

**Senator DUNIAM:** Women are making a significant contribution to the COVID-19 response and recovery. Women are on the frontlines making up the majority of employees in essential services like healthcare and education. The government is closely monitoring the economic effects from the coronavirus on all Australians, including women, noting that the full effects remain uncertain. Australia is going to need everyone's full capabilities—men and women—to accelerate our overall recovery as a society and as an economy.

Question agreed to.

## BILLS

### Aged Care Legislation Amendment (Financial Transparency) Bill 2020

#### First Reading

**Senator GRIFF** (South Australia) (12:12): I move:

That the following bill be introduced: A Bill for an Act to amend the law in relation to financial transparency in the aged care sector, and for related purposes.

Question agreed to.

**Senator GRIFF:** I present the bill and move:

That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

#### Second Reading

**Senator GRIFF** (South Australia) (12:13): I move:

That this bill be now read a second time.

I seek leave to table an explanatory memorandum relating to the bill.

Leave granted.

**Senator GRIFF:** I table an explanatory memorandum and seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

*The speech read as follows—*

I have long advocated for greater financial transparency within the aged care sector - it has been a long time coming - but that time is now.

People were shocked by the extent of the abuse and poor care exposed in the interim report by the Royal Commission into Aged Care Quality and Safety. It was a scathing report and an indictment on an industry that is meant to deliver respectful, good-quality care during an aged person's final years.

The interim report showed that the government has deep systemic work to do to fix the aged-care system. It also needs to increase its investment. But it cannot simply pour money into the system without asking for a more accountable and transparent situation from providers. It is the *quid pro quo* aged care providers must deliver, given that they are underpinned by significant federal subsidies. In 2018–19, governments spent over \$20 billion on aged care, with the majority—approximately 66 per cent of this—for residential aged care.

On the last day of sitting in 2019 I moved an amendment for greater financial transparency in the aged sector to the Government's the Aged Care Legislation Amendment (New Commissioner Functions) Bill 2019 that would have required residential aged care providers to give annual financial statements to the Aged Care Quality and Safety Commissioner, who would then make them public.

Regrettably, One Nation leader, Senator Pauline Hanson, and the Federal Government colluded, after they were heavily lobbied by some aged care providers, to block that game-changing amendment. This amendment would have forced aged care providers to reveal how much they actually spend on food, staff, and other costs of delivering care.

It was an important opportunity missed.

Sadly, it showed just how strong the ties that bind the aged care lobby and government really are. It was a deplorable act.

The aged care industry has been successfully lobbying governments for years arguing against more transparency. The influence of the industry through government committees, thinktanks and policies is well known and is being rightly questioned at the royal commission.

It was also an odd choice for Senator Pauline Hanson, who has previously rallied against the aged care sector for "rotting and malpractice".

Consequently, I have brought that amendment back and finessed it into this private senator's bill - the Aged Care Legislation Amendment (Financial Transparency) Bill 2020 which requires aged care providers to disclose their income, their

spend on food and medication, the amount spent on staff and staff training, accommodation, administration, and how much they pay out to their parent bodies.

This will enable families of loved ones, stakeholders and the public to have a clear view – for the first time – on the proportion of income those providers actually spend on costs of care and how much is being pocketed or wasted.

It is a simple bill that provides crucial information in the public interest. It has the potential to be game changer in the aged care space.

Providers might object to the administrative 'burden' of having to provide annual financial statements but, frankly, that is a paltry concern when weighed against the vast public benefits transparency will deliver, should this bill pass.

The Royal Commission into Aged Care Quality and Safety has got financial transparency squarely on its agenda.

In its "*Background Paper 1: Navigating the Maze: An Overview of Australia's Current Aged Care System*", the Royal Commission provided an overview of aged care funding models and summarised who pays for what. Then, in its Interim Report, the Royal Commission criticised the aged care system for failing to publish sufficiently specific financial information, saying "there is no public information on the way providers use taxpayers' funds and individuals' contributions to deliver aged care services."

That must change, but we do not need to wait for the Royal Commission's final report and the consequent delays in dealing with the pandemic crisis forcing the suspension of hearings and workshops and the extension of submission – we must act now.

Organisations are transparent when they enable others to see and understand how they operate in an honest way. This must apply to the aged care sector – they should not be exempt in any way. This Bill will ensure that goal is achieved.

The bill does not require private information (such as client records) and 'commercial in confidence' material (such as tender submissions) to be made public. It is primarily concerned with how monies are spent.

Unlike hospital and child care centres, aged care facilities can employ as few staff as they like because there are no staff-to-resident ratios in nursing homes. We don't know how much they spend on staff, or what categories of staff they spend their money on.

When it comes to food, a study of 800 nursing homes shows the average spend is just \$6 a day.

The Australian Broadcasting Corporation (ABC) Q&A program "Spotlight on Aged Care" recently highlighted the issue of financial transparency in aged care. Panel member Sarah Holland-Batt, who gave evidence on the abuse and neglect of her father to the Royal Commission, told the audience:

*I think something that's just been lost in this discussion about funding is the transparency about where exactly it's going ... we'll be spending \$20 billion on aged care funding, which is a lot of money when you consider there are around 200,000 people in residential care, and then people with Home Care Packages ...*

*We also know that with aged care funding, with residential aged care funding, that, yes, some providers are struggling. But other providers are paying out gigantic dividends and making huge profits for their shareholders when they're primarily being funded with Commonwealth government funding.*

*So, I really think that, in order to be given these cheques for more taxpayer funds, we need radical transparency about where this money is going.*

Ms Holland-Batt's comments raise important points and demonstrate that financial transparency is an issue of grave concern to the public.

I could not agree with her more.

Under the Bill approved providers will have to provide annual financial statements to the Quality and Safety Commission, which will then make them public. The financial statements will detail the amount spent on the provision of care—things like food and medication—as well as the amount spent on staff and staff training, accommodation, administration and the amounts paid out to parent bodies.

At the moment, there is no clear way to know how much a provider is spending on the provision of care. Is it 30 per cent of their income? Is it 50 per cent or 70 per cent? We just do not know how much a provider is pocketing as profit at the expense of the people in their care. Currently, providers can spend their taxpayer subsidies pretty much as they choose. But, in an environment where our elderly are being subjected to systemic neglect, they very much must be held to account.

My office has heard firsthand accounts from people who work with and for aged-care providers highlighting that dodgy financial decisions and profiteering takes place. For instance, there is a hundred-bed provider that has made \$2.5 million in profit three years running, but this profit is only shown as \$500,000 on its financials, because they pay \$2 million in rent to the parent company which already owns the building and there is a 50-bed not-for-profit facility where the salaries for three managers exceeded \$500,000 at a time when the home could not meet basic minimum standards and was also, as it turns out, sanctioned. And there are other providers using subsidies to help send senior staff to overseas award ceremonies and lavish conferences.

This amendment has the support of the Australian Nursing and Midwifery Federation, whose members are at the coalface and I thank them for their input into the bill. They and many other stakeholders want financial transparency so that it is finally clear how much facilities actually spend on delivering care and how much is pocketed or wasted.

In an ABC story about the royal commission's Hobart hearing which emphasised why these amendments are needed. That story detailed how Bupa South Hobart was so understaffed that, according to the daughter of two residents, her 90-year-old mother had been forced to clean up after her incontinent father and at times help a blind elderly resident go to the toilet because the woman's calls for help had gone unanswered. According to the ABC story, a former Bupa regional director said there was pressure on the facility to spend less on staffing. Part of her responsibility was to 'improve the commercial operation in South Hobart'. In other words, her job was to increase profits.

This should outrage us all.

My bill is all about transparency and accountability – we expect this of our politicians and we must expect it from our publicly funded services especially in the aged care sector.

Knowledge is power, as they say. The bill seeks factual information from providers so we will have a clearer picture of how their facilities are resourced. This will be crucial if we are to engage in sustainable reforms to the sector that will improve the experience and treatment of vulnerable elderly people living in residential aged care.

**Senator GRIFF:** I seek leave to continue my remarks later.

Leave granted; debate adjourned.

## MOTIONS

### Centrelink

**Senator SIEWERT** (Western Australia—Australian Greens Whip) (12:13): I move:

That the Senate—

(a) notes that:

(i) there has been a dramatic increase in Australians accessing public services due to the economic and social impacts of COVID-19,

(ii) now more than ever we need to be strengthening our public services for people who need support, not making these services more difficult to access,

(iii) the Government intended to close the Abbotsford (Yarra) Service Centre on Thursday 21 May 2020, but in the face of strong community objection agreed to keep it open for a further three months,

(iv) the Government now intends to close the centre in three months, despite the landlord publicly stating Centrelink could remain on the premises and despite clear community need,

(v) unnecessarily closing this Centrelink Service Centre will harm and inconvenience thousands of vulnerable people reliant on it, and that suggesting that people travel to a Centre almost 7 km away is not only unfair, but inappropriate at a time when people in Victoria are being told to stay at home and encouraged not to use public transport, and

(vi) on 21 May 2020, after receiving news of the imminent closure of the Abbotsford (Yarra) Service Centre, Yarra councillors passed two motions which respectively direct Yarra Council to liaise with Services Australia over possible temporary and long-term sites for a Centrelink Service Centre in Yarra; and

(b) calls on the Government to:

(i) recognise the value of public services and commit to keeping the Abbotsford (Yarra) Service Centre open permanently, and

(ii) abandon any plans to shut down any further Centrelink Service Centres while Australians are experiencing the impacts of COVID-19.

**Senator DUNIAM** (Tasmania—Assistant Minister for Forestry and Fisheries and Assistant Minister for Regional Tourism) (12:13): I seek leave to make a short statement.

**The PRESIDENT:** Leave is granted for one minute.

**Senator DUNIAM:** Regular reviews of Services Australia service centre footprint are, and always have been, part of the agency's normal business, practised consistently across governments. During its last time in government, Labor, supported by the Greens, announced the closure of 128 shopfronts commencing in 2009 as part of its service delivery reform initiative. Labor's 2011-12 budget alone expanded site closures by a further 61 sites.

With regard to the landlord of the Yarra service centre in Abbotsford, it advised Services Australia on 12 May 2020 that it will not agree to any lease extension beyond 22 May 2020 under any circumstances and only did so following media reports.

Question agreed to.

### Gavi, the Vaccine Alliance

**Senator PRATT** (Western Australia) (12:14): I move:

That the Senate—