

OFFICE OF THE MAYOR



Our Reference: OUT-9067/24

31 October 2024

The Hon Mark Butler MP
Federal Minister for Health and Aged Care
Email: minister.butler@health.gov.au

Dear Minister Butler

Rural Aged Care Facility - Gummun Place Hostel

I write to you to advise of the serious plight of small rural councils responsible for operating aged care facilities. These facilities are no longer able to be sustained by councils and the increasing cost of meeting compliance is unsustainable. This week we have seen closure of an aged care facility in a neighbouring LGA and my own Council has called for expressions of interest to lease, operate or purchase our own small 16 bed facility at Merriwa (Gummun Place Hostel).

Council is losing upwards of \$400,000 per annum on this facility to accommodate on average 14 residents. To put this in perspective, the annual residential and business rates from the town of Merriwa, with a population of just over 1000 people, is less than the loss on this one facility. We can not continue to subsidise 14 residents with the entire rate income from the town and also provide essential services such as libraries, swimming pools, sports facilities and the like that normal country towns need for health and well being.

The Federal Government has been lax in its reluctance to assist and support local Councils maintain these facilities and unless urgent and continual support is received from the Federal Government then there is concern that this facility will no longer be able to be operated by Council.

Yours sincerely

Maurice Collison
MAYOR

cc: **The Hon Catherine King MP**
Federal Minister for Infrastructure, Transport, Regional Development and Local Government
The Hon Barnaby Joyce MP
Federal Member for New England

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