

14 July 2017

Richard Spencer
Commissioner
Human Services Inquiry
Productivity Commission
Locked Bag 2, Collins Street East
Melbourne Vic 8003

Dear Richard,

Thank you for the opportunity to provide comment on the Draft Report on Reforms to Human Services. As we will meet with you regarding the Draft Report in the coming weeks, and pressures on us are substantial at present, our comments here are brief.

COTA Australia is the national consumer peak body for older Australians. Its members are the eight State and Territory COTAs (Councils on the Ageing), which have around 30,000 individual members and more than 1,000 seniors' organisation members, jointly representing over 500,000 older Australians.

Older Australians are proportionately large users of human services and changes to these markets will impact significantly on them, positively or negatively. The six service areas identified in the Draft Report as appropriate for greater competition and contestability are essential to the wellbeing and quality of life of older Australians, and therefore are of importance to COTA.

In our submission to the Inquiry in February this year we outlined our general approach to greater marketisation in Human Services. That view continues to provide the backdrop for our response to the Commission's Draft Report.

We reiterate that COTA's focus is on achieving the best outcomes for older consumers, on a fair, equitable and sustainable basis.

As such we are a leading proponent of the current reforms in Aged Care that place informed consumer choice and control at their core. We have long argued that to achieve this outcome greater variety and contestability in service delivery is necessary in that sector to enable improved capacity for the consumer to exercise real choice.

The Aged Care reforms already implemented and those proposed in the Aged Care Roadmap and National Aged Care Alliance Blueprint reports are focused on giving the consumer greater

control over the use of public and private resources, while still maintaining regulatory controls on service quality and accountability.

COTA shares many of the concerns expressed by a range of stakeholders regarding the risks of increased competition in Human Services delivery, particularly when it involves broad marketisation. We argue for the absolute need for proactive and pre-emptive consumer protection and quality control regimes in any Human Services market.

We therefore welcome the stronger recognition in the Draft Report of the risks associated with increased competition and market activity in Human Services and the greater emphasis on the centrality of improved user/consumer outcomes. The Draft Report is more pragmatic and less purist in its market orientation than the earlier Discussion Paper and COTA considers that there is much to welcome in the recommendations, particularly regarding Palliative Care and Public Dental Services. We will provide a more detailed response in our forthcoming meeting with the Commission.

COTA also welcomes the Productivity Commission's recognition of the need for increased government funding in several of the sectors considered in the Draft Report. The argument that greater investment in Human Services can lead to savings to government and taxpayer in the broader context of comprehensive public policy over the long term, and better outcomes for consumers, is an important contribution to a mature public policy debate in this area.

We look forward to meeting with you to discuss our views on the Draft Report in the near future.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Ian Yates', written over a large, light-colored scribble or background mark.

Ian Yates AM
Chief Executive