



PARLIAMENT OF AUSTRALIA
HOUSE OF REPRESENTATIVES

TONY WINDSOR MP
INDEPENDENT
FEDERAL MEMBER FOR NEW ENGLAND

Shop 5
259 Peel Street
TAMWORTH NSW 2340

All Mail: PO Box 963
TAMWORTH NSW 2340

Ph: (02) 6761 3080
Toll Free: 1300 301 839
Fax: (02) 6761 3380
e-mail: Tony.Windsor.MP@aph.gov.au
Web Page: www.tonywindsor.com.au

MEDIA RELEASE

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Aged Care in smaller communities kept on Minister's agenda

Independent Member for New England, Tony Windsor has kept the issue of Aged Care services in smaller communities on the Minister for Ageing's agenda during a speech in Federal Parliament last week.

Speaking on a "Matter of Public Importance" whilst the Minister, the Hon Kevin Andrews was in the Chair, Mr Windsor explained to the Minister the need to review the formula for the allocation of aged care beds and recalled the Minister's visit to the New England electorate last year.

"I remember that, when the minister was in my electorate of New England, I did a little bit of homework on him as to where he had come from and who he was. I looked at the size of his electorate and related it to the formula that distributes aged care beds. If you look at the minister's electorate of Menzies, you see that it is about 100 square kilometres in size. The point I make is that the formula for the distribution of beds and the number of people over 70 per thousand head of population is similar in that seat to most other seats. The seat of New England, for instance, is 500 times bigger than that, and a similar formula is used in relation to the allocation of aged care beds. The commonality between the two seats is that we have about 83,000 to 84,000 voters. The seat of Gwydir, for instance—next-door to the seat of New England—is about 1,500 times bigger. There are other seats in other parts of the nation of course that are bigger again. But they do fit into the same aged care formula distribution package or arrangements that some of the smaller city seats have, and I think that is overlooked from time to time.

An economic rationalist approach to the distribution of these formulas does not take enough account of distance, smallness and remoteness," Mr Windsor informed the Minister.

Mr Windsor further drew the case of the small community of Bundarra to the Minister's attention.

"There are a few things that I think the minister should embrace. There are people in country areas who have very good ideas in terms of developing models that take into account smaller centres, the use of larger aged care facilities and satellite centres in smaller communities where they can get some of the cost advantages and efficiency advantages of becoming the centre for a number of other, smaller centres. I know the minister has given some money to the Grace Munro Centre in Bundarra, and there is currently a proposal before the government at the moment to finish off the last 15 or 20 per cent of the funding of that arrangement. That is an arrangement where a council area that already has an aged care facility is going to work in with the Bundarra community 70 kilometres away. By working together they can gain the economies of scale that maintain viability, while giving the aged people in the community of Bundarra the opportunity to live and die in the community they love," Mr Windsor said.

Mr Windsor urged the Minister to take matters affecting country people more into consideration in his deliberations.

"Too often this debate gets bogged down in what is happening in the cities. Most of the time in the country we have the vagaries of distance and smallness. I encourage the minister to look very closely at the administrative costs—I think you will get support in the community there—and at the formula of allocations so that where country people are concerned there is a degree of flexibility that will allow smaller communities to look after their aged as well as larger communities do. We do not want to push people into a feedlot mentality, where all the aged people go together and the lowest cost per unit can be obtained. If we end up with a society that looks like that, we will be judged in a fairly poor fashion," Mr Windsor concluded.

Mr WINDSOR (New England) (4.19 p.m.) —I would like to take this opportunity to speak briefly to this matter of public importance. I do not think there is any greater judgment of a society than of the way in which it treats its elderly. I appreciate the significant problem that government generally has in relation to an ageing community, because we are entering an era and I am partly in that age group myself—

Ms Ellis —You've got a long way to go yet!

Mr WINDSOR —I know I look much younger.

Mrs Irwin —I'm admitting nothing!

Mr WINDSOR —It is a day for admissions—not a good day for me either. It is a very important area, and governments are going to have to wrestle with it. In terms of funding arrangements, we will hit a hump and then the numbers of aged people will fall away again. So it is a wrestle that government is going to have to face. In fact, rather than condemn the government for its management of this particular issue—and we can always say that governments can always do better; there can always be more money made available, and I would be the first to suggest that there are ways in which we can improve the system—I think the Minister for Ageing, who is at the table, does need to be regarded as taking these issues forward, particularly when we look at the record of some of the previous ministers for ageing. I would particularly like to thank him for the time that he has spent in my electorate looking at particular country issues which are common not just to the electorate of New England but to a lot of country electorates, which have specific problems.

I would like to talk about that country perspective. I remember that, when the minister was in my electorate of New England, I did a little bit of homework on him as to where he had come from and who he was. I looked at the size of his electorate and related it to the formula that distributes aged care beds. If you look at the minister's electorate of Menzies, you see that it is about 100 square kilometres in size. The point I make is that the formula for the distribution of beds and the number of people over 70 per thousand head of population is similar in that seat to most other seats. The seat of New England, for instance, is 500 times bigger than that, and a similar formula is used in relation to the allocation of aged care beds. The commonality between the two seats is that we have about 83,000 to 84,000 voters. The seat of Gwydir, for instance—next-door to the seat of New England—is about 1,500 times bigger. There are other seats in other parts of the nation of course that are bigger again. But they do fit into the same aged care formula distribution package or arrangements that some of the smaller city seats have, and I think that is overlooked from time to time.

An economic rationalist approach to the distribution of these formulas does not take enough account of distance, smallness and remoteness. These are our country communities; we all talk about regional development and how we would like to see people in employment, raising families. However, if we do not provide adequate aged care facilities and have a flexible formula in relation to those facilities in smaller communities, which may well be considered non-viable for an aged care facility, the message we send to people is: get out of town early, travel to the local feedlot and go to your major metropolitan area, because that is where you will find transport to take you between the choice of facilities and that is where you will find government services more available. Once we send that signal to people in their 30s and 40s, we lose them from those communities further down the track—along with their wisdom, the job creation potential and the business opportunities they may have created. By not having flexible formulas in relation to the distribution of aged care facilities, we send a very negative signal into some of those smaller towns.

That is the problem that governments are going to have to wrestle with. Money is always going to be a problem, but I believe there are a few things that provide light at the end of the tunnel. I say to the minister that he is well positioned to deal with a lot of the practitioners in country areas and to embrace some of those issues. Obviously, the minister would be wrestling with some of the administrative issues and the enormous costs involved. Up to 30 per cent of the budgets of aged care centres are consumed through the administrative processes. We have to be a little bit careful that we do not try to make the processes and the criteria so tight that the money is all spent on watchdogs and administrators and we do not allow as much money to go into beds.

I have been to a lot of aged care centres. I have an aged mother who is 85 and living on her own at home at the moment. Most of the communities I have been into have better accommodation than most elderly people have lived in for most of their lives. I recognise that there may be some areas where that is

not the case. I would suggest that, if that is not the case and people are being treated badly, the minister use his powers. But we have to be a little bit careful that we do not consume large portions of the budget allocated to aged care with the policing of every activity that goes on. Most of the people who work in aged care centres are very caring individuals and, in the main, are very good.

There are a few things that I think the minister should embrace. There are people in country areas who have very good ideas in terms of developing models that take into account smaller centres, the use of larger aged care facilities and satellite centres in smaller communities where they can get some of the cost advantages and efficiency advantages of becoming the centre for a number of other, smaller centres. I know the minister has given some money to the Grace Munro Centre in Bundarra, and there is currently a proposal before the government at the moment to finish off the last 15 or 20 per cent of the funding of that arrangement. That is an arrangement where a council area that already has an aged care facility is going to work in with the Bundarra community 70 kilometres away. By working together they can gain the economies of scale that maintain viability, while giving the aged people in the community of Bundarra the opportunity to live and die in the community they love.

One of the possible models of aged care facilities is the MPS model—multipurpose services. Ian Sinclair, a former member for New England when Craig Knowles was the New South Wales Minister for Health, was instrumental in looking at the smaller communities and the provision of aged care and acute care facilities. There was one funded by the Commonwealth and one by the state. The issues include how you can drive that model in a community, gain community acceptance and gain the advantage of having both a hospital and an aged care facility co-located.

Some communities have quite aggressive attitudes to that sort of system for historical reasons and because of a fear of losing control of their own particular aged care facility. The communities of Walcha, Bingara, Barraba, Guyra and Warialda in the New England electorate are currently in the planning process for MPSs. In the main, we have to think those through a little bit further and look at the advantages that will accrue from those sorts of models. There is a range of models out there.

Too often this debate gets bogged down in what is happening in the cities. Most of the time in the country we have the vagaries of distance and smallness. I encourage the minister to look very closely at the administrative costs—I think you will get support in the community there—and at the formula of allocations so that where country people are concerned there is a degree of flexibility that will allow smaller communities to look after their aged as well as larger communities do. We do not want to push people into a feedlot mentality, where all the aged people go together and the lowest cost per unit can be obtained. If we end up with a society that looks like that, we will be judged in a fairly poor fashion.

The DEPUTY SPEAKER (**Hon. I.R. Causley**)—Order! The discussion is now concluded.