



the voice of older Australians

**COTA OVER 50s
Submission**

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Authorised by
National Policy Council
COTA Over 50s

COTA Over 50s National Policy Council consists of eight State-and Territory-based entities – Councils on the Ageing in ACT, NSW, Northern Territory, Queensland, South Australia, Tasmania, Victoria, and Western Australia, - plus the national organisation, ARPA Over 50s Association.

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A NEW PARADIGM

“If ageing is to be a positive experience (for individuals and societies) longer life must be accompanied by continuing opportunities for health, participation and security.”

Active Ageing: A Policy Framework
World Health Organisation, 2002

Population ageing throughout the world represents one of the greatest achievements of the twentieth century resulting as it does from unprecedented gains in public health and in economic development. Australia’s experience mirrors that of other developed nations and, by 2051, we anticipate that people aged 65 years and over will represent one quarter of our population (6.8 million).

The challenge for this century is to understand and realise the opportunities that accrue from this change in global demographics, opportunities that must affect all aspects of social and economic policy. Within the developed world, where economic prosperity preceded population ageing, the challenge is more manageable than it is for developing nations where population ageing is occurring prior to, or in parallel with, economic growth.

The World Health Organisation (WHO) has proposed a concept of “Active Ageing” to guide policy makers responding to the challenge of population ageing.

The “Active Ageing” concept is not confined to issues of older age it provides a framework that encompasses the life course and recognises the diversity between individuals that increases with age.

COTA Over 50s calls upon the Treasurer and Government to adopt the WHO Active Ageing concept and use the following questions as a yardstick for assessing all budget bids, not just those that directly address issues of retirement and old age.

Health

How will this initiative decrease risk factors and increase protective factors for chronic disease and functional decline?

Participation

How will this initiative support the full participation of people of all ages in socio-economic cultural and spiritual activities according to their capacities, preferences, needs and basic human rights?

Security

How will this initiative contribute to the social, financial and physical security, needs and rights of people as they age?

COTA Over 50s proposes a number of budget initiatives that specifically address some of the most pressing issues facing today’s seniors. It is imperative that governments do not neglect these needs as they pursue longer-term policies that seek to ameliorate the effects of population ageing in the third and fourth decades of this century.

SUMMARY OF SPECIFIC RECOMMENDATIONS

HEALTH

Failure to prevent or manage the growth of noncommunicable diseases appropriately will result in enormous human and social costs that will absorb a disproportionate amount of resources

Develop and fund a Dental Health Strategy

Provide funding to eliminate waiting lists for public dental health services

Develop and fund a National Mental Health Strategy for Older People

Increase initiatives to educate consumers, pharmacists and doctors in the quality use of medicines

Increase efforts to ensure the affordability and availability of medicines and to protect the Pharmaceutical Benefits Scheme

Fund the National Aged Care Workforce Strategy to ensure that older people requiring care receive high quality and culturally appropriate services.

PARTICIPATION

When social policies and programmes support their full participation in socio-economic, cultural and spiritual activities, according to their basic human rights, capacities, needs and preferences, people will continue to make a productive contribution to society in both paid and unpaid activities as they age

In cooperation with indigenous people develop and fund a National Strategy for Indigenous Ageing to reduce the unacceptable disparity in life expectancy between indigenous and non-indigenous Australians

SECURITY

When policies and programmes address the social, financial and physical security needs and rights of people as they age, older people are ensured of protection, dignity and care in the event that they are no longer able to support and protect themselves.

Immediately increase the rate of the single age pension.

Establish a review of the adequacy of the age pension and the associated indexation provisions

HEALTH

“Failure to prevent or manage the growth of noncommunicable diseases appropriately will result in enormous human and social costs that will absorb a disproportionate amount of resources”

Active Ageing: A Policy Framework
World Health Organisation, 2002

WHO advises that when the risk factors (both environmental and behavioural) for chronic diseases and functional decline are kept low, while the protective factors are kept high, people will enjoy both a longer quantity and higher quality of life; they will remain healthy and able to manage their own lives as they grow older; fewer older adults will need costly medical treatment and care services. For those who do need care, they should have access to the entire range of health and social services that address the needs and rights of women and men as they age.

DENTAL CARE

In many parts of Australia the growing shortage of dentists is causing fees to rise to levels at which many seniors cannot afford to maintain good dental health. Dental health care is a national health issue and is a fundamental necessity for an individual’s healthy ageing including nutrition. The state-funded programs have not filled the gap left by the federal program, which was abolished in 1996. The financial and health costs of poor and neglected oral health are well documented.

With research showing over 600,000 people on the waiting lists Australia wide, many seniors are now missing out on dental care with public dental hospitals and clinics either not accepting any new cases or reporting waiting lists of well over 12 months. When treatment is available it is for emergencies only.

Low-income people receive no Commonwealth-funded assistance to maintain their oral health. By contrast, high-income people receive public subsidies for dental care through the private health insurance rebate that helps cover the cost of ancillary cover.

Australia’s National Oral Health Plan makes the following points about oral health of older people:

- People with cognitive impairments and dementia are at high risk of developing oral disease
- Co-morbid conditions can increase the cost and complexity of both medical care and the delivery of age care services
- Those living in nursing homes have higher rates of edentulism, less sound teeth and more decayed teeth than other groups

Recommendations:

The government should:

- ❖ Develop and fund a comprehensive national dental health policy that:
- ❖ Focuses on preventive dental services,
- ❖ Increases training funds for dentists and allied technicians
- ❖ Enables the public dental service to contract private dentists or services,
- ❖ Provides services for special needs groups including people on low incomes, older frail people, people with dementia, people in rural and remote areas and people in residential aged care.

- ❖ Provide catch-up funding to clear the national waiting lists of over 600,000 people for public dental health services.

MENTAL HEALTH

Mental health and wellness is the capacity of older people individually or as a group, to interact in ways that promote well-being, optimal development and the use of their mental abilities to achieve individual and collective goals. It is a state of emotional and social well-being, in which individuals realise their own abilities and greatest potential.

A combination of age discrimination and the discrimination of mental illness provides a double jeopardy for older people suffering mental illness. Ageism decreases the quality of life and appropriate care of older people. The image that the media often perpetuates of older people is one of frailty and mental deterioration. This expectation of cognitive decline in ageing is a serious outcome of ageism and significantly impacts on the response to mental health issues and services for older people.

An understanding of the impact of ageism and negative stereotypes of old age on mental health and responses to mental illness must be integral to strategies for older people.

The National Mental Health Strategy was endorsed by all States and Territories Health Ministers in 1992 and set the agenda for mental health reform across Australia. The *third National Mental Health Plan (2003-2008)* widens the scope for mental health planning from focusing on people with mental illness to considering the role of mental health in individual and community quality of life. However there is no integrated strategy that focuses attention on the mental health of older people

Recommendations:

The government should:

- ❖ Develop a national mental health strategy for seniors
- ❖ Target current mental health funding so senior Australians suffering mental health problems can access it more readily.
- ❖ Fund community awareness campaigns, peer education and counselling for seniors
- ❖ Make provision for meaningful social support services as well as therapy for those people suffering from a mental illness who are being cared for at home.

PHARMACEUTICALS

All Australians should have access to affordable medication and pharmaceuticals.

COTA Over 50s welcomes the Government's recent announcement on proposed reforms to the Pharmaceutical Benefits Scheme (PBS), which goes some way to ensuring that many medicines in the future will remain affordable and not threatened by inappropriate listing and de-listing of drugs, and as a result of intensive pharmaceutical industry lobbying.

The Government will need to remain vigilant in protecting the system to ensure in particular older people have access to affordable drugs at a time they often have limited income.

The education of consumers and prescribers of medicines is an important mechanism for restraining inappropriate growth in PBS expenditure.

Recommendations:

The government should:

- ❖ Provide funds for better and increased education for doctors, consumers and pharmacists on drugs
- ❖ Expand the Seniors Quality Use of Medicines program
- ❖ Ensure stronger price negotiation with pharmaceutical companies, particularly where sales exceed estimates
- ❖ Provide greater transparency for the reasons for de-listing drugs from the PBS
- ❖ Provide a consumer impact statement prior to delisting any PBS drug

AGED CARE WORKFORCE – COMMUNITY CARE

In order to provide adequate community care for older people who wish to remain in their own homes, Australia needs a well trained community care workforce with supports and infrastructure that recognise and value its importance.

The National Aged Care Workforce Strategy (2005) focused primarily on the residential aged care sector and, within that sector, on the nursing workforce rather than other workers.

However, the Strategy did recognise there was a lack of research and data regarding the growing community care sector.

The recent NSW Forum highlighted key problems:

- Difficulty recruiting staff, particularly in rural & remote areas
- Lack of trained Aboriginal and Torres Strait Islander staffing in community care
- Lack of trained staff from culturally and linguistically diverse backgrounds in community care services
- Increased casualisation of the community care workforce
- The lack of a career path for people working in community care
- Low wages in the community care sector
- Increased expectations on staff, especially to do volunteer hours

Recommendations

The government should:

- ❖ Create an up to date, evidence based, data resource for the industry
- ❖ Establish a collaborative Taskforce to complete a review of the community care workforce
- ❖ Provide funding for a sustainable future industry
- ❖ Recognise and provide for competitive wages within the industry
- ❖ Recognise and provide for new technology to be integrated in workforce planning
- ❖ Develop an Aged & Community Care Workforce Plan which should:
 - Ensure that the Workforce Plan meets the strategic objectives outlined in the National Aged Care Workforce Strategy
 - Address the need for Employers and Government to work together to create standards across the industry
 - Address recruitment strategies which highlight the benefits of working in the industry
 - Address the need for training models, including issues of cultural competency for CALD & indigenous communities
 - Include strategies to retain staff & ensure the impact of shortages are minimised in the future
 - Provide incentives to encourage people to work in community care

- Develop a marketing and promotion strategy to raise the profile of the sector
- Incorporate a separate plan for recruitment, retention and skill development of Aboriginal workers.

PARTICIPATION

“When social policies and programmes support their full participation in socioeconomic, cultural and spiritual activities, according to their basic human rights, capacities, needs and preferences, people will continue to make a productive contribution to society in both paid and unpaid activities as they age.”

Active Ageing: A Policy Framework
World Health Organisation, 2002

AGEISM

Older Australians are a remarkably diverse population group reflecting the cultural and linguistic diversity of the population and their differing life experiences. Whilst older people experience, and give meaning to, their ageing within the frameworks developed over the life course, the effects of negative age stereotypes and ageism have an adverse impact on their capacity to participate.

In addition ageism and age discrimination, which characterise older people as dependent, both impact upon the policy framework. Ageism legitimises views that regard older people as essentially different from younger generations and results in policies and programs that diminish the opportunities available for full participation in society. Old people are categorised as senile, rigid in thought and manner, old-fashioned in morality and skills. Ageist concepts are now so embedded in our common sense understanding of the world that specific initiatives are required to combat its influence in public decision-making.

National and state legislation provides a legal foundation for addressing age discrimination in specified circumstances. This is a necessary but insufficient base for the changes required to ensure that people are enabled to contribute to their society across the life course. The government should increase resources available to combat negative stereotypes of old age.

INEQUALITIES

“Inequalities experienced in earlier life in access to education, employment and health care, as well as those based on gender and race, have a critical bearing on status and well being in old age. For older people who are poor, the consequences of these earlier experiences are worsened through further exclusion from health services, credit schemes, income-generating activities and decision-making.

It is well known that socio-economic status and health are intimately related. With each step up the socio-economic ladder, people live longer, healthier lives.”

Active Ageing: A Policy Framework
World Health Organisation, 2002

INDIGENOUS AUSTRALIANS

Available evidence from the Australian Institute of Health and Welfare (AIHW) suggests that indigenous seniors continue to suffer a greater burden of ill health than other Australians. Aboriginal and Torres Strait Islander people are disadvantaged across a range of socio-economic factors. They experience lower incomes than the non-indigenous population, higher rates of unemployment, poorer educational outcomes and lower rates of home ownership – all of which impact upon health and wellbeing.

Past policies have contributed to erosion of family supports and the breakdown of community cohesion with detriment to the indigenous community.

The issues facing indigenous seniors in relation to population trends over the coming years differ in many ways from those facing the general population. The indigenous population is younger and growing more rapidly than the rest of the population. As a result, policy settings intended to address demographic transition may not meet the needs of indigenous seniors.

Recommendations:

The Government should:

- ❖ Provide funding, for a period of four years, to enable indigenous Australians to work with government to:
- ❖ Develop a National Strategy for Indigenous Ageing that focuses on the particular needs and aspirations of indigenous seniors.
- ❖ Implement strategies to increase the social connectedness and health of indigenous people.
- ❖ Implement an effective national indigenous health and aged care policy to ensure equitable access to mainstream and indigenous specific health and aged care services.

SECURITY

“When policies and programmes address the social, financial and physical security needs and rights of people as they age, older people are ensured of protection, dignity and care in the event that they are no longer able to support and protect themselves. Families and communities are supported in efforts to care for their older members.”

Active Ageing: A Policy Framework
World Health Organisation, 2002

EMPLOYMENT

The government has implemented a number of strategies to reduce age discrimination in the workplace and increase the participation rate of mature aged workers. It is of vital importance that these strategies are maintained.

Employment policies should ensure that mature age workers have

- ❖ **Opportunity and choice:**
Employment policy needs to provide encouragement and diverse opportunities for mature age people who wish to participate in the labour force
- ❖ **Flexibility:**
It is important that there be opportunities for people to change the nature and extent of their labour force participation as they age.
- ❖ **Appropriate assistance:**
The nature of assistance provided to mature age people should be appropriate to their experience and maturity.

RETIREMENT INCOMES

According to ASFA Research Centre, the most powerful determinant of the adequacy of Australian retirement incomes is government policy – policy on compulsory superannuation, the Age Pension, the period of workforce participation, the level of remuneration, investment returns, retirement savings, the level of fees and charges imposed and relevant taxation reforms.

In recent years, the government has made a number of significant changes to Retirement incomes policies that will significantly improve the quality of life of many retired people. The primary focus for many initiatives has been to provide incentives or benefits for those with superannuation or other private sources of retirement income. The most important of these initiatives was the government’s decision to remove benefits tax on retirement incomes from 1 July 2007.

Although superannuation changes since the 1980s will result in a greater proportion of people receiving a part, rather than a full age pension, and/or becoming eligible for the pension at a later age, the superannuation guarantee scheme will not be fully mature for

another two decades. For at least that period the age pension will provide all, or the majority, of their retirement income.

There are various approaches to assessing the adequacy of retirement incomes including calculating cash income and an imputed value of the social wage; nominating a proportion of pre-retirement income and estimating average retirement expenditure

ASFA calculated two benchmarks of annual income need by retired people. According to their figures (August 2006) a couple needs an annual income of \$47,507 and a single person needs \$35,430 to achieve a comfortable retirement lifestyle. Those with an annual income of \$25,603 for a couple and \$18,192 for a single person may achieve a modest lifestyle assuming that they own their own home.

The current rate (September 2006) for the age pension for those with no other income provides \$22,240 per annum for a couple and \$13,315 for a single person.

AGE PENSION

(Since 1990) “aged/disability support pensioners who are reliant on rental market and public transport have experienced cost increases in the order of 30% greater than the underlying inflation rate”

Winners and Losers: the story of costs
St Vincent de Paul Society, December 2005

The Age Pension continues to play a significant role in the Retirement Income arrangements and is critical to the quality of life for the vast majority of Australian seniors who receive either a full or part pension.

The current pension fails to provide an adequate income for many of its recipients particularly for those in the lowest income brackets, single pensioners and those in private rental. Research by St Vincent de Paul Society (2005) demonstrates that the living costs of low income households are rising much faster than the inflation rate that is used to adjust pensions. As a result, the age pensioners in this situation are forced into situations that undermine their health and security. There is an urgent need to lift the income levels and living standards of these age pensioners without compromising the long term sustainability of the age pension scheme.

Recommendations:

To begin this task in the 2007 Budget the Government should:

- ❖ Increase the single age pension to two thirds the rate for couples
- ❖ Set up a review to examine both:
 - the adequacy of the nexus between the age pension and AMWE and the development of more appropriate measures
 - the desirability of adjusting pensions through a separate price index relevant for people in retirement
- ❖ Enable age pensioners, departing Australia for less than six months, to retain access to rent assistance, pharmaceutical and other allowances

GRANDPARENTS RAISING GRANDCHILDREN

Grandparents and carers other than natural parents play a significant role in providing care for children. The ABS found in 2003 that there were 22,500 families in which grandparents were guardians for their grandchildren, involving some 31,100 children aged 0-17 years. COTA Over 50s research estimates the figure for 'informal' arrangements looking after grandchildren is much higher.

These include the numerous Aboriginal 'grandparents' where the current definition of 'eligible grandparent' is even less likely to be met. Indigenous 'grandparents' face key problems around eligibility criteria as many indigenous 'grandparents' may care for many children, often from different families. They require timely access to financial support and respite. Many indigenous 'grandparents' already have health problems that are exacerbated by caring for the 'grandchildren'.

Rural and remote indigenous 'grandparents' suffer from lack of information and consequently lack of financial and other types of support. In the end this also leads on to intergenerational problems.

There are also problems with accessing appropriate indigenous officers in Centrelink and in some state government departments.

An even more worrying, insidious and increasing problem is that many grandparents say that they are fast spending, or have already used, all of their retirement savings on the grandchildren and do not know how they will survive.

COTA was commissioned in 2003 by the Australian Government to investigate the problems and issues of raising grandchildren and the Report delivered 21 Recommendations many of which require agreement with state governments. The single most important issue for grandparents on low incomes is to receive parity with foster parents. The Council Of Australian Governments has considered these recommendations but there have been no reported outcomes.

Recommendations:

The government should:

- ❖ Set up a Ministerial Taskforce to advance the recommendations of the *Grandparents Raising Grandchildren* report.
- ❖ Fund a community awareness campaign for grandparents raising grandchildren, and provide information about financial and legal issues and support services and in a variety of formats – booklets, telephone information services, website, print media and community service announcements on radio and television.
- ❖ Hold a National Summit in 2007 to look at the issues surrounding Grandparents Raising Grandchildren.

What is COTA Over 50s?

COTA Over 50s is a national peak seniors organization, representing 1,500 member organizations with a reach of over 500,000 older Australians. Its National Policy Council, located in Canberra, consists of eight State and Territory-based entities – Councils on the Ageing in NSW, Victoria, Tasmania, Western Australia, South Australia, ACT, Queensland and the Northern Territory – plus the national organization ARPA Over 50s.

COTA Over 50s' prime objective is to promote, improve and protect the circumstances and wellbeing of older Australians, not just its members, and particularly the vulnerable and disadvantaged. Its work draws on views of today's seniors and on concerns for future generations of Australians.

In doing so the COTA Over 50s members adhere to five main principles:

Policy Principle 1 Maximise the economic, social and political participation of older Australians and challenge ageism.

COTA Over 50s supports policies and programs that encourage and facilitate the inclusion of seniors in all aspects of Australian life.

Policy Principle 2 Promote positive views of ageing, reject ageism and challenge negative stereotypes.

COTA Over 50s supports initiatives that recognise the capacities and contributions of seniors and actively combat ageism. COTA Over 50s believes that the impact of ageism, based on negative age stereotypes, restricts the participation of older people in all aspects of Australian life. This has adverse effects on the community and on older people.

Policy Principle 3 Promote interdependence and consciousness across generations

COTA Over 50s promotes policies that meet the specific requirements of seniors whilst taking account of the needs of the entire community for sound economic and social development. Senior Australians share an interest in long-term policies that serve the welfare of all Australians.

Policy Principle 4 Redress disadvantage and discrimination

COTA Over 50s believes that all people have the right to dignity, to security, to access high quality services, and to equality in participation in the community regardless of their income, status, background, location or any other social or economic factor. COTA Over 50s recognises that seniors are a diverse group with differing backgrounds and social, economic and health status and advocates strongly for those who are most vulnerable and disadvantaged.

Policy Principle 5 Protect and extend services and programs that are used and valued by older Australians.

COTA Over 50s develops policies and provides advice on maintaining and improving services and programs that seniors use and value. These include primary health care, hospitals, pharmaceuticals, employment services, utilities, public transport, residential care, housing and community care. It will seek to ensure that there is an adequate "safety net" of services and income support, which all seniors can access according to fair and equitable criteria in order to maintain a reasonable quality of life.



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