

31 October 2016

**Human Services inquiry**

Productivity Commission  
Locked Bag 2, Collins Street East  
Melbourne Vic 8003

Dear Commissioner,

**We would like to draw your attention to two documents that came into our possession today after we had sent you our response to the draft report on the 27<sup>th</sup> October 2016.**

**Attachment A. Project study:** The first attached article is a report on a project study funded by the Department of Health under the Aged Care Service Improvement and Healthy Ageing Grants Fund, led by academics and some not for profit facilities. The findings are of course exactly what anyone who has worked in health or aged care is well aware of and why we are pressing for a controlling community context that will constrain the pressures of the market and then foster and support this sort of development in aged care.

What we would like the Commissioner to consider is the incongruity of providing a service like this in a consolidating marketplace, one driven by strong competition and a drive for efficiency. You may be able to understand why the government's policies have failed so badly, why aged care has become so dysfunctional and why the elderly are often harmed rather than helped.

We do not believe that the lofty goals of the government's Aged Care Roadmap, and particularly Consumer Directed Care (CDC) are achievable because of the inappropriate way in which it is being introduced – as set out in the roadmap<sup>1</sup>. Neither government nor market are capable of creating the context needed for good care and quality of life to be provided. Both need to work closely with a community that has sufficient control to insist that care is provided in ways that reflect their norms and values.

We invite you to carefully consider what the impact of a greater focus on commercial competition and a drive for efficiency by management will have on staff and so on the human service provided before you make your recommendations.

**Attachment B. Timeline of Government's Aged Care Roadmap:** The second is a single slide, which was used in talks by Bentley's to ACSA (Aged & Community Services Australia) in 2015<sup>2</sup>. ACSA represents not-for-profit providers and Bentley's is commissioned to report on the marketplace annually. This slide is a timeline for the Government's Aged Care Roadmap, as Bentley's understands it. Provider peak bodies and aged care consultancies have worked closely with government to develop the roadmap, so this slide will accurately reflect what has been planned for Australian citizens behind their backs.

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<sup>1</sup> Aged Care Roadmap: <https://www.insideagedcare.com/introduction/aged-care-roadmap>

<sup>2</sup> Bentley's presentation ~ *Thinking ahead on: Financial reporting, analytics & sustainability* - October 2015

**Note that the policy of consolidation using a competitive market system is intended to halve the number of approved providers to 600 from the current 1,200 by 2021 and halve it again to 300 by 2031.**

It is clear that only a minority of providers across the country will survive and it will be those who develop the sort of profits that allow them to acquire competitors.

We can understand why the not-for-profits that provide better care are panicked, as they are poorly equipped for this sort of competition. We can understand why they will be appointing accountants to senior positions, bringing in experienced financial managers from the marketplace and paying large salaries and bonuses to bring in market savvy executives.

It is clear why the main speakers at ACSA conferences have been market consultants, legal advisers, marketing experts and personnel management advisers who are all fanning the fires and offering their services to help make their clients one of the 300. Large sums that would have gone to staffing and care are now being diverted to consultants and marketing experts as well as to building the funds needed for growth.

This validates our impression that we are hearing more accounts of unhappiness from not-for-profit staff and seeing more instances of failures in care. Estia are reportedly also having problems with providing care in its nursing homes<sup>3</sup>.

Since 1996 not-for-profits who depend on funding from government and corporate sponsors have been acutely aware that they will be supported if they do what government requires and don't criticize policy. The ascendancy of the smaller seniors group COTA and the marginalisation and underfunding of the much larger groups, *National Seniors* and CPSA (*Combined Pensioners and Superannuants Association*), who were critical of government policy, and had previously been influential in representing seniors views and interests in planning, sent a chilling message.

We can understand why it is the not-for-profits who, instead of concentrating on the care of Australians, are among the first to enter into joint enterprises in China and elsewhere under trade agreements<sup>4 5</sup>. They are training Chinese nurses in Australian facilities and forming joint ventures to provide services in China. This will ensure government support and increase their chances of being among the few left standing in 2031.

Since 1994 ACC members have known of clear evidence that the sort of consolidated groups that form in this sort of marketplace understaff and provide poorer care. Multiple studies over the years have confirmed that. Over the last 22 years market and government have been dodging that information even when it was sent to them.

**It is also worth noting that aged care funding from government will disappear by 2028 for all but the poorest citizens. For all but the very rich, the unpredictability for families of not knowing whether they will be the lucky ones to have a heart attack or be unlucky and sustain huge nursing home bills is a major consideration.**

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<sup>3</sup> Estia Health aged care facility on notice for compliance, 31 Oct 2016 (Australian Financial Review):  
<http://www.afr.com/real-estate/estia-health-aged-care-facility-on-notice-for-compliance-20161028-gsd98g>

<sup>4</sup> China-Australia aged care partnership to improve outcomes for Chinese elderly, 21 Sep 2016 (Baptcare):  
<https://www.baptcare.org.au/why-baptcare/news/china-australia-aged-care-partnership-to-improve-outcomes-for-chinese-elderly>

<sup>5</sup> RDNS signs Chinese home nursing agreement, 21 Apr 2016, (AAA):  
<http://www.australianageingagenda.com.au/2016/04/21/rdns-strikes-home-nursing-deal-china/>

Their children are struggling to find secure jobs and to buy houses. The education of grandchildren and the establishment of businesses for them are at stake.

Suicide is already a serious problem in the elderly<sup>6 7</sup> and when the future of their heirs is going to be lost many more will consider this sacrifice.

Most Australians would prefer some sort of insurance or benefit fund into which they paid over a lifetime so that the risk was spread and sensible planning could occur. This has all been done behind their backs. At no stage have they been offered this choice.

**It seems that under the mantra of 'choice', Australian citizens are being denied the most important choices they need to make - the ability to plan for the future of their families and the right to choose a provider who will look after them and guarantee not to sell them to someone they would have avoided at all costs.**

We believe that these sorts of Human Services issues should inform the Commission's recommendations.

Yours sincerely,  
Aged Care Crisis Inc.

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<sup>6</sup> Elderly men have the highest suicide rate - and ageism stops us from doing something about it:  
<http://theconversation.com/elderly-men-have-the-highest-suicide-rate-and-ageism-stops-us-from-doing-something-about-it-46923>

<sup>7</sup> Causes of Death, Australia, 2013 - Suicide by Age - Australian Bureau of Statistics:  
<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/by%20Subject/3303.0~2013~Main%20Features~Suicide%20by%20Age~10010>  
"The highest age-specific suicide death rate for males in 2013 was observed in the 85 years and over age group"

# Attachment A

<http://unisabusinessschool.edu.au/magazine/9/caring-for-our-carers/>



COVER STORY



ISSUE NINE | NOVEMBER 2016

## Caring for our carers

### How quality jobs underpin quality care

WRITER: Natalie Skinner, Sara Charlesworth and Jacquie Smith

ILLUSTRATION: WDM

#### THE SCENARIO

Australia's ageing population places aged care at the forefront of change. And with such a diverse and complex client group, aged care providers are seeking innovative and sustainable ways to build and deliver high-quality services.

#### THE RESEARCH

The Quality Jobs Quality Care Project designed and tested a series of workplace interventions that improve both the quality of jobs and the quality of care within the aged care industry.

#### THE OUTCOME

The findings are simple: improve job quality and you improve care quality. To ensure sustainable, high-quality care for older Australians, we must also ensure positive, respectful, and high-quality work experiences for aged care workers.

**As more and more Australians live longer, aged care is now a true growth industry. Employing a diverse workforce and providing essential services to a complex client group, aged care providers are increasingly on the hunt for innovative ways to build sustainable, high-quality services.**

In a pioneering research initiative—the *Quality Jobs Quality Care Project*—UniSA partnered with RMIT University, Flinders University, three leading aged care providers and an employee union, in a project designed to address these challenges. A set of innovative workplace interventions were designed, then trialled in residential and community aged care to achieve the win-win outcome of improving the quality of jobs and the quality of care.

Here we share some insights from this project which reflect the key finding: the quality of care services for the elderly very much depends on the quality of the working conditions under which employees provide those services.

## INVESTING IN CARE IS INVESTING IN CLIENTS



Providing care requires direct person-to-person interaction. The foundation of high-quality care is the relationship between the care worker and client or resident. Hence, the benefits of healthy, satisfying and safe jobs for care workers will flow on to create care relationships and services that are healthy, satisfying and safe — in other words, high-quality.

For example, providing high-quality care requires skills and confidence. While formal training provides a strong foundation and is highly valued by employees, care workers also benefit through mentoring from experienced colleagues. Real-time access to an experienced 'buddy' or mentor means that targeted advice and guidance is available for new, challenging or complex care situations.

Furthermore, like many service workers, care workers are low paid (as regulated by industry awards). Adding insult to injury are common problems with inadequate and/or irregular hours, not being paid for travel between clients for work activities (such as community care) and expectations to attend work training and meetings on unpaid personal time. Financial strain is common for these workers, leading to high levels of stress and dissatisfaction.

When organisations invest in workers, as our partners did, and improve working conditions (for example, by increasing regular hours or by providing paid training opportunities), they reap significant benefits—a committed, stable and engaged workforce willing and able to create high-quality care relationships and services.

## (ENOUGH) TIME IS THE ESSENCE OF QUALITY CARE AND SAFE SERVICE



Providing care is personal, often intimate, and deeply social. In the midst of a heavy workload of tasks to be performed under strict time constraints, the individual needs of the person receiving care, are often lost or overlooked. Time pressures can also result in the health and safety of both the client and the care worker being put at risk.

In any sphere of life, rushing and relationships do not go well together, fast is difficult to make safe; and quality and quick are usually incompatible.

Investing in time to care, by setting realistic expectations, workloads and schedules, is another example of a win-win; clients receive personal and responsive service and employees get a work environment that supports their safety, wellbeing and capacity to care.

When organisations invest in workers, they create a committed, stable and engaged workforce.

## AS THE FAMOUS SONG TELLS US, RESPECT IS WHAT IS NEEDED



Like other personal service workers, many care workers do not feel valued and appreciated by their organisation or the general community. We've emphasised the importance of the social (relationship) for clients receiving care; the same applies to workers themselves. Workers who feel valued, appreciated and respected are likely to reciprocate with commitment, engagement and enthusiasm for their work and their employer—all essential attributes for a high-quality care worker.

The *Quality Jobs Quality Care* project is focused on bridging the gap between evidence and practice to create innovative workplace solutions for improving job quality and care quality. In December 2016, we will launch an evidence-based toolkit for improving job quality in aged care, which contains many useful resources for practitioners in other industries.

**By 2054, older Australians (aged 65 years+) will comprise 21.5% of our total population.**

(Australian Bureau of Statistics, 2013)

**Over 240,000 people are employed as direct aged care workers.**

(National Aged Care Workforce Census and Survey, 2012)

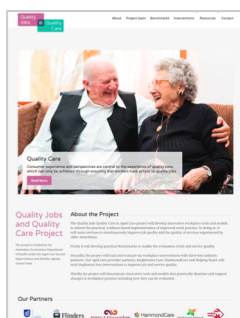
**94% of the aged care workforce is female.**

(Department of Health and Ageing, 2013)

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The *Quality Jobs Quality Care* project is funded by the Australian Government Department of Health under the Aged Care Service Improvement and Healthy Ageing Grants Fund. The project is led by Chief Investigators Professor Sara Charlesworth (RMIT University) and Associate Professor Deb King (Flinders University), with researchers from the UniSA School of Management (Ms Jacquie Smith, Dr Sue Jarrad and Dr Natalie Skinner). The project partners are HammondCare, Brightwater, Helping Hand and United Voice.

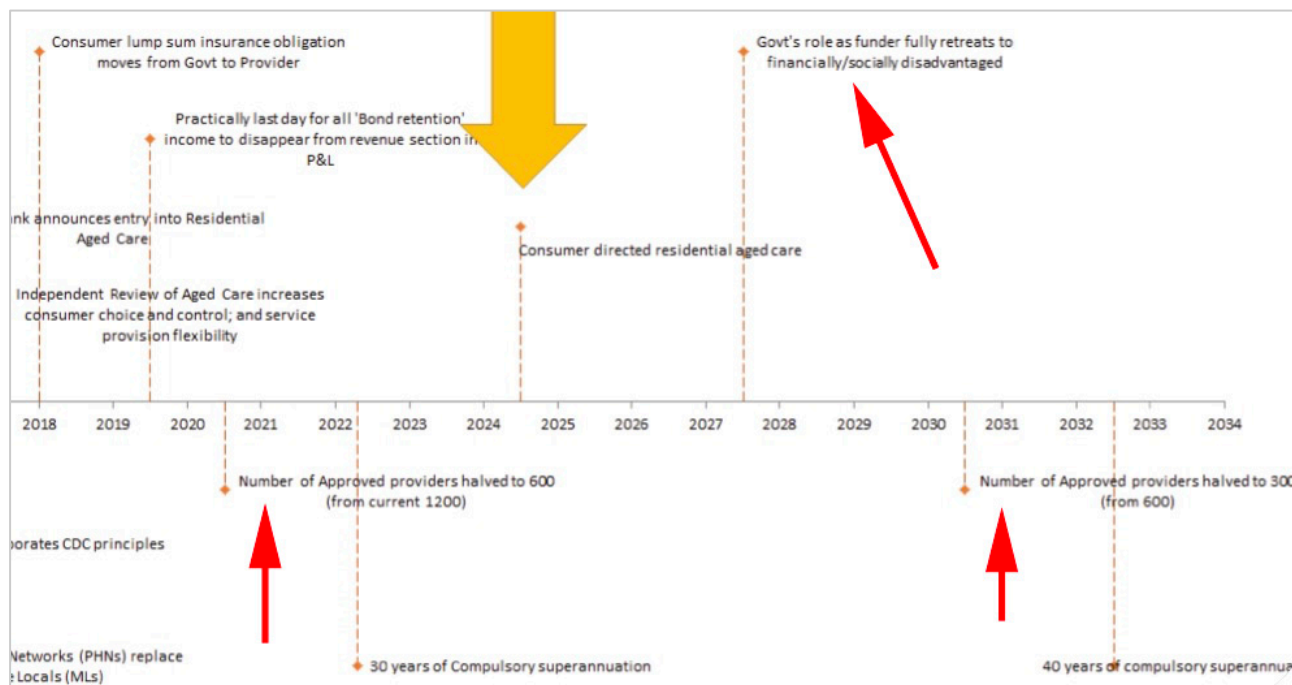
**Figure 1: Quality Jobs and Quality Care Project - <http://www.qualityjobsqualitycare.com.au>**





# Attachment B

**Figure 2:** Zoomed in detail - note content highlighted near the 3 red arrow, below



**Figure 3:** Full slide content, Page 2

