

BILLS**Aged Care Legislation Amendment (Financial Transparency) Bill 2020**
Second Reading

Consideration resumed of the motion:

That this bill be now read a second time.

Senator GRIFF (South Australia) (10:04): The title of the interim report of the Royal Commission into Aged Care Quality and Safety said it all: *Neglect*. That simple word cuts to the bone and speaks to the fears that we all share about aged care in Australia. It's not easy when a parent or a friend moves into care. It's a conversation many of us put off time and time again. We put it off because it is difficult to give up the care of someone we love to people we don't know, and we put it off because we don't know how to respond to the fears that are felt: the fear of abandonment, the fear of abuse, the fear of neglect. We want to believe that residential aged care in particular will be like home. We want to believe our loved ones will receive the attention that they need and the care that they deserve. The royal commission was gutting, because it showed comprehensively the standard of care we expect, and we should be able to expect, was often not being delivered. Some facilities were not like home. Some of our loved ones were not being cared for. And some of our fears were well and truly justified.

Aged-care providers have argued that they do their best with the limited financial resources available to them. Maybe that's true, maybe it's not. It's hard to know, because we don't have the information to judge their claims. The current reporting systems are totally inadequate. Some might argue that these are private businesses and they should be able to disclose as much or as little as they like, and normally I would agree. But these are businesses that are receiving over \$21 billion in Commonwealth funding every year for residential and home-care services—\$21 billion. For that sort of money you would expect real accountability, you would expect providers to show what that money is being used for, and you would expect the government to know how much is being spent on care. You would be wrong.

This bill amends the Aged Care Act. It will require residential aged-care providers to submit an annual report to the Aged Care Quality and Safety Commissioner. That report will show us how much income each provider is receiving and the sources of that funding. It will also show how much every facility is spending: how much they are spending on food; how much is being spent on medicine; how much is being spent on medical supplies; and how much is spent on training. It will also show us how many staff are employed for each classification and how much the executives are being paid. Financial transparency is a reasonable requirement for any sector receiving tens of billions of dollars of public funds, and the cost of compliance will be trivial. Providers already collect this information and no private information will need to be disclosed.

For every honest operator in the sector, financial transparency will be a godsend. It will show the facilities where residents are receiving the most care. For others, for those who take public money but neglect their residents, financial transparency will be a nightmare—a nightmare that I am pleased for them to have. It will show exactly how much money is being spent at each facility and how much is being siphoned off to other corporate entities. It will show their residents, their families and the community the types of facilities they are operating. It will show where they are spending and where they are investing. It will show us their priorities and what they value the most. This will allow residents and families to make informed decisions when choosing a facility. It will help us understand how far these dollars are going and whether we need to invest more so that good providers can do more. This is information that the public deserves to know. It is information that senior Australians deserve to know. There is absolutely no justification whatsoever for keeping this information secret or for allowing providers to remain unaccountable.

The inquiry into this bill is ongoing. Twenty-two submissions have been received to date, and they have been overwhelmingly supportive of financial transparency. I am grateful to everyone who took the time to share their experiences and their views, including care providers. But I do wish more had taken the opportunity to engage with the inquiry. All who made submissions made important, valuable contributions. In their submission the Australian Medical Association said:

... any older person entering aged care, including their carers, has the right to know how their chosen provider of aged care services spends the funds they receive from the Government on the consumer's behalf and the co-funding provided by the consumer themselves. This was a fundamental premise of the Aged Care Roadmap adopted by the Government in 2016.

In their submission, Aged Care Crisis Inc said:

The absence of data has made it impossible to formulate policies that are based on evidence rather than wishful thinking. It has been impossible to make informed choice and has exposed many vulnerable citizens to the risk of exploitation by profit-focused operators.

On behalf of care providers, Aged and Community Services Australia said:

Transparency in reporting is important, but we must avoid duplication in reporting requirements or adding new reporting requirements that will not materially improve information for consumers, the regulator or Government.

I do understand the point that they are making, but if care-focused financial information was already reported then there would be absolutely no need for this bill. The royal commission showed a clear need for better information, better decision-making and better policy-making. Consumers, regulators and government all benefit from transparency.

Finally, the Aged Care Guild, who represents care providers, said it was:

... fair and reasonable to expect providers share information demonstrating how financial supports contribute to care services.

We are in wholehearted agreement with this. They go on to argue that regulatory requirements and costs are constantly increasing while overall funding has not kept pace. I don't know whether this is true, but that's not the point. The point of this bill is to give us the transparency we need in order to monitor costs and funding. It will give providers the statistical evidence they need in order to make the case for increased funding. And it will give the government the information they need in order to evaluate whether more funding is truly needed.

I would like to thank the groups who have expressed strong support for this bill. They include the Australian Medical Association, the Australian Nursing and Midwifery Federation, the Council of Trade Unions, the Health Services Union, National Seniors Australia and the Aged Rights Advocacy Service of South Australia. I thank them all for their support, particularly the ANMF, for their input into drafting this bill.

The inquiry on this bill will report at the end of March, after which I will bring this bill to a vote. I hope every senator will support it and I hope any senator who has concerns about the bill will come and discuss these with me. If you believe that financial information should not be reported, if you have concerns or if you have some suggestions, I will hear you out. But I hope you will hear me out, too, and I hope you will seriously consider whether the current approach is delivering for the residents of these facilities, for their families and for taxpayers.

The royal commission demonstrated that problems in the aged-care sector are systemic, and that the aged-care system is designed around transactions, not relationships or care. No single piece of legislation can transform the sector or solve all of its problems but there are things we can do, and things that we can very much do better. Financial transparency is well and truly one of them. My bill provides for a simple and fair change that will drive providers to do better. It will make a difference to the lives of aged-care residents. And it will help us be a little more certain that our loved ones are going to a good place: a place that they can call home, a place where they will truly be cared for.

Senator HENDERSON (Victoria) (10:15): It's my great pleasure to rise and speak on the Age Care Legislation Amendment (Financial Transparency) Bill 2020. Looking after our senior citizens is one of the most important responsibilities we have as a nation. The Morrison government's track record in continually improving aged care is extensive, and we are very proud of many of our key initiatives, many of which have been incorporated into the 2020-21 budget. Before I outline those and speak about the details of this bill, I just want to take issue with Senator Griff and the comments that he made about aged care being centred around transactions and not care. I know Senator Griff comes into the Senate with a lot of good intentions, but I really do take issue with that statement, because so many residential aged-care providers do an incredible job. I don't want to stand here and allow the misdeeds of a number of residential providers who are not doing the right thing to cast aspersions on the sector as a whole. So I want to reject the premise on which Senator Griff made that comment.

Under our budget we've provided \$1.6 billion more for another 23 home care packages. This builds on the \$325 million investment for 6,000 or so packages announced by the Prime Minister on 8 July 2020. There's another \$11 million to ensure ongoing, face-to-face video and telephone interventions for psychosocial support through the Dementia Behaviour Management Advisory Services and Severe Behaviour Response Teams. There's just over \$10 million over three years to support the recently established Aged Care Workforce Industry Council to take a major role in implementing the 14 strategic actions outlined in *A matter of care: Australia's aged care workforce strategy*. There's \$10.6 million over three years to establish a national network of system coordinators to help younger people find age-appropriate accommodation which supports them to live independently in the community. There's \$91.6 million over two years to support potential implementation of the Australian National Aged Care Classification funding model in residential aged care. This funding builds on previous investments of \$167 million announced in the July economic and fiscal update. We continue to improve the aged-care funding model, bringing the total investment to some \$258 million.

In the budget also is \$35.6 million over two years for the Business Improvement Fund, which provides targeted grant based assistance to residential aged-care providers experiencing viability concerns—and that is a key issue of the sector. There's \$125.3 million for the replacement of the Commonwealth Continuity of Support Program with the Commonwealth Disability Support for Older Australians Program, to continue to support older people

with a disability who are not eligible under the NDIS. There's also \$4.6 million to expand the single in-home support program to support older people remain in their homes. So that's a huge raft of investments in aged care that just have been announced in our most recent budget.

Of course, every year under the Morrison government home-care packages are up and residential-care places are up, and every single year aged-care funding goes up. The Morrison government—and these are the facts—is delivering record investment across the aged-care system over the forward estimates, growing from \$13.3 billion in 2012-13 under the previous Labor government to \$21.3 billion in 2019-20. We estimate that funding for aged care will grow to more than \$27 billion in 2023-24—that is, on average, \$1.1 billion of extra support for older Australians each year over the forward estimates.

The government spent over \$13.4 billion in 2019-20 on residential care, up from \$9.2 billion in 2012-13. In 2023-24 this will grow to over \$17.1 billion. We are seeing massive increases in investment by our government. I will make this really important point: making improvements to aged care for all senior Australians continues to be one of the Morrison government's most important priorities. That is precisely why the Prime Minister called for the Royal Commission into Aged Care Quality and Safety, and that is precisely why we are acting.

As Commissioner Briggs stated, as part of the final hearings of the royal commission:

I have had, however, detected over the last year, counsel, a growing determination among officials, and on the government, to fix the problems of the aged care system and to pursue a genuine reform agenda.

We are committed to providing that genuine reform agenda to provide senior Australians with support to live in their homes longer. New home-care packages have increased from \$60,000 under Labor in 2012-13 to \$185,000 in 2023-24. That's an increase of 208 per cent.

Over the same period, funding will increase by 302 per cent, due to growth in high-level packages. In stark contrast, at the last election Labor provided no additional funding in their costings for home-care places or any additional funding for quality aged-care workforce or residential aged care. So it's pretty rich for those opposite—and I don't include Senator Griff, who is sitting opposite me at the moment, but I do include Labor senators and Labor members in the other place—to stand up on aged care when Labor so failed Australians at the last election. In fact, in the budget reply speech that the opposition leader, Mr Albanese, made just a few months ago, aged care did not even get a mention in the entire half an hour. That is really shameful on the Labor Party. I make that very strong point.

This year has been a year like no other. The COVID-19 response, of course, has been incredibly challenging. Since the beginning of the pandemic our government has invested more than \$1.6 billion specifically to deal with the response to the pandemic. This includes boosting quality and safety monitoring, supporting retaining of the care workforce, providing an additional surge workforce, assisting the sector with accommodation costs, providing resources to COVID-19 impacted facilities and funding more Australians to stay at home. As we know, we had a very serious situation in Victoria as a result of the hotel quarantine program, which allowed community transmission of the virus to run out of control. We always knew that if that happened it would get into the most vulnerable of the community: aged-care homes. As a result, extra funding resources were delivered for the Victorian Aged Care Response Centre.

I want to turn to the bill before the Senate today which proposes amendments to the Aged Care Act and the Corporations Act, which would have the effect of requiring that aged-care providers report certain financial and cost information to the Aged Care Quality and Safety Commissioner, including income and subsidies received from care and the amount spent on staff. It also provides that the commissioner will publish reports received from providers and, if an approved provider received more than \$10 million in Commonwealth funding in a financial year, there will be greater financial reporting requirements under the Corporations Act.

I will make the first point in response as to why the government is not supporting this bill. The usefulness of the proposed public information is not clear, because it has the potential to be misleading to consumers. For example, in some instances there may be reasons why the itemised cost of medical products—for example, incontinence aids—would vary between residential aged-care services such that the information would not necessarily assist transparency for consumers.

The amendments are also not supported by the government—and this is a really important point—as they pre-empt the final report of the Royal Commission into Aged Care Quality and Safety, which is due in February of next year. In its interim report the royal commission has been critical of constant change and moving targets. Embracing these proposals or amendments on their own in a piecemeal fashion would not reflect the importance of the government ensuring that our reforms are integrated, cohesive and solutions driven. We don't want to pre-empt the royal commission. That would be most inappropriate. The reforms at their heart, as we recognise, must deliver the best care for all senior Australians, and that's got to be, without exception, putting the care of seniors at

the centre, and if we do so in a piecemeal way we may in fact err in not addressing other really important issues in relation to transparency.

Senator Griff's proposed amendments also raise issues for the fiscal impact on the Aged Care Quality and Safety Commission. While not directly relevant to parliament's consideration of Senator Griff's proposed amendments, the Australian government does need to be cognisant of these issues. While no costing of the resourcing implications has occurred at this stage, the proposed amendments are likely to have resource implications in the form of report collection activity. This will require additional staff and/or IT systems resources to collect the required reports from providers. There will also be, we expect, additional costs in compliance and enforcement activity to respond to providers who fail to report by the required time frame or who give an inadequate report to the commissioner. There will also be report-publishing activity costs. This will also require additional staff and/or IT systems resources to publish these reports, whether they are on the commission's website or on My Aged Care. There's also a resources issue in relation to data incorporation activity. So further resources would be required to build these reports into the commission's risk-profiling IT systems.

I do want to say that there are very important existing requirements for aged-care providers to report annual financial information under the Aged Care Act. This requirement includes the provision that all aged-care providers are to provide an Aged Care Financial Report, the ACFR, to the secretary of the Department of Health. Within the residential income and expenditure statement providers are already required to report on the sources of the funds they receive—that's from the Commonwealth, the state, the residents themselves and other sources—and then explain how these funds were expended against the categories of care; accommodation; hotel expenses, so things like catering and cleaning; and administration finances and other non-operational expenditure. There is also the requirement that all residential aged-care providers must give an aged-care prudential compliance statement to the secretary, and all non-government residential aged-care providers must provide an independently audited, general-purpose financial report, prepared in accordance with accounting standards, as if the approved provider is a distinct reporting entity.

The department is currently working to expand the requirements of the ACFR and expects revised reporting requirements will be in place from 1 July 2021. So it is important to know that that work is underway. The revised requirements will introduce more transparency around the operational results of the facilities that a particular provider operates. This expansion will cover some of the additional reporting requirements proposed under clause 9-2A(2) of the bill as well as new information related to parent entity finances. The department will also undertake sector consultation before these requirements are introduced.

All of these changes are being considered in terms of the royal commission and the prudential standards review to ensure they are integrated with other reforms. Of course, we recognise they have the potential to increase administrative burden and that these matters need to be appropriately balanced. So we're very proud of the support our government is providing, including in these important reforms, but we await the final results of the royal commission—*(Time expired)*

Senator POLLEY (Tasmania) (10:31): I rise to speak on the Aged Care Legislation Amendment (Financial Transparency) Bill 2020. This bill amends the Aged Care Act 1997 to require residential aged-care providers to provide an annual financial transparency report to the Aged Care Quality and Safety Commissioner, who would make the information publicly available.

It's always interesting to follow Senator Henderson. Obviously, she's had a lapse in memory and she's trying to rewrite history. Her government have now been on the government benches for seven years and, during that seven years, they have not had one capable minister who has sat around the cabinet table and had the authority to support older Australians in this country. They should be ashamed of their record.

But, to get back to this bill, it requires aged-care providers to disclose their income, their spend on food and medication, the amount spent on staff and staff training, accommodation and administration and how much they pay out to their parent body. The Labor Party believe that we need better transparency around funding. In fact, when I was the shadow assistant minister for ageing I spoke about this issue on numerous occasions, advocating for much-needed reform.

People in aged care have been turned into commodities. We have extensive waiting times for people waiting for their approved home-care packages. People in residential aged-care facilities are malnourished, overprescribed drugs and neglected. Yet, at the higher levels of these corporations, we have managers and executives paying themselves excessive wages. This system is broken and in dire need of reform. I have lost count of the number of times that I have stood here and said these very words.

It's clear that the aged-care funding instrument is broken, and we have known that for quite some time. The tool which assesses the needs of residents is the largest source of revenue for residential aged-care providers. It's based

on dependency. So there are limited incentives for aged-care providers to actively encourage reablement and rehabilitation in residents. At the same time, many aged-care providers are not commercially viable and many are struggling, particularly in the not-for-profit sector.

More transparency and accounting for public funding—that is the system that must be forthcoming. It's not an option. The time for delay is over. We need that action now. We need better transparency around funding. We need to know that the funding that goes into aged care is actually improving the quality of care and ensuring older Australians can live out the rest of their lives with dignity, proper high-quality care and comfort. Over \$20 billion a year is going into the aged-care system to support older Australians to stay at home and in residential care. We need more accountability about where that money is actually going and more oversight of how that money is being spent, because, I can assure you, Australians are not getting value for money. I and many others, including the shadow minister, Julie Collins, have been banging the drums for years, saying that there needs to be more transparency so that older Australians and their loved ones know what is happening.

We don't only need greater financial transparency; we need better access to information on a number of measures—for example, on the number of complaints residential aged-care homes receive, the amount and type of accreditation failures they receive, and the processes to deal with these issues that may arise. We also need the staffing levels and the skills mix of aged-care providers to be publicly available information. Information is power and will lead to better care. This information needs to be easily accessible and in a format that is easy to understand and interpret. Often, when it comes to the decisions to put a loved one into residential care, it's at a time of high emotions and great stress, so people need to be able to make an informed decision about which aged-care home will best suit their loved one. Making this information readily available will ensure that informed decisions are made in the best interests of individuals and their families. As I said, it's such an emotional and highly charged situation, because most people going into residential care now go in with high-dependency needs. So families need to know that their loved ones are going to have support and care and staff around them to ensure they have the best quality care available. Disappointingly, conservative Liberal governments have failed to improve transparency, even though they know that older Australians, their loved ones and carers struggle to navigate their way through the complexity of assessing services. They're unable to gain enough information about aged-care service providers that will engage with their needs and ensure they have certainty that their loved ones will be treated with decency, great care and respect.

There have been many reports and inquiries into the system—all returning similar themes and issues. The Morrison government have now sat on their royal commission interim report into aged care for over a year and have not enacted any reform. It's time to stand up and say, 'Enough is enough.' Issues around neglect, malnutrition, lack of staff training, overmedication, and sexual and physical abuse have been well documented issues for years and years. Enough is enough. To sit on the interim report and say, 'Well, we have to wait; we can't pre-empt the final royal commission report' is absolute nonsense. We have had three failed aged-care ministers. We have had countless reports. Senator Siewert, who is in the chamber, and I have sat around the table and taken evidence day after day, year in, year out. We all know what the issues are around aged care. We know about the neglect. The interim report was titled *Neglect*. If that doesn't give a hint to this government that there's a crisis in aged care—after all, they did call the royal commission into their own failings—I don't know what will.

We also know that, once you have a diagnosis of dementia in this country, to a great extent, you become invisible. The carers of people living with dementia become invisible. If it weren't for Dementia Australia and the fantastic work that they do, those people would be forgotten completely by this government. We saw the huge impact the pandemic had on aged care, particularly residential care. It was evident that those people living with dementia in residential care became invisible. For those living with dementia at home, their carers became invisible. I say: enough is enough. We all know the issues. We all know what's been happening over the last seven years in aged care. We know that those on this side of the chamber have been calling for years now to have some reform and to look at the real issues, the broken system around how we fund aged care and the lack of transparency.

We know that the aged-care system under this Liberal government is broken. There has been one failed minister for aged care after another—and the current one is certainly not up to the job. Older Australians are waiting for high-level home-care packages for almost three years so they can get the care they have been approved for. Aged-care staff have been stretched to their physical and emotional ends trying to provide the care that these residents deserve. People are tragically dying of neglect, but we have no action from the Morrison government. More than 30,000 older Australians have died over the last three years waiting for their approved home-care package. It's a disgrace. More than 32,000 older Australians, over two years, entered residential aged care prematurely because they couldn't get the care they needed, the home-care packages they had been approved for.

Waiting times for aged care grew by almost 300 per cent under the Liberals, with older Australians across the country forced into lengthy queues, waiting for care.

Finally, 23,000 home-care packages were announced in the budget. But it's a different story in terms of how many have actually been delivered thus far—that is, a big fat zero. Once again, Mr Morrison is there for the photo opportunity but not for the follow-up. Only 2,000 of these packages are level 4—the highest level of care. Compare that to the number of people currently waiting for their approved level 4 package—15,873 older vulnerable Australians. There has been inaction on hundreds of recommendations from more than a dozen reviews, reports and inquiries. Complaints about aged care doubled to almost 8,000 in just one year, but the Prime Minister has failed to properly resource the Aged Care Quality and Safety Commission to handle these complaints. The Morrison government has failed to fully implement even one aged-care recommendation from a landmark report to stop elder abuse in aged care released in 2017. More than 110,000 calls for help went unanswered by the My Aged Care call centre over the last three years. The Morrison government delivered just 38 emergency food packages to older Australians isolating because of COVID-19—after announcing they would deliver 36,000 packages with funding of \$9.3 million. Once again, they are there for the photo opportunity but there is no delivery.

The list of overpromising and underdelivering goes on and on. We know that the Morrison government did not have a plan for COVID-19 in black and white. This was stated in the royal commission's special report into COVID-19. We know the Morrison government was not prepared for COVID-19 in aged care. Despite the early warnings, it didn't do enough early enough. It's clear that the Morrison government has no idea how to fix the aged-care sector. We know what is happening and what we are seeing, and we have been saying it over and over again, year in year out, since this government came to power: they have done nothing. Well, the buck stops with you, Mr Morrison; it's time to take some action.

Mr Albanese has laid out an eight-point plan as a starting point for this government. We say: take up the challenge, take up our ideas and start putting Australians first. But be assured that Labor will continue to hold the Morrison government to account, both in the parliament and publicly, on the thousands and thousands of Australians who are waiting for home-care packages. Australians generally are very concerned about the aged-care sector, because the majority of Australians will end up using residential aged care at some stage in their lives or have to rely on and wait for the home-care packages. Older Australians deserve so much more. This Prime Minister, at the last election, promised to prioritise aged care and older Australians and he has failed to do that.

We do need transparency in aged care and we do need financial transparency, but we know this is a Liberal government that could not be any less transparent in all their dealings across government. The Morrison government is failing older Australians. They are very transparent, because they're not doing what they gave a commitment to do at the last election—and that was to prioritise the care and support for older Australians. They have failed those people working in this sector, who give their hearts and souls without the resources that they need. We need a minister in government who has some power, has some commitment and has some interest in aged care. Then we might see a change of heart by this government, if we have someone in the cabinet room fighting day in, day out for older Australians, because that's exactly what older Australians need. They need a champion.

We will do our job on this side of the chamber, and it's about time Scott Morrison and his team did theirs.

Senator SIEWERT (Western Australia—Australian Greens Whip) (10:46): I rise today to make a contribution to the Age Care Legislation Amendment (Financial Transparency) Bill 2020. This bill addresses significant shortcomings in our current aged-care system by requiring aged-care providers to publicly report on financial information, including spending on food, medical products, accommodation, salaries, wages, administration and staff training.

You wouldn't think this was too much to ask, given that we pay about \$21 billion a year for provision of aged care. It should be common sense that this is the sort of transparency that's expected for that expenditure of resources on some of the most vulnerable members of our community. By requiring providers to report such information, we would have a much better understanding of how well facilities are resourced and what they're doing with that funding. Is it going where it should be going? We would get a better understanding of any possible gaps in care, quality and safety.

For example: just what are residential aged-care facilities spending on clinical care? We know from the recent pandemic that they have significantly let down residents and their families across the country, but particularly in certain states—like in Victoria, where what the deficiency in aged care has meant for residents is there for all to see. If they were practising better infection control right from the start we wouldn't have been in the situation we found ourselves in in aged care in Victoria.

In 2019-20 the Commonwealth spent, as I said, around \$21 billion on all types of aged care, yet there are no requirements for providers to disclose how much money is actually spent on care. Our aged-care system fundamentally lacks transparency in communication, reporting and accountability. One of the major systemic failings of the aged-care system is the lack of transparency and accountability about how providers disclose the way they use government funding to deliver services. This is a regulatory failure that I'm sure has contributed to providers getting away with providing inadequate care to older Australians, and it galls me to have to sit here and listen to the excuses from government about why we don't need this and how good our aged-care system is when we've got a royal commission into it, for crying out loud! We've got a royal commission because of inadequate care in this country—account after account after account of the failure of the system. Ants in wounds, for crying out loud! We haven't gone far from the kerosene baths episode.

We still have not banned physical and chemical restraints. They still don't have to get permission when they use those restraints. I'm still getting complaints from constituents, saying that they've found their loved ones had been physically and chemically restrained. We have to ask: how can older people and their families make informed decisions about aged-care services if they can't understand how much a facility spends on items such as food, staffing costs and other critical care elements? I think we would all agree that residents and their families have a right to know what the facility spends on basic care needs such as food, medicines, medical products, continence aids, management wages, staff wages, staff numbers and categories.

We have had a debate for so long in this country about minimum staffing levels. We still haven't got there. We still don't require a nurse to be on duty 24/7 for crying out loud! Nor are our staff in residential aged-care facilities getting paid enough; hence, they have to work across multiple facilities. Of course, we realise what that means, don't we? Counsel assisting the Royal Commission into Aged Care Quality and Safety recommended the need for more stringent financial reporting requirements. They recommended:

104.1. From 1 July 2023, the Australian Aged Care Commission should be empowered under statute to require approved providers to submit regular financial reporting.

104.2. The frequency and form of the reports should be prescribed by the Commission.

I think that needs to be done well before 2023.

This bill also raises bigger questions about the role of for-profit aged-care providers. The devastation that ripped through aged-care facilities in Victoria put for-profit facilities in the spotlight. We saw some terrible examples of for-profit providers failing to meet basic standards of infection control procedures and clinical care, and having to be rescued by the government. No-one should be making such huge profits from the provision of essential services to Australians.

In the meantime, this bill would introduce a new level of transparency and accountability when it comes to reporting how aged-care funding is spent by providers. We hear the excuse: 'We've got a royal commission coming; we shouldn't be doing stuff that pre-empts the royal commission.' This place is going to debate two bills on aged care in the next two weeks, so we can make changes before the royal commission reports—in fact, we need to be making changes. The government acknowledges that themselves with the bill being around the different funding and the way we're going to go to a reimbursed approach instead of up-front funding for home care, and also with piloting and doing the comparison process for the funding instrument. Both of these bills will go through here because they're sensible, as is requiring a greater level of transparency from our aged-care sector. They have got away with not doing the right thing for far too long. I do agree with Senator Henderson: there are some very good providers in this country; but there are some very bad providers in this country too, as has been well displayed over this year.

We need reform, we need it urgently. We've already seen the two interim reports from the royal commission. We have seen the counsel assisting's comment to the royal commission. The final report, that very substantial piece of work, is due in February next year. We've known for a long time that we need to have transparency. We know we need a better understanding of how money is spent. We need to be paying the staff in aged care better, and we've known that for a very, very long time. It's time for some better transparency. We support this bill.

Senator McLACHLAN (South Australia) (10:53): I rise to speak to the Aged Care Legislation Amendment (Financial Transparency) Bill 2020. This private member's bill does not find favour with the government. The honourable senator who brought this bill to this place, in his explanatory memorandum, states:

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.

These are noble sentiments, and ones which cannot be resisted; however, it is the view of the government that the path it has taken will be more effective in assisting with the regulation of this very important sector.

I was minded, when listening to this debate, of one of my more favourite poems on growing old. The opening stanza goes like this:

What is it to grow old?
Is it to lose the glory of the form,
The lustre of the eye?
Is it for beauty to forgo her wreath?
—Yes, but not this alone.

The aged-care sector is critically important, and the government has an excellent record and, in more recent times, has a minister who has pursued reform of the industry and, indeed, assisted in its navigation through the more difficult parts of this year with the impacts of the virus, and I take this opportunity to congratulate him. He has answered a barrage of questions in this place with a great deal of verve. We discuss and we debate in this place much about our youth—this was also my experience in the state parliament—and it is heartening that we are now having a similar debate with a great deal of enthusiasm on how we handle and care for our elderly.

Archaeologists have found remains from up to 500,000 years ago. They are the remains of those who were considered old in their communities, and there is clear evidence they were cared for. So how do we find ourselves in this place, with regulated care and government funding? Well, in Greek and Roman times, it was the requirement of the family to look after those who were the aged and the elders in their community. In the early 1800s institutions were created, but they were not happy places. Later in the 1800s friendly societies and benevolent institutions moved into the space and provided care. And we now find ourselves with a great deal of government interest, and rightly so, given that we have given a large degree of funding, as has been pointed out by members on all sides in this chamber.

I've often thought that the care of the elderly is certainly a mirror to our society. A wiser mind than my own said:

... morality consists in large part in learning to deal with the unwanted and unexpected interruptions to our plans. This is where caring for the elderly can often be the case. I would like more debate on the role of the family and community in caring for our elderly. There seems to be an increasing practice in our society to pack our elderly away into institutions. We're not incorporating them in a caring way; rather, we're simply visiting them as they have been packed away. Perhaps that's where the debate should ultimately be going, as a reflection on our societal norms, which, in many ways, are unpleasing. But this is not to distract from the requirements and expectations we have that those who seek, in an institutional way, to care for our elderly, who have our elderly in their daily care, are regulated, and rightly so. There are providers whose actions have led to significant disappointment in our community, and they should rightly be condemned.

The government is responding to the findings of the aged-care royal commission. It is a wait, but the industry does need to be consulted. We do need to understand the ultimate impacts of any regulation that comes through this place. The department is, as I understand it, currently working on requirements in relation to what is disclosed to our aged-care regulator, particularly through aged-care financial reports, the ACFR. Providers are already required to report the sources of funds they receive, and then explain how these funds are expended against the categories of care, accommodation and hotel expenses, administration and finances. All residential aged-care providers give an aged-care prudential compliance statement to the secretary of the department and all non-government residential aged-care providers must give an independently audited general purpose financial report, so there is a flow of financial information.

I appreciate that the senator putting forward this bill feels that there should be more financial information, but simply requiring more data does not necessarily alleviate the problem. As I said, the department is currently working on expanded requirements for the ACFR and expects revised reporting requirements to be in place on 1 July 2021. There is a drive, through this initiative, to introduce more transparency around operational results of the facilities that the provider operates, but just because you have more data doesn't mean you can compare like with like, in any industry. The expansion will cover some of the additional reporting requirements proposed in this bill as well as new information related to parent-entity finances. As I indicated, consultation is underway. All changes are being considered in the terms of the royal commission and the prudential standards review to ensure that they are integrated with other reforms and potential for an increased administrative burden is appropriately considered and balanced. It would be very easy for us to put in place greater regulation that does not produce the effect that we all desire.

The expanded ACFR will also play a key role in the residential aged-care funding model the government is currently exploring. In essence, we have a model that is going to be revisited and renewed. Whilst the government provides the cost, a key decision provides underwriting of the cost. The key decision for government after

implementing a new funding model will be setting the price, so in essence we have government intervention in a market, which in this case is appropriate. With an intervention of this manner not only does the right data have to be provided but we have to have a proper ability to analyse it. When the new model is implemented it will support annual costing studies and pricing work on cost data, so the government will be in a position to see the viability of the industry and where its funds are going, and therefore to make the appropriate policy responses and adjustments. Having said that, it will still be critical that facilities are audited for the level of care that they provide. Those providers that take a less-than-charitable approach to those in their care will be moved out of the marketplace and their operations terminated.

It's easy to say, 'Let's bring on more transparency.' The government is taking that approach, but the transparency has to be effective. Having reams of data does not assist in the decision-making of families when circumstances require the family to move a family member into a place of care, which often is a very emotional time. That decision-making is not necessarily facilitated by this bill. I return to the fact that, whilst I find great nobility in the sentiments of the senator who introduced this bill, the government's position is that it is taking into account those matters in its road to reform. I point out, in response to some of the contributions from the other side of the chamber, that the government did, to its great credit, call the royal commission, and it is responding to its findings. I also reiterate my confidence in the minister. I'll conclude with a stanza from probably one of my favourite poems by Dylan Thomas, in relation to his father:

Do not go gentle into that good night,
Old age should burn and rave at close of day;
Rage, rage against the dying of the light.

Senator KENEALLY (New South Wales—Deputy Leader of the Opposition in the Senate) (11:05): I rise to speak in support of the Aged Care Legislation Amendment (Financial Transparency) Bill 2020, put forward by Senator Griff. Labor supports transparency in aged-care funding and service provision. We did so when we voted for Senator Griff's amendments to the Aged Care Legislation Amendment (New Commissioner Functions) Bill 2019 to achieve these goals and we do so in supporting this bill.

Senator Griff's amendments last year were defeated by the government teaming up with One Nation to vote against transparency in aged-care funding and in how aged-care providers spend—or pocket—the money they get from the government, from their residents and from the residents' families. It's hard to understand how anyone, including One Nation, could oppose Australians having more information about how the more than \$20 billion a year of taxpayers' money that goes into the aged-care system to support our older Australians to stay home or go into residential care is spent. When Senator Griff put forward his amendments to achieve just that, in December last year, it was already clear that there were serious problems in aged care. We'd already had the interim report of the royal commission into aged care. It was titled simply *Neglect*. There was one word to condemn the Morrison government for its administration of the aged-care system in Australia, one word to indict the Prime Minister for his failure to keep safe our parents and our grandparents, one word that should be shameful to this government, and that word was 'neglect'! 'Neglect' was the word the royal commission used to describe this government's care for older Australians.

The commission detailed the shocking failures in individual aged-care homes; it outlined the structural weaknesses in our system. To quote the commission itself:

... the aged care system fails to meet the needs of our older, often very vulnerable, citizens. It does not deliver uniformly safe and quality care for older people. It is unkind and uncaring towards them—

older people, and—

In too many instances, it simply neglects them.

I don't know how members of the government can sit there and listen to those words from the royal commission and not hang their heads in shame for the way they are treating older, vulnerable Australians. The commission says there was 'serious substandard care and unsafe practice' and there was an 'underpaid, undervalued and insufficiently trained workforce'. That was before COVID-19!

It has been frequently said that the COVID-19 pandemic hasn't created weaknesses in our society; it has exploited the ones that were already there. That was certainly true in the aged-care sector. Even before COVID-19 hit, the Morrison government was responsible for an aged-care system in crisis. The Prime Minister, Scott Morrison, and his Minister for Aged Care and Senior Australians, Richard Colbeck, did very little in the already broken aged-care system to deal with COVID-19. We saw coronavirus tear through aged-care homes. We saw it tear through aged-care homes in New South Wales and then, months later, in Victoria. The Dorothy Henderson Lodge report was handed to the Morrison government in April. Scott Morrison, the Prime Minister, and his minister for aged care, Richard Colbeck, did nothing. They knew aged-care facilities would struggle to find staff

during a coronavirus outbreak, and they did nothing. They knew about the potential for a disastrous withdrawal of staff at an aged-care home because of coronavirus, but they did not do enough to prepare for it. Six hundred and eighty-five Australians in residential aged care died—died! We know that the Morrison government did not have a plan for COVID-19 in aged care. It is right there in black and white in the royal commission's special report into COVID-19.

Despite the early warnings, the government didn't do enough or act early enough. They didn't make sure all aged-care workers had easy access to personal protective equipment, didn't make sure aged-care workers had proper quality infection control training, didn't prepare a surge workforce strategy and didn't have any idea how many aged-care workers were working across multiple sites, let alone formulate a policy about it and implement a strategy to make sure that that risk was mitigated and managed. We know that aged-care homes were underprepared when it came to PPE and PPE training. We know it not from the government being transparent and accountable—no, because they refused to be—and not from aged-care providers making their spending and investments transparent, because they don't. We know it because of staff who blew the whistle and because of families and residents who spoke out. They deserve better. They deserve transparency.

I applaud the staff who spoke out. I admire the family members who, in their grief and distress, spoke out. But in a democratic, accountable society such as ours—an open and transparent one—it should not take them speaking out. We should have this type of transparency when it comes to funding in aged care. How much do aged-care homes invest in their staff? How much do they spend on making sure all their staff have PPE? We simply do not know. We would know if the government and One Nation hadn't got together last year to block Senator Griff's amendments. We'd know how much aged-care providers spend on things like food—food! I am telling you, this royal commission report talks about our parents and our grandparents starving in their beds—neglect: disgraceful. We don't know how much aged-care providers spend on food. We don't know how much they spend on medication. We don't know how much they spend on staff wages or how much they spend on staff training. And how much do they pocket as profit? Older Australians need—no, they deserve—to know the answers to these questions so they can make informed decisions about the services they want or the services they need.

Labor supports greater financial transparency. We also believe that Australians should have better access to a broad range of information, including the number of complaints a residential aged-care facility receives, any accreditation failures, the types of accreditation failures, and staffing—the ratio of staffing to residents at various levels of training—as well as measures service providers put in place to deal with accreditation issues. Some of this information is currently provided on the Aged Care Quality and Safety Commission website, but it needs to be in a more readable and accessible format and should be on the My Aged Care website. Australians shouldn't have to search for the information they need in order to make informed decisions about their care or the care of their relatives.

This is especially true as the world battles a deadly pandemic. But instead the government has withheld and hidden information about COVID-19 in aged-care facilities that this very government is responsible for. It's just not good enough that failures relating to outbreak preparedness have not been made public. Families, loved ones, deserve transparency. Residents deserve transparency. Staff deserve transparency. They deserve to know whether a nursing home or a home-care provider is safe. They need to know so that they can make those informed decisions. Labor support this bill because we support better access to more information for older Australians and their families and loved ones. Better access to more information can only be to their benefit and to the benefit of the public, so that all Australians can have confidence that taxpayers' money is going to improve care.

The government's failure to improve transparency is one more in a long list of aged-care failures by the Morrison government. Perhaps we shouldn't be surprised, because this is a government led by a Prime Minister who, when he was Treasurer, cut \$1.7 billion from the aged-care budget. Across this chamber we see a minister for aged care who has shown that he is not up to the job. He has lost the confidence of the Australian people—and the parliament, after being censured. One would think that after he let 685 Australians die on his watch the Prime Minister would also have lost confidence in the aged-care minister. But what we've learnt from this parliamentary term is that there is no end to the incompetence you can show as a minister in the Morrison government and still keep your job. Ministerial accountability does not exist under the Morrison government—not for the Leppington Triangle; not for the robodebt, which saw people take their own lives; not for using forged documents to attack a lord mayor; and not for incompetence in and indifference to protecting Australians in residential aged care from COVID-19.

And let's not forget that, for over two years, more than 32,000 older Australians entered residential aged care prematurely because they could not get the home care that they needed. Over the past two years, more than 100,000 older Australians have consistently waited on the Morrison government's never-ending waiting list for their approved home-care package. These are our parents, these are our grandparents—neglected in their own

homes; forced to enter a residential aged-care system which is demonstrably broken. 'Neglect'—one word of shame that should hang around this government when it comes to aged care. Older Australians waiting for high-level aged-care packages are waiting for almost three years—three years!—to get the care that they need and that they have been approved to receive. More than 30,000 older Australians have died over three years waiting for their home-care package. Thirty thousand people have died waiting for their home-care package—another sign of neglect from this Morrison government. Waiting times for aged care have grown by almost 300 per cent under the Liberals, with older Australians across the country forced into lengthy queues just to get care.

The government announced 23,000 home-care packages in the budget. That's better than nothing but a lot less than what is needed. And only 2,000 of these packages are for level 4, the highest level of care. Right now, there are more than 15,000 people waiting for their approved level 4 package—15,873 people waiting for a level 4 aged-care package. And what does this government do? It tosses 2,000 out there, like it's *The Hunger Games*, and says: 'There you go. Just be happy we're doing something.'

This government has done nothing on the hundreds of recommendations from more than a dozen reviews, reports and inquiries. The Morrison government has failed to fully implement even one aged-care recommendation from a landmark report, released back in 2017, to stop elder abuse in aged care. More than 110,000 calls for help went unanswered on the My Aged Care call centre over the last three years. The Morrison government delivered just 38 emergency food packages to older Australians isolating during the COVID-19 lockdown—after it had announced it would deliver 36,000! That's a big difference, between 36,000 and 38—just 38. In the time I have remaining I could probably read out loud every name of those who got one. It's the same old pattern we see over and over from this government: big announcement; little or no delivery. All photo op; no follow-up.

In August this year, the leader of the Australian Labor Party set out the eight steps the Morrison government could take right now to address the issues in aged care. They included: have minimum staffing levels in residential aged care; reduce the home-care package waiting list so more people can stay in their homes for longer; ensure transparency and accountability of funding to support high-quality care; implement measurement and public reporting, as recommended by the royal commission this week; ensure every residential aged-care facility has adequate PPE; have better training for staff, including on infection control; have a better surge workforce strategy; and provide additional resources so the aged-care royal commission can inquire specifically into COVID-19 across the sector while not impacting or delaying handing down the final report.

We know that Australians are angry. They are upset. And they want aged care fixed. How can we so neglect the older generations of this country—the ones who've fought in world wars, the ones who stand up for their communities, the ones who've raised children and built businesses? In their final years of life, when they are sick, when they are vulnerable, they should not be left in their beds, hungry, and, as the aged-care royal commission *Interim report: neglect* points out, with maggots and ants crawling through their wounds. This is the great shame—it should be the great shame—of the Morrison government and should be the great shame for Australia that we have allowed this to happen.

We know that the people of Australia don't trust the current minister for aged care, Senator Colbeck, to fix these problems. We know that this Senate does not trust that minister, because we have already censured him. Be assured that Labor will continue to hold the Morrison government to account, both in parliament and publicly, on the issues that hundreds of thousands of Australians are concerned about. We will continue to support transparency and accountability in aged-care funding and service provision, and we will support this bill. Older Australians—our parents, our grandparents—their families, their carers, and the staff who work in residential aged care deserve so much better than Scott Morrison's neglect.

Debate adjourned.

The ACTING DEPUTY PRESIDENT (Senator Fierravanti-Wells): Senator Roberts, can I thank you for your understanding and indulgence in what appeared to be a little bit of a misunderstanding in relation to timing.

Banking Amendment (Deposits) Bill 2020

Second Reading

Consideration resumed of the motion:

That this bill be now read a second time.

Senator ROBERTS (Queensland) (11:21): Thank you, Madam Acting Deputy President. As a servant to the people of Queensland and Australia, I proudly ask for the Senate's support for this bill, the Banking Amendment (Deposits) Bill 2020. It's commonly called the 'no bail-in bill' or the 'anti-bail-in bill'. Its purpose is to keep people's money safe and to keep the banking system safe. Let me first explain what is a bailout and what is a bail-