



**Caring For Older Australians
Productivity Commission Draft Report
Submission**

March 2011

Regional Development Australia brings together people and information to promote collaborative decision making for the sustainable and just economic development of Sydney, with a focus on employment growth.

Introduction

About Regional Development Australia (RDA) Sydney

Regional Development Australia (RDA) is a partnership between the Australian, State and Local Governments created to strengthen regional communities. RDA Sydney is part of a national network of 55 RDA committees. These committees are made up of local leaders who volunteer their time to work with government, business and community groups to grow and strengthen their communities.

RDA Sydney's purpose is to build partnerships between governments, key regional organisations, local businesses, community groups and key regional stakeholders to provide strategic and targeted responses to economic, environmental and social issues affecting Sydney.

RDA Sydney has just completed a Regional Plan for Sydney. The Plan describes Sydney's attributes, industries, employment base and key advantages. The Regional Plan sets out the economic, environmental and social vision for the region, articulating the drivers of change, identifying strengths, weaknesses and opportunities, and listing priorities for action. It is a 'living' document which will be updated annually and used by RDA Sydney and its Region to implement specific strategies.

The Plan includes inputs from stakeholder consultations and draws information from 66 other existing plans and reports published by the Australian, NSW and Local Governments and other key agencies.

As part of the NSW Government's Western Sydney Business Growth Plan RDA Sydney has been given the responsibility of conducting consultation workshops with health, community and aged care sectors to determine the present state of the sector and potential development capacity. We have also been given the task of collaborating with NSW Health and other key stakeholders regarding improved workforce flexibility and strengthening of career pathways.

RDA Sydney in partnership with the Centre for Health Innovation and Partnership, NSW Department of Education and Training, Clinical Education & Training Institute NSW and Western Sydney Institute TAFE NSW co-organised a forum in February 2011 at Westmead Hospital regarding 'Intergenerational Health Systems: Securing a Sustainable Future – Workforce Development'.

About our submission

This submission provides a perspective about the particular issues facing Sydney in relation to current and future skills shortages in the health, community and aged care sectors and its impact on economic growth.

RDA Sydney does not pretend to know the intricate workings of the Aged Care or related health care system but simply is able to provide feedback based a broad range of consultations conducted in its development of the Regional Plan for Sydney and through its specific consultations with the health, community care and aged care sectors.

We will not endeavour to address all points raised in the Productivity Commission Draft Report, but focus on particular sections where our comments may add value.

Key issues being addressed in submission

The following issues will be addressed in the RDA Sydney submission: (in no order of priority)

- **Delivering care to the aged — workforce issues**
- **Remodeling of process design to maximize labour supply**
- **Accelerated introduction of cross sector enablers such as e-health to support innovation in workforce development and care delivery models**
- **Securing improved and sustained health and wellbeing in communities to reduce the high burden of chronic disease that is overwhelming the healthcare system**
- **Development of economic opportunities relating to the growth of this sector.**

Submission Discussion

Issue 1: Delivering care to the aged — workforce issues

The Aged Care Sector faces several barriers to maintaining an adequate, skilled and stable workforce such as pay parity in the residential and community care sector, career pathways and widened scopes of practice and the image of the sector in general.

RDA Sydney welcomes the Australian Government's support to establish teaching nursing homes over four years but agrees with the Commission to increase funding and commit to a long term strategy for the implementation of this plan. This plan should be part of the 5 year implementation of the reforms recommended by the Commission. By opening up teaching nursing home capacity there is opportunity in creating co-located research partnerships in ageing, workforce modeling and advanced management practices.

To introduce innovative work models which require staff to broaden their skill base, possibly return to further training and education and take on greater responsibility, the pay parity issue needs to be addressed in order to attract and retain staff to the industry. RDA Sydney agrees with the Commission's Summary of Draft Proposals that scheduled prices for aged care must take into account the need to pay competitive wages to nursing and other care staff delivering aged care services.

Issue 2: Remodeling of process design to maximize labour supply

RDA Sydney agrees with the Commission regarding widened scopes of practice becoming important as broader health workforce shortages become more acute. The aged care system cannot work in isolation from the acute care system in fact they both share the same client base as their primary customer. Integrated services with well linked communication systems would reduce costs (and duplication) and create better client outcomes.

RDA Sydney supports the concept of in-reach services for community and residential aged care services. This allows for earlier detection of potential health issues which may result in admission to the acute health system if left undetected and the introduction of preventative measures to avert a health issue. In workforce terms it allows for cross fertilization of knowledge and expertise, provides a greater scope of practice and develops the sector as an employer of choice.

The proposal to provide sub acute care beds in aged care facilities if appropriately funded and resourced could certainly have benefits to the sector and the client. It would add value to the proposal for teaching aged care facilities, it would assist in transitioning patients back into the community and it would again diversify the scope of practice within the sector which may act as an attractive option for suitable potential employees. This may also enhance the capacity of the sector to attract in-reach services which in turn can lead to early detection and prevention.

Issue 3: Accelerated introduction of cross sector enablers such as e-health to support innovation in workforce development and care delivery models

Although e-health can never replace the labour intensive activities of staff in aged care services it certainly can assist in the integration of the primary and acute care systems and provide diagnostic tools for the management of chronic illness in an aged care setting. It can support preventative measures through ongoing home based monitoring of health and wellbeing.

In workforce terms it provides opportunities for the development of skills in data collection and interpretation. It also enhances the potential for in-reach services and sub acute bed provision at aged care facilities. It also reduces the silos that may exist between sectors and within the sectors and creates an opportunity for the transfer of knowledge and capability. It also enables the sector to examine the potential for partnership with research and development opportunities.

RDA Sydney encourages the roll out of the National E Health Strategy to be incorporated in the aged care reforms to ensure the tools which will assist in remodeling of service delivery are not missing.

Issue 4: Securing improved and sustained health and wellbeing in communities to reduce the high burden of chronic disease that is overwhelming the healthcare system

While developing a new sustainable model of care for older Australians is vital, RDA Sydney supports greater emphasis on keeping Australians in general, but older people specifically, in a healthy state which assists substantially in reducing the burden of aged care. Health and ageing cannot be considered in isolation as they are closely interrelated, particularly in the context of keeping people healthy and active at home rather than dependent on high cost services.

Preventative health empowers people to take control of their own health and necessarily involves a long-term perspective. Educational interventions should ideally start from an early age in order to change behaviours during the entire life span. However, there are also many preventative health strategies that can be effective for adults, such as stop-smoking, weight loss and drinking in moderation strategies. Preventative health strategies can also be very specific for older Australians such as targeted exercise and dietary programs for older people; activities to improve balance and thus prevent falls; and, immunisation against influenza, regular monitoring of health status and increased diagnostic capacity.

While it is perhaps inevitable that older Australians will need specific services related to their ageing, the important thing is to minimise the demand on these services without reducing the quality of life. In fact, preventative health measures should improve the quality of life through older Australians being more active and independent.

An example of a preventative health strategy is that run by the Nepean Clinical School Falls and Fractures Clinic. In 2002/3, it was estimated that 20,385 people aged 65 and over in NSW were hospitalised due to fall-related injuries. The Falls and Fractures Clinic in collaboration with local GPs runs a preventative program where people over the age of 65 are assessed for balance, dizziness, gait and other risk factors. If they are deemed to be at risk, they receive a referral to

the Falls and Fractures Clinic where they can participate in relevant corrective programs such as balance rehabilitation, exercise, physiotherapy or medical interventions. The Falls and Fractures Clinic not only reduces the incidence of falls and fractures but also the decreases potential costs associated with medical interventions, such as hip replacement.

Issue 5: Development of economic opportunities relating to the growth of this sector

RDA Sydney recommends to the Commission that the growth of the Aged Care Sector should not be viewed in isolation but should be considered in the broader context of industry development. The growth of the sector should provide both localized and broad-based economic opportunities. Given the impending rapid growth of the sector, there is the opportunity to develop an industry strategy from the outset that will help to grow the sector in a coordinated manner. Complementary sectors that should also be included in any strategy include supply chain, ICT (including e-Health), pharmaceutical and manufacturing.

One of the key outcomes of the Intergenerational Health Systems Forum co-facilitated by RDA Sydney, was the formation of working groups around identified key trends and drivers for the health, aged and community care sector into the future. These working groups are beginning the process of further investigation into these trends and drivers in order to draw out growth opportunities.

Local strategies can also be beneficial to local industry and precinct development. A good example of such a strategy is that developed for the Penrith Health and Education Precinct. This strategy was developed in order to grow the health and aged care sector as an industry in the region, building on synergies with education, research, and local industry. The strategy was developed by a taskforce comprised of key stakeholders from, among others, industry, health and aged care, education, research and RDA Sydney.

If you require any additional comment regarding RDA Sydney's submission please don't hesitate to contact the Executive Officer.