



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**PRIVATE MEMBERS BUSINESS**

**Nursing Homes: Care Standards**

**SPEECH**

**Monday, 6 August 2001**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Monday, 6 August 2001  
**Page** 29142  
**Questioner**  
**Speaker** Andrews, Kevin, MP

**Source** House  
**Proof** No  
**Responder**  
**Question No.**

**Mr ANDREWS** (Menzies) (3.40 pm)—Health and wellbeing of all Australians, in particular the elderly, is a central concern of this government. In her closing remarks, the member for Shortland said that the future of aged care was about planning. Let me indicate to the House that it was the total and abject failure of planning by the previous Labor government that established the baseline for the situation that this government faced when it came to office in 1996. Indeed, the government has significantly increased the number of aged care places available for older Australians. After the government came to office in 1996, the Auditor-General—an independent officer—found that a 10,000 aged care place deficit had been left by the previous Labor government. In the last two approval rounds, and in the 2001 approval round, more than 31,000 new places have been released to in part make up for this deficit and to meet the need for growth.

A review was taken, again independently, by Professor Gregory. What he found about the building fabric of the nursing homes in Australia at the end of the Labor rule of this Commonwealth parliament was that 13 per cent of nursing homes did not meet the relevant fire authority standards, 11 per cent of nursing homes did not meet the relevant health authority standards, 70 per cent of nursing homes did not meet the relevant outcome standards and 51 per cent of nursing home residents were living in rooms with three or more beds. That was the legacy left to this government by the previous government—the opposition of which the honourable member is a member in this place. It is that legacy that this government has been attempting to address over the five years it has been in government.

Indeed, Professor Len Gray, in the two-year review of aged care reforms, found that there had been improvements in building standards since this government came to office. Specifically he stated:

Substantial increases in the quality and quantity of residential buildings was a specific objective of the reforms. The evidence indicates that considerable progress has been made towards achieving this objective.

Professor Gray also found that the new arrangements introduced by this government generated sufficient income to enable the industry to meet its capital requirements, and the system is now sustainable well into the future. Indeed, extensive rebuilding, upgrading and refurbishment work has been undertaken. In the past two years, \$1.4 billion across Australia has been committed by the industry to capital building works, and 12 per cent of all aged care homes in Australia have been either newly built or completely rebuilt.

There has been a steady decline in the number of residents per room since October 1996, when there were 1.6 residents per room. This has fallen in 3½ years to 1.5 residents per room. In 1994, Professor Gregory found that, under the Labor Party, some 51 per cent of residents were living in rooms with three or more people. Now, fewer than 22 per cent of residents are living in rooms with three or more beds, and this number is steadily declining.

In 1995-96, the former Labor government spent \$2.5 billion on residential aged care. The outlay in the 2000-01 financial year is expected to be \$3.9 billion. If you look at the projections into the future—and we are the first to admit that we have a lot further to go, that we came from a very poor base left to us by the Labor Party—you will see that there will be an increase from some \$4.2 billion to \$6 billion in 2001-02, an increase of some 41 per cent. So the moves and the measures taken by the government have been substantial.

Referring to the Hunter region, which the honourable member represents, the total number of new operational beds commenced or scheduled to commence by 31 December this year is 461; the total number of new aged care homes commenced or scheduled to commence by the end of this year in the Hunter region is five, which will account for an additional 163 residential aged care places; and seven extensions to existing aged care homes have commenced or are scheduled to commence by the end of this year, which involves an extra 298 residential aged care places. So in the Hunter region alone, which the honourable speaks about in part of her remarks, there is an expected increase in actual beds in aged care facilities on the ground of some 461 beds. In my own electorate there have been numerous new nursing homes and aged care facilities that have been built and there are many hundreds of new beds. I am sure that members, if they are frank about the matter, can speak about that right throughout this area.

The other issue that the honourable member failed to mention when talking about the situation in the Hunter was the high and increasing workers compensation costs which, in effect, have been imposed by the Labor government in New South Wales. One would have thought that, if she were truly making a fair representation of the situation, she would have admitted to those high and increasing workers compensation costs in the state of New South Wales and would be calling upon the Labor government in New South Wales to do its part in relation to these matters.

Certification in this area has provided the first ever audit of the building quality of all aged care homes. We hear about problems that arise from time to time with certain aged care facilities in this country. But we have a better situation now—not that any of us want problems to arise—where there is certification, monitoring and checks and we can have some assurance of the quality in these nursing homes. The situation that prevailed prior to this government—when the party of the honourable member opposite was in government; when it was occupying this side of the House—was that we did not have those checks, we did not have that system of accreditation, we did not have that monitoring and we did not know what the standard was in relation to many of these homes.

The accreditation agency and the department have the power to visit aged care homes and conduct spot checks. In fact, more than 643 spot checks have occurred so far this calendar year. As at 1 June 2001, a total of 1,320 spot checks had been conducted and some 3,000 accreditation sites audited. Professor Gray's overall conclusion was that reforms have resulted in substantial improvements to the aged care system. His assessment of this government's performance was clearly a distinction. He said:

It is my conclusion, on completion of the Review, that the reforms have delivered substantial improvements to the aged care system. The fine-tuning undertaken to smooth the implementation of the reforms and address unanticipated anomalies has been largely successful.

That is all part of a situation in the context of the budgeting ability of this government. As was pointed out in question time today, when we came to office there was not only a deficit in the Commonwealth budget, in terms of the 1995-96 budget when we came to power, but also a \$96 billion Commonwealth debt, \$80 billion of which—or most of it—had been run up while the current Leader of the Opposition, Mr Beazley, was the Minister for Finance in the Hawke and Keating governments.

We did not start from a level playing field, and we will have paid back by the end of this financial year something like \$60 billion. That is important because that frees up interest which is now available to provide for health care, aged care homes, education, police forces and all the social services that the people in Australia want. But I do not hear anything from the honourable member in terms of the base of income in this place. She is part of a party that says, 'We'll roll back the GST. We'll roll back the revenue and somehow, magically, we are going to find more money for aged care facilities, amongst other things.'

We have a growing and ageing population. In 1998, 2.3 million Australians were over 65 years—12 per cent of the population. That is estimated to be five million by 2030—something like 19 per cent of the population. This government recognise that there is more to be done in this area. But I would say to the people of Australia that, having recognised the problem, having recognised the legacy, having recognised the inadequate system that the Labor Party left us in 1996, we have made substantial improvements which have enabled us to provide thousands of more places and to put billions of more dollars into aged care. We have more to do and we will go further. This motion does not recognise that at all. We will build upon those results.