding has simply not kept pace with Commonwealth investment elsewhere in aged care."

The Alliance is proposing a three-year CHSP Funding Equity Program, beginning with at least \$700 million in additional annualised funding in the December 2026 MYEFO, followed by substantial increases over the next three Budgets. On current estimates, this would progressively move CHSP towards annual funding of approximately \$5.5–6.0 billion, subject to annual recalculation using Government expenditure data.

Professor Kathy Eagar AM, CHSP Alliance Co-Convenor, said "CHSP should not be viewed simply as the lowest tier of aged care. It is primary aged care. Its role is to intervene early, maintain function and independence, and prevent manageable needs from becoming more complex and costly. We currently have a system that invests heavily once people require more intensive care while constraining the services that can help prevent or delay them reaching that point. That is a false economy."

The Alliance wants additional funding directed primarily towards increased service capacity, reduced waiting times, workforce sustainability and better access in regional, rural, remote and other underserved communities. It is also proposing a demand-responsive funding mechanism so future CHSP funding reflects population growth, service demand and delivery costs rather than relying principally on historical grants and indexation.

"A strong Support at Home system requires a strong CHSP," Mr Sadler said. "If Australia is serious about prevention, independence and ageing at home, our funding priorities need to reflect those objectives."

**CHSP Alliance**

The CHSP Alliance was established by 40 Foundation Member organisations and individuals representing consumers, unions, health professionals, home support providers and researchers and now has more than 200 members. More information about the Alliance is available at <https://chspalliance.org.au>.

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