

There is a need to find the true value of home care services for the aged as per relevant government agencies, the service provider organisations, the employed carers, the households with aged persons in need of the service, and the end-users (the aged recipients of the home service for the aged).

As spouse of an age carer, I have acquired some knowledge about the provision of home care for the aged and would like to make this submission in response to the Commission enquiry. I hope that this short submission can be of use to the enquiry in some way to some extent. My observations is that there is a divergence in the valuation of home age care services provided to old Australians among the fund providers (government agencies), the intermediary service providers (community service organizations), the age carers, the households with an aged person in need of the age care services, and the end-users of the services (the old Australians themselves). Beside efficiency enhancement, I think government policies aimed at closing the gaps between those diverging valuations of the home service for older Australians will help avoid supply shortage of skilled and devoted carers as well as improve service quality that older Australians need in future.

At the moment I think the government undervalues those services, hence allocates funds that are well below the necessary level for community service organisations to provide sufficient quality services to the aged. This is shown in the number of hours and the level of care that aged pensioners can received after assessment.

The shortage of funds is also indicated by wages, salaries and supplements carers received for their services from the service providers.

- Carers are paid on the number of minutes worked basis;
- No minimum pay for each service call;
- No or insufficient pay for travelling time;
- Wages that the service providing organisations can pay carers are set at minimum award wage rate which is much less than the value of their work;
- No allowances for carer's use of mobile phone when doing their duties;
- No allowances for vehicle insurance;
- No allowance for vehicle registration;
- The commuting allowances (car fuel allowances) that are just enough to compensate for fuel consumption but not enough to compensate for vehicle wear and tear, maintenance and repairs.
 - o Please consider the high costs of mechanical repairs, auto electrical repairs (at least \$60/hour with minimum of one hour, and higher for specialist mechanical or auto-electrical repairs), high vehicle insurance and registration costs.
 - o Eg. A gear box problem costs close to \$2000 to fix; a routine 5000 km service costs at least \$200 and this has to be done every three months for a carer who spends on average 25 hours a week to look after 7 aged pensioners in various addresses in the ACT and Queanbeyan; a simple problem of the car air conditioner system costs nearly \$500 to fix, yet carers need to have their vehicles air conditioned to travel between clients in hot summer time, especially when they have to park cars under the sun at client's address.

As a result of government's undervaluation of age care services, many well trained qualified devoted carers could not afford to pursue the profession they love and have left the services against their will unless they receive financial supports from spouse.

There are a number of not so devoted carers who are not qualified nor well trained but can get in the services due to shortage of carers. Those carers will quit the services quite readily when facing the hardship of age caring or when landing a different job. This is true for temporary carers who are in between jobs of their main occupation. The ultimate consequences of these trends are: (i) Not many people are willing to choose the age care profession; (ii) More well trained and devoted carers leave the profession due to financial hardship; (iii) Less qualified carers join the services but only temporary and acquire little skills from the short time in the profession; and (iv) over a long time, the provision of home age care services will reduce in quantity and deteriorate in quality.

A household's valuation of the home care services for the aged

Many aged recipients of the home care services live by themselves, but some cohabit with their children or relatives who are busy with daily work and activities. The household has to rely on the home care services. The service fees, however, are based on the pension allowances that aged people received, and are not mean tested by household total income. The fees are thus often much lower than the opportunity costs according to the household (not to the aged person who is in need of the services). Since the contribution fees paid by an aged pensioner for the services are low compared to the household's income, a household can afford to demand additional services that are of less value to the aged beside the age care services. Many of such services the household can perform themselves without any disruption to their daily life eg. domestic works, house cleaning. When encountering request from this wrong perception of the age care services of a household, carers would feel very awkward when performing their age care duties since there is no clear cut between age care services and domestic services for the residence in which an aged person lives. This awkward feelings would have affected the quality and the continuity of their services somehow. This also makes the age care service provision miss its original target: that is providing care services to the aged so that other members of the household can carry on with their daily life activities without worrying too much about the wellbeing of the aged relative at home. Home care for the aged living in households needs to be revalued by other members (not the aged recipients of the age services) of the household somewhat through better information, regulations or other financial measures applied to the type of other services provided to the aged.