



The future of faith-based health and aged care

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Rob Sitch's 1997 classic movie *The Castle* tells the story about a family whose home is compulsorily acquired by government to expand the adjacent airport. Against insuperable odds the family fights back and wins.

While a comedy there are deeper themes in *The Castle* that resonate with the audience: government abuse of power, sense of justice and a 'fair go'.

In May 2023, the ACT Government legislated to compulsorily acquire Calvary Hospital, run by Catholic order The Little Company of Mary, and build a new facility at an estimated \$1 billion on the site.

Despite protestations to the contrary, there is little doubt that this action was taken because Calvary does not countenance abortions or other procedures that are at odds with its Catholic values. (The ACT offers free abortions which are available at a clinic in central Canberra). Professor Walter Abhayaratna, Clinical Director of Medicine at Canberra Hospital, the other major public hospital in the ACT supported the move, saying public healthcare services should be delivered "without being bound by ideology", as if he and his hospital was devoid of ideology.¹ Never let it be said that hospitals and doctors are not competitive!

So how did we get to this and what does the future look like?

Jonathan Sacks, the late Chief Rabbi of the UK observed that after World War Two there was a "wave of collective sentiment and a determination to build a more compassionate society" after the terrible suffering of the War.² Western governments greatly increased their participation in – and regulation over – education, health and welfare and other social services.

¹ Quoted in ABC News online 11 May 2023

² Jonathan Sacks, *The Politics of Hope*, 2000, p138.

Activities that had hitherto been dealt with by family, religious bodies and charities, were taken over or subsidised by government. Compassion became “a virtue of governments.”³

This post-war nationalisation of compassion found different expressions. In Europe it was seen in government-delivered services such as the National Health Service (NHS) in the UK. But Australia governments took the view that there were already charities and religious bodies delivering these services and used those ‘channels to market’ to deliver public funds via government subsidy.

The result is that the delivery of Australian health and aged care services has a mix of providers. Public services are delivered in both state-owned *and* charity-owned hospitals. For example, St Vincent’s Health Australia and Calvary Care have annual revenues of \$3b and \$2b respectively of which about half are Government subsidies.

Residential aged care also has a mix of providers: church and charitable bodies are the main providers (55%) alongside for-profit operators (41%) and state-owned services (4%), but all receive subsidies from the Australian Government.

Australians get twitchy when governments compulsorily acquire property of any sort. Wise governments use the power rarely. So this acquisition of Calvary Hospital in the ACT is a significant development in the relationship between state institutions and health care providers.

While we should not expect a flurry of compulsory acquisitions, this unilateral action by the ACT Government is not the end of the matter. It is certain that faith-based services will come under increasing pressure to align their schools, health, aged care and welfare agencies to the diktats of their ‘funder’ or regulator in terms of what activities they do and don’t do and whom they hire to do it.

So, how should faith-based organisations respond?

- 1 **Be crystal clear about your Christian identity and purpose.** Most people respect a clarity and honesty about who you are and why

³ Sacks, p130

you exist. Let there be no misunderstanding. Don't go Jesus-lite. In short, 'do not conform to the pattern of this world" (Romans 12:2)

- 2 **Our God is a God of Relationships.** That is not just relevant to the local church community! Rather, it's important to foster relationship with authorities. That engagement should be in the style of St Paul. In front of governors Felix and Festus, on trial for his life, he is bold and forceful yet polite and respectful. He is, observes John Wesley, 'beautifully graceful', not whinging but seeking resolution. (Acts 24-25)
- 3 **Strive for Excellence.** Be the best in the business. Whether it is acute care, palliative care, foster care or education, be the best in breed. If your purpose is to show God's love to his Creation, there is no room for being second-rate.
- 4 **Be prepared to exit the sector.** If there can be no accommodation between a regulator's demands and the theology of the organisation – its knowledge of God – then the organisation must be prepared to exit that field of endeavour and seek new ways to serve God. That kind of strategic scenario planning should already be happening.

And what about Government?

On 16th July 1962 almost 2000 students from Catholic schools in Goulburn showed up at local government schools to be enrolled, overwhelming the public school system. The Catholic schools had been closed in response to a government order that a Catholic primary school immediately build a new toilet block that the school said it couldn't afford.

The purpose of this 'strike' by the Catholic system was to show that their schools needed government subsidy to survive but also dramatically demonstrated the financial and infrastructures consequences to the State

if that did not happen. Within a matter of weeks a resolution was found and government funding for non-government schools commenced.

The reason I mention this incident of the 1960s should be obvious. The Australian public has been well-served by faith-based organisations operating social welfare, health aged care services and indeed education services. In most cases it has enabled choice and provided market contestability of public services.

But it has also been a good deal for taxpayers. These organisations have been cost-effective distribution channels for public subsidies to deliver public services. If faith-based organisations were to be forced to withdraw, for plainly ideological reasons, from providing public health services the cost to replace or acquire that social and health infrastructure would be crippling for already indebted governments. If you think a pandemic stretched the hospital system and put enormous financial strain on government budgets, it was only the warm-up act.

There will be some organisation leaders and regulators who will want to ignore these tensions. They must not be ignored.

Others will hope to kick the issues down the road, perhaps hoping that the points of contention will go away. The issues won't go away .

Rather the time is now for all parties to agree upon new 'rules of engagement' for faith-based organisations within the public health sector. And given that our God is a God of Relationships, this dialogue should be initiated by Christians in an attitude of firm but "beautifully graceful" respect.

If that cannot be achieved, then the great health divorce must sadly begin. And there are never any winners in a divorce.

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[Keeping Faith: How Christian Organisations can stay true to the way of Jesus, with Professor John Swinton and Kara Martin.](#)