

Pre-budget Submission

2020-21

Baptist Care Australia

24 August 2020

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About Us

Baptist Care Australia is the national representative body for Baptist community service organisations and their clients in the national policy debate. We work to bring social justice to Australian communities, advocating nationally on issues important to our members.

A core principle in our work is to make sure that the interests and voices of marginalised people are heard when decisions are made that affect them. Our vision is a nation of hope-filled, purposeful people, building communities where every voice is heard. Our advocacy work seeks to help realise this aspiration.

Baptist Care Australia members serve people in aged care, retirement living, those affected by family violence, experiencing homelessness, on low incomes, experiencing relationship breakdown, living with a disability, and affected by multigenerational disadvantage.

Services provided include crisis accommodation, social and affordable housing, out of home care for children, counselling, education, no and low interest loan schemes, and other programs that help people rebuild their lives or live independently with the right support. Aged Care Services include home services (both through the Commonwealth Home Support Program and Home Care Packages), residential aged care and respite. Additional services provided by members include post-acute care with public hospitals, Veterans homecare services and fee for service homecare for clients.

Baptist Care Australia is a company limited by guarantee, a registered charity and a public benevolent institution.

Introduction

The Federal Budget is the primary platform for the Government to commit to social justice and to support all members of our community. Now more than ever, in the midst of this pandemic, the most vulnerable of our nation need to know that their elected government understands their situation and is willing to support them through it.

This submission identifies a number of ways for the upcoming Federal Budget to improve the lives and wellbeing of some of those that have been most effected by the pandemic.

Aged Care

Baptist Care Australia supports an aged care system that is fair, sustainable and supports the needs of all older Australians regardless of their background, culture, location or entry point. Collectively, Baptist Care Australia members are the fourth largest not-for profit aged care provider in Australia.

It is widely recognised that Australia's aged care system is in need of reform, and although there are many elements we can be proud of, as a whole it needs increased investment and radical change to achieve the care for older Australians that we all really want. The Royal Commission into Aged Care Quality and Safety will provide a compass for future change and guide government investment in the future of the aged care system and we eagerly await its final report.

However, the aged care sector has indicated for considerable time that it needed further investment and that waiting for the Royal Commissions recommendations would be too little too late. We are now facing the greatest challenge of our time. The COVID-19 pandemic has had a sudden and unprecedented impact worldwide, and the aged care

sector has been significantly challenged by the speed and severity of the effects of this global health and economic crisis. The ongoing second wave in Victoria is demonstrating the significant vulnerability of older Australians to the effects of this virus, particularly given the significant increase in community transmission. It is also demonstrating how challenging it is for aged care providers to quickly respond to an outbreak and navigate the impacts of the virus.

The operational, financial and workforce challenges experienced by the aged care sector in responding to the COVID-19 pandemic cannot be understated. Since late February, all aged care providers, including our members, have made an incredible effort to respond to the rapidly changing environment. This has required changes to every aspect of their operations to mitigate risk and ensure the safety and security of residents and clients. It has caused significant disruption to operations, great fatigue in staff, substantial negative financial impact and is not sustainable in the long term.

It is likely these challenges will continue over the medium to long term, particularly given uncertainty around the development of a vaccine. This means that changed practices, such as entry screening, surge workforces and care reserve teams, active testing for aged care workers, increased use of technology to facilitate communication, and heightened use of personal protective equipment, will be necessary for the medium to long term.

The cost of delivering aged care during the pandemic has significantly increased as all aged care providers work to keep residents and clients safe and well. This cost has been deeply felt across the aged care sector. The additional funding and resourcing provided by Government during the pandemic has been fully appreciated but it does not match the additional costs being incurred. The 'new normal' is not funded and, in a sector already challenged by structural deficiencies in funding models, is not sustainable in the medium or long term.

Recommendations

- Enhance and continue existing supports for the everyday costs of preventing COVID outbreaks:
 - \$15 per resident per day for residential care - paid as one-off payments covering six months in September and February
 - \$5 per client per day for home care – paid to the provider (rather than as a package subsidy) as one off payments, covering six months in September and February
 - Continued temporary 30 per cent increase to the Residential and Home Care Viability Supplements and the Homeless Supplement
 - Continuation of grants for CHSP providers to claim additional costs associated with COVID
- Additional workforce supports
 - Funding for paid pandemic leave for all employees
 - Commitment to fund single site worker arrangements wherever they are required so that providers can ensure that no worker is worse off
 - Creation of a \$500m fund to
 - strengthen workforce skills in infection prevention and control and COVID related social support, and
 - train additional workers to deepen workforce reserves and retrain people retrenched in other sectors
- Routine mandatory (through a direction/public health order) sentinel testing for aged care staff in Melbourne Metro and Mitchell Shire. And expansion of sentinel testing to locations in other States and Territories, including both declared hotspots and all areas where community transmission is active; and
- Enhancing support for services responding to outbreaks or suspected outbreaks and preventing outbreaks in areas of heightened risk, including removing the cap on costs for outbreak responses, covering PPE costs (acquisition and disposal), supporting alternative visitation arrangements.

Housing and Homelessness

Australia has a housing affordability problem. The challenges are complex, diverse and interact differently in different parts of Australia. Housing is a matter of national importance and needs Commonwealth Government support.

Access to secure and suitable housing is a basic human right. However, providing long-term, affordable housing is proving to be one of the most difficult policy challenges in recent times. Without housing that is safe, secure and suitable, people often find themselves unable to participate in employment, education, have reduced health outcomes, experience exclusion from their communities and are put at a greater risk of homelessness.

Before COVID-19 there were 148,500 households on the waiting list for social housing - equating to more than 200,000 Australians. This includes women and children escaping domestic violence and families with members who have special needs, some of which have waited over 5 years for access to suitable housingⁱ. Our members witness the impact of homelessness and extreme housing stress on families every day. As result in December 2019 we proposed to the Prime Minister a 'Safe at Home Economic Stimulus Package' (SaHNES). The proposed SaHNES was aimed at stimulating the struggling home construction industry and creating jobs across all participating jurisdictions whilst concurrently reaffirming and strengthening our nation's most fundamental economic unit, the family/household unit. We proposed that the Commonwealth Government take the lead and commence the investment, with the States and Territories asked to co-invest and/or provide residential development land.

The rising rate of unemployment as a result of COVID-19 will only increase the number of those at risk of homelessness and experiencing housing stress. Australian's are looking for Commonwealth leadership on this issue and investment in social housing is a win-win. Commonwealth investment into social housing should be seen as a national infrastructure project that provides 50-60 years of productive value to Australian people that opens up pathways to greater economic participation. Not only will an increase in social housing help the most disadvantaged and vulnerable in our country, it will also secure much needed employment during our post-COVID economic recovery. Provision of housing to low income households will enable them to spend any disposable income in their community, keeping local communities alive. A construction pipeline will also assist in keeping the more than one million people working in construction in meaningful employment and further support the many businesses that rely on construction to survive.

As a means of delivery, we strongly support the Social Housing Acceleration and Renovation Programⁱⁱ (SHARP) launched by the Community Housing Industry Association (CHIA), Homelessness Australia, National Shelter, and national housing campaign, Everybody's Home. SHARP proposes four waves of investment (1) Social housing maintenance and upgrading; (2) Acquisition of sites and properties requiring renovation completion which are suitable for social housing; (3) commencement of shovel ready projects; and (4) Investment in longer term new development projects.

Recommendations

- Develop a National Housing Strategy to meet Australia's identified shortfall of 500,000 social and affordable rental homes, with at least 30,000 of those delivered in the next four years. So that every person in Australia has a safe place to call home
- Lead the national commitment to the Social Housing Acceleration and Renovation Program (SHARP); and
- Develop a National Action Plan to End Homelessness that:
 - Addresses all the drivers of homelessness, including the lack of affordable housing, poverty and family violence.
 - Rapidly rehouses people who are homeless and helps them stay there.

- Addresses the over-representation of Aboriginal people in the homeless service system.
- Commits to ending homelessness by 2030 by taking action to prevent homelessness and delivering rapid access to the housing and support people need if they do lose their own home.

Family and Domestic Violence

Every week an Australian woman is killed by a current or former partner, and one in four Australian women has experienced physical or sexual violence by an intimate partner. Stemming this epidemic of violence in Australian families must be a high priority for governments, service providers and communities.

In recent years, federal and state governments have all taken significant steps to address domestic and family violence problems within their jurisdictions. The National Plan to Reduce Violence against Women and their Children 2010–2022 led the way to coordinated action across jurisdictions, with a strong emphasis on prevention activities to reduce the incidence of violence over time.

Despite the national commitment to ending family and domestic violence, a recent survey by the Australian Institute of Criminology has revealed that the COVID-19 pandemic appears to have coincided with the onset of physical or sexual violence or coercive control for many women. For other women, it coincided with an increase in the frequency or severity of ongoing violence or abuse with 1 in 20 women experienced physical or sexual violence over the last three monthsⁱⁱⁱ. The restrictions associated with controlling the pandemic are also making it a lot harder for those impacted to seek help and for agencies to provide the much-needed aid to those in need.

Recommendations

- Urgently invest in an increase in funding to respond to the increase in family violence as a result of COVID-19
- Allocate resources for work to begin on developing a Second National Plan to eliminate family and domestic violence. This work must utilise a co-design approach including persons with lived experience.
- As part of planning for a second National Plan, develop a mechanism to assess unmet need for services to assist victims/survivors across Australia, in order to inform funding and program decisions; and
- Increase and guarantee long-term funding for the full range of prevention, early intervention and tertiary programs to prevent and respond to family violence

Income Support

COVID-19 has exposed the inadequacy of income support benefits to the rising number of people unemployed as a result of the pandemic. Government modelling shows that over 2 million people are expected to be without paid work by September 2020. Their voices join the many other voices across the political spectrum crying out for an increase in the rate, acknowledging that \$40 a day is impossible to survive on.

Prior to COVID-19, people receiving JobSeeker payment (then called Newstart) were as follows:

- One in ten were single parents. 95% of these single parents were women.
- 43% had a disability or illness that prevented them from working full time (and were ineligible for the Disability Support Pension).
- 50% were over 45 years of age, with 54% of these group being women^{iv}.

The increased rate of JobSeeker has provided hope to many people who were living below the poverty line. It has allowed them to pay their rent and bills, afford fresh food and pay for medical care^{iv}. A recently released survey by the National Council of Single Mothers and their Children of parents receiving the temporarily increased JobSeeker payment found nearly 7 in 10 said their family was healthier due to having enough food to eat and healthier options.

Recommendations

- JobSeeker, Youth Allowance and other income support payments should be significantly and permanently increased and indexed to the growth of wages and cost of living.
- JobSeeker and JobKeeper payments be urgently extended to over one million migrants who are currently ineligible.

Equal Remuneration Order and Supplementation

In 2012 the Fair Work Commission made a landmark decision to address the gendered undervaluation of work performed in much of the community services sector. This resulted in an increase in wages by up to 45% over 10 years. Since 2012, the Federal Government has delivered additional funding (in the form of Equal Remuneration Order supplementation payments) to meet the higher wage costs that they have incurred as a result of the 2012 decision.

The Federal Government has indicated that it will no longer pay ERO Supplementation from July 2021 on most grants and the base rate of affected grants will not be increased to include the supplementation. If the base grant for programs currently receiving ERO supplementation does not rise, it will result in significant funding cuts for community sector organisations delivering federally funded programs. This will mean cuts to the services that people in communities across Australia rely on – when they need it most.

Recommendations

- The Commonwealth should ensure that Equal Remuneration Order (ERO) supplementation continues; or the base rate of grants where ERO supplementation currently applies permanently increase so as to incorporate the current rate of ERO supplementation.

Conclusion

COVID-19 will continue to impact the way we live in Australia. This includes how we plan and invest in our future. Baptist Care Australia has seen up close the devastating impact that this pandemic has had on people's lives and the trauma caused by the loss of loved ones. There is not one Australian that has not felt the impact of this disease. As we push through this period we need to ensure that we identify and acknowledge those that are at real risk of being left behind.

This budget has a real chance of making a fundamental difference to those who had no hope before. Families experiencing poverty for generations could finally see a positive change through secure housing and adequate income support. Many more experiencing unemployment for the first time will be looking to Government for help to get them through. Likewise, with a Royal Commission into Aged Care all Australians will be looking for reform to a sector that we will all personally experience in the future. Now more than ever Australia will be looking to Government for leadership like they never have before.

We thank the Government for the opportunity to contribute to this Budget and we call on the Commonwealth Government to create a budget that generations to come will be proud of.

ⁱ Australian Institute of Health and Welfare. (2020). Housing assistance in Australia 2020. Retrieved from <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia-2020>

ⁱⁱ Community Housing Industry Association. (2020). Social Housing Acceleration and Renovation Program (SHARP). <https://www.communityhousing.com.au/wp-content/uploads/2020/05/SHARP-Program.pdf>

ⁱⁱⁱ Boxall H, Morgan A & Brown R 2020. The prevalence of domestic violence among women during the COVID-19 pandemic. Statistical Bulletin no. 28. Canberra: Australian Institute of Criminology. <https://www.aic.gov.au/publications/sb/sb28>

^{iv} Australian Council of Social Service. (2020). Raise the Rate for Good – Factsheet. <https://raisetherate.org.au/wp-content/uploads/2020/07/Raise-the-Rate-For-Good-Factsheet.pdf>