

Message from the Chair

Earlier in the year COTA Over 50s partnered with the Brotherhood of St Laurence and the Aged and Community Services Australia to hold a Housing Forum in Canberra. Currently our National Office is working with other Seniors' Organisations on the inadequacy of the pension.

COTA Over 50s has advocated for many years that the single pension should be 2/3 of the couple rate but, at the same time has also advocated that there should be a general review of all pensions. This is particularly necessary now given the rise in cost of living and the unrealistic expectation that senior Australians and those with Carer responsibilities or disabilities can survive on the current pensions.

Working with other organisations on such a vital issue will ensure a united approach and will enhance COTA Over 50s capacity to truly be "the Voice of Older Australians".

Bettine Heathcote
Chair
National Policy Council



Report from the Executive Director, Dr. Geoffrey Bird

COTA Over 50s provides the Government with impartial and well informed advice on policy matters relating to older Australians. COTA Over 50s, National Policy Office, is currently presenting the Federal Government with a Post-Election Campaign document for the period of 2008-9. The concerns, recommendations and information included reflect a long-term consultation process conducted by State and Territory COTA member organizations. The issues relate to pension increases, housing affordability, utility costs, sustainable housing development, health care, seniors' mobility, homelessness and improved service delivery to seniors.

Pension COTA Over 50s welcomes the attention that is being given by the Government to the plight of pensioners. COTA Over 50s has long advocated for a single pension that is two-thirds of the couple rate. It is evident that a person requires \$18,500 p.a. to live modestly (Westpac ASFA index). We should build an income support system reflecting at least this modest cost of living allowance. COTA four-point plan for the Federal Government includes the following:

1. **Guarantee** that the combination of age pension, superannuation and income from private savings ensures a decent standard of living for everyone.
2. **Establish** a "Cost of Living in Retirement" that is kept up-to-date with the real cost of living a healthy life as an active member of the community.
3. **Immediately** increase single pension to at least two thirds of the couple rate.
4. **Increase** the pension to 35% of Average Male Weekly Earnings until the new "Cost of Living in Retirement" is implemented.

Ageing well, ageing in place and ageing as a valuable community member are the principles underlying all recommendations of COTA Over 50s. Among others, in our recommendations to the Government, we call for:

- The provision of adequate financial and other support to enable public and community housing stock to grow to specifically meet seniors' demands as population ages.
- Sustainable design and assistance to low income seniors in purchasing energy efficient goods.
- Efficient one-stop-shop for housing information.
- Adoption of the Tasmanian model for State registration of dental hygienists and therapists in order to provide the best access to high quality dental care for seniors.
- A number of strategies for financing and planning a life-course approach to health maintenance.
- A nation-wide approach to seniors' mental health.
- Research funding into the mobility needs of seniors.
- Improvement of intra-suburban and country public transport services to enable seniors to access the services they require and enable their better participation in the community.

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Find out more on:

www.cotaover50s.org.au

Cost of Living, Housing Affordability – A Wider Context

Some Facts: According to the Australian Bureau of Statistics, the age composition of Australia's population is projected to change considerably as a result of population ageing. By 2056 there will be a greater proportion of people aged 65 years and over than at 30 June 2007, and a lower proportion of people aged under 15 years. 13% of Australians are over 65 years now, growing to 25% by 2047. 77% of Australians over the age of 65 receive income support. Most pensioners have low incomes: over half have less than \$20 a week of private income, but some have higher incomes; 5% have private incomes of over \$400 a week. The family home is a major form of savings for seniors: 61% of age pensioners are homeowners; among age pensioners couples, 83% are homeowners.

The Minister for Families, Housing, Community Services and Indigenous Affairs has asked the Secretary of FaHCSIA, Dr Jeff Harmer, to complete an investigation into measures to "strengthen the financial security of seniors, carers and people with disability including a review of the Age Pension, Carer Payment and Disability Support Pension". This review is part of the Government's wider inquiry into Australia's Future Tax System, chaired by the Secretary to the Treasury, Dr Ken Henry. The Treasurer has now confirmed that a review of the tax system, headed by Dr. Henry, will consider an increase in the rate of the age pension.

"There are currently almost no restrictions on retirement age. People who want, and are able to work past 65 can do so. Many people who work in demanding, low paid jobs would find it extremely difficult to keep working into their mid-seventies. For people who have suffered injuries or are developing disabilities, it would be simply cruel to expect them to press on", Mrs. Bettine Heathcote, Chair National Policy Council.

OECD countries: Change in the age composition is shared across OECD countries (Table 1) and pension solutions rely on flexible arrangements where the governments enable older people to remain in the workforce, as long as they wish.

Table 1: Share of the population 65 years and older and 80 years and older in some countries (%)

Country	1975		2000		2015		2030	
	65+	80+	65+	80+	65+	80+	65+	80+
Denmark	13.4	2.4	14.9	4.0	18.9	4.4	23.0	7.1
Norway	13.7	2.5	15.2	4.4	17.4	4.6	22.0	6.6
Sweden	15.1	2.7	17.3	5.0	21.4	5.7	25.1	8.6
France	13.5	2.5	16.0	3.7	18.8	5.8	24.0	7.5
Germany	14.8	2.2	16.2	3.5	20.2	5.4	25.8	7.2
Italy	12.0	1.9	18.1	4.0	22.2	6.8	28.1	9.0
United Kingdom	14.0	2.4	15.7	4.0	18.4	4.9	23.5	7.0
Japan	7.9	1.1	17.0	3.7	24.9	7.0	28.3	11.1
USA	10.5	2.1	12.6	3.3	14.7	3.8	20.0	5.3

Source: U.S. Department of Commerce, Economics and Statistics Administration and U.S. Census Bureau, An Aging World 2001, Washington, D.C.

In the European Union, all governments offer means-tested assistance and minimum pensions to lift elderly citizens out of poverty, but only Ireland limits its contributory pension to a modest benefit based solely on years of contributions, not income. In Sweden, a newly reformed pension system allows for a reduced old age pension to be drawn from the age of 61. At the time of early retirement the pensioner will receive the earnings-related pension only. A guaranteed pension can only be granted from the age of 65, and is then calculated in the same way as if the person had retired at the age of 65. Earnings after 65 also give pension credits, thus increasing the pension, and that it is possible to delay the take-up of the pension until after the age of 70, thus increasing the annual pension. Mandatory retirement agreements with a stipulated age lower than 67 have been forbidden since 1 January 2003.



USA—Aging Initiative and Smart Growth. The Environment Protection Agency (EPA) helps to raise awareness across the nation about healthy synergies that can be achieved by communities combining Smart Growth and Active Aging concepts. Through the Smart Growth Award Program EPA supports development patterns that create attractive, distinctive, "walkable" communities that give people of varying age, wealth, and physical ability a range of safe, affordable, convenient choices in where they live and how they move around.

Cost of Living, Housing Affordability – A Wider Context cont'd

By adopting Smart Growth principles, communities can design places that increase mobility and improve quality of life for older adults. Neighbourhoods that integrate a variety of uses, such as residential, commercial, and recreational features, enable residents, especially mature persons, to access key amenities without relying on their automobiles. Pedestrian-friendly, level walkways also increase access to these amenities and encourage older residents to walk to the doctor's office or local stores. By designing neighbourhoods to contain homes, shops, offices, parks, and other amenities, these communities are giving their residents and visitors the option of walking, bicycling, taking public transportation, or driving as they go about their business. A range of different types of homes makes it possible for older Americans to stay in their homes as they age, young people to afford their first homes and families, at all stages in between, to find a safe and attractive home they can afford. By providing a range of housing opportunities, communities can enable residents to move within their neighbourhood as their housing needs change. Such life-long residents help to establish a strong sense of place within a community. The benefits of building healthy communities for active ageing are being realised in communities across the United States. For example, the city of Saratoga Springs, N.Y., where 18 percent of the population is over 60 years of age, has created a mix of housing opportunities near the Saratoga Senior Center and medical facilities.



Growing Smart also ensures that existing resources are used efficiently, and that lands and buildings that shape communities are preserved. Communities across the country are using creative strategies to develop in ways that preserve natural lands and critical environmental areas, protect water and air quality and reuse previously developed land. They conserve resources by reinvesting in existing infrastructure and reclaiming historic buildings. Through Smart Growth approaches that enhance neighbourhoods and involve local citizens in development decisions, these communities are creating vibrant places to live, work, and play. The high quality of life in these communities makes them economically competitive, creates business opportunities, and improves the local tax base.

From Member Organisations

COTA ACT www.act-cota.org.au

- **COTA is administering the Seniors Card** and one of the tasks is to produce the Seniors Card Directory. The task of compiling the 2009-10 Seniors Card Directory is in full swing. Approximately 450 firms have been contacted and, at this stage, 250 organisations have cleared their entry in the Directory. "We are working towards the release of the Directory in November", says Paul Flint, ED COTA ACT. "If you know of any business organisation which gives you good service and is not in the Directory, please let us know in the COTA office and we will approach them for inclusion in the Seniors Card Directory".
- **COTA is conducting the 'Finance and Lifestyle' survey** which is seeking information on recent income and cost changes. Over 2700 surveys have been distributed in the last three weeks and about 650 have been returned.
- **Results of the survey show a significant decline in living standards** for most Seniors. Many self-funded retirees and full Centrelink beneficiaries have sold their car, decreased their social activity and are finding it more difficult to maintain their homes, pay for medication, heat their premises and generally live with a modicum of comfort. Some of these, who are home owners, are exploring the possibilities offered by reverse mortgages. Others, particularly those who are renting, have little or no fallback position. It appears that all those renting from the private sector are paying more than 30% of their income as rent. Whilst the unencumbered home ownership rate is 84%, in addition:
 - 38% of home owners have doubts about their continued ability to meet their ownership commitments,
 - 18% believe they may not be able to stay in their home,
 - 11% are unable to afford routine maintenance and 3% have reverse mortgages.
- **Unsatisfactory results** were also found in the health area. 30% of respondents do not have private health care. This includes the 12% who recently ceased private health coverage because of the cost. Alarming, 11% have stopped or reduced medical treatment because of rising costs. A further 6% reduce their medicine because it is too expensive.
- **A potential health threat** is the number of older people who have indicated that they can no longer afford fruit, vegetables and / or meat.
- **Volunteers** Another area of concern in the "volunteering nation" is that 40% of volunteers are finding their activities restricted because of rising costs.

COTA NT www.cotant.org.au

- During August COTA (NT) ran a suite of successful Seniors Month events, including cruises on Darwin Harbour, "Rosy Day" for seniors, a craft session, a fishing day for Indigenous elders, exercise classes and a range of information sessions. Information sessions provided by Telstra on how to use your mobile telephone for taking and sending photographs were particularly popular and there is strong potential to deliver such sessions throughout the year.
- We also took on responsibility for organising a two day workshop for remote flexible aged care providers delivering services in the Territory, South Australia and Western Australia. About 50 people attended the successful event, which helped to build capacity in the delivery of aged care within Indigenous communities.
- On September 6th COTA (NT) participated in a Forum on retirement in the Territory which was organised by the NT Advisory Council on Ageing. The Forum broke new ground by simultaneously delivering information via video links to seniors attending venues at Charles Darwin University campuses in Darwin and Alice Springs. This technology has the potential to greatly enhance our ability to provide two-way information

COTA WA www.cotawa.asn.au

COTA WA issued its State Election 2008 document outlining the priority concerns for the next term of government. Briefly they are:

- Housing** Seniors face difficult decisions and need independent support and advice on housing and accommodation options.
- Income support** For seniors living on low-incomes, the cost of essential services – such as utilities, transport and food - consumes a disproportionately high percentage of their income. Also, energy prices are forecast to continue to rise in the coming years.
- Dental health** Registration of dental hygienists and therapists will provide the best access to high quality dental care for seniors.
- Health** Dedication of a fixed proportion of the health budget to health promotion measures. Plan for Active Ageing.
- Mental health** Develop and implement a nationwide seniors' mental health strategy.
- Transport and mobility** A need for researched and planned approach to attend to seniors' mobility requirements.

COTA TAS www.cotatas.org.au

- COTA(Tas) is currently involved with the Sociology Department of UTAS in three research projects – one on Elder Abuse.
- COTA(Tas) is processing the results from 3 questionnaires on Relationships, Housing and Cost of Living.
- Our 'Wednesday Words' sessions are proving extremely popular with Hobart based seniors, with 'a full house' each time

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ARPA Over 50s www.over50sonline.com.au

- A significant Victorian Government grant was received by ARPA under the new Experience Counts programme. This will enable ARPA to assist mature age employment seekers not currently assisted by Centrelink / Job Network and will run for 12-16 months.

COTA NSW www.cotansw.org.au

- Healthy Ageing Talks Series - Aug to Nov 08—Full schedule on the COTA NSW website. Next talk is on Advance Care Planning by Prof. C. Carthwright, UNSW medical faculty and A. Meller, Prince of Wales Hospital.

COTA QLD www.cotaqld.org.au

- In a partnership with Carers Queensland and Queensland Aged & Disability Advocacy COTA Qld has received 3 year funding from the Home & Community Care Program (HACC) to facilitate Consumer Forums throughout Queensland.
- The Safe and Confident Living Program increases social participation and reduces older people's fear of crime.
- Building Links worked with community radio stations to raise awareness about the range of Government and community services available for Queensland seniors.

COTA SA cotasa@cotasa.org.au

- Positive Choices for Later Life forum, 19 September. It will discuss the practical changes of later life and how they are affected by, and impact on, our society's stereotypes of age.
- Pensioner Rally to Increase the Age Pension, 21 September.
- COTA Seniors Voice and SACOSS—Joint Submission to AEMC (Australian Energy Market Commission) (13-8-08)

COTA VIC www.cotavic.org.au

- A detailed Budget submission was presented to the State Government on expenditure priorities. The priority areas were housing, aged care services and transport (August 2008).
- COTA VIC was funded through the Consumer Credit Fund to undertake a project looking at credit options and information targeting older people, with a specific focus on the uptake and attitude towards reverse mortgages.