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OF THE HOME AND COMMUNITY
CARE PROGRAM

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**REFLECTIONS ON THE REVIEW OF THE HOME
AND COMMUNITY CARE PROGRAM**

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ABSTRACT

The First Triennial Review of Home and Community Care (HACC) Program was released in early 1989. This paper discusses the main thrust of some of the recommendations made in that Review, specifically those relating to program administration, planning and user rights. The discussion of these issues and how the HACC Review addressed them is preceded by a summary of the general demographic, economic and policy context within which the HACC program was introduced and has evolved. The final section of the paper addresses two issues that are of longer-run relevance to the development of the HACC Program, the first relating to the role of carers in the program and the second the broad question of costs and who should bear them.

1. INTRODUCTION

Debate on the performance of the Home and Community Care (HACC) program since its inception in 1985-86 has encompassed many issues central to recent trends in community services policy more generally. The perception of some people associated with the program is that HACC represents a move by government to shift the burden of care back to the family, and the cost of care back to users. To others, HACC represents another venue for the rehearsal of traditional Commonwealth-State rivalries to the detriment of program development. To others, it is an example of an overly-bureaucratic and over-administered program designed to frustrate the efforts of those concerned with meeting the needs of disadvantaged people. To others, it represents undue government interference with the operation of services that have been in existence for decades. To others again, it represents an unwarranted intrusion into the working and personal lives of those providing and using HACC services in order to collect information of dubious value. But there are positive perceptions too, even though these often seem to take a distant second place to the seemingly endless stream of negative comment and criticism. To gain an appreciation of the positive features of the HACC program, it is necessary to see the services funded under the program in operation at first hand and to talk with service providers and HACC clients. Having had an opportunity to do this during the course of the HACC Review in 1988, the most lasting impressions of HACC that have remained with me are all positive.

However, the point to be emphasised is that the HACC program is far more than a list of grievances, frustrations, or achievements. Above all of these, and of far greater longer-run significance, the HACC program is the expression of a very important social objective. The goals and philosophy of HACC reflect the growing consensus that providing long-term support for those not requiring intensive medical or nursing care is best undertaken in situations that are as close as possible to ordinary homes, and preferably in the individual's own home (Baldwin and Parker, 1989). Of equal significance is the emphasis given in the HACC legislation to providing support not only to frail elderly people and younger people with disabilities, but also to their carers. The underlying goals of the HACC program receive widespread support from the vast majority of those associated with it. Yet the extent of the criticisms already alluded to suggest that the expectations of many of those who support the goals of HACC are far from being realised in practice.

It is against this background that the work of the 1988 Review of HACC should be judged. The aim of the Review, as expressed in its Terms of Reference, was not to

review the HACC program itself, but rather to review the operation of the formal Agreements between the Commonwealth and the States that give practical effect to the **Home and Community Care Act 1985**. In its first three years of operation, it was virtually inevitable that problems would be encountered in putting in place a program that was both innovative and expanding very rapidly. The Review presented an opportunity to reflect on the difficulties encountered in this period, to seek to resolve them, and to put in place an improved set of operating procedures for the short term and a broader planning framework for the longer term. The achievement of these aims will take time. Ultimately, the success of the Review will depend upon the willingness of all of those involved in the actual operation of the program to work together towards the realisation of the goals of HACC. As with any such program, formal legislation, official reports and operating manuals can have only a limited impact. The success of HACC will be determined in the field, not in the pages of legislation or government reports. But without a coherent framework to guide those working at the service delivery level, the HACC program cannot hope to achieve its basic objective of providing a comprehensive and integrated range of services designed to meet the needs of the individual.

This paper does not dwell at length on the detailed recommendations of the HACC Review. Those who are interested in these can consult the Report for themselves. I will, however, in Section 3 outline what I see as some of the more important themes and issues that emerged during the course of the Review and are reflected in its recommendations. Before this, the following Section briefly reviews some salient features of the background and context to the Review and to the HACC program itself. Section 4 addresses some issues that have relevance to the future prospects for HACC, while Section 5 summarises the main points raised in the paper.

It is important to emphasise at the outset that what follows is a personal account of some of the issues addressed in the HACC Review, as well as some personal reflections on the HACC program. Having now returned full-time to the 'groves of academe', I am all too aware of the need for such disclaimers. I do hope, however, that those who worked on the Review and others involved in the program may share some of the opinions I express.

2. BACKGROUND AND CONTEXT

One of the most important lessons I learned first hand as a result of my involvement in the HACC Review is the importance of both history and context for understanding current events and controversies. In one sense, I came to the Review with neither.

When originally asked by the Minister for Community Services and Health if I would be willing to Chair the HACC Review, my knowledge of HACC was restricted to knowing what the acronym stood for. I did, however, have a background in economics and, since joining the Social Welfare Research Centre early in 1987, in the application of economic principles, analysis and evidence to a broad range of social policy issues. In retrospect, my lack of detailed knowledge of HACC was almost certainly an advantage, since it meant that I brought no preconceptions whatever to the Review. It was almost certainly no accident that someone outside of any immediate involvement in HACC, but who could draw objectively on experience gained from involvement in related areas of policy, was asked to Chair the Review. That was, I think, a wise decision and one that will prove worth repeating at the time of the next Review of HACC.

The general background and context of HACC can be addressed at two quite distinct levels. The first relates to the broad economic, demographic and policy challenges confronting both Commonwealth and, increasingly, State governments in the 1980s. The second relates more specifically to the historical context of community care service provision in existence in Australia when HACC was first introduced. Each of these deserves a more thorough analysis than is possible here, but it is worth highlighting some of the more significant aspects of each in turn.

Throughout the industrial world, the last decade has been characterised by economic instability and uncertainty. A dominant theme in many countries has been increased reliance on market solutions to economic problems, with resulting pressures to reduce (or at least slow the growth of) government involvement in the macroeconomy. Fiscal restraint has been the order of the day, not for short-run Keynesian reasons in order to dampen cyclical demand, but for longer-run supply-side reasons associated with structural and competitiveness issues. Government spending, in Australia and elsewhere, has thus been restrained for at least the last decade and government programs - particularly government social programs - have come under continued scrutiny.

These developments have important implications for the HACC program for two main reasons. The first relates to the impact of population aging on the future course of government expenditures. It is now well known that current population projections indicate a significant rise in the proportion of elderly people in the population in all advanced countries. The extent and timing of population aging varies across countries, but its existence is common to all. It is also now well established that the elderly are intensive users of particular government benefits and services, which implies that population aging has important consequences for the future level and composition of government spending (and revenue, though this has been given little attention to date).

The impact of population aging on government expenditure has received attention by government agencies within Australia, as well as by international agencies like the Organisation for Economic Cooperation and Development (OECD) and the International Monetary Fund (IMF) (See the reports by Office of EPAC, 1988; Social Welfare Policy Secretariat, 1984; OECD, 1988; Heller, Hemming and Kohnert, 1986).

One important aspect that emerges from this work relates to the spending consequences of the projected rapid increase in the very old, those aged 80 and over, a group that is heavily reliant on government for both income support and service provision. The latest population projections released by the Australian Bureau of Statistics (ABS), for example, suggest that the number of persons aged 80 or over will increase in Australia from around 370 thousand in 1990, to over 760 thousand by 2011, and to almost 1.32 million by 2031 (ABS, 1988, Table 5.2AB). This represents an increase of 254 per cent, over a period when the elderly population as a whole (those aged 65 and over) is projected to increase by 164 per cent and the total population is projected to grow by less than 57 per cent. Fearful of the expenditure implications of population aging in a context of spending constraint, it is not surprising that governments have looked to policies that have the potential to minimise the former and thus assist with the latter.

The second reason for government interest in programs like HACC that provide community care for elderly people (and others) relates to the past growth in expenditure on alternative, institutional forms of care. Government expenditure on Nursing Homes has, until recently, been amongst the fastest growing elements of total government spending in Australia. According to a recent Report by the Commonwealth Department of Finance (1988) - summarised and appraised by Saunders (1989) - Commonwealth expenditure on Nursing Homes increased in **real** terms by 13.5 per cent **on average** in each year between 1968-69 and 1982-83. This is well above the 7.6 per cent annual average real increase in age pension expenditure over the period. Since 1982-83, however, the growth in Commonwealth expenditure on Nursing homes has been considerably reduced, averaging 3.6 per cent a year in real terms (Saunders, 1989, Table 3).

At first glance, the slowdown in expenditure on Nursing Homes might be taken as indicative of the success of HACC and other community care programs. Certainly, expenditure on HACC has been growing rapidly since its inception - from a total of \$154 million in 1984-85 to an estimated \$356 million in 1988-89 (HACC Report, Table 1). The ratio of Commonwealth expenditure on Nursing Homes to Commonwealth spending on HACC has fallen from 13.9 to one in 1984-85 to 7.6 to one in 1988-89, a very significant turnaround in only five years. If the expenditure trends since 1984-85 were to

continue, it would take just over thirteen more years for Commonwealth HACC expenditure to exceed Commonwealth Nursing Home expenditure. It is also worth observing that the increase in HACC expenditure since 1984-85 represents only a fraction of the savings implied by the reduced growth in Nursing Home expenditure. However, the slowdown in Nursing Home expenditure probably has far more to do with the tightening of entry assessment procedures than with the existence of HACC per se, although the expansion of HACC funding has undoubtedly made the curtailment of Nursing Home expenditure more politically feasible. The number of nursing home residents receiving Commonwealth assistance, expressed as a proportion of the population aged 70 and over, declined by 1.9 per cent a year between 1982-83 and 1988-89 (Department of Finance, Table 24, p.154). To date, the existence of HACC has thus facilitated the switch from institutional to domiciliary care, rather than being the driving force behind the development of a better balance in the overall provision of care.

The second level at which the historical background to HACC is important operates at the service provision level rather than in relation to more general pressures confronting governments. This aspect is far more familiar to those involved in the HACC program than it is to me, so I will tread carefully. The essential point to recognise here is that while HACC is a new program many of the services funded under HACC have been in existence for a very long time. This inevitably places limitations on the extent to which these services can be re-orientated to meet the goals of HACC, or at least on the speed with which such change can occur. Of significance in this context is the aim of HACC to shift the focus onto individual service users through 'the provision of a comprehensive and integrated range of home and community care' (**Home and Community Care Act 1985**, Clause 5(1): emphasis added). The focus in HACC on service users implies a need for integrated services. And this in turn means that services cannot operate in isolation from other elements of the total package of care that makes living in the community a practical reality.

The other historical feature of community care service provision that HACC has had to confront relates to the involvement of State/Territory, and in some instances, Local government in the funding and direct provision of HACC services. The HACC program has attempted to build on, and benefit from, this involvement by being a joint cost-shared program. Throughout the Review, the need to recognise the importance of State and Local government historical involvement in HACC was continually brought to my attention. Exactly why this was important, and in precisely what sense (aside from the obvious political issues), was never clear to me. The decision for HACC to be a joint cost-shared program has not, however, been costless. One can but contemplate where

HACC might be now if the Commonwealth had decided in 1985 to fund and administer the program unilaterally. The experience of the HACC Review certainly illustrated the great difficulties inherent in developing a policy to meet **national** goals within a joint cost-shared program. Given that the HACC funding formula in effect gives State/Territory governments the power to determine the rate of growth of HACC expenditure, differential expenditure growth must inevitably lead to territorial (or regional) inequities that run counter to the aim of HACC to be a truly national program.

It is also of interest to note that rarely, if ever, during my visits to services as part of the Review, was the view put to me that the Commonwealth should abandon, or even reduce, its involvement in HACC. Quite the opposite, in fact. However, it was not always clear whether these views referred to the role of **this** Commonwealth government rather than **the** Commonwealth government, and thus reflected on **this** State government rather than **the** State government. A final decision on this will have to await the passage of time and changes of government. What is clear is that there are good reasons, as well as strong support, for a significant Commonwealth involvement in HACC to remain in place for some considerable time to come.

3. THE HACC REVIEW

The following overview of the thinking behind the HACC Review Report focuses on four main themes: administration, planning, user rights, and the Review process.

3.1 Administration

Trying to reach agreement on an improved set of administrative procedures for the HACC program occupied a considerable portion of the Review. To some, this is probably not surprising given that the Working Group that conducted the Review was comprised of public officials. However, when the Review began, the administration of the program was functioning extremely badly, to a degree where the practical viability of HACC was under threat. It was therefore appropriate for the resolution of the program's administrative difficulties to be given high priority in the initial stages of the Review, and for the Working Group to contain the officials who could resolve them. It is also worth emphasising that administration is defined here very broadly, to encompass not only the decision-making process and associated accountability requirements, but also issues of data collection, planning and program publicity.

Anyone who has attempted to read the HACC Agreements cannot fail to conclude that the administration of HACC must be complex. This is partly a consequence of the fact that HACC funding is approved at the individual project level. But it also reflects the fact that the scope and objectives of the program are specified in detail in the HACC Agreements, but rely on terms that are themselves ill-defined or specified only vaguely. One example of this, to which the Review devoted considerable attention, is the definition of 'no growth services', specifically post-acute and palliative care. The Review attempted to provide definitions that would be both workable and allow a check on whether funding of the 'no-growth' provisions was in fact growing or not. The basic issue here is, of course, central to defining the boundary between institutional and domiciliary care and resolving the associated funding attribution issues. That the burden of defining this boundary has fallen on HACC is unfortunate. It has helped to get HACC a bad name in some quarters, even though the issue has much broader significance.

I must admit to never really getting to grips with the finer subtleties of the administration of HACC. Perhaps the best testimony to the administrative complexity of HACC is the fact that the Program Management Manual - the document which spells out the detailed operating procedures for those administering the program - is of doorstep proportions. The essential point, however, is that unless the HACC Agreements and funding mechanisms are to be radically revised, the administration of the program will always be complex. What the Review tried to do in this area was to streamline the decision-making process as far as possible, but at the same time to set down guidelines for the development of broader administration and planning mechanisms. Among the more significant achievements of the Review in this context was the agreement to implement annual strategic plans in each State/Territory, development of the HACC information and data system, adoption of a more consistent definition of a project for HACC funding purposes, and the de-lineation of Commonwealth and State/Territory roles in the program in order to reduce administrative duplication.

As already noted, many of these changes are far broader than purely administrative in nature, and their impact is likely to be central to the longer-run development of HACC. The fact that some of these broader and more significant issues had not been resolved earlier is partly a consequence of the failure of Commonwealth and State bureaucrats to reach agreement on the more narrow administrative issues. During the early months of the Review, this disagreement constantly emerged at our meetings and for a while frustrated all efforts to agree on a package of reform measures. I had originally thought that this was simply a reflection of traditional Commonwealth/State tensions, but on reflection I am less convinced that this is the only explanation.

What caused my views on this to change was my visit and talks with HACC administrators in the Australian Capital Territory (ACT). Re-call that at the time the ACT was administered by the Commonwealth, so that I was in fact talking to officials from two separate Departments within the Commonwealth bureaucracy. What I observed was that the disagreement and tension over the details of HACC administration was at least as great in the ACT as it was elsewhere. I concluded that perhaps the administrative difficulties encountered in HACC have as much to do with the fact that the program is administered within two different bureaucratic structures, as with the fact that the program is jointly run by two different levels of government. If there is some truth in this, then in one sense the situation is even more complicated, because the administration of HACC involves **two** levels of government, but **three** separate bureaucracies - Commonwealth Central Office, the State-based Commonwealth Offices, and the State/Territory administrations themselves. If the Commonwealth is to remain involved in the administration of HACC, as I believe it should, there is a need to ensure that decisions taken in Central Office are clearly transmitted to Commonwealth State-based Headquarters, and applied more consistently than appeared to be the case in 1988. If not, then the continued involvement of State-based Commonwealth officials in the HACC project approval process will lead to on-going tension and administrative delay.

One final aspect of administration worth emphasising relates to accountability. The 1980s has been the decade of financial accountability in government. Finance and Treasury Departments reign supreme, yielding a degree of bureaucrat power unheard of in earlier periods. But accountability procedures and requirements differ at the different levels of government, again making agreement on common standards of accountability very difficult in a joint cost-shared program like HACC. One problem here was that the States were being required to adopt Commonwealth procedures in order to be accountable both to their own taxpayers and to the Commonwealth Government itself. There are, in any case, limits to what can be practically achieved in terms of financial accountability without undermining the operation of the program itself. There is a need for governments to have a greater appreciation of these limits. But there is also a more fundamental meaning of accountability that is of particular relevance to a program like HACC. This is the need for accountability to the **clients** of the program. Although the Review did address this issue (see below) in retrospect I think that it probably concentrated too much on improving procedures for accountability in the narrow, financial sense. What is required is a more balanced approach to accountability which addresses the legitimate concerns of both the taxpayers who ultimately fund the program **and** the clients who benefit from (and also fund) it.

3.2 Planning

If the HACC program is to achieve its national objectives in a context of population aging, its future development must proceed within an orderly overall planning framework. This is no easy task. Two aspects already mentioned are central to the planned development of HACC, the design of annual strategic plans in each State/Territory, and the collection of data on HACC services and HACC clients. To be useful for planning purposes, such data need to be nationally consistent, validated and available on a regular basis. The difficulties and sensitivities involved in collecting and assembling such data should not be underestimated. But they are essential if the planned development of HACC services is to proceed. Currently, even the most basic data on the HACC program is difficult to assemble. Trying to ascertain the level of Commonwealth expenditure on HACC from **Budget Paper No.1** is no easy task, requiring a careful search through the figures for two separate functional spending areas. Table 1 in the HACC Report, which provides total HACC expenditures since 1984-85, proved to be a major exercise to assemble and was a cause for dispute right until the Report was sent to the printers. Such examples serve as a warning to those who underestimate the difficulties of collecting more detailed data on HACC.

To some extent, the difficulties encountered during the Review in reaching agreement on the form and content of the HACC data collections reflect both scepticism over their practical value and concern about their potential use for financial accountability rather than planning purposes. While there was probably truth in both, the fact of the matter is that data on HACC are necessary for the future viability of the program. Planning the future development of HACC requires more than just data on what is currently being **supplied** under the program, and who is benefiting from it. The collection of independent data on need and the **demand** for services, however difficult this is to achieve in practice, is also essential for planning purposes. And such data ideally need to be complemented by other information on the extent and location of institutional facilities if HACC is to be planned within a broader framework. The absence of such data cannot be attributed solely to HACC. Nor can the data now being collected by HACC be the only input into the planning process. But if some form of needs-based planning is to be the basis for the development of HACC, the availability of data on HACC is critical, as Lee (1987) has emphasised. The collection of such data should not, however, be allowed to detract from nor disturb the operation of the program itself.

3.3 User Rights

The Review recommendations on user rights go to the heart of the fundamental objective of HACC - to provide a range of basic maintenance and support services in order to enable individuals to remain living in their own homes. I do not intend to review the detailed proposals developed in the Review to enhance user rights, except to note that the recommendations on client assessment, case management, service coordination, service standards and a user rights strategy are integral to the enhancement of user rights. I wish to briefly canvass two other aspects of the user rights issue.

The first relates to the role of the HACC Advisory Committees. In principle, the Advisory Committees are an important mechanism through which the voice of users can be heard and their rights protected. During the course of the Review, I met with each of the Advisory Committees. With some notable exceptions, I found these meetings to be most depressing. I would describe the situation at the time to be disastrous at worst, and totally frustrating, at best. This did not reflect on the commitment and willingness of individual committee members, but rather on the lack of a clearly defined role for the Committees (again with some notable exceptions) and (in some cases) on the fact that the Advisory Committees appeared to be another venue for rehearsal of Commonwealth-State rivalries. This last situation was particularly disturbing. The Review tried to address this situation by giving the Advisory Committees a more clearly defined role in the program as a whole, by delineating between their broad planning and resource allocation roles and the more narrow project approval process that is best left to public officials. The Review also recommended that a national reference group be established so that questions of national program significance can be addressed with input from service providers and consumer group representatives. This increased role for the HACC Advisory Committees is another important step in ensuring that the rights of the users of HACC services can be further advanced.

The second issue revolves around a particular aspect of user rights, that relating to consumer choice. Clearly, unless prospective users are offered a set of alternatives from which they can choose their preferred option, any concept of user rights can have only limited meaning and impact. A user rights strategy thus involves establishing standards, advocacy and complaint mechanisms for services that are currently being used, as well as a menu of alternative services from which to choose in the first place. Consumer choice is as much a feature of the new era of economic rationalism as that of financial accountability, referred to earlier. Yet the concept of consumer choice in the community care context is somewhat at odds with some of the other principles that underlie the development of policy. This has been recognised in a recent paper by Baldwin and

Parker (1989) which, although focusing on British developments, is of equal relevance to Australia. Baldwin and Parker argue that:

Consumer choice as a principle conflicts with an approach to service provision based on meeting needs through externally defined criteria, using professionals as gatekeepers. When principles of cost containment dominate and professionals are involved in rationing access to services, the consumer's freedom of choice is highly circumscribed.
(Baldwin and Parker, 1989, p. 152)

There are thus conflicts and tensions between the aim of protecting and advancing user rights and ensuring a more rational basis for the planning and administration of HACC. How these tensions are resolved will ultimately determine the degree to which the commitment to user rights contained in the Review Report has a practical impact on the future development of HACC.

3.4 The Review Process

Finally, a few comments on the significance of the Review process itself. The first point to emphasis is that the Review was conducted within an extremely tight timeframe. Nowhere was this more apparent than in the timing of the community consultation element of the HACC Review, which was conducted independently and produced its own report for consideration by the Review Working Group. To be perfectly frank, the time given for the production of the HACC community consultation Report was simply inadequate. Tight deadlines are, however, a useful way of focusing the mind on the key issues. The timing of the Review as a whole was tightly constrained by the fact that I was required to report on the progress of the Review to Ministers during the course of 1988, so there was a heavy premium on mind-focusing for many people during the course of the year.

I have already explained that the initial focus of the Review was on administrative issues. I decided at an early stage to try and produce a Report that would receive unanimous support from all members of the Working Group. I thus saw my main role, particularly in the early stages of the Review, to act as an impartial umpire trying to ensure fair play while seeking to ensure that agreed decisions were reached (and adhered to in subsequent meetings!). This did not imply seeking the 'lowest common denominator', although it did make for some particularly torrid and lengthy meetings in the initial phases. As the Review moved beyond administrative matters, the fruits of this strategy began to emerge. A much greater appreciation of common difficulties and shared frustrations become apparent, and the latter stages of the Review's work took

place in a spirit of cooperation that had seemed impossible six months earlier. Evidence to support this may be found in the fact that Commonwealth and State HACC officials have agreed to meet on a regular basis in order to monitor the development of the program, to share concerns and to exchange ideas.

I hope that there will be lasting benefits from the change of attitude that emerged during the course of the Review. Only time will tell. Hopefully, the task of the next Triennial HACC Review should be made easier as a result of the 1988 Review and the recommendations emanating from it. There is a role for an independent Chairperson again next time, and I believe that some direct involvement in the next Review by service provider and service user representatives will also be desirable.

4. FUTURE ISSUES

The range of future issues that will bear upon the longer-run development of HACC is enormous. I will focus here on two specific matters, those relating to carers, and to costs.

4.1 Carers

One of the most important aspects of the HACC program is the inclusion in the HACC target group not only of frail elderly people and younger people with disabilities, but also the carers of these people. Contrast this with the situation in Britain, recently described by Baldwin and Parker (1989) in the following terms:

Despite the fact that the vast majority of caring for dependent people takes place within the community and is carried out by members of the community, policy rarely manages more than a fleeting glance towards and a pat on the back for informal carers. Consequently carers inhabit a strange Alice-in-Wonderland place where they are the main providers of community care but never the subject of policy that deals with the provision of care. (Baldwin and Parker, 1989, p. 157)

However, despite the expansion in provision of respite care services since the inception of HACC, this aspect of the program remains very seriously under-resourced. Most of the carers I talked with who benefited from respite care under HACC were receiving pitifully little respite - normally between two and four hours a month - and yet were enormously grateful for it. Just as South Australia has for some years been allocating a fixed proportion of new HACC funds to develop services for younger people with disabilities, consideration could be given to designing allocation rules intended to ensure

that carers receive adequate and equitable treatment under HACC. After all, without informal carers the future prospects for HACC would be bleak indeed. Critics of community care programs point to the consequences of shifting the burden of care away from taxpayers towards informal carers, often family members and frequently female. The inclusion of carers in the HACC target group addresses such criticism in principle, although the amount of funds directed to services from which carers can benefit is of great practical importance.

There is also the question of the likely future availability of informal carers in sufficient numbers to meet the demands placed on the informal caring role. In order to illustrate some of the issues, I will focus on female carers only and use the ABS population projections referred to earlier. Defining the 'at risk' frail elderly population to be those aged 75 or over, the ABS projections indicate an increase in the 'at risk' elderly population from just over three quarters of a million in 1990 to around 1.3 million in 2011 and to over 2.3 million by 2031. The female population aged between 35 and 59 is projected to rise over the period from 2.5 million in 1990 to 3.9 million in 2011 and to 4.3 million by 2031. Thus, the ratio of the 'at risk' elderly population to the 'potential female carer' population is projected to rise markedly - from 30 per cent in 1990, to 33 per cent in 2011, and to 54 per cent by 2031. These numbers are, of course, only illustrative, but the trend is clear. Either there will not be enough female carers, or the amount of care each has to provide will increase very substantially in the coming decades.

But that is only the beginning of the story. If past labour market trends persist, the proportion of working age females in paid work will continue to rise with consequent implications for their ability to act as informal carers. More generally, traditional gender roles and the values and ideology underpinning them are undergoing considerable change which also have major implications for the view that informal caring is a primarily female activity.

Of potentially even greater significance is the future course of the structure of Australian families. McDonald (1988) has recently surveyed developments in Australian families between 1971 and 1986. Several features of these developments are of interest in the present context: First, in future far more Australians seem likely to never marry during their lifetime: Second, the overall fertility rate has declined sharply and there is little evidence of any reversal of this trend: Third, the age at which married women first give birth is increasing. Each of these trends have important implications for the extent to which 'at risk' elderly people will in future be able to be cared for by their offspring. Consider, for example, the consequences of an increase in the age of first birth from 20

to 30. In the former case, by the time the mother reaches the age of 75, her first child would be 55, and her first child would be 35. In the latter case, however, by the time the mother reaches 75, her first child would be only 45 and her first child would be only 10. The likelihood that the first child will be able to care for their mother (or father) in the latter case is clearly far less than in the former case, not only because the second generation children will be younger, but also because the first generation mother is likely to be working.

To investigate the implications of such developments more fully, it is necessary to build models which can be used to project not only future demographic trends, but also future trends in family structure. This requires modelling the implications of changing rates of fertility, the timing of births, and rates of marriage, divorce and re-marriage. I know of no such exercise currently in train in Australia, although my enquiries with ABS officers indicate that it is on their work program but has not yet commenced. Such work is, however, already taking place in a number of overseas countries. The results of one such study, based at the University of Frankfurt, have recently been described in a paper by Galler (1989). One of his conclusions attests to the potential usefulness of such models in understanding the future prospects for the role of informal carers in programs like HACC. Comparing the situation in Germany in 1986 with that projected for the year 2050, Galler makes the following observations:

Since the portion of the elderly without any brothers, sisters or children will be almost double as large, the need for nursing services from outside of kinship networks will rise substantially. About 30 per cent of the elderly will have no children at all and about 50 per cent no daughters. Since up to now nursing within kinship network is provided in most cases by female family members, this implies a substantial reduction of the nursing capacity provided by the families. (Galler, 1989, p. 18)

The significance of such findings for programs like HACC would appear to justify investigation into the feasibility and usefulness of such models in Australia.

4.2 Costs

Part of the interest governments have shown in promoting domiciliary programs like HACC as an alternative to institutional care results from the perception that community care is not only a better, but also a cheaper option. The first point to note here is that emphasis on cost considerations alone makes no economic sense and has little to recommend it from a broader social policy perspective. The cost question raises a number of basic conceptual issues that cannot be given full justice here. The issue is not,

of course, independent of the role of informal carers, because costs **to government** may be reduced in part because the value of informal care does not enter into the overall cost calculus. When an estimate of the cost of informal care is included, the cost differential between institutional and community care appears to be much less than is often assumed (Philips, 1987).

More fundamentally, comparisons based on costs **alone** are of only limited use and relevance. What is important is the overall balance between the social costs and benefits associated with alternative forms of care. If community care is indeed 'a better option', this implies that the benefits to users are higher than those associated with residential care, so that cost comparisons alone can only tell part of the story. Indeed, this line of reasoning suggests that community care may be socially preferable to residential care **even if it is more costly to provide**. The overall cost-benefit comparisons are likely to be sensitive to how the costs of informal care are estimated. The appropriate valuation for informal caring is the (social) opportunity cost of the time of informal carers. This may be considerably below their potential market wage. This is one reason why people continue to do such things as home decorating and improvements, even where (as in my case) the productivity of such effort is so low that the implied opportunity wage must be far below the market wage. The other reason, which also has relevance for informal carers, is that the task itself may bring direct benefits to those performing it.

A somewhat different aspect of the costs issue relates to the role of user charges for HACC services. This was not addressed in the HACC Review, although the Report notes the need for a nationally consistent fees policy (p.66). This raises issues of both equity and incentives that warrants a thorough analysis, but one needs to keep a perspective on the significance of such issues in the context of a fees policy. I was struck, for example, by the amount of consternation expressed by some people over the fact that the fees charged for delivered meals on wheels vary from region to region. However, I was even more struck by the fact that some regions had no meals on wheels services whatever. In this situation, the establishment of a consistent fees policy is very much a second order problem that can wait until service coverage is expanded. This is of far higher priority in ensuring an equitable delivered meals service than any equalisation of fees while coverage remains incomplete. I was also struck by the eagerness with which some public officials embraced the idea of fees on the basis of the user pays principle, while at the same time dismissing the idea that the principle might equally be applied to governments by requiring some monetary compensation from them for the unpaid effort on which so many HACC services depend.

The other point has more to do with incentives than with equity. It is obvious and well-known, but nonetheless worth repeating. It is that the more that fees are introduced for community care services, the greater are the perverse incentives that result. This is because community care service fees make residential care a more financially attractive option to the individuals themselves (and their families). Considerable thought thus needs to be given to such consequences before any decisions on a fees policy for HACC are taken.

5. SUMMARY

As indicated at the outset, my knowledge of HACC was non-existent when I began my involvement in the Review, and I have had relatively little to do with the program since the completion of the Review. I have tried in this paper to outline some of the major themes of the HACC Review Report, to introduce some personal reflections on HACC gained during the course of the Review, and to emphasise some of the factors likely to influence the longer-run development of the HACC program. HACC contains endless examples of conflict between the means by which its goals are to be achieved. There is the tension between the achievement of the national goals of HACC and the regional differences inevitable in a joint cost-shared program; between the rigours of financial accountability and the rights of service providers and users; between the planning framework and consumer choice; and between what HACC implicitly assumes about the availability of informal carers and what the future availability of informal carers is likely to be. There are also likely to be on-going tensions as a result of the conflict between what governments expect from HACC and the amount of resources they are willing to devote to it. Given the significance of such issues, I find myself surprised, not by the fact that the HACC program has achieved so little, but by the fact that it has achieved so much.

I came away from the HACC Review with many lasting impressions of the very valuable role performed by people working at the service level. One, in particular, remains with me. It took place in a small town in Western Australia, where the local HACC co-ordinator arranged for me to have afternoon tea with a local resident who was receiving home care and transport services funded under the HACC program. She lived alone, was quite elderly and though physically disabled was tremendously alert and active. She served tea in a bone china tea service, complete with home made scones, cream and jam, moving around her home with the help of a supermarket shopping trolley converted by her son. I asked her opinion of the home care and transport services arranged for her by the HACC co-ordinator, in conjunction with the local taxi service operator. She was full

of praise and said, quite unprovoked, that if she didn't have that help with her laundry, cleaning and shopping to rely on, there was no way that she could continue to live at home. It brought home to me just how important and yet so basically simple the HACC program is to the quality of life of so many people.

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