



29 January 2021

Assistant Treasurer
Hon. Michael Sukkar MP
Parliament House
CANBERRA, ACT 2600
By email: prebudgetsubs@treasury.gov.au

Dear Treasurer,

RE: Federal 2021-22 Pre-Budget Submission

Lively is grateful for the opportunity to make a 2021-2022 Pre-Budget Submission to the Treasury.

We are a fast-growing, not-for-profit social enterprise, established with a mission to **reduce social isolation** amongst older people, **improve youth employment outcomes** and build a more **age-friendly society**.

Lively was conceived when Founder Anna Donaldson witnessed older people living in shocking social isolation during a volunteer experience. Anna also knew of the pressures facing young jobseekers in the shrinking entry-level job market. Employing these young jobseekers to help older people maintain social connection and wellbeing seemed a natural and exciting solution.

Since launching, Lively has become a thriving enterprise which trains and employs young jobseekers with an aptitude for caring to deliver a range of supports to older people, including home care, digital literacy training and gardening help. Our model of care fosters meaningful, mutually beneficial connections across generations, building relationships between young and older people that also enable older people to share their rich life experience and knowledge back with the young.

Introduction

All Australians, young and old, are touched by the experience of ageing. Older Australians themselves are a broad group, diverse in their backgrounds, interests and needs. They are also a rapidly growing population and between 2019-2020, the number of Australians over the age of 65 who are enrolled to vote increased by 128,764, accounting for 23% of the total voting population.

The experience of ageing in Australia has also changed dramatically over the last year. It has been disrupted by COVID-19, scrutinised by a Royal Commission, and uplifted by global awareness campaigns like the World Health Organisation's Decade of Healthy Ageing. Much attention has been drawn to the Australian aged care industry, sparking concurrent and contrasting periods of criticism and innovation. The industry now stands on the cusp of great change, with wide and growing acknowledgement that further innovation and reform in the industry, as well as broader changes in our social attitudes towards ageing and aged care, are urgently needed.

Support from the Commonwealth Government will be integral to enabling the industry to meet heightened demand, respond to the Royal Commission and promote industry-wide innovation. This submission makes the case for four critical investment areas to help the industry attain these goals and promote healthy ageing for all Australians:

Promoting a creative and innovative aged care industry

Attracting young people into the aged care workforce

Supporting the community participation and productivity of older Australians

Helping older Australians engage with and plan for their ageing

1. Funding innovation

Building a funding model that encourages a creative and innovative industry.

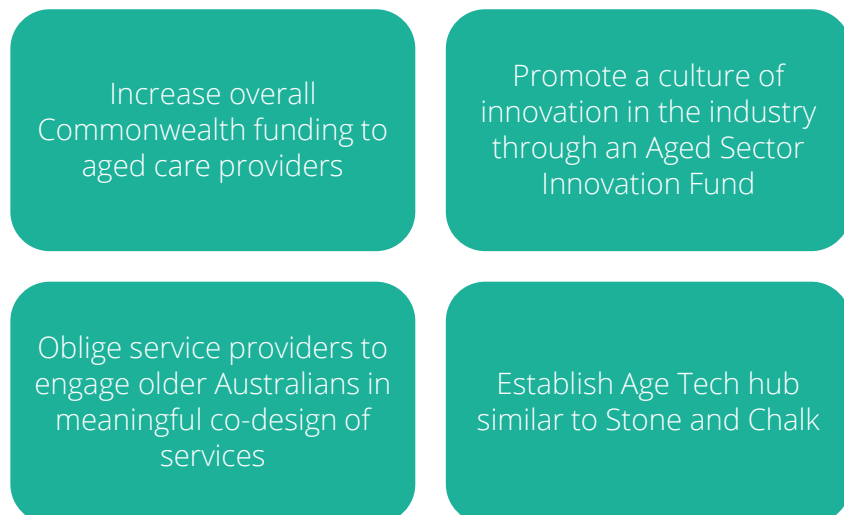
Increasing Commonwealth funding is critical to lifting the quality of aged care in Australia. However, for the 2021-22 Federal budget, Lively also advocates for the allocation of increased expenditure towards strong policy levers which enable innovation and creative responses to the Royal Commission into Aged Care Quality and Safety.

At present, the key funding streams for the aged services sector (Commonwealth Home Support Programme and the Home Care Package program) provide limited scope for providers to experiment with new service models, and additional funding mechanisms should be initiated with the express purpose of encouraging and enabling the development of new and improved approaches.

In 2019, KPMG's 'Innovation in Age Services' report found that providers were not only insufficiently funded to pursue innovation, but were inhibited from implementing more cost-effective models of quality service delivery without it.¹ The report similarly found that rapid advances in technology had been under-utilised in the sector and recommends strengthening a culture of collaboration between providers to increase sharing of resources and learning from each other.² As a next step, the report recommended the strengthening of cultures of collaboration within the industry and between providers. This could be enabled with Commonwealth funding to support an AgeTech hub, like the government co-funded Stone and Chalk hub for FinTech, to actively support experimentation in the industry and to mainstream successful ventures into new models of care.³

A culture of innovation could also be promoted by establishing a flexible funding stream that would support testing and evaluation of new and improved approaches to service delivery. The Victorian Public Sector Innovation Fund, and the Department of Social Services' 'Try, Test and Learn' fund provide instructive case studies to inform the design of a similar mechanism for the aged care sector.

Additionally, future funding allocation could assert a stronger obligation for providers to meaningfully engage older Australians in the design of aged care services. Currently, co-design is limited and distanced from the consumer, only sometimes producing meaningful results and innovation of a service offering. Offering funding for service providers to access expertise in the areas of human-centred design and innovation practice could further enhance the ability of providers to engage with and respond to the needs of older Australians in innovative and effective ways.



¹ Doyle, N., & Mabbott, J. (2019). *Innovation in age services: Overcoming barriers*. Sydney: KPMG.

² Ibid.

³ Ibid.

2. Skills and Jobs

Supporting targeted initiatives that successfully attract young people into the aged services workforce.

Australia's ageing population has more heterogenous needs than ever, and greater investment which expands the workforce and diversifies its service offering is urgently needed to match this demand.

Submissions to the Aged Care Royal Commission highlighted that the aged care workforce had only grown by four per cent between 2012 and 2016; an insufficient rate of growth for a workforce that is projected to "need to grow at around three times its current growth rate" to meet future needs.⁴

Through Lively's engagement with other aged care providers across the sector, we have also identified that attracting young people into the aged care workforce is a particular challenge. Indeed, the median age of the community aged care workforce is 50, by comparison with 33 in retail, 37 in finance, and 38 in construction.⁵ As many in the existing aged care workforce near retirement age, the need to position aged care as an attractive and rewarding career path for young people in the community is of paramount importance.

Targeted initiatives to encourage young people into this space are in short supply. Yet young Australians are currently affected by a record high unemployment rate, brought on by a drought in entry-level opportunities and exacerbated by COVID-19.⁶ Research by the Foundation for Young Australians also highlights care as one of the key sectors where job opportunities for young people will continue to expand in coming decades, rather than contract.⁷ In this context, there is a clear opportunity to establish strong policy levers that incentivise young people to consider employment in this space.

Aged care business models like Lively's respond to these issues by offering entry-level roles to young jobseekers, providing opportunities for young people to engage in 'light touch' support services for older people as an attractive employment opportunity with low barriers to entry. From there, our model encourages and supports young people to expand their skills and qualifications, and to pursue ongoing careers in the sector, having been introduced to the rewards of working with and supporting older community members. Our research with young jobseekers has shown that 92% of young people are more likely to consider an aged care career as a result of this experience. Investment from the Commonwealth could support similar, evidence-based initiatives to engage young jobseekers in care, meeting both the needs of the aged care industry and promoting youth job-creation at a national scale.

Having engaged young people in the sector, key to their retention and further upskilling in the workforce will be the allocation of funding to foster a culture that values and appreciates aged care workers. This should also help the industry mature, inspiring entry-level jobseekers to recognise and see value in their aptitude for caring within discernible and attractive career pathways.

Create low barrier opportunities to engage new, young workers in aged services

Foster social and workplace cultures that value aged care workers

Identify discernible and attractive career pathways within the aged services industry

⁴ Tune, D. (2017). *Legislated Review of Aged Care 2017*. Canberra: Australian Government Department of Health.

⁵ McCrindle Research. (2017). *Australia's Aged Care Puzzle: Demand Vs. Supply*. Surry Hills: Community Services and Health Industry Skills Council.

⁶ Isherwood, L., Mavromaras, K., Moskos, M., & Wei, Z. (2018). *Attraction, Retention and Utilisation of the Aged Care Workforce*. Adelaide: The University of Adelaide: Future of Employment and Skills Research Centre.

⁷ Foundation for Young Australians. (2017). *The New Work Order*. Melbourne: Foundation for Young Australians

3. Age-friendly communities

Building communities that welcome and value older Australians' ongoing contribution and participation.

While the experience of ageing is an inherently individual one, common to all older Australians is a need for self-fulfilment through social connection and productivity. To improve the aged care system, Commonwealth funding should target levers which encourage social connection and productivity; in particular, models that support older people to contribute their skills, knowledge, and interests to their local communities.

At Lively, we have witnessed the deep and positive impacts of community participation programs in older Australians' feelings of social connectedness, life enjoyment and dignity. As an example, Lively's *Buds* initiative operates in partnership with local councils to deliver free intergenerational gardening programs. The initiative supports older residents to maintain an active involvement in gardening for their enjoyment, health and wellbeing, while getting to know and work with a local young person.

Key to the *Buds* program is not only the provision of gardening support for older people, but the creation of an environment in which older people can *share their skills* with young people who have an interest in gardening. In our experience, most existing social support services for older people focus on *socialisation* – group outings or luncheons, for example – without considering or facilitating opportunities for older people to make a tangible contribution in their local community. This sense of contribution and purpose is integral to health and wellbeing, and investment in older people's ongoing productivity and involvement in their communities is an investment in lower lifetime reliance on health and care services.

Similar programs to Lively's *Buds* model, subsidised by measures in the 2021-22 budget, could enable older Australians to participate in their local communities for longer and would encourage self-fulfilment through social connection and productivity.

Fund services that
promote older
Australians' social
connection *and*
productivity

4. Preparing for the future

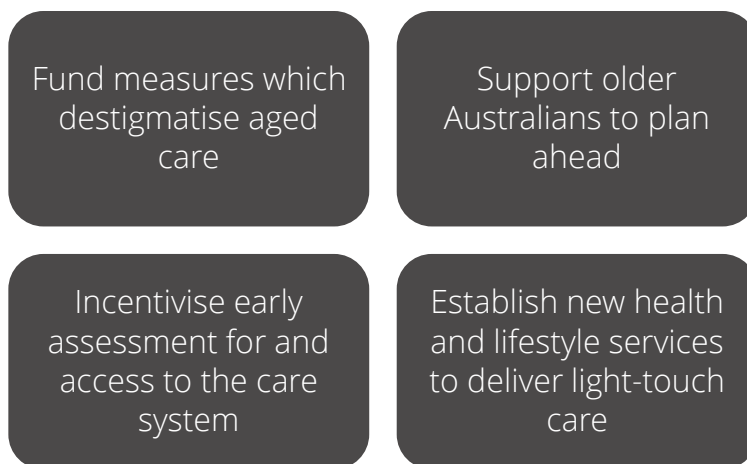
Helping Australians engage with and plan for their ageing.

Stigma about entering the aged care system prevents timely assessment and access of the supports available to older Australians. The 2021-22 Budget should allocate funding to measures which better inform older Australians' decision-making about their care and encourage early action on their ageing journey.

This should include measures to destigmatise the act of 'asking for help', highlighting the benefits to older people's identity, independence, and wellbeing of reaching out for support earlier in their journey, rather than when they reach a crisis point. In turn, this would reduce the pressure associated with the Home Care Package waiting list, which currently consists of over 100,000 older people who are in desperate need of support, having waited until the point of absolute need to reach out for an assessment. By connecting with services earlier, older people can be supported by providers to plan ahead, undertake timely assessment, and experience a smoother transition through escalating levels of need.

Lively particularly supports the introduction of budget measures that actively incentivise early assessment for and access to the care system. It also supports the establishment of a new category of light-touch aged support services that enables consumers to access and become accustomed to the system in a timely way. These light-touch supports should not be positioned as 'aged care' services, but 'home, health and lifestyle' services that older people can access without a sense of shame or incapacity, and without extensive assessment processes.

Further, and as part of its 2020 'Reforming Aged Care' report, the Grattan Institute recommended establishing an independent consumer advisory body to help older Australians make informed decisions about their care.⁸ Lively supports this recommendation, adding that any new body should not limit the role and relationship that providers can play in working with older Australians to develop individualised care and support plans.



⁸ Duckett, S., Stobart, A., & Swerissen, H. (2020). *Reforming aged care: A practical plan for a rights-based system*. Melbourne: Grattan Institute.

Conclusion

Thank you again for the opportunity to provide a 2021-22 Pre-Budget Submission to the Federal Treasury. Based on our proven track record delivering positive change in the four areas outlined above, Lively believes that we are in a unique position to help the government address some of the systemic problems facing Australia's aged care system, using our innovative and cost-effective model of care. These measures will help to support our elderly to recover from the impacts of the COVID-19 pandemic, help create mutually beneficial connections across generations and promote healthy ageing across our community. Lively would be pleased to meet with Treasury officials or relevant government representatives to discuss this submission further or provide additional information to support your consideration of our proposals.

Promote a creative and innovative aged care industry

Attract young people into the aged care workforce

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Help older Australians engage with and plan for their ageing

