

COTA
For older Australians



COTA AUSTRALIA FEDERAL ELECTION PLATFORM

AUGUST 2013



A NEW DEAL FOR OLDER AUSTRALIANS

For further information please contact:

Ian Yates AM Chief Executive

iyates@cota.org.au

ph 08 8232 0422

Jo Root National Policy Manager

jroot@cota.org.au

ph 02 6282 3436

Pat Sparrow Director, Aged Care Reform

psparrow@cota.org.au

ph 03 990 97910



COTA Australia is the national policy arm of the eight State and Territory Councils on the Ageing (COTA) in NSW, Queensland, Tasmania, South Australia, Victoria, Western Australia, ACT and the Northern Territory.

COTA Australia has a focus on national policy issues from the perspective of older people as citizens and consumers and seeks to promote, improve and protect the rights of all older Australians; promote and protect their interests; and promote effective responses to their needs.

Authorised by
Ian Yates AM, Chief Executive,
COTA Australia Ltd,
16 Hutt Street, Adelaide SA 5000
Ph 08 8232 0422

ABN 35 118 911 541



A NEW DEAL FOR OLDER AUSTRALIANS

Introduction

Australia's population is ageing and this will accelerate as the baby boomers move into older age.

This poses significant challenges for Australia in terms of whether current social and economic systems are meeting the needs of older people and capitalising on the opportunities of an ageing population for the future.

There is also the serious issue of the stereotyping of older people by much of our society. The resulting ageism affects all parts of our community from planning and access to public services to the economic and social participation of older people.

It is unacceptable to think that having an older population automatically means less people contributing to our society - rather it means more people with the potential to contribute by working, volunteering, caring, investing their savings and consuming goods and services.

Ahead of this year's election COTA Australia recruited a panel of nearly 900 people over 50 years of age to identify the issues that were important to them for this election and into the future. The panel commented on a wide range of issues. It is their voices that informed our priorities and their voices are heard throughout this document.

COTA Australia is calling for an overarching national action plan that presents a vision to reshape Australia to ensure a better deal for older Australians. This must be a whole of government plan covering all key aspects of people's lives including, health, income support, discrimination, aged care and housing.

COTA Australia is calling for a new deal for older Australians that gives them fair and equitable engagement in the development and delivery of services and provides them the opportunity to continue to contribute to the community as they have done throughout their lives.

As Australia's only peak national consumer advocacy body for older people COTA Australia has as always consulted with its constituents and we demand that whoever is in government does the same as it implements this new deal for older Australians.

A new deal is essential not only for the welfare of older Australians. It is essential if Australia is to take advantage of the opportunities that our changing demographics offer our community.



Ian Yates AM
Chief Executive
COTA Australia

Executive summary

COTA Australia is calling for a new deal for older Australians

A new deal that ensures that older people are equal and full participants in Australia's future and that allows them to enjoy their rights and responsibilities as citizens for their entire lifetime.

A new deal means an end to ageism and age discrimination in all aspects of Australian society.

To achieve this COTA Australia calls on government to:

- Develop and deliver a five year broad anti-ageism campaign.
- Strengthen the Age Discrimination Act to ensure that it provides the same protections as the other anti-discrimination Acts.
- Support the development of a United Nations Convention on the Rights of Older Persons.

A new deal means access to quality health services for all older Australians

To achieve this COTA Australia calls on government to:

- Establish a Parliamentary Inquiry which looks at why Medicare is no longer providing universal access and how it can be remodelled to improve health care access.
- Implement more direct payments to primary health providers for managing people with chronic illness.
- Deliver a five year national public education campaign around dying and palliative care that looks at what makes a good death and how people can make sure their wishes are respected.
- Develop a new Commonwealth-State Palliative Care Agreement that includes a significant increase in palliative care funding to ensure all Australians receive good palliative care when and where they need it.
- Harmonise State and Territory laws around advance care planning and end of life decisions to ensure people's choices are respected.
- Provide dedicated funding for older adult services in all future Commonwealth State agreements on mental health.
- Improve training and education for health professionals in the diagnosis and treatment of mental health problems for older people.
- Support the service initiatives identified by Alzheimer's Australia in their Election Manifesto 2013.¹
- Provide an additional \$40 million investment per year for dementia research to help identify its causes, help with early intervention and find new treatments.
- Increase resources to improve health literacy across the community with specific measures for older people.
- Develop and implement a Healthy Ageing strategy that encourages older people to change their lifestyle and addresses the key risk factors around alcohol, nutrition, tobacco and exercise.

¹Alzheimer's Australia Fight Dementia Campaign Election 2013

A new deal means the participation of older Australians in the workforce as long as they want or need to

To achieve this COTA Australia calls on government to:

- Develop and deliver a National Mature Age Workforce Plan which would identify key activities and provides a framework for further initiatives.
- A consultancy service to provide support for small and medium sized enterprises to restructure their workplaces to allow them to have a more diverse workforce.
- Abolition of the upper age limits on personal contributions to superannuation.

A new deal means access to quality aged care services when and where they are needed

To achieve this COTA Australia calls on government to:

- End the current capped or rationed system and develop a system where the resources are directed to consumers' needs. This could be a phased implementation starting, as with the roll out of LLLB, with home care packages.
- Undertake a study to determine the nature, and amount, of unmet demand.
- Create a national aged care assessment framework and tools based on the reablement approach.
- Establish a local physical presence for the *My Aged Care Gateway*.
- Establish a strong and independent complaints process and strengthen and expand the powers of the Aged Care Complaints Commissioner.
- Develop and implement a cohesive, rights based aged care advocacy program that holistically supports older people as they navigate and use the aged care system.
- Develop and implement an elder abuse support and prevention program that informs consumers of their rights.
- Develop and introduce initiatives that support older people to have choice in how they meet their aged care costs and live in accommodation that better meets their later life needs.
- Specifically examine the introduction of a HECS type scheme for older people to borrow against their equity in their home to pay aged care service costs.

A new deal means ensuring that older Australian can have a reasonable standard of living

To achieve this COTA Australia calls on government to:

- Increase Newstart by \$50 per week for single recipients.
- Increase the maximum rate of Commonwealth Rent Assistance by 30 per cent.
- Establish an Affordable Housing Growth Fund to provide 20,000 new low-income rental properties each year.
- Expand the National Rental Affordability Scheme by 50,000 places.



An end to ageism and age discrimination in all parts of Australian society

It is clear that many older people still experience discrimination. In 2010 the Australian Human Rights Commission released its report *Age Discrimination – exposing the hidden barrier for mature age workers*. One of its important findings was that age discriminations is:

“... a form of discrimination that appears to sit quietly – it can go unnoticed and seems accepted.”²

There have been some recent improvements. The Age Discrimination Act was somewhat strengthened in 2008 when it was amended to remove the “dominant reason” test and in 2011 with the establishment and then appointment of the first full-time the Age Discrimination Commissioner. The Age Discrimination Commissioner’s public awareness campaign on stereotyping and work on discrimination in employment has been influential in getting the conversation started.

But this is not enough. Ageism is endemic in our society, 35 per cent of Australians between 55-64 and 43 per cent of those over 65 have experienced age-related discrimination. Nearly two thirds of these people have been ignored and this figure is the same for those who have been treated with disrespect. Over half have been subjected to jokes about ageing.³

We need an integrated approach to undo the barriers to full participation and access to public services so that we can see

“...inclusion of able older people in the mainstream. We are separated and discriminated against in a variety of way and yet could be the “tribal elders” if not discouraged.”

A new deal ends ageism and age discrimination by:

1. Changing community attitudes

If we are to eliminate age discrimination it is critical to change community attitudes and behaviour.

As an election panel participant said when asked out their priority for the upcoming Election

“The end to “ageism”. This would have to be a social re-education. It could be very exciting for all concerned. Too many bright, able people are pushed out of the picture and end up in despair and depression, having lost their sense of relevance. Use us!”

This includes raising awareness amongst older people that they do not need to accept the ageist attitudes that are directed towards them.

“I feel that it is important for older people to realise that we do have rights and can use this system to address breaches of the Act by Employers.”

Current work has barely scratched the surface. Those anti-discrimination campaigns that have succeeded in changing behaviour were long term, sustained sophisticated and far reaching.

² Australian Human Rights Commission, 2010, *Age Discrimination – exposing the hidden barrier for mature age workers*.

³ Australian Human Rights Commission, 2013, *Fact or fiction? – stereotypes of older Australians*.



2. Developing a stronger legislative framework

Australia's legislation needs to provide adequate protections and appropriate avenues for people to take action when they think they have been discriminated against.

The Age Discrimination Act is less effective than the other anti-discrimination acts and does not adequately ensure the full participation of older Australians in all aspects of society.

The Act is limited in terms of the people it covers. Unlike other federal anti-discrimination legislation, it does not prohibit discrimination on the basis of the age of a person's relative or associate. It also has the broadest permanent exemptions to the protections under the Act.⁴

3. Supporting an International Convention of the Human Rights of Older Persons

The United Nations is looking at ways to better protect the rights of older people, including the possibility of having a specific convention. A Government's participation in the development, and subsequent adoption, of a convention sends a powerful message to our community regarding the serious nature of this issue.

The Australian government has not shown much interest in actively participating in this process, yet Australia is well placed to play an active role in its development through participation at the government level as well as supporting civil society to participate in the process.

To deliver the new deal COTA Australia calls on government to:

- Develop and deliver a five year broad anti-ageism campaign.
- Strengthen the Age Discrimination Act to ensure that it provides the same protections as the other anti-discrimination Acts.
- Support the development of a United Nations Convention on the Rights of Older Persons.

⁴ Australian Human Rights Commission, 2011, *The Road So Far – the Age Discrimination Act 2004 (Cth)*



Access to quality health services for all older Australians

Access to affordable and quality health care is consistently identified as a priority issue for older Australians. This includes access to primary health care, hospital based services, medications and information and activities that help people age well.

Our election panel is also concerned that access is being restricted with difficulties in getting to see General Practitioners as well as longer waiting times for specialist and hospital procedures across the full range of health services. They are also worried about the quality of the services and the lack of many services outside of metropolitan areas.

A new deal provides access to quality and appropriate health care by:

1. Ensuring that healthcare is affordable for all Australians

Older people clearly value Medicare and want to see the continuation of a universal health system that ensures equity of access to health care regardless of means.

Out of pocket expenses for medical services have risen significantly with nearly 20 per cent of health costs now coming from individual's own resources and this does not include private health insurance premiums or taxes⁵. This means every Australian pays more than \$1000 per year out of their own pockets to access health care. For people with children or those with multiple and chronic conditions the amount paid could be considerably more⁶.

A broad range of organisations have grouped together to call for major reforms to Medicare to ensure it is meeting consumers' needs and that it does again provide universal access to quality health care. COTA supports their recommendations.

The Australian Medical Association has also called for action to address the affordability of health care⁷.

These concerns are echoed by our panel members who raised concerns that health services are becoming unaffordable for people on low and fixed incomes.

"I was in a health fund for 45 years and had a couple of hospital visits which cost me \$1000 above my claim"

"The 'gap' payments are becoming untenable! - even if you have private insurance you find that the extra payments are huge!"

"Access to reasonably priced medical care when required. We have struck several occasions recently when specialists have levied extra charges over and above our health insurance rebates. I have been insured for health and medical care since I was 17 - I am now 74, and you now feel you may not get good care, because you can't afford the extra fees levied over and above health insurance cover, with specialists and with hospital care."

There is growing evidence that a number of people including older people and people with chronic illnesses cannot afford medical treatment and so are going without needed medications and ongoing treatments. People have to choose between buying medications and paying for other items such as food, energy and rent.

"My medications cost round \$50 per week but I need them to live so other things go out the window"

The current fee for service which allows primary care practitioners to set their own fees is a key contributor to out of pocket costs. This is compounded by a system that rewards health professionals for the number of appointments they fit in their day rather than the quality of the care delivered in that appointment. Patients are increasingly paying more and receiving less and this is not sustainable in the long run.

What is needed is a broader use of funding models that provide incentives for primary health care providers to work with people to manage their chronic conditions. This could reduce out of pocket cost and improve health outcomes for individuals and put in place a system which is sustainable in the long term.

⁵ AIHW Health Expenditure 2010-2011

⁶ Mend Medicare Coalition 2013 *Mend Medicare Report*

⁷ AMA 2013 *Key Health Issues for Federal Election 2013*.

To deliver the new deal COTA Australia calls on government to:

- Establish a Parliamentary Inquiry which looks at why Medicare is no longer providing universal access and how it can be remodelled to improve health care access.
- Implement more direct payments to primary health providers for managing people with chronic illness.

2. Improving end of life care

There is still a reluctance to talk about death and dying in Australia. This may be a natural response to a deep seated taboo yet it is clear the conversation needs to be progressed.

“There needs to be a better appreciation of what getting older and facing death means. We are poorly prepared for death and for the illnesses that lead us to death”

Many older people are concerned about the care they will receive at the end of their life and if they will be treated with dignity and have their wishes respected.

Improving palliative care and making it available where and when it is needed is critical if people are to have a better death. The evidence presented to the Senate Inquiry into Palliative Care showed that provision of palliative care is patchy⁸. Australians should be able to choose where to die, be that home, hospice, residential aged care or hospital.

People want to make decisions about the type of care they receive at the end of their lives.

“Being listened to and heard in all aspects of our life - views of older people are discounted”

Currently there are a wide range of statutory provisions, different across each state and territory, to help people put in place end of life care plans. People want to be sure that their plans are respected regardless of whether they've moved from one jurisdiction to another and in which setting they die.

To deliver the new deal COTA Australia calls on government to:

- Deliver a five year national public education campaign around dying and palliative care that discusses what makes a good death and how people can make sure their wishes are respected.
- Develop a new Commonwealth-State Palliative Care Agreement that includes a significant increase in palliative care funding to ensure all Australians, receive good palliative care when and where they need it.
- Harmonise State and Territory laws around advance care planning and end of life decision to ensure people's choices are respected.

⁸Senate Community Affairs Reference Committee, 2010 *Palliative Care in Australia*



3. Improving mental health services

There is still a strong undercurrent of ageism in mental health service provision which leads to undertreatment. For example the widespread myth that depression is a normal part of ageing acts as a barrier as a result of which practitioners are less likely to refer older people for help for a condition they consider inevitable and 'normal'.

These practitioners are unlikely to treat a younger person with depression that way.

According to the Royal Australian and New Zealand College of Psychiatrists (RANZCP) around 10-15 per cent of older Australians experience anxiety and depression and this rises to 34 per cent amongst people living in residential aged care. Less common conditions such as schizophrenia and related disorders are also more common in older people than in younger people. Yet they have reduced accessibility to mental health services⁹. Despite recent increases in funding it appears that older people may still be missing out on the full range of mental health services. Existing adult services are often ill equipped to deal with the particular needs of older people and access to them is still sometimes limited by an upper age limit, even where there is no dedicated older persons' service.

COTA has raised concerns around the lack of provision of mental health services to people living in residential aged care. Some estimates show that up to a half of all people living in residential aged care may have symptoms of depression but these are often not recognised or treated.

To deliver the new deal COTA Australia calls on government to:

- Provide dedicated funding for older adult services in all future Commonwealth State agreements on mental health.
- Improved training and education for health professionals in the diagnosis and treatment of mental health problems for older people.

4. Improving care and support for people with dementia

Dementia is the third highest cause of death¹⁰ in Australia and there is currently no cure. Over the last ten years there have been some significant improvements in the care and support available to people with dementia and their carers but more needs to be done.

To deliver the new deal COTA Australia calls on government to:

- Support the initiatives identified by Alzheimer's Australia in their Election Manifesto 2013¹¹. These include:
 - increased community care
 - expansion of dementia specific respite
 - improved quality of residential care
 - inclusion of younger people with dementia in DisabilityCare Australia
 - an additional \$40 million investment per year for dementia research to help identify its causes, help with early intervention and find new treatments.

⁹ RANZCP 2010 *Older Australians Deserve a Better Deal in Mental health*

¹⁰ Alzheimer's Australia Fight Dementia Campaign Election 2013

¹¹ Alzheimer's Australia Fight Dementia Campaign Election 2013

5. Supporting healthy ageing

The evidence is clear that health promotion activities and prevention strategies can help people make better lifestyle choices and so reduce their risk factors for many non-infectious diseases. There is also a growing body of evidence that lifestyle changes can also help reduce the risk of dementia.

Recent activities in health promotion and preventative measures have tended to ignore older people's specific needs with the focus on children and young people. This is despite there being quite strong evidence on the health benefits for individuals of all ages in making better choices and long term savings to the health system in this area.

"one thing we feel quite passionately about is the lack of preventative help"

"Opportunities to improve health literacy to enable lifestyle choices - much of the currently available information is targeted at other sections of the population, leaving older people to think it doesn't apply to them. However, older Australians are at greatest absolute risk of lifestyle associated health problems. A behavioural change amongst older Australians would produce individual and societal benefits and free up resources for other purposes."

To deliver the new deal COTA Australia calls on government to:

- Increase resources to improve health literacy across the community with specific measures for older people.
- Develop and implement a Healthy Ageing strategy that creates opportunities and supports for older people to improve and enhance their lifestyle choices and addresses the key risk factors around alcohol, nutrition, tobacco and exercise.



The participation of older Australians in the workforce as long as they want or need to

Australia has relatively low levels of workforce participation of older people compared with many OECD countries. Over the last decade there has been a significant increase in the number of older people working. In 2012, 63 per cent of men and 44 per cent of women 60-64, and 34 per cent of men and 20 per cent of women 65-69 were in the labour force¹². However there is still room for improvement and increasing workforce participation of this group remains a public policy priority.

Individuals should be able to choose when to leave the workforce and they should have access to a range of employment opportunities. In addition work gives them access to higher incomes, both during their working life and in retirement.

The economy benefits because it lessens reliance on the Age Pension and other Government funded income support, it increases the Government's revenue base and it ensures a valuable source of skills and experience is not unnecessarily lost to the economy.

A new deal increases the workforce participation of older Australians by removing barriers

Older Australians have indicated that they would like to work longer and better prepare for their future. Increasing workforce participation by older Australians is critical for both individuals and the economy as a whole.

The last five years has seen significant work on identifying the barriers to mature age employment. The Consultative Forum on Mature Aged Workforce Participation 2012 identified employer attitudes, skill development and retraining and some legislative impediments including superannuation and workers compensation restrictions. The Australian Law Reform Commission's *Access all Ages* report identified key areas in Commonwealth law that needed amending including further changes to superannuation, social security age limits as well as some key areas for work around recruitment and employer practices.¹³

There has been some action. The Government has abolished the upper age limits for compulsory superannuation contributions which was identified as key barrier to continuing participation. However the age limits on personal contributions still exist and this is an area that needs addressing.

There have also been other initiatives included in the Experience Plus package to provide wage subsidies for mature age jobseekers, additional mentoring and training and some intensive support for longer term mature age unemployed.

In addition there is a growing awareness that the labour market is changing and employers face critical shortages if they do not embrace the mature aged workforce.

¹² *National Seniors Productive Ageing Centre 2012 Barriers To Mature Age Employment: Final Report Of The Consultative Forum On Mature Age Participation*, Department of Education, Employment and Workplace Relations

¹³ Australian Law Reform Commission 2013 *Access all Ages – Older Workers and Commonwealth Laws*(ALRC Report 120)

However there is still a lot to do if older people are to get a fair go in the workplace. Nearly a third of business decision makers believe older employees have difficulty adapting to change, nearly a quarter expect that older employees will not be in a role as long as a younger person and that they have trouble learning new things. Just over a fifth do not expect their older employees to have the same technical expertise.¹⁴

"Got treated like dead wood at my last job, the manager wanted me gone, she preferred another female that was nearly 30 years younger."

"I can't put my date of birth or photo onto a resume because no one will hire me. A former manager told us not to hire the woman with grey hair because he wanted someone youthful on the reception desk, to promote the "look" of the company."

"I am now 63: I gave up trying to get a proper job ten years ago: employers aren't interested."

Some of this can be addressed by changing community attitudes through the public anti-ageism campaign. However this takes time and some other measures are needed to encourage employers to recruit and retain mature aged workers.

COTA would like to see all the recommendations of the *Access all Ages* report implemented.

To deliver the new deal COTA Australia calls on government to:

- Develop and deliver a National Mature Age Workforce Plan which would identify key activities and provides a framework for further initiatives.
- A consultancy service to provide support for small and medium sized enterprises to restructure their workplaces to allow them to have a more diverse workforce.
- Abolition of the upper age limits on personal contributions to superannuation.



¹⁴ Australian Human Rights Commission, 2013, *Fact or fiction? – stereotypes of older Australians*

Access to quality aged care services when and where they are needed

“Aged care with appropriate facilities for those needing a range of residential care options and a variety of easily accessible community care both home based and community based.”

Earlier this year all political parties supported the passage of legislation that enables the implementation of the Living longer Living Better (LLL) aged care reform package.

Reform was urgently needed and this is a step in the right direction but it is not enough. It will be up to the incoming Government to complete the job to deliver a new deal for older Australians.

A new deal provides access to quality aged care services when needed by:

1. responding to people’s needs

“Every person should be able to select and opt for the care that suits him or her and that care should be available.”

Today aged care services are rationed with 113 out of every 1000 people over the age of 70 able to access government funded services, whether at home or in a residential facility.

Right now 30 per cent of people needing help in their home and 25 per cent of people who need high level residential care have to wait for around three months to get help.¹⁵ Even when people get services to help them stay at home 30 per cent report that their needs are not fully met.¹⁶ This is unacceptable for individuals and creates intolerable strain for their carers.

Over the next ten years the LLL reforms will increase the number of places available to 125 out of every 1000 people over the age of 70, primarily by providing support at home. While this increase is welcome, the system will continue to apply an arbitrary cap restricting access to much needed services, based on a geographical location. The result is a mismatch between where services are available and where they are needed.

Older Australians should be able to make choices about when, where and how they access aged care services. LLL’s move to consumer directed care goes some way to refocussing the system to meet older people’s needs.

Rationing should be replaced with a more market based system that:

- provides support for eligible individuals to meet their needs however they choose, either at home or in a residential care home
- empowers older people to make decisions about how they want to live their lives
- removes the current regulatory restrictions on the quantity and type of services providers can offer. This allows providers to more responsive to older people’s needs and preferences within a more competitive marketplace.

Reablement

Older people want to be as independent and active as possible for as long possible. This is true regardless of whether someone is receiving aged care services.

¹⁵ Productivity Commission Report on Government Services 2013 Elapsed Times for Aged Care Services

¹⁶ Australian Bureau of Statistics (ABS) Survey of Disability, Ageing and Carers (SDAC).



"I hope to remain in my own home so as the years go by would look to care options to make this possible."

At the moment the system assumes that once someone begins to access aged care this is the start of an inevitable functional decline for that individual and an ongoing need for ever higher levels of care.

In fact the system should focus on enhancing someone's ability to have control over their own life and live as independently and positively as possible for as long as possible.

This sort of approach, generally referred to as reablement, allows more cost-effective use of limited resources as the need for higher-cost services such as residential or acute care is deferred or averted altogether. This becomes essential with the increased focus, within LLLB, on delivering support at home rather than in residential settings.

To deliver the new deal COTA Australia calls on government to:

- End the current capped or rationed system and develop a system where the resources are directed to consumers' needs. This could be a phased implementation starting, as with the roll out of LLLB, with home care packages.
- Undertake a study to determine the nature, and amount, of unmet demand.
- Create a national aged care assessment framework and tools based on the reablement approach.

2. providing appropriate and comprehensive information and support services

"(it) Should be made easier to understand the process, costs incurred in simple language and the system"

A consumer directed system must be supported with improved access to more and better information and support.

Information

The *My Aged Care Gateway*, launched on 1 July 2013. It comprises a national call centre and a web based information portal. Over the next two years the *My Aged Care Gateway* will become the national aged care assessment service. This is useful but falls short of what older people want and need in a more market oriented system.

Most older people tell COTA that they much prefer to get advice and support face to face and close to home. This capacity needs to be added to the *My Aged Care Gateway*. Local services and shopfronts such as pharmacies and Government service outlets already exist that could be used to support the roll out of a face to face gateway.

Advocacy

Advocacy services aim to help people when they need to protect their rights, take greater control over the services they receive or complain about poor care without fear of retribution.

To this end the Commonwealth Government funds advocacy services in each State and Territory with a range of other smaller advocacy projects funded in disparate ways. This results in advocacy programs that are fragmented and inadequately funded.

Older people and their families must be able to access advocacy when and where they need it, especially as this is often at times of personal crisis or distress. The only way to ensure older people are properly supported at critical times is the establishment of a cohesive and adequately funded program that provides individual and systemic advocacy across all residential and home based services.

Elder abuse

One of the most difficult and under resourced, areas of advocacy is support to help a person who has suffered, is suffering, or is at imminent risk of some form of elder abuse, be it financial, physical, psychological or sexual.

Until recently tackling elder abuse has been the province of State Governments. With the Commonwealth now taking control of aged care services it is critical that it take a leadership role to get a consistent approach across all states and territories including legislation, resources and advocacy and supports services.

Complaints system

The move to a more market oriented approach to aged care services needs a strong and independent complaints process.

The current complaints scheme is managed by the Department of Health and Ageing. Consumers lack confidence in the existing arrangements because they are not transparent and people do not understand how they work.

“Better and more responsible regulators of such care and facilities. The regulators leave a lot to be desired as far as I know.”

Older Australians should have access to an independent complaints scheme which focusses on ensuring quality of care, resolving problems and building consumer confidence.

This would be complemented by strengthening the powers of the Aged Care Complaints Commissioner to enable decisions made as part of the complaints review process to be enforceable. Surprisingly and unlike in other areas this is not the case in aged care.

In addition the Aged Care Complaints Commissioner’s powers should be extended to enable review of complaints for all Commonwealth Government funded aged care services. The role is currently restricted to residential aged care and home care packages which is inequitable for those people who receive services from other programs such as Home & Community Care (HACC).

To deliver the new deal COTA Australia calls on government to:

- Establish a local physical presence for the *My Aged Care Gateway*.
- Develop and implement a cohesive, rights based aged care advocacy program that holistically supports older people as they navigate and use the aged care system.
- Develop and implement an elder abuse support and prevention program that informs consumers of their rights.
- Establish a strong and independent complaints process and strengthen and expand the powers of the Aged Care Complaints Commissioner.

4. offering flexibility for people to meet their service and accommodation costs

Part of moving to a more mature market based model is supporting older people to manage their finances to meet their accommodation costs.

In its *Caring for Older Australians* report the Productivity Commission recommended the establishment of The Australian Aged Care Home Credit Scheme and The Australian Age Pensioners Saving Account. These initiatives were designed to provide flexibility and choice for older Australians about how they make their required financial contribution to aged care services.

Support for those who want to continue to live in their own homes but who need to ‘right size’ so that their accommodation better meets their later life needs is also required. Older people in this situation currently experience financial disincentives and are forced to stay in unsuitable accommodation.

Right sizing allows older people to accommodate their life as it changes, frees up housing stock for the broader community and can reduce the cost of ongoing service delivery (for example smaller spaces to clean, design features that support independence).

To deliver the new deal COTA Australia calls on government to:

- Develop and introduce initiatives that support older people to have choice in how they meet their aged care costs and live in accommodation that better meets their later life needs.
- Specifically examine the introduction of a HECS type scheme for older people to borrow against their equity in their home to pay aged care service costs.

Ensuring that older Australians can have a reasonable standard of living

“Older people should have the right to live the remainder of their lives free from poverty and distress.”

There are two components to the cost of living issue; the income people are on and the cost of goods and services.

In our election panel 54 per cent said they believed that their incomes were not keeping pace with inflation. The Age Pension is considered adequate to give a person, who owns their own home, a modest standard of living and is indexed adequately to maintain its value. Older people living on other forms of income support, including Newstart, are not so fortunate. Self funded retirees also find their incomes vary and the prolonged period of low interest rates has seen their incomes diminish.

Older people identify cost of living pressures across the board with particular concerns around housing and energy costs. In addition increasing private health premiums and out of pocket health expenses are putting pressures on low and fixed incomes.

“People are getting a raw deal on electricity and water charges and the rising price of all other services and groceries.”

Access to affordable housing for all low income groups is a growing problem in Australia. Older people dependent on the Age Pension and who are not homeowners are particularly vulnerable in the private rental market and there are a growing number of newly homeless older people as they struggle to find suitable accommodation.

Energy costs have increased rapidly across the country with electricity price increases well into double digits and well above the general inflation rate. Older people often have less capacity to deal with increased prices by reducing their energy uses and so are seeing their disposable income for other things diminished.

A new deal provides a reasonable standard of living for older Australians by

1. supporting the income of the most financially vulnerable Australians:

The 2009 pension reform package provided a much needed boost to the Age Pension and the improved indexation arrangements are helping to protect the increase.

However the improvements did not flow through to income support allowances and people relying on Newstart and other allowances are now living well below the poverty line. A single person living on Newstart has about \$35 a day to meet all their living costs and this is simply not enough.

Many older people face significant barriers to re-entering the labour market if they become unemployed. Most people, below retirement age, but over 50, on allowances are on Newstart and they make up just over 25 per cent of the Newstart population and around a third of the long term recipients on Newstart.

2. supporting access to affordable housing

Housing is a key component of the cost of living especially for those who don't own their own home.

The private rental market is often the only option for older Australians as there is a drastic shortage of public and social housing in Australia and while older people are still a significant proportion of current tenants they are not usually rated as a priority for new entry to social housing.

It is clear that from the ACOSS Poverty report and evidence to the Senate Inquiry into the adequacy of Newstart that older people on the Age or Disability Support Pension struggle to meet the cost of renting in the private rental market. A recent survey by the Australians for Affordable Housing Campaign looked at the cost of housing in areas where there are vacant jobs and concluded that most unemployed people could not afford to live in the regions where there were jobs. For older unemployed people living on Newstart Allowance the private rental market is effectively unaffordable.

Access to affordable and appropriate housing has been recognised by government inquiries as a key issue for older people, influencing their wellbeing, their capacity to continue to contribute and their choices about support and care as they age. COTA is very concerned about the increase in homelessness amongst older people, particularly older women, and the increase in older people suffering from housing stress.

“To find ways of making healthy housing more affordable for poorer Australians, particularly those in the bottom quintile of wealth and income in Australia, by getting the States and Territories to build more public housing.”

“My wage has not matched the housing market for rentals and we are being forced into a downward spiral regards accommodation.”

The longer term solution to housing affordability requires national action on the supply of housing. The National Rental Affordability Scheme (NRAS) has made a very useful contribution to increasing the supply of affordable housing and there needs to be a commitment to grow it into the future. In addition there needs to be a source of capital to provide the social component of the mix. State and Territory Government have demonstrated that they do not have the resources to grow the social housing supply so the Federal Government needs to put in place an ongoing source of funding.

To deliver the new deal COTA Australia calls on government to:

- Increase Newstart by \$50 per week for single recipients.
- Increase the maximum rate of Commonwealth Rent Assistance by 30 per cent.
- Establish an Affordable Housing Growth Fund to provide 20,000 new low-income rental properties each year.
- Expand the National Rental Affordability Scheme by 50,000 places.



SUPPORTING FACTS AND FIGURES

Population

In 2011 there were 3 million people over the age of 65 years¹⁸ and this is estimated to increase to more than eight million in 2050.

The over 65 years population will go from constituting around 14 per cent of the population to close to 25 per cent¹⁹.

The increase in the number of people over 85 is even more dramatic with the numbers quadrupling from just over 400,000 in 2011 to 1.8 million in 2050.

Women outnumber men in the aged population, making up 54 per cent of people over 65 years and 66 per cent of those over 85 years. Women have longer life expectancies although men are slowly catching up.

In 2011, 36% of Australia's older people were not born in Australia, a substantially higher proportion than the 24% of people under 65 years who were overseas-born²⁰.

Of these over 60% come from a non English speaking background.

Aboriginal and Torres Strait islander peoples make up only 0.7 per cent of the older population whilst they represent four per cent of the under 65 years group²¹.

Age Discrimination

35 per cent of Australians between 55-64 and 43 per cent of those over 65 have experienced age-related discrimination. Nearly two thirds of these people have been ignored and this figure is the same for those who have been treated with disrespect. Over half have been subjected to jokes about ageing²².

Workforce Participation

Workforce participation for people over 55 rose from 22 per cent in 1994 to 34 per cent in 2011²³.

There are around 2 million older Australians currently outside the workforce who are interested in working²⁴.

Health

At age 65 Australian men can expect to live a further 19 years to 84 and women a further 22 years to 87.

Around 68 per cent of older people living in the community rate their own health as excellent, very good or good.

Out of pocket expenses for medical services have risen significantly with nearly 20 per cent of health costs now coming from individuals own resources and this does not include private health insurance premiums or taxes.

¹⁷ ABS 2012 *Who are Australia's Older People? Reflecting a Nation: Stories from the 2011 Census Catalogue No. 2071.0* Canberra

¹⁸ The Treasury 2010 *Intergenerational Report*, Australian Government

¹⁹ ABS 2012 *Who are Australia's Older People? Catalogue No 2071.0* Canberra

²⁰ ABS 2012 *Who are Australia's Older People? Reflecting a Nation Stories from the 2011 census ABS 2071.0*

²¹ Australian Human Rights Commission, 2013, *Fact or fiction? – stereotypes of older Australians*

²² ABS 2011 *Labour Force Australia Cat No 6291.0* Canberra

²³ The Australian Government The Treasury 2011 *Realising the economic potential of senior Australians :enabling opportunity*

Aged Care

In June 2011 there were 57,922 community care packages operational across Australia. There were 8,150 EACH and 3,995 EACHD packages²⁵.

At the same time there were around 169,000 people living in residential aged care, most of them there on a permanent basis²⁶.

By 2050 it is estimated that 3.5 million people will need to use aged care services. Today's system does not meet people's needs and is not efficient. Change is needed to meet the increased demand for aged care created by a diverse ageing population.

Housing

In 2010, 78 per cent of older households owned their homes without a mortgage and another 6.5 per cent had a mortgage. 12.1 per cent of households over 65 were renters with 4.8 per cent renting from a State/territory housing authority and 6.3 per cent from a private landlord²⁷.

On Census night in 2011, 14,851 people aged 55 and over were homeless, which is one in seven of the homeless population²⁸.

People over 55 are less likely to access homelessness services, making up only 6 per cent of the clients using specialist services in 2011-2012²⁹.

²⁴ AIHW 2012 *Aged Care Packages in the Community 2010-11: a statistical overview* Canberra

²⁵ AIHW 2012 *Residential aged care in Australia 2010-11: A statistical overview* Canberra

²⁶ AIHW 2012 *Older Australia at a glance 4th edition Additional material* Canberra

²⁷ ABS *Census of Population and Housing Estimating Homelessness 2011 Catalogue Number 2049.0* 2011

²⁸ Australian Institute of Health and Welfare *Results from the Specialist Homelessness Services Collection 2011/2012* AIHW Canberra



COTA Australia Ltd,
16 Hutt Street, Adelaide SA 5000
Ph 08 8232 0422

ABN 35 118 911 541