

Independent Senator fights for SA's Seniors

Nick Xenophon, Independent Senator for SA

Key points

- Nick Xenophon has put the Government on notice in relation to its care for seniors.
- Nick has highlighted the demands on both care providers and families of the aged.
- He has stated that he cannot guarantee his support for further Government regulation without adequate Federal funding.
- Nick has called for future planning and investment to provide more high care places.
- He has also called for nationwide eligibility for Seniors Card holders, so retirees can travel interstate without losing concessions.
- On 4 January 2009, the Government announced that seniors can use their concession cards for public transport in New South Wales, Victoria, South Australia, Tasmania, the Australian Capital Territory and the Northern Territory.
- Nick supported calls for an increase in the aged pension.

For Aged Care...

Senator XENOPHON (South Australia) (4/12/2008, 7:50 PM) —I rise to indicate my support for the [Aged Care Amendment \(2008 Measures No. 2\) Bill 2008](#), but wish to note my concerns about the handling of aged care by both this and previous governments. This bill seeks to strengthen the aged-care regulatory framework and, in the words of the explanatory memorandum, 'to address current legislative inadequacies and maintain effective regulatory safeguards for ensuring high quality care for older Australians'. Caring for our elderly is one of the most important responsibilities for Australian society and in turn for Australian governments.

As a senator for South Australia, which has a population that is relatively older than that of Australia as a whole, I know that we feel the pinch of these responsibilities, perhaps earlier and more so than in other states. Many South Australians have found their encounters with aged care to be confusing, stressful, emotional and at times painful experiences. There is the highly emotional tearing of ties, where an elderly relative is forced due to poor health, and often against their will, to leave their home of many years. Due to a shortage of places, many of these relatives have to take whatever placement can be found, often a long distance from their home, and there is the confusion and disorientation that results from relocation to a new place later in life. Added to this is the stress that is felt by families as they seek to find not only any place, but the best place, for their loved ones. No-one wants to have to explain to their children why their grandpa or grandma is so miserable in their later years of life. And having as children shared their home with their elderly grandparents, many adult children now feel extreme guilt as they place their parents into care. Times have changed, more people work and people are living longer, meaning that staying home to care for your parents is not a viable option—something an elderly parent may often not understand.

Then there is the heartbreaking separation of life-long partners being forced to live apart because there are not enough high-care places provided with nearby low- to medium-level care. When a partner most wants to be near their loved one—as their health declines—they are forced to be apart. As people who ourselves are not yet in care, we cannot help but wonder what sort of care will be available to us in not too many years time—or in my case not too many years time! These are real concerns and are only reinforced by the regular media reports that portray the current aged-care situation as being stretched to the limit—and they reflect the reality.

In the *Sydney Morning Herald* on 10 November Mark Metherell reported:

The Government's failure to deal with the financial woes hitting nursing homes will result in a drought in places for frail elderly people on low incomes ...

In short, those who can afford it will have to outlay bonds 'of more than \$180,000'. Those who cannot will miss out.

Martin Laverty, the CEO of Catholic Health Australia, which represents the biggest not-for-profit aged-care provider in Australia, explained in the same article that government regulations prevent aged-care operators from charging a consumer the actual cost of care, yet government funding is insufficient to cover operating and capital costs. He warned that the result is a real risk that the 37,000 new beds that were recently announced by the government will not be taken up as providers cannot take the financial risk.

Similarly, Jim Toohey reported in the *Courier Mail* on 6 October that there is an aged-care crisis looming. His article reported how older Australians are increasingly finding themselves in hospital beds when aged care is not available. That, clearly, is just not good enough. Mr Toohey also highlighted the findings of the Productivity Commission report into the future of aged care, namely, that, without significant changes to aged-care funding, service standards will struggle to match current levels. This crisis will not be fixed by the repeated tightening of regulations; it requires real investment—tens of thousands of new places at a cost of hundreds of thousands each.

As my office has consulted representatives of the aged-care sector over the last few months, these reports have proved indicative of the experiences of aged-care providers. These providers report that the cost of inflation is hitting the sector hard and it is making it ever harder for aged-care providers to remain viable.

There is a shortage of high-level care places and, while there has been some investment in medium- and low-level care in recent years, this shortage is worsening. Exacerbating the situation is the inability of aged-care providers to use bonds to help fund the provision of more infrastructure and high-level care places, thus making it less financially feasible for both for-profit and not-for-profit providers.

Adding to this is the growing pressure to get nurses and carers into the profession. With low pay, demanding conditions and limited long-term career prospects, it is hard to attract and keep quality people. Estimates put the cost to aged care of matching the wages and conditions of hospital staff at around \$450 million a year. Further, as Australia's baby boomer generation becomes older and requires more intensive aged care, there will be an explosion in demand for places.

Australia's aged-care sector is heading for tough times. My concern is that this government, along with the one before it, have been far too focussed on tightening regulations and have not paid enough attention to adequate funding. Building new aged-care facilities costs about \$200,000 per bed but the government provides only \$76,000.

While proper regulation of this industry is vital for the safety of those in care, repeatedly stricter regulation should not be used as a catch 22. Providers who are pushed to meet ever stricter standards and secure ever more stretched funds are, in so doing, undermining their capacity to highlight the system's inadequacies. Should sector representatives claim that there are problems, a minister can reply, 'What problem? The sector is becoming more efficient and you are still meeting standards,' or words along those lines. This is not long-term vision; this is short-term cynicism, and this is my broad concern in relation to this bill.

I am aware that the numbers are in favour of the swift passage of the bill, and I do not, in principle, oppose a stronger accountability framework, but more needs to be done. I wish to put on record that I will be watching with great interest the government's future initiatives in relation to the looming aged-care crisis, particularly as it has significant implications for my home state of South Australia.

For Aged Pensioners...

Senator XENOPHON (South Australia) (22/9/2008, 1:53 PM) —I indicate that I will support the [Urgent Relief for Single Age Pensioners Bill 2008](#). Currently, government funded pensions and allowances are the main source of income for most people aged 65 years and over. In recent weeks, the media has repeatedly reported numerous stories about how difficult it is for pensioners to live on the level of the existing pension. Consequently, pensioners have to rely on private income to get by. But over 13 per cent of Australians over 65 have no private income to supplement their pension payment.

More than half of all pensioners live on less than \$20 per week of private income and most do not have substantial savings or other assets. I note the *Australian* newspaper on 9 August this year reported that voters saw the aged as one of the top groups of Australians deserving more support from the government. More specifically, the *Canberra Times* on 16 September reported figures showing that over 78 per cent of Australians believe that pensioners should get an immediate rise in their pension.

The public concern about this situation and the urgent circumstances facing many recipients who are struggling to cope with escalating costs of living were all reasons for my support of this bill taking precedence. This bill seeks to amend the Social Security Act and the Veterans' Entitlements Act to increase the single age pension, single age service pension and widow B pension by \$30 per week with effect from 20 September 2008. The explanatory memorandum to this bill states that it will be a first step by the coalition to deliver a comprehensive policy in relation to pensions, income support, veterans' support and carers over time. I acknowledge the criticism of the Leader of the Government in the Senate, Senator Evans, about the coalition's previous position, but the coalition has now nailed their colours to the mast and they cannot retreat from their current position.

Given the urgency of the situation, I wish to state my support for this bill. While this bill is urgent for all Australians, in my home state of South Australia with a relatively older population this bill is of even more vital importance. 15.2 per cent of South Australia's population is aged over 65 compared to 13.2 per cent for Australia as a whole. The differential is even greater when you look at the rest of the country.

It is not just, as some claim, that elderly Australians have paid their taxes for many years and now deserve our support. It is also that the experience and contribution of more mature Australians are resources worthy of investment. If we invest in our more mature Australians, we will have people ready and able to contribute to community services put under stress by rising rates of full-time employment. We will have people who can contribute time and wisdom to our communities, neighbourhood networks and future generations.

Older Australians should not have to scrape to get by. They should not be the subject of scorn for their necessary frugality. They should not have their health and vitality sapped by inadequate pension support. We need to look at a range of ways to make life easier for those on the aged pension, not just for their sake, but for all of our sakes. That is why I support this bill.

However, if I have a major concern with this bill, it is that it does not go far enough. I note the concerns of Senator Brown and Senator Siewert's foreshadowed amendments as well as Senator Fielding's second reading amendment. I think it is important that, for instance, that the 450,000 Australians who are on a single disability pension need to be considered as well. The price of food, groceries, transport and other bills does not discriminate according to the amount of your pension or the label on your concession card. Neither should we.

My view is that we should deal with this bill. My preference would have been for it to have been dealt with once we have had a chance to consider the amendments, but I understand the will of the Senate in relation to this. I note the government's position but I think it is also important that we act now to give some immediate relief to the pensioners of Australia. Some would say that the Senate is the people's house because today we are reflecting on widespread concerns in the community and giving support to those Australians who are struggling with their current inadequate pensions. I support this bill. I look forward to further consideration of this bill. Again, we must send a signal to the community that we need to act with urgency to assist the pensioners of Australia.

For Seniors Concessions...

Senator XENOPHON (South Australia) (24/9/2008, 2:46 PM) —I direct my question to Senator Evans, the Minister representing the Minister for Health and Ageing. In light of the difficulties faced by people living on the age pension, as well as calls for the pension to be raised by \$30 a week, does the minister agree that the provision of concession cards for seniors could help ease the burden? Further, can the minister confirm that a South Australian pensioner who decides to visit their grandchildren interstate will pay the full cost for public transport and other services interstate? Can the minister confirm that a seniors card holder living in Albury will not have their seniors card entitlements recognised if they cross the river to Wodonga? Does the government support Australia-wide uniform conditions and benefits for seniors concession cards?

Senator CHRIS EVANS (Western Australia) (Minister for Immigration and Citizenship) —Thank you, Mr President. I appreciate the question. I think it is fair to say that the issues raised by Senator Xenophon are a focus for the government... We are working with the state and territory governments to try to have those concessions in place for all seniors card holders by 1 January 2009. That work is ongoing. I know there has been bipartisanship across the chamber on this endeavour for some time but without much luck, I have to say. As I said, this government has committed \$500 million over four years to try and drive the achievement of that objective, which I think is supported by everyone. It is currently a focus for us, with the focus on the public transport area, but there is work going on with state and territory governments and we have allocated in this year's budget funds to help make it happen.

A note from Nick...

Thanks for taking the time to read this extract. If you have the time, I'd appreciate it if you were willing to share your thoughts for how we could pursue the issues facing the aged care sector in the future.

You can do this either by calling me: 08 82321144 or by email: Senator.Xenophon@aph.gov.au