



Senate Enquiry into Aged Care

Committee secretary,
Senate finance and public administration committee,
Department of the Senate,
PO box 6100
Parliament house
Canberra ACP 2600

Dear Sir,

The board of Presbyterian Care Tasmania (PCT) request that the committee consider the accompanying submission.

The board of directors of PCT are deeply concerned at the present state of the aged care industry in Tasmania, and the increasing difficulties faced by our own organisation.

The committee would be aware that almost 95% of aged care in Tasmania is provided by the not for profit (NFP) sector. Our organisations are managed by people whose energies, objectives and interests are directed to care of their clients and not to profits for owners or investors. We are heavily dependent on adequate government funding, and this has been steadily and severely eroded over the last several years until it is now at crisis point.

Regular Stewart Brown surveys clearly demonstrate that almost half the NFP aged care facilities in Tasmania are operating in deficit and facing potential closure. One has recently closed because of these financial problems. The current economic downturn will only hasten further similar outcomes.

The basic problem is not complex. Commonwealth funding has not kept pace with the increases in CPI, inflation and wage increases. This has been compounded by an increasing proportion of "increased government spending on aged care" being directed to the regulatory and surveillance area. Both the former and current government's announcements of increased millions for aged care have not clearly explained that much of this desperately needed funding does not go to direct client care.

PRESBYTERIAN CARE TASMANIA INC.

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The problem of insufficient funding for day-to-day client care has been exacerbated by increasing government regulation requiring additional expense (for example compulsorily police checks) with no additional funds provided.

A further and major factor is the management of complaints which have increased alarmingly. Many of these are vexatious and/or clearly trivial, but they are required to be investigated to the same level of detail as the most serious cases. This uses up an increasing amount of time and resource by management and staff and results in either a decrease in hours of direct client care, increasing staff numbers and costs, or both.

Both of these factors are accentuated in the case of dementia care - a rapidly expanding area of need.

Without addressing the failure of the current funding arrangements and failure to address the escalating costs of an increasingly bloated regulatory bureaucracy, NFP managed aged care places in Tasmania will decrease.

The board of PCT strongly endorses the submissions that have been put before the committee by the ACSA, ACST and our National Presbyterian Homes network.

Thank you for your consideration of this submission.

A handwritten signature in black ink, appearing to read 'Frank Madill', with a stylized flourish at the end.

Dr Frank Madill
Chairman
Presbyterian Care Tasmania

28th November 2008