

26 March 2016

Committee Secretary  
Senate Standing Committees on Community Affairs  
PO Box 6100  
Parliament House  
Canberra ACT 2600

## Re: Future of Australia's aged care sector workforce

We thank you for the opportunity to make a late submission and contribute to the debate about the future of aged care and the workforce issues there.

Aged Care Crisis (ACC) is a community organisation that listens to what those at the coalface of aged care, the resident's families and the carers, are saying and experiencing. ACC or its members have tracked and analysed developments in aged care since the 1990's. ACC or its members have made submissions to multiple inquiries over the years.

We have chosen to address complex issues that impact on the wellbeing of the workforce and on residents. We propose changes that would change the way the system operates. We would welcome the opportunity to explore these issues further with the committee.

Over the years, frail older people have found themselves cast first as patients needing medical and nursing care in nursing homes where they lived and formed close relationships with those around them. They were largely cared for by their communities. As governments funded and took control of aged care, they became 'residents' not needing much more than basic care, which was provided by poorly trained nurse aids and a diminishing number of nurses. The community were increasingly marginalised and "hollowed out" as aged care was managed from above.

Most recently, they have become 'consumers' (or customers) who, in theory but not in reality, are able to pick and choose from a range of (increasingly) commercial providers. 'Choice', 'consumers' and 'customers' are the new currency where aged-care services are increasingly exposed to the market economy<sup>1 2 3</sup>. These changes have everything to do with changes in political and community ideology and little to do with the aged themselves, although they have suffered the consequences.

The aged remain frail, confused, vulnerable, and in need of support and the social interaction that gives their lives meaning and relevance - something each ideology offering solutions conveniently ignores.

*'Choice' implies that there is ample information to be able to base an informed decision in aged care. It has little relevance or meaning when the information needed to make the most important choice - who is going to care for you and help you to die without suffering - is not available.*

<sup>1</sup> The aged care gravy train (The Age, Jan 2016): <http://www.theage.com.au/comment/the-aged-care-gravy-train-20160108-gm1y33.html>

<sup>2</sup> Our elderly need homes, not warehousing (The Age, Jan 2016):  
<http://www.theage.com.au/comment/our-elderly-need-homes--not-warehousing-20160110-gm2uoo.html>

<sup>3</sup> (2015) Baldwin, R., et al., **Residential Aged Care Policy in Australia – Are We Learning from Evidence?** Australian Journal of Public Administration. doi: 10.1111/1467-8500.12131 University of Technology Sydney, <http://onlinelibrary.wiley.com/doi/10.1111/1467-8500.12131/abstract>

# Contents

<b>In summary</b> .....	<b>3</b>
About our submission .....	3
<b>1. Ground Hog Day</b> .....	<b>4</b>
Comment on the submissions already made .....	6
Contexts.....	7
<b>2. Criticism</b> .....	<b>8</b>
The political problem .....	8
Problems in the providers of care.....	12
Employee representative groups.....	13
Staff and families .....	13
The community .....	14
<b>3. Recommendations: suggestions for change</b> .....	<b>15</b>
Bringing this together.....	15
<b>4. Our recommendation</b> .....	<b>15</b>
Difficulties in implementation .....	17
<b>5. Staffing under a different system</b> .....	<b>18</b>
Addressing the Terms of Reference of the Inquiry .....	18
(a) the current composition of the aged care workforce; .....	18
(b) future aged care workforce requirements, including the impacts of sector growth, changes in how care is delivered, and increasing competition for workers; .....	19
(c) the interaction of aged care workforce needs with employment by the broader community services sector, including workforce needs in disability, health and other areas, and increased employment as the National Disability Insurance Scheme rolls out; .....	19
(d) challenges in attracting and retaining aged care workers; .....	19
(e) factors impacting aged care workers, including remuneration, working environment, staffing ratios, education and training, skills development and career paths; .....	20
(f) the role and regulation of registered training organisations, including work placements, and the quality and consistency of qualifications awarded .....	20
(g) government policies at the state, territory and Commonwealth level which have a significant impact on the aged care workforce; .....	21
(h) relevant parallels or strategies in an international context; .....	21
(i) the role of government in providing a coordinated strategic approach for the sector; .....	21
(i) challenges of creating a culturally competent and inclusive aged care workforce to cater for the different care needs of Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse groups and lesbian, gay, bisexual, transgender and intersex people; .....	22
(j) the particular aged care workforce challenges in regional towns and remote communities; .....	22
(k) impact of the Government's cuts to the Aged Care Workforce Fund; and.....	22
(l) any other related matters. ....	22
<b>Appendices to this submission</b> .....	<b>23</b>

# In summary

Aged care is a failed market because it does not have knowledgeable and effective customers. Both customers and staff are vulnerable and increasingly strong competitive pressures have resulted in their welfare being sacrificed. In the absence of any useful data the extent of this is unknown.

Workforce issues cannot be separated from the failures in the system and the first step in addressing the crisis in the workforce is to fix the system itself.

That this system was introduced and no changes have been made is because our democracy and our political system are failing. A major reason for this is the hollowing out and decline of civil society as a controlling entity in capitalist democracies.

A major failure of the aged care system is its failure to collect accurate data and evaluate it properly. As a consequence, no one really knows what is happening. The community is unable to contribute to the debate and aged care inquiries including the current one, have to make recommendations relying on the opinions of experts who are part of the system and the ideology of the moment.

We are pressing for and ask the committee to support changes that will radically change the way the system operates by shifting the focus and operation of the aged care system away from the boardroom and the corridors in Canberra and into local communities. We urge government to channel its aged care activities through, work with, and mentor local community organisations.

This would create a powerful and knowledgeable customer to address the failed market. It would be the first step in rebuilding civil society. It would have knowledgeable staff regularly visiting nursing homes and those receiving care in the community. Their primary role would be the collection of accurate data so that both customers and policy makers have the reliable information they need.

The proposals are supported by 21<sup>st</sup> century thinking about open government, participatory democracy, citizenship and civil society. They recognise the importance of the direct involvement of the community itself in the successful provision of community services. They would enable the aged care system to throw off the ill considered and obsolete 20<sup>th</sup> century chains that have caused the market to fail, prevented change and frustrated innovation. They would move aged care into the 21<sup>st</sup> century.

## About our submission

In this submission we are going to critically examine our political beliefs, our political processes, our providers whether for profit or not for profit, the employee representative groups and the members of the public, in fact everyone who has made submissions. In doing so we will attempt to challenge their ideas.

We are going to look at how we got here and where we went wrong. This is not to be destructive or destroy their valuable contributions, but to challenge their thinking about this and open debate about how we might achieve what they are asking for by doing something different.

We are not going to repeat what others have suggested in our submission. Instead we are going to look at why nothing ever happens and suggest ways of making them happen. We are asking the committee to do something about this so that there is some hope of achieving what most of us would like.

**Note:** *Accompanying documents to this submission: Appendix A; Appendix B, Appendix C and Appendix D.*

# 1. Ground Hog Day

We have scanned through the submissions already made to your committee with a sensation of déjà vu. We have seen and heard all of this (or similar) before, on multiple occasions – over and over again in multiple government and Productivity Commission inquiries over the last 18 years. We have made many of these points ourselves in our submissions. In spite of all this effort and all of this money - vast amounts of taxpayer funds spent - nothing effective has been done.

**Staffing numbers, skills and motivation have always been the most critical determinants of the standards of care and the quality of life of residents, yet no effective action has been taken.**

As the submissions in this and other recent inquiries reveal, staffing levels, staffing skills, staffing morale and the quality of care have steadily declined over these years. Our first concern in this submission is why so much committed effort and so much money has been so unproductive - and what can be done to make this inquiry different.

**Thesis:** We believe that there is very little prospect of your committee responding effectively to the many issues raised in these submissions and even less prospect of the providers of care making effective changes unless this inquiry results in changes that alter the way the system operates and the social forces that drive providers away from care.

The patterns of thinking of politicians, of providers, of the employee representative groups and of the public in Australia and much of the western world are frozen in time - somewhere way back in the 1980s. While we claim to be embracing the 21<sup>st</sup> century we hang onto the 20th as if our lives depend on it.

We have emerged from a century in which we have seen enormous advances. It has also been one of the most dysfunctional, violent and destructive in history. Many of our institutions are failing us and vast numbers of people are being harmed. The 21<sup>st</sup> century has started off even more violently and destructively. Many of our institutions are not working and citizens are not being served. We have never been more wealthy materially, but we are not using that wealth to create the sort of society we need, one where we can all lead fulfilling lives.

It is time to stop creating positive illusions and deluding ourselves about our society. Public relations exercises and attempts to create positive images of ourselves and our society are no way to identify problems and solve them.

As revealed in the quote, this is how our society has tried to shore up its failed systems and solve its problems. It is long past time to challenge our illusions and examine our failings.

... Oh, look, I think there's no doubt the current aged care system is broken. It reflects a decade of inaction.

What they've seen, for example, since 2004 is five separate inquiries by government, but no action coming out of it. All of them put on the bookshelf at the end of the day to gather dust.

**Source:** [Aged care under strain](#) - Michael O'Neill from *National Seniors* (ABC 7.30 Report, 14 Sep 2010)

... THE Australian health and aged care systems are fatally flawed, with no solution in sight

**Source:** [Aged failings](#) - MJA Insight, 2 Jun 2014 by Dr L Mykyta (experienced geriatrician) see also radio interview [Aged care is "fatally flawed"](#) (ABC Radio - Ian Henschke, 8 Sep 2014)

... It's a failure of bureaucrats and politicians. This issue doesn't get the attention it deserves and in the current political climate I doubt that it will

**Associate Professor Craig Whitehead** (President of the Australian and New Zealand Society of Geriatric Medicine)

... Given the adversarial nature of the politics of this area, the commercialisation of the RACF industry and familial neglect for some older people, I think we have more hope of seeing pigs fly than reasonable reform

**Source:** *Aged care "broken"* MJA Insight 7 April 2015, Professor Gerard Gill (General Practice)

... Aged care providers and peak bodies have called for a national positive image campaign to promote the industry's career opportunities to possible workers ranging from school students to medical and health professionals. - - - XXX proposed "periodic public relations campaigns" to improve the image of aged care as a career choice.

**Source:** *We're hiring! Aged care needs 'positive image' campaign to attract workers* - senate told (Australian Ageing Agenda) 11 Mar 2016 <http://bit.ly/1R6BN6L>

We need to put our beliefs on one side and look critically and realistically at what has happened and is still happening, analyse it to see what has gone wrong, imagine a better world and then devise ways of making that happen.

Doing that is going to challenge and upset those who have invested their lives in the past<sup>4</sup>. We need to recognise this, understand it, learn from it and not be constrained by it.

Aged care and our political system are two of the systems that are failing citizens and not serving us well. Aged care is provided in an environment where those who work within it cannot build rewarding lives and where those it is intended to serve are too often harmed. It is a failed market system.

The problems in the aged care workforce lie in the sort of aged care system we have and we cannot address them without addressing the problems in aged care. Aged care is intricately linked and dependent on government, on the political thinking of our time and on the structure of the rest of our society. We cannot separate them. Our political system is not working for citizens and our democracy is threatened by this<sup>5</sup>.

Aged care is a good example of what has gone wrong and a good place to start but we have to do so in the context of our society and what had happened there. Making changes to aged care means starting to make changes in society. It is a good place to start doing that. Our submission is an attempt to grapple with the complexity of society, look at what has gone wrong from a different point of view, imagine something better and suggest ways in which we can get there.

**Paradigm paralysis:** Our inability to change policy when required is called paradigm paralysis meaning that our beliefs and understanding are frozen. They have become so much a part of our lives and our society that we are unable to challenge them. We believe in what we and our society are doing so implicitly, that challenging those beliefs becomes untenable. We come to see what we believe and we don't believe what we see. Our social structures are organised around these beliefs and so bureaucratised that change from within becomes almost impossible. Evidence is ignored and critics are attacked<sup>6</sup>.

We remind the committee that we live in a complex world, in complex societies and are complex beings. To handle this complexity, we impose simplistic solutions and to do so we often depend on illusions to justify what we do. We seek certainty and do not have the courage to confront and embrace the uncertainties of the world we live in. We look at it only from one point of view and don't consider others. The problem is not that we do this but that we don't realise that we have done it and instead believe implicitly in what we are doing. Instead of listening and addressing criticism we reject it and attack the critic. As a consequence, we are constrained by the errors of the past and don't move on.

Our submission is of necessity long and it addresses complex issues so it is not going to be easy or comfortable reading. Many of the ideas and arguments we make may be familiar to some as they have been made by others but then ignored. We ask you to persevere and put aside preconceptions. **We will be happy to meet with the committee and explore the issues we raise and our proposals in greater depth.**

**Illusions:** In his 1997 analysis of our society *"The Unconscious Civilisation"* Canadian John Ralston Saul argues that *"We suffer from an addictive weakness for large illusions, a weakness for ideology. Power in our civilization is repeatedly tied to the pursuit of all inclusive truths and utopias"*.

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<sup>4</sup> Speak out if you dare - Aged Care Crisis website <http://www.agedcarecrisis.com/solving-aged-care/part-4/speak-out-if-you-dare>

<sup>5</sup> Politics is broken - Aged Care Crisis web site <http://www.agedcarecrisis.com/solving-aged-care/part-4/politics-is-broken>

<sup>6</sup> Policy and Evidence Aged Care Crisis web site Jan 2016 <http://www.agedcarecrisis.com/solving-aged-care/part-4/policy-and-evidence>

In his later "On Equilibrium" he writes about our need to accept uncertainty contrasting it with our weakness for the certainty of ideology. He looks at ways of overcoming this weakness.

The primary illusion in aged care is that ideas developed in one context where they work can be applied indiscriminately to other contexts. Instead of using them where they work, we come to believe in them and see them as universal truths.

Beliefs built on illusions like this simplify the world and protect us from the anguish of uncertainty. It gives us a sense of stability and confidence in what we are doing and tells us who we are - but far too often doing so causes harm. We can see this retreat into certainty as psychological cowardice but we all do it - usually without realising we are doing it.

We seize on insights into one part of our complex social structure that has benefits there and then apply it elsewhere or develop other social structures based on it. We isolate it, strip it away from its original context and apply it to excess as if it is some universal good (eg. competition and efficiency). We ignore the other aspects in our society and our makeup that modulate it, control it and prevent it from becoming dysfunctional. We criticise others for believing in illusionary ideologies but are unable to see when we are doing this ourselves.

**Context:** A central message in our submission is that people respond to the context within which they find themselves living. Contexts and the way we think of things are inseparably intertwined. When we change one, we change the other. When a system does not work for citizens the problems often lie in the context or contexts within which it operates and the patterns of thinking that are needed to build successful lives there.

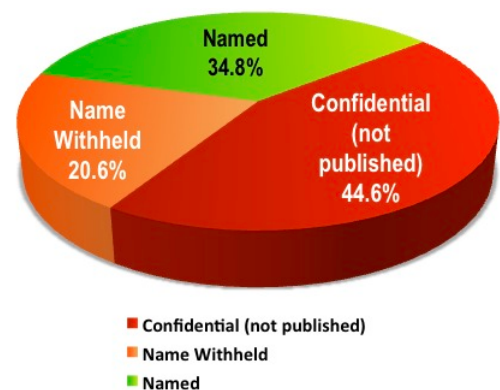
The aged care system is not working for citizens or for those who work there because the context within which it operates does not allow it to do so. This submission makes proposals that seek to change the context within which those who provide aged care work and build their lives - and so the way we think about it.

## Comment on the submissions already made

Aged Care Crisis (ACC) was interested and then concerned by what the list of submissions to this Inquiry revealed. We find it very worrying that so many submissions are confidential and so many have the names redacted.

Nearly half of the submissions published (so far) by the inquiry are marked as "confidential" (therefore, not published) and a large proportion of published submissions have their names redacted. The majority of those with names redacted, are from aged care staff (mostly nurses). Some nurses have submitted with their names, but very few.

This can only be because of a fear of retribution, because the allegations made are so strong as to be defamatory, or perhaps because some submissions would anger the community and produce a critical community response similar to that that resulted when providers and government in NSW planned to remove the requirement that at a minimum all nursing homes should have a registered nurse on duty at all times. If this is so, then we find the unwillingness of the advocates for reduced staffing to stand behind their beliefs worrying and not democratic.



**In only a little over 30% of all submissions do we know who made the submission and in a little under 50% information and opinion is being concealed. This is the opposite of open government and not truly democratic.**

The figures reinforce our argument that nurses (and families) are frightened of speaking out for fear of retribution and just possibly, that some in the industry would rather the public did not know what they were doing with staffing and have therefore made their submissions confidentially.

Speaking out about failures and institutional elder abuse is always stressful and confronting. Because the only oversight system, "accreditation" is failing so badly, we have no choice but to depend on whistleblowers for the information we get. In our opinion these figures speak for the difficulties in getting accurate information in the sector.

The Aged Care Complaints system has not been productive in resolving these types of issues, leaving many family members and staff traumatised. Sadly, the entire system frustrates the exposure of deficiencies instead of supporting it.

## Contexts

**Good ideas constrained by context:** While there have been major changes and many good ideas in aged care, these changes and ideas are being forced into becoming a part of, and being subservient to 1990s patterns of thinking and policies, and the contexts they created. These 1990s ideas are built on half truths. They are not valid and need to be challenged. They undermine and compromise the intention of the proposed changes. Twenty first century innovation (eg. Consumer Directed Care) is being promoted but only if it is done within the constraints of obsolete 20 Century thinking and that is not innovation at all.

This is not because any of the contributors to your inquiry do not have the best of intentions and do not believe implicitly in what they are doing or asking for. ACC agrees with much of what is being said, particularly by family, by staff, by the nurses and by some not-for-profit providers. We also realise that there is often a large gap between what people say and believe, and what they do in practice.

**Deceiving ourselves:** When there are strong social pressures towards dysfunction within any system we fallible humans have an unfortunate tendency to believe the words we use and ignore what we actually do, as well as what is happening as a consequence of our actions. It is a human failing, but to survive and maintain a sense of self, of purpose and of achievement, we often find ourselves living in a context where we have no choice but to do so. Either we believe what we are doing in the face of evidence, or we become alienated and disillusioned and go elsewhere. To be successful, we need to deceive ourselves so that we can believe. The French existential philosopher Jean Paul Sarte description of this deception of self in order to claim identity has been translated into English using the words "bad faith".

**Social pressures in aged care:** Our argument is that the context created in our aged care system creates tensions and social pressures that place participants in a situation where this happens. They will either believe in what they are doing and not see what the consequences are, or else they will see and then become alienated and disillusioned. How they respond will depend on their role in the system (management or staff) and their individual psychological makeup. You cannot successfully provide humanitarian services in a context like this. What you get is totally different and incompatible views. This is only possible when no one is confronted by accurate and verifiable data.

Those who believe respond to criticism by defending their ideas and practices and by stigmatising their critics. They are unable to think outside the box. We can describe this behaviour as "responsive". It

does not lead to constructive change. ACC suggests that we all need to think differently and in doing so, come up with a system where this does not happen – one where we think “constructively”.

**We hope that participants will confront our criticisms in the spirit in which they are made and that in their deliberations, the committee will challenge both themselves and those who give evidence.**

At first, criticism can appear ridiculous to some, prove challenging and even threatening. As ideas develop and preconceptions are challenged, we hope that it can become exciting, challenging, rewarding and productive. Instead of behaviour being “responsive” it becomes “constructive”.

This is what we hope to achieve. It is the best way to address issues and make changes. There have been huge elephants in the room at every previous inquiry. We are asking you to turn around and look them in the eye. You cannot make useful changes unless you confront them.

## 2. Criticism

**Addressing a complex issue:** An in depth critical analysis of why the market has failed and the reasons for this requires a careful analysis supported with references. We have decided to put only an overview of the criticisms here in point form. A more detailed analysis with multiple references and quotes is supplied in Appendix C at the end of the submission. We need to move on to show how we feel these problems for aged care can be addressed and how this would resolve many of the difficulties in the system.

**The absence of data:** The major problem for every inquiry into aged care has been our failure to collect information and analyse it properly. As a consequence, policy has been made in the dark and illusions have gone unchallenged. Your committee will find itself struggling to balance conflicting opinions developed in a system underpinned by illusions and where there is little or no evidence to support or confirm the assertions being made. This is unfair on the committee on whose shoulders this burden falls and unfair on the seniors who have to suffer the consequences of failed policies.

**Staff issues in context:** Staffing issues cannot be addressed in isolation. They are intimately related to what is happening in nursing homes and to the way the system operates. They are affected by and impact on what is happening in society. It cannot be considered in isolation and recommendations that try to do so will not be credible or useful.

It is clear that the aged care system is in crisis, that it is not working and that both staff and customers are trapped in this system. The problems in staffing will not be solved without addressing the failure of the system and the impact that has on staffing.

The failure of our aged care system is largely due to a failure in policy making and a failure to acknowledge that and make changes.

### The political problem

Like other western societies our political system is locked into simplistic economic thinking that originated in the 1970s and 1980s, developed into an ideology and was applied in Australia during the late 1990s and early 2000s. We did briefly explore new 21<sup>st</sup> century thinking and even took a few tentative steps into the future although not in aged care. But in 2014 we panicked and lurched back into the ideas of the past. Sixteen years into the 20<sup>th</sup> century we are grasping the beliefs of the 20<sup>th</sup> even more closely than before and hurling abuse at those who challenge them. It is time to challenge this, accept that it has failed far too many, and move forward.



Like all ideologies believers ignored history, knowledge, logic and common sense. They supported their thinking using plausible seemingly self-evident “truths” that in retrospect can be seen to be illusionary. One prominent medical critic commented in 1997 that mad cow thinking (ie unregulated markets) was infused into every vein of our society whether applicable or not.

Mad cow disease is characterised by strange movements and delusions! We cannot move on until we look at what we have done and confront it honestly.

### **Among the many things that were ignored or explained away are:**

1. That markets are simply mechanisms based on competing self-interest. Those unable to compete will lose out and be exploited. Markets have no values. They do not fix anything. It is humans that make markets work in their interest and in the interests of society and conform to our values. A belief in free markets that gives them illusionary attributes and properties that they do not possess is very likely to fail. They are not self-correcting and cannot be left to their own devices. It is people who control their self-centred and ruthless appetite and make them work for society.
2. Citizens in many sectors are vulnerable and lack knowledge, so are unable to make the market work for them. Unless they are protected the market will exploit their vulnerability and they will be harmed. This is what is now happening in multiple sectors in our society.
3. The most basic of category logical errors (comparing apples with apples) was ignored. The necessary conditions for a market to work (eg effective customers) were ignored in the illusion that markets were somehow universally applicable and self-correcting so should not be interfered with or constrained.
4. Extensive evidence of serious problems in vulnerable sectors in the USA which Australia was copying were simply ignored.

### **A. Among the many consequences are:**

1. Government followed the market in restructuring its own operations and the rest of the country using managers and engaging corporations that were also structured as management systems. Together they introduced a top down structure in which expertise, knowledge, and decision-making is located at the top. Decisions are then passed down the chain of command for implementation.
2. Citizens are no longer involved in running their communities, in making policy and in controlling their own lives. Communities have lost knowledge, power, influence, then confidence. We have steadily disengaged from the affairs of our communities and our country. This has been described as a *“hollowing out of communities”*. As a consequence, citizenship has been emasculated. It is increasingly seen as about rights and personal benefit and not as a responsibility to be involved - responsibility for our fellows including the vulnerable, for our society, for our country and ultimately the future of our world. Communities are fragmenting and breaking up. Our community institutions have lost credibility.
3. As a consequence, civil society has ceased to play its key role in our democracies. It no longer effectively vets and controls the excesses of politicians and the market.
4. Citizenship has been replaced with a cult of leadership. Instead of electing members who will work with us to run the country, we elect leaders to make decisions for us. Charisma, conviction and simplistic rhetoric replace trustworthiness, wisdom and a broad balanced perspective as the attributes we look for when electing politicians.

5. Politicians and government have accepted this leadership cult. They have developed inflated ideas about their roles, their ability and power. They have come to believe that they could run the country and control dysfunction by regulating and without the involvement, co-operation and assistance of the civil society that elected them. They are not capable of doing this.
6. Businesses have consolidated becoming larger, more credible and more controlling. Government has become responsible to them rather than the public. Politicians have become victims of corporate con artists selling attractive self-serving illusions (eg. that you don't need skilled nurses in aged care). Markets have invaded and largely appropriated the space once occupied by civil society.
7. As civil society has withered and fragmented, the market has consolidated, organised and become more powerful. It has increasingly taken control of the media and uses this to control what we are conscious of and what we think about it.
8. Instead of working with its critics and the public, government has formed close links with like-thinking interest groups who do not adequately represent the wider community. They have worked together to make decisions and co-operated in avoiding public discussion and in selling false illusions (eg the *Living Longer Living Better* "reforms"). In retrospect, we can see that they might not have wanted this deception scrutinised.
9. Policies are no longer subjected to rigorous debate by an informed and actively involved community. The community no longer has the knowledge to do so, or sufficient interest to realise what is happening. It is only when they find themselves in need of care that they are faced with the reality but by then it is too late. In an ageist society they have no influence and no one listens.
10. Politicians run the country like a marketplace. Instead of involving the community in developing ideas and using their experience and knowledge, they have kept citizens in the dark. They sell their ideas to the public using public relations strategies intended to influence rather than engage. They hide information from the public and deliberately deceive them. As a consequence, ideas are no longer debated from multiple points of view and criticisms confronted. Dangerous illusions became policy.

## **B. Issues of concern include:**

1. Health and aged care are essentially activities in which society cares for people in need who can no longer care fully for themselves. It is a community activity which has been appropriated by government and then passed on to the marketplace. This has been done without adequate community debate and in the face of strong evidence available at the time that this would impact negatively on care. It is now clear that it has.
2. In aged care profits and care come from the same pool of funds. Without an informed and powerful customer there has been no means of ensuring that funds that should go to care are not diverted to profit. The system was structured so that there were strong incentives to do so. Without an involved, informed and critical civil society this situation has continued unchecked.
3. Effective health and aged care is driven by collecting and carefully evaluating evidence, controlled by ethical beliefs and motivated by humanitarian values. Markets are driven by the need to profit and the ambitions of entrepreneurs. Both challenge ethical structures and humanitarian values. Their success depends on creating a positive image and they do so by controlling and interpreting the information their way. When it is unfavourable they hide it or explain it away. Unacceptable conflicts and irresistible pressures were introduced into the system.

4. Australia does not collect the sort of information needed to enable consumers to be effective customers, inform civil society or permit the development of evidence-based policy. **There is virtually no quantifiable information about standards of care, quality of life or staffing in nursing homes. The only reliable study is an indictment of government's marketisation policy.** It shows that nursing homes operated by for-profit operators are sanctioned more than twice as often as not-for-profit. The only information about staffing comes from leaked reports commissioned by the industry and these suggest that staffing is woefully inadequate.
5. For information, we have to depend on submissions to enquiries by family and staff, from whistle blowers, and from investigative journalism including journalists who have posed as nurses in order to gain access to nursing homes. This paints a very disturbing picture of widespread understaffing, exploitation and victimisation of staff, concealing failures in care, inappropriate corporate cultures and widespread failure to provide adequate care.
6. Aged care is only one of many sectors where the system itself, the customers or the employees are vulnerable and where profits can be increased by exploiting this vulnerability. In almost every one of these sectors the markets have failed and the community, the customers or the employees have been misused, defrauded and often harmed in other ways.

The late 20<sup>th</sup> and the 21<sup>st</sup> centuries have been characterised by a series of scandals in these sectors in those countries that have applied free markets in this way. Health care in the USA has become the most inefficient in the world costing far more than in other countries. It has health outcomes that are inferior to most other developed nations. It has been plagued by scandals in which those it is supposed to serve have been harmed. Aged care is only one example of this same problem and it cannot be dealt with in isolation and without confronting the wider problem.

7. Australia is not unique. The USA and the UK have adopted similar marketplace policies and the aged care system in both of them is in crisis. They collect far more information about standards of care and about staffing. A more accurate assessment of the extensive problems in their systems can be obtained. It is unlikely that Australia is different.
8. Aged care data from the USA clearly shows the relationship between the pressures to increase profit and both staffing levels and failures in care. Facilities owned by for-profit chains employ far fewer staff and have several times more failures in care than not-for-profit owned facilities. Those owned by private equity employ even fewer staff than the for-profit chains, have even more failures in care and the figures get worse the longer the facilities are owned by private equity.
9. In the USA it has been possible to evaluate the impact of staffing on care. At the beginning of the 21<sup>st</sup> century they were able to recommend that residents should on average each receive 4.5 hours of care per day. This was because levels below 4.1 hours *"may provide a level of care that results in harm and jeopardy to the residents"*. The average in the USA was about 3.5 hours per day and *"nine out of 10 nursing homes lack enough employees to provide adequate care"*.

A subsequent US federal study showed that below 2.9 hours per day most residents *"needlessly suffer harm."* In Australia it can be deduced from the leaked Bentley's report that the average in Australia is probably about 2.8 hours. If that is correct, then this suggests that in probably around half of all nursing homes, *"most residents needlessly suffer harm"*.

10. Even when they have information, governments in the USA, UK and Australia have been singularly ineffective in controlling the failures in care.

**11. Australia is the only country that has relied on accreditation as a means of regulation.**

Accreditation is not only allied with industry and government, but is ill suited and poorly equipped to fill the roles it has been given. Its reports are done in a way that minimises the extent of failures and hides the fact that their figures show that nursing homes owned by for-profit organisations fail accreditation several times more often than those that are not-for-profit when other variables are taken into account.

12. Both the accreditation process and the complaints system have been heavily criticised. They seem to be closely aligned with the interests of government and industry. Neither have worked for citizens and neither have the confidence of the community. This is reflected in hundreds of submissions made by family members and staff in various federal and state based Inquiries over the years.

13. In order to address the country's balance of payment problems, the government has negotiated trade agreements with China and other countries to help them address their aged care problems. To do so, Australia will need large corporate market listed chains, which can compete with similar chains from the USA, Europe and other countries.

The bulk of available evidence indicates that these chains employ less staff and fail standards of care more often than a system that is not driven by profits. Government was, or certainly should have been aware of this.

Three of Australia's largest aged care chains listed on the share market shortly before or soon after the *Living Longer Living Better* legislation was introduced<sup>7</sup>. Leaked market reports show that profits since then have increased 40% and the funds spent on care have fallen by 10%. It is difficult not to conclude that the *Living Longer Living Better* strategy and the policy of consolidation:

- a. had nothing to do with improving care,
- b. was done in the knowledge that care would probably be compromised further,
- c. that government conspired with their selected allies in NACA to deceive the public,
- d. that both knew that what they were doing would result in poorer care for Australia's seniors and not the improvement that they were promising, and
- e. that both were prepared to sacrifice the wellbeing of seniors in order to improve our balance of payments and not inform the public.

## Problems in the providers of care

1. We have created a competitive market where for-profit providers who are there to make a profit and who generally provide inferior care have a considerable advantage over not-for-profit providers who are there for altruistic reasons and provide better care. Better care is more costly and those who insist on providing it are disadvantaged. The consequence of this is that the number of providers who provide better care is decreasing and the sector is growing by increasing the number who provide worse care. **The incentive is to spend as little as they can get away with on care, a recipe for mediocrity and a race to the bottom.**

2. A system that is dominated by for-profit providers and where they set the patterns of thinking and determine how the system operates, is not in the interests of elderly Australians. This is an issue that any inquiry into aged care whether about workforce or care will have to confront if it is to make changes that benefit the workforce or the community. It can be seen as a test for our political system and the integrity of our politicians.

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<sup>7</sup> General Purpose Standing Committee No. 3 (Proof) - 8 March 2016:  
[http://www.parliament.nsw.gov.au/prod/parliament/HansArt.nsf/V3Key/LC20160308041?open&refNavID=HA8\\_1](http://www.parliament.nsw.gov.au/prod/parliament/HansArt.nsf/V3Key/LC20160308041?open&refNavID=HA8_1)

Put simply, do our politicians serve the marketplace that fund their election campaigns or do they acknowledge the evidence and serve the citizens that elect them? Rob Oakeshott who held the balance of power in parliament and negotiated with opposing parties claims that they take the money.

3. Corporations are structured along managerial lines with decisions made at the top. These are implemented by a hierarchical series of business managers each of whose careers depends on implementing them successfully. They are designed to improve profitability and so competitiveness. Resistance to policies and practices from the workforce impacts manager's performance and will not be welcomed or readily tolerated. The system creates pressures that can only compromise care.
4. Not-for-profit providers developed as community organisations driven by Samaritan traditions. The communities knew what was happening and supported them. They stretched resources for maximum benefit. They were uncomfortable with deceptive marketing and although there was rivalry they cooperated and did not compete. There was no need.
5. Not-for-profit providers are now forced to compete in a marketplace where all the competitive pressures are about profitability. Although the evidence clearly shows that they provide superior care with more staff and fewer failures, they are disadvantaged in a market where spending more money on care disadvantages them. They struggle to compete and are spending their money on conferences where consultants and public relations experts explain what they need to do to become competitive.
6. Instead of concentrating on care, they are employing public relations firms to create an idealised image and consultants to help them manage their facilities profitability. Resources are being diverted from care to the business of markets. This is generating cultural change. Management are increasing embracing and adopting market thinking and market practices. Whether staff who choose to work at the bedside in this sector because of their claimed mission of care will be as easily convinced, is debatable.
7. There is no data available to indicate the impact of these changes on care in the not-for-profit sector but logic indicates that this will have the same impact as it had in the for-profit sector. **There will be fewer less skilled staff and this will impact on care.** Their standards of care will fall.
8. Politicians claim that this is 'efficient' and use this to persuade the public that competition in the sector is beneficial and that what is happening is necessary.

## Employee representative groups

1. The employee representative groups' primary role is to serve their members by improving their financial position and their working conditions. They have little power in the sector and it is not one where they can call their members out on strike and remain credible.

## Staff and families

1. The many submissions to this inquiry describe the plight of staff whether they be nurses, doctors or paramedics in the sector. Staff cost money and the more skilled they are, the more they cost. Staffing is by far the largest cost of care – usually over two thirds of costs. Success in a competitive market can be most easily achieved by cutting costs. It is hardly surprising that staffing numbers and skills have fallen steadily as competition has increased. Without an effective customer that insists on adequate staffing, this was inevitable.

2. Staff forced to work in an environment with which they cannot identify become disillusioned and unmotivated. This leads to callousness and a lack of concern. The culture of the organisation and its objectives are critically important. Staff who are motivated by a mission of care become alienated when they have to work in a context where care is driven by the pressure for profit, particularly when this compromises care. Managers on the floor must adopt and identify with the pressures for profit. Too often those managers who don't leave are those who can ignore the consequences by placing a barrier between themselves and junior staff and resident's families. They can be aggressive and domineering in dealing with staff and relatives.
3. The submissions from those who have had experience at the coalface are very important in documenting what is happening but there is no more chance of the government and industry listening than there was at previous inquiries. There is not much prospect of the long list of recommendations made in so many submissions actually happening – even if the committee recommends them.
4. They will only happen if control of the system is taken away from politicians and providers of care and put into the hands of the people who are most affected, the families who are the customers and the communities who are responsible for their welfare of those in their communities and then only if they are given the power to force change and are prepared to use it.

## The community

1. When considered very broadly, political representation and political debate is focussed on the economy with one party representing and supporting the businessmen and the other the workers. A minor party, the Greens represent the environment. Civil society has no representation. Its structure and operations are seldom debated and depend on all of the parties to remember that they matter. Clearly they don't think that it does. The major parties treat it with such disdain that they routinely deceive it in order to impose their policies.
2. In functioning capitalist democracies, markets are the engines that civil society uses to support the life style of citizens. Free market ideology seems to have reversed this and placed the market before society. Society has been restructured to support the market, which has become an end in itself. It is even cannibalising vulnerable sectors of society.
3. Ideology imposes narrow frames of understanding on society. Analysts who look at belief systems see it as an escape from the stress of accepting and dealing with complexity and uncertainty. Our best defence against our weakness for illusionary ideologies is a civil society that forces us to confront the broad range of understandings and points of view needed to understand our world better and manage its complexity.
4. This submission argues that to address the problems in aged care we need the involvement and support of an effective civil society. One of the ways of rebuilding civil society is to put civil society in control of aged care and of the aged care marketplace. In doing so we will also be creating the effective customer, whose absence has caused this market to fail.

## 3. Recommendations: suggestions for change

### Bringing this together

ACC argues that aged care is a failed market, one of multiple failed markets. Until the market is made to work, the many problems identified, the plight of the frail elderly, and the workforce issues cannot be addressed. Past attempts to address the problems without doing this have failed.

Aged care cannot be separated from the society to which it belongs and its failure must be seen as a manifestation of problems in that society. A committee which looks at aged care in isolation, is not going to adequately address the issue. Our criticism of many of the submissions to the Inquiry is that they fail to address the wider context. We worry that the committee will follow their lead. ACC is attempting to look more widely and persuade the committee to do that too.

Our proposals for change are based on market theory and are supported by social theory. Our criticisms are not new. We are echoing what others have said but are applying those criticisms to aged care.

#### There are two key points:

1. The market has failed because its customers are vulnerable and lack the knowledge and power to make it work for them and because many employees are also vulnerable.
2. We developed a market like this because civil society failed and did not meet its responsibility to control the excesses of markets and politicians - and their weakness for all encompassing ideologies.

## 4. Our recommendation

**Background:** While we developed our ideas independently we find that it fits well with what many others are now proposing for the 21<sup>st</sup> century. What we are suggesting can be seen to be part of the broad global Open Government movement, as well as part of a growing movement for participatory democracy. It fits well with what many here and internationally are saying about services to the vulnerable and addresses the failures that caused early attempts to implement some of these ideas in the UK to fail.

Research and experience now shows that many services to communities depend on the communities themselves embracing the services. They work best when the community is involved in design and implementation, and when the service is controlled by the community itself. Governments and welfare organisations serve the communities best by working with and supporting them.

For more information about this and resource material please see our attachment to this submission: ***Appendix B – 21<sup>st</sup> Century thinking and research.***

**Proposal:** What we propose and we ask the committee to consider and make recommendations for, is a large number of co-operating local community organisations drawn from and largely staffed by the community to manage and organise all local aged care related activities. This would include medical and paramedical staff as well as nurses. Academics interested in aged care would participate.

Providers would not be excluded from participation in discussions but as this organisation would be the proxy customer deciding the fate of the providers, this might need to be at arms length.

Our proposal builds on ideas generated in 2008/9 and proposals made to the 2010 Productivity Commission by one of us<sup>8</sup> and also on ideas suggested by Professor Maddock's in 2014 whose term "Community Aged Care Hub"<sup>9</sup> we have adopted.

Each community "hub" would be jointly responsible to their own community and to government reporting to both. This would not replace government or the market. Government would train and mentor but not control. Government would work with and through the community and the community would manage and be the local arm in implementing and managing government run activities such as oversight, advocacy and complaints handling. They would work closely with providers of care where they would be responsible for the ongoing collection of accurate data about staffing, standards of care and quality of life. They would work with providers in planning and managing services in the community.

They would be the community organisation that supports the development of services and activities that are inclusive of the aged and of innovative solutions to the problem of ageing. They would work with families and potential residents giving them the information they need and guiding them as they make choices. They would become the de facto or proxy customer in much the same way that the medical profession works as proxy customer for hospitals. Like them they would be able to put any company that behaved unethically by putting profit before care out of business<sup>10</sup>.

To be effective, the community hub would need to have sufficient control and power to control the market and make it meet their requirements. They would need the power to decide which organisations operate in their communities.

The community organisations would elect a central body to coordinate their activities and to work with government and with provider and professional organisations in developing policy. Unlike NACA, there would be no clause prohibiting criticisms of decisions made. Key responsibilities would be the integration and analysis of data collected from the sector and the encouragement of research into aged care.

Another important role would be involvement in the *Approved Provider Process* which must be transparent and where they would have a right of veto. To operate in Australia, organisations would need the approval of the community and to provide services in a local community would require the agreement of that community. Probity would become an issue.

It is not our intention to be prescriptive because we think that policies like this should be the product of discussion within the community so our suggestions in **Appendix A** and on our website are preliminary suggestions only and are suggestions for consideration.

What we propose would create an effective customer and re-engage civil society. It is in keeping with modern ideas of personalisation and citizenship for disadvantaged groups and provides the sort of support that they need. It can be seen as an essential component of open government because it places the control of information in the hands of those who need it most. It embraces the principle of participatory democracy by involving citizens at the coalface directly in policy development and by providing a structure where that feeds into an integrating body that works closely with government.

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<sup>8</sup> <http://www.pc.gov.au/inquiries/completed/aged-care/submissions/sub368.pdf>

<sup>9</sup> <http://www.agedcarecrisis.com/solving-aged-care/part-2>

<sup>10</sup> Mayne Crashes 2002 and 2003 Corporate Medicine website - <http://www.bmartin.cc/dissent/documents/health/maynecrashes.html>



**Workforce:** The change in culture that would result from a cooperative process with community and staff working together would empower the staff and change the relationship between management and staff. Bullying would be unacceptable and feedback important because the customer would be discussing issues with both staff and management. Staff would be making important contributions and their opinions would be valued.

## Difficulties in implementation

It is readily apparent from consumer engagement, for example, in the development of (voluntary) aged care Quality Indicators<sup>11</sup>, that consumers have some broad rather idealised ideas of what they would like, but little in depth understanding of the aged care system and what is happening there. As we have indicated above, the community are currently disengaged and disinterested but unhappy. But they are this way because they have been marginalised and placed in a position where they are not encouraged to engage and have no power.

Aged Care began as a community operated service fuelled by our Samaritan traditions and in essence that is what it still should be. The community were involved and participated. So how do we reactivate and rebuild those Samaritan ideals? We are existential beings and if we cannot build and construct our lives in any situation we disengage and go elsewhere, which is what has happened to the community as well as to aged care nurses.

To reengage our community, we will need to reverse this process. We will need to seek out those who are interested and who have some knowledge, then engage them in a process where what they decide will happen. There must be outcomes with which they can identify and which they are proud of. To do this, they will draw in others and gain knowledge and confidence. If they themselves build a new and better system they will engage with it. **The workforce, who are the most critical and important contributors to the success of aged care, should also be engaged and contribute to this.**

This is not going to be easy and cannot be imposed. It will require the support of government who will have to adopt a very different approach to that they now use. It will require the support of the market. Hopefully the not-for-profit sector will be eager to re-engage with their communities and bring their for-profit colleagues to the table.

The difficulty of course is that aged care is in crisis now. We have a system where good care occurs in spite of the system. What we are suggesting is that we change this to a system where good care occurs because of the system and not in spite of it. It may not be easy to make the needed changes and it may take time.

If this is going to take time and no other measures are in place, there are frail residents who are being neglected and staff who are being exploited, disillusioned and unhappy. This needs urgent attention and citizens have a responsibility to protect each other.

If we cannot find a better short-term way of ensuring the welfare of our elderly, the alternative is that we encourage family members and staff to form independent support groups where individuals band together to collect information, document it and where possible get others to witness failures. They can then work as a group to use the press, the internet and social media to highlight good service and share failures so that others are warned and the market works.

Markets work because customers discuss their experiences with one another, whether these are with brands of mince pies or with nursing homes. They respond accordingly. In this very vulnerable sector, this process should be facilitated. We are dealing with services provided by corporate chains that

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<sup>11</sup> <https://www.dss.gov.au/ageing-and-aged-care/ensuring-quality/quality-indicators/residential-aged-care-quality-indicators>

operate across the country and customers of these chains need to know how they perform. Evidence clearly shows the impact of the culture within, and the policies of, chains on the staff and on the service provided. Technology provides the means of restoring a level playing field. By working as a group and using locals with some expertise as advisers this would ensure greater objectivity and protect individuals from victimisation. Such groups might liaise with others, form an association and eventually grow into community hubs.

Until the scales of justice are balanced for community and the aged care workforce, we make no apology for highlighting inadequacies in the system. This would be a last resort and necessary only if there is no other way of protecting vulnerable residents and staff.

We would much prefer a system, which is not adversarial, and where government, providers and community were all on the same page and worked together to create a system that works for everyone and where trust will be restored rather than further undermined.

## 5. Staffing under a different system

### Addressing the Terms of Reference of the Inquiry

#### (a) the current composition of the aged care workforce;

If the proposed hub were in place, there would be no need to try to draw conclusions from broad census and other data, nor to rely on an industry that has a competitive imperative to put on the best show it can. The proposed hub would have built an accurate record of the number, type, qualifications and actual abilities of staff in each facility as well as the acuity and required nursing levels of the residents, the number of failures in care and the overall standard of care.

While some assessments are subjective, hub staff would be working closely with staff, residents and families in the facilities and community. They would be in a position to supply information about facility culture, staff relationships, staff morale and the quality of life of residents. Because medical, paramedical, nursing and many other professionals would be involved, the needs of the residents would be known and the potential solutions already discussed and informed ways of addressing them suggested. When staffing innovations were trialled academics would have evaluated the outcomes against already established benchmarks. Benefits for consumers rather than costs, would be the measure of success.

The information needed to assess the performance of different types of provider, determine safe levels of staffing and skill needed for different levels of frailty and nursing acuity would be available. These things are done in acute care and there is no reason why they should not be done in aged care.

This is the information needed to make informed and reliable decisions. It is not currently available. The community is not able to make informed submissions to your committee. Your committee will be making decisions in the dark and will be relying on the opinion of stakeholders who often have their own objectives.

We suggest that the most important decision your committee should make is the development of a system that collects the information that the next inquiry can use. It is also the information needed to make the system work for staff and consumers and the information that will stimulate research and innovation. If it is not transparent, it will not enable change nor innovation. **We are offering a solution where the data needed is collected by independent individuals drawn from those who need to know, so that bias is eliminated and total transparency ensured.**

**(b) future aged care workforce requirements, including the impacts of sector growth, changes in how care is delivered, and increasing competition for workers;**

We do not even know what the current workforce is, let alone what the actual current requirements are. Civil society which should be most concerned as it has been deprived of information and so is unable to contribute. The committee will have to rely on claims made by organisations that have an interest in inflating the figures and on modelling built on inadequate and incomplete data. They will have to adjudicate between opinions coming from the providers on the one hand and from employee representative bodies on the other - and both have a strong interest in pressing their views. The leaked industry funded Bentley report gives an indication of just how inadequate staffing is and reports from the coalface confirm this. How will the information that is provided, stack up against that which the industry's own confidential report revealed.

**(c) the interaction of aged care workforce needs with employment by the broader community services sector, including workforce needs in disability, health and other areas, and increased employment as the National Disability Insurance Scheme rolls out;**

We believe that the criticisms we have made about the aged care system apply equally to the disability sector and other service industries. We believe that similar solutions to those we have suggested might prove useful. These could work in cooperation with, share staff with, or even be integrated into our proposed community hub. What all of these humanitarian services require is accurate data on which their performance can be assessed. Many suffer from the same problems as aged care.

The committee will have no choice but to base its recommendations on questionable data and opinion from groups that have a vested interest. This is what past inquiries have done and the current state of the aged care sector is a testimony to its inadequacy.

**(d) challenges in attracting and retaining aged care workers;**

Put simply, few want to work in the aged care system because it is singularly unattractive. The pay is poor and the working conditions in many facilities are appalling. The culture of profits over care destroys the motivation that draws people to the sector. There are many accounts exposing unconscionable conditions. While industry and politicians have denied that this is systemic, there is no data to support these claims. The leaked Bentley report suggests that they are. Until there is reliable data, the wellbeing of staff and of frail residents demands that we act. We urge the committee to do so.

Putting a gloss on this by trying to create a positive facade to recruit staff, will simply create a false impression and lead to disillusionment when the unsuspecting graduates enter the sector. This will impact on the culture and further reduce recruitment.

The first step in addressing the crisis must be to create a situation where working in aged care is as rewarding as it clearly can be. Good care cannot be provided by disinterested, unhappy and disillusioned staff.

The proposed community aged care hub would be well placed to insist on a rewarding working environment. Because it will have the power of an effective customer, it will be in a position to ensure that staffing is adequate in number and skills and that profit is not placed ahead of care. Available evidence indicates that while the industry claims they cannot recruit staff and are forced to employ (more vulnerable and cheaper) staff from other countries on special visas, **large numbers of newly trained Australian nurses are unable to find jobs.**

The proposed hub will be working closely with staff and will be in a position to protect their interests so gaining their trust. It will mediate for them, protect whistleblowers and ensure that neither they nor their family members are harmed. These have been major problems in aged care.

As a community organisation and customer, the hub would be in a position to press providers to create a satisfactory working environment not only for the nurses, but for doctors and many other health related professionals. If they were satisfied that there was real underfunding, then they could press government and the community for the funding and resources needed through their links to both. Ultimately, decisions about the way money is spent must lie with the democratic process and they would be well positioned to inform the community and motivate them to speak through the ballot box.

Those working with staff to collect data will have nursing skills and when capable will be helping and mentoring staff so that they will be supporting training. The rewards of altruism come from recognition of your effort, the quality of your work, your empathy and your dedication. The community play an important part in giving this feedback. They can support staff and protect them in ways not available to the unions. They can act for and support whistleblowers then protect nurses and the relative of a family who complains from retribution. Their regular presence in the nursing homes and their market power will enable them to protect workers in ways that are not open to the unions.

Potential nurses will be influenced not only by what they hear from those who have been there, but by the community that is also there. The community will play a very important role in promoting the status of nurses in aged care and in recruitment. They would be far more effective if they were promoting something they believed future staff would find rewarding and would be a profession within which nurses can build successful and rewarding lives.

**(e) factors impacting aged care workers, including remuneration, working environment, staffing ratios, education and training, skills development and career paths;**

The information we gather suggests that all of these play a part. As indicated, we are particularly concerned about motivation and disillusionment in the sector. These are seldom expressed by those negotiating for improvements. The culture in the facilities is important in this. We are particularly concerned by the culture that develops when profit and competitive pressures find their way into the workplace and when efficiency is used as justification for making changes in staffing that compromise care and working conditions.

**(f) the role and regulation of registered training organisations, including work placements, and the quality and consistency of qualifications awarded**

The governments policy of transferring training from TAFE's to the marketplace has suffered the same fate as aged care. It is a failed market turning out poorly trained. It has recruited graduates who are poorly suited to the sector. Its policy of recruiting from foreign countries draws some into the sector who are not really motivated by an ethic of care and who often get their training from shoddy commercial courses. There are issues of language and culture that need consideration. The way staff relate to the elderly they care for is critical for both of their quality of life and these barriers many need to be overcome.

ACC strongly supports the registration of all staff providing care with a professional organisation. Such registration maintains standards of training and performance as well as high ethical standards in the registrants. Unsuitable people can be barred from nursing.

**(g) government policies at the state, territory and Commonwealth level which have a significant impact on the aged care workforce;**

Regulations in regard to staffing should be uniform. ACC strongly supports the presence of registered nurses in nursing homes at all times and this should be a commonwealth requirement. Aged care also strongly supports the imposition of minimum safe staffing levels at least until we have the data and the level of transparency that would allow us to specify the necessary staffing needed based on known resident nursing acuity.

**We have in the past, asked for staffing levels to be made publicly available. This has been ignored<sup>12</sup>. In the current environment there are no Commonwealth legislated safe staff/resident ratios or skill levels in aged care.**

**We now ask the Committee to please require that aged care homes provide accurate information to the community about staff numbers, skills and rosters of those involved in direct patient care. This initiative would enable the community to make informed decisions about placement and care of their loved ones.**

**(h) relevant parallels or strategies in an international context;**

In the absence of Australian data we should make temporary recommendations based on available international data then review them as soon as we have reliable Australian data.

Both local and international data clearly show that for-profit owned facilities provide inferior care to not-for-profit. We have supplied information in Appendix C. Australia should abandon its policy of marketisation and consolidation until it has made changes to its marketplace and it can show that its restructured aged care market is actually providing good care and that competition is about providing the best care and not about squeezing the most profit from it.

Australia should stop deceiving the Chinese and other nations and should put its plans to provide a failed system to China on hold. Once it has a system that properly collected data reveals works for the community it can export this model to other countries and so help them to serve their citizens better. To do otherwise is dishonest.

**(i) the role of government in providing a coordinated strategic approach for the sector;**

In this submission and its Appendices, we have indicated and advanced arguments that show that government efforts to impose solutions on the community are inappropriate and counterproductive. They have failed here and internationally. Attempts by government to control and manage aged care by themselves has failed in other countries as well as Australia.

**This is a service to the community and there is growing evidence that services to the community should be designed and implemented by working with the community and then supporting them in managing this themselves.** What matters is what happens in our nursing homes and in peoples homes. The community is close to these and coordination and integration should occur in the communities. The changes that ACC is advocating do just this.

Central government control, integration and regulation does not work but government can and should work with community representatives to develop broad strategies so that integration occurs in each community. Broad strategies can be developed by working with the central hub coordinating committee.

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<sup>12</sup> <http://www.agedcarecrisis.com/opinion/articles/213-no-staff-for-10-5-hours-per-day>

**(i) challenges of creating a culturally competent and inclusive aged care workforce to cater for the different care needs of Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse groups and lesbian, gay, bisexual, transgender and intersex people;**

We have little experience of this but argue that the proposed community hubs should be encouraged, even required to draw heavily on these groups in those communities where they live. They would play an important role in developing culturally appropriate services. Once again the principle in providing a service to these communities should be to involve them directly in design and implementation.

**(j) the particular aged care workforce challenges in regional towns and remote communities;**

Data shows that they fail accreditation standards and are sanctioned more often than urban facilities. On the other hand, comments we hear suggest that they not infrequently, provide a better quality of life. This is because carers are drawn from the local communities and often know those they care for personally so relate better to them. Family and friends are nearby so links to the community are retained. It is clear though, that facilities and the proposed community hubs that work there, will require more support and training.

A major problem is the shortage of local beds so that local residents often have to go to facilities hundreds of kilometres away. All of the local advantages are lost and they die lonely deaths a long way from family and friends.

**(k) impact of the Government's cuts to the Aged Care Workforce Fund; and**

This was clearly a serious mistake as the workforce desperately needs support. It needs to be set against the generous *Living Longer Living Better* funding that was provided at the same time to allow the for-profit sector to consolidate and list on the share market while permitting a 10% reduction in funds for care. That a government would take funding intended to support the workforce and direct it to building a marketplace that evidence indicates compromises care, is a staggering expose of the pressures of the ideology driving them.

**(l) any other related matters.**

It remains simply to emphasise that aged care is delivered at the bedside and in people's homes. It is not delivered in boardrooms or in the corridors of parliament yet that is where decisions about aged care have been made.

Aged care should be managed by those at the bedside and in the community and aged care policy should be driven by those who live and work there. Government and business should be working with and through these local groups and policy decisions will be most effective when they are a response to what is happening there and reflect the views of those involved. Staff are drawn from local communities and will have input through those communities benefiting from their support.

Success in the marketplace should depend on actual performance in nursing homes and the community and not on the profit that can be extracted from care.

# Appendices to this submission

This document is our **main submission**, accompanying documents are summarised below:

**1. Main submission:** Inquiry into the Future of Australia's aged care sector workforce.

**2. Appendix A: A Community Aged Care Hub**

This document is derived from our website that describes how the proposed *Community Aged Care Hub* might be structured.

**3. Appendix B: 21st century thinking and research**

This document addresses the need for an effective customer. It discusses and supplies links to modern thinking about the provision of social services including personalisation, citizenship and community involvement. It examines 20<sup>th</sup> century failures before addressing the 21<sup>st</sup> century movement for open government, participatory democracy and a rebuilt civil society. Our proposal can be seen as lying within these movements and to meet their objectives.

**4. Appendix C: Why aged care is a failed market**

In this document we have simply tabulated our criticisms and assessment of our political system, our providers and other participants as they impact on aged care and address most of these issues in greater depth and support our argument with quotes and references to a large amount of material. We list the large numbers, but largely ignored market failures where vulnerable customers or employees have been ruthlessly exploited. We argue that aged care is a vulnerable market and that the volume of criticism and information is so great that, in the absence of any other reliable data, it must be accepted and acted on. The reasons why it is a failed market are quite clear. This is only a small representative sample of the material we have collected over the years.

**5. Appendix D: Community integration**

Our proposal is a wide ranging one which sees aged care integrated at a community level and not at a government level. Government will work through and with the community. This will vastly improve its utility to serve the community and its seniors. We have made submissions to other inquiries including those below. These illustrate the manner in which our community proposal will enable all of these services to be integrated and work together. It would also facilitate integration with the health care services and the NDIS locally. It may be possible to reduce the costs by sharing staff.

Please consider our submissions at these links as supporting evidence to your committee:

- **Review of Aged Care Advocacy Services:**  
ACC feedback form questions and our responses (web page): <http://bit.ly/25tqXxK>  
ACC supplementary submission (pdf): <http://bit.ly/1PCdyaY>
- **Inquiry into elder abuse in NSW**  
ACC submission (pdf): <http://bit.ly/1RMaEZ0>

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"It was once said that the moral test of government is how that government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life -- the sick, the needy and the handicapped.

**Source** Well known quote Hubert H. Humphrey, speech at the dedication of the Hubert H. Humphrey building, Washington, DC, 4 November 1977"