

Letter to Minister via staff member

Allison Rosevear
Assistant Secretary
Residential Program Management Branch
Department of Health and Ageing
GPO Box 9848
Canberra
ACT 2601

February 4th 2008

Dear Ms Rosevear,

Your letter on behalf of the minister 22 January 2008 Unsuitable owners and providers of aged care

I write to thank you for your response to my letter to the minister for Ageing, the Hon Justine Elliot MP dated December 11th 2007 but to express some anxiety about the response.

In your letter you indicated that the government was closely examining aged care policy and that my views had been noted. I am grateful for this.

My letter very specifically asked, in the introductory paragraph, for an assurance that two glaring regulatory deficiencies would receive attention. The previous government had already promised to address these problems. These threaten and compromise the integrity and the effectiveness of the regulations

This omission may have been an oversight due to the pressure on the minister's time, but **in the absence of a correction** I will assume that the decision not to give an assurance that something would be done about these issues was a considered and deliberate decision made by the minister and her colleagues.

I find this disturbing because this matter was taken up with the previous shadow minister, the Hon Jan McLucas, before the election. Elected politicians in her own party wrote to her asking her to respond. She elected not to do so.

I also offered the present minister information about the impact of private equity on nursing home care in Australia on condition of guaranteed confidentiality. She has not taken up that offer, fuelling perceptions that the problems in aged care have been put on the political back burner.

The previous government aggressively marketised the provision of aged care in 1997. It is common knowledge that the for-profit friendly 1997 aged care regulations were largely drafted by and for the benefit of the commercial sector. Doug Moran acknowledged this. The previous government remained in the pocket of the commercial sector and echoed their interpretations to the public.

Any attempt to address the serious deficiencies will be strongly opposed by the ever more powerful corporate and private equity owners and operators; groups whose primary interests are commercial rather than humanitarian. If the regulatory loopholes were closed to ensure that only suitable entities were involved in the care of the aged then there would be significant benefits for the aged care system, but commercial consequences for some wealthy operators,

The response (or lack of it) of the previous shadow minister and the current minister serves to fuel concerns that these commercially focussed groups now have an iron grip on the sector. The government no longer has the power to act in citizen's best interests when this would impact on the commercial interests of operators. Strong pressure and support from the community may be required to strengthen the minister's hand in dealing with these wealthy and influential groups.

Yours sincerely,

J Michael Wynne