

**SUBMISSION TO HOUSE OF REPRESENTATIVES –
STANDING COMMITTEE ON AGEING INQUIRY**

From

THE SALVATION ARMY AUSTRALIA EASTERN TERRITORY

Thank you for the opportunity of submitting the concerns of The Salvation Army on aged care for the next 40 years. The Salvation Army Australia Eastern Territory provides 2,100 residential beds covering high care; low care and self care accommodation. These residential programs are supplemented by community aged care programs.

The following concerns are listed not in order of importance.

1. FUNDING

Most current funding is from the Commonwealth Government and it is the experience of The Salvation Army Australia Eastern Territory that the present level of Government income, both capital and recurrent, is not sufficient to provide services at the level The Salvation Army would wish to provide.

1.1 CAPITAL FUNDING

The Aged Care Act 1997 heralded the end of capital grants for building and was replaced with concessional resident supplements and accommodation charges. Whilst it can be argued that these incomes are sufficient to maintain building stock in its present form, it does not provide sufficient income to address the significant “catch up” costs in bringing aged care residential building stock to certification standards.

The Salvation Army is grateful to generous benefactors who have bequeathed real estate to The Salvation Army for Social Service Programs. Initially, these significant buildings were used for children’s services and then converted to aged care. Residents within these facilities affirm their enjoyment of older style residences however; these buildings do not ideally lend themselves to conversion to certification standards. These buildings will need to be replaced and at the same time recognise the heritage importance and listings.

Overall, The Salvation Army Aged Care services were not purpose built and will require a capital funding allocation in excess of \$65 million.

In summary, The Salvation Army argues that the capital income stream maintains aged care residential buildings at their present standard and has done nothing to provide capital funding for the short fall in bringing all buildings up to certification standards.

1.2 WORKFORCE

The shortage of registered nurses is Australia wide and aged care in particular is affected. The award differential between aged care and primary care health facilities does not assist in attracting registered nurses, or nurses at other levels, to aged care employment. Additionally, the work pressures of accreditation and clerical workload of the resident classification scale has placed a further stress on the aged care workforce.

These issues are presently under Commonwealth review and The Salvation Army supports a funding regime which minimises the amount of paperwork required so that staff can be released for resident care.

2. GOVERNANCE

The issues of over governance of the aged care industry is a real issue with both the Commonwealth government, through funding and accreditation and the State government through regulations for the nursing homes, conflicting both in management practices and time demands. It is the view of The Salvation Army Australia Eastern Territory that State governments should rely on the legislation and regulatory powers of the Commonwealth. Further, the handling of complaints within the aged care system has involvement from the Commonwealth Department of Health and Ageing, the Commonwealth Complaints and Resolution Scheme, the Aged Care Accreditation Agency, State government health complaint schemes and the State government Health Department. On the basis of one complaint, the aged care facility can have interventions from all the above departments each independent of each other.

3.1 BABY BOOMERS

It is a matter of record that the aged care population will double in the next 40 years however it is uncertain what aged care provision will look like. Whilst it can be argued that the baby boomers will be more selective and demanding, it also needs to be recognised that the supply of residential aged care bed licences will not increase proportionate with the increase in aged care population. The supplement of community aged care packages and home and community care will assist older people to receive support in their homes, however the doubling of population will place increasing pressures on high care facilities to be palliative care units and for low care facilities to become more high care service delivery.

It is the view of The Salvation Army Australia Eastern Territory that this dynamic, coupled with the deficiency in Commonwealth capital income, needs to be immediately addressed if aged care residential buildings are to meet these likely future service requirements of clients.

3.2 ACTIVE LIFESTYLE

The doubling of the aged care population in the next 20 years will also mean that there will be a significant increase of those in active retirement. All churches provide a wide range of programs to the older population and there is tremendous potential for the churches together with State and Commonwealth governments to form strategic alliances to provide a network of services to the older population to optimise health, participation and security to enhance their quality of life.

The potential for nursing homes to become centres for convalescence is worthy of serious consideration. The provision of post-acute care offers a helpful partnership with the hospital system and the prospect of a return to their own community for older persons.

It is important that care services - both residential and community – should promote lifestyle, not only clinical health. The care recipients are people, not a cluster of diagnoses. There are human dimensions which must be acknowledged and supported.

3. ECONOMICS

The Salvation Army Australia Eastern Territory perceives a widening of the gap between the “haves” and “have-nots”.

The new reliance on superannuation and “user pays” has the potential to widen this gap given the number of employees in the present workforce that will not receive a significant superannuation benefit on retirement.

Those with financial capacity will have the opportunity of choice however those without such capacity will have a heavy dependence on government and church assistance.

The Salvation Army Australia Eastern Territory strongly recommends a support infrastructure to ensure that such persons are not disadvantaged financially or in accessing appropriate support services.

A long-term employee contribution insurance scheme may provide a means of funding future care needs. Such a scheme must not be to the detriment of those who may be precluded by their circumstances from contributing. This matter requires urgent research so that there is an early response to this future need.

Aged care services – both residential and community – must never become the ‘dumping ground’ for neither the poor nor the sole province of the well to do.

5. CARE IN THE COMMUNITY

The Richmond Report saw the relocation of in-patient mental health care to community based care.

It is recognised that the needed support resources did not follow the initiative and that a significant number of older persons with mental health issues do not have a support infrastructure. These people are the hardest to place in the welfare and support system, as their carers are unable to provide the needed level of support. The Salvation Army Australia Eastern Territory supports strategic alliances being formed to ensure that persons with mental health issues have access to appropriate support services.

In any case, the increased development of care services and packages to older persons from a community base can overlook the personal and lifestyle issues for such care recipients. While those receiving care within their own home feel a sense of security and independence, the reality for many is an increasing vulnerability and isolation.

6. CONCLUSION

The above are issues that The Salvation Army Australia Eastern Territory believe should be subject to a robust, open and transparent debate throughout all levels of government, church and charities and aged care providers.

We thank you for the opportunity of participating in the inquiry.

Yours sincerely

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