

## MEDIA RELEASE

### More to come for Seniors?

The 2008/09 State Budget was disappointing in its lack of robustness in addressing the needs of senior Victorians, particularly those on low incomes.

While the Budget held a great deal for children and families, and focused strongly on infrastructure, older Victorians were largely overlooked. At a time of high budget surplus and strong economic development, people on low incomes, and seniors, seem to be falling behind in Fairer Victoria.

“There are some positives for senior Victorians in this budget, but they tend to lack a cohesiveness in responding to the ageing population,” said COTA Victoria Executive Director, Sue Hendy. “We welcome the funding initiatives that should have positive outcomes for seniors, including transport and hospital and ambulance services.”

Some of the positives for seniors in the Budget included:

- 16,000 new elective surgery patients
- An extra 33,500 outpatient appointments
- An extra 60,000 patients in emergency departments
- Increase in aged care beds, particularly in regional areas
- Increased access to transport in regional areas
- Increase in funds for the aids and equipment program
- Free emergency ambulance services
- Release of land in inner metropolitan areas for residential aged care facilities
- Preventative health measures and cancer prevention and treatment
- A regional food kitchen to address food and meal provision management and efficiencies
- The on-going roll-out of social housing developments and upgrades
- Kinship support packages that will assist grandparents.

“We look forward to working with the Government on the Positive Ageing strategic framework to develop a whole of government approach to the issues impacting on older people and to ensure health and well being and quality of life for all senior Victorians, particularly those on low incomes.”

“Measures to address climate change through initiatives to drive renewable energy and clean coal projects are also positive steps,” said Ms Hendy, “But they need to be accompanied by appropriate tariff frameworks for people on low incomes. COTA Victoria also welcomes additional funding to assist low income households to repair essential appliances and access energy saving equipment.”

“The good news is that there is no negative impact on utility concessions in today’s State Budget. But while low income households, including pensioners, can be grateful for the increase in the Water and Sewerage Concession cap, this will not be enough to alleviate the cost of living pressures on pensioners.”

“COTA Victoria has been very concerned about the combined and cumulative impacts on older people, of proposed and imminent industry pricing restructuring of essential services– electricity, gas and water,” said COTA Victoria Executive Director, Sue Hendy. “It is our view that price rises to

households of the order currently being forecast by analysts will disproportionately impact low income and low consumption households.”

With the prices of many essential items rising significantly faster than CPI, concessions have never been more important to ensure pensioners and low income households can afford the basic necessities of life, including water and energy.

- In January 2008, electricity prices increased between 14-17% and an imminent emissions trading scheme and the cost pass through of ‘smart meters’ will only increase prices further.
- In July 2008, water prices are set to increase 13-17% with further prices to double water costs to households by 2012.
- Meanwhile, rents have increased more than 12% in the year to September 2007;
- Fresh food has increased 9% and petrol is up 35%.

These massive price rises are putting intolerable pressure on the household budgets of pensioners whose benefits haven’t increased as fast. Retirees have little choice but to pay these increased utilities charges with too many Victorian seniors unable to make ends meet forcing them to compromise on necessities – ‘choosing’ between food and health care or paying utilities bills. The gap between their weekly expenditure and income is growing wider by the month, and things will not get any easier.

“COTA Victoria recognises that current and future energy, water and climate change challenges call for solutions that are complex, and require major planning and investment initiatives across public and private infrastructure sectors, departments and the community. Therefore while supporting in principle, the Government’s broad agenda of meeting the community’s needs for essential services, we were hoping that the affordability of services for people on low incomes would be addressed in today’s Budget,” said Ms Hendy.

With climate change set to lead to higher prices for household energy and water, and calls on the whole community to contribute to greenhouse gas reductions, retaining a strong concessions framework is essential to maintaining social equity and needs to remain at the heart of the Government’s response to climate change.

In its budget submission, COTA Victoria called on the State Government to address:

- **Public and Community Transport** – by setting benchmarks for minimum service frequency for all public transport options and providing subsidies for a range of innovative demand responsive services that are integrated with local community venues and mass transport systems.
- **Housing** – by establishing an Office for Seniors Housing, and ensuring that affordable housing is provided to vulnerable older people.
- **Public Health and Aged Care Services** – by ensuring at least 6.5% per annum growth in Home and Community Care, and by further reducing the waiting lists for access to general dental care and dentures by increasing the funding formula rates by 18%.

Other recommendations for addressing the needs and issues impacting on older people, included:

- Positive Ageing Strategy
- Older Men’s Health
- Additional Support for those on Low Incomes
- Protecting the Financial Assets of Seniors
- Provision of Transport for Health
- Empowering Seniors

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