

National Seniors

Australia

**Submission to the 2013-2014
New South Wales State Budget**

February 2013

About National Seniors Australia (National Seniors)

With over 200, 000 members Australia-wide (**including over 48, 000 in New South Wales**), National Seniors is the consumer lobby for the over-50s. It is the fourth largest organisation of its type in the world.

We give our members a voice – we listen and represent our members' views to governments, business and the community on the issues of concern to the over 50s.

We keep our members informed – by providing news and information to our members through our Australia-wide branch network, comprehensive website, forums and meetings, bi-monthly lifestyle magazine and weekly e-newsletter.

We provide a world of opportunity – we offer members the chance to use their expertise, skills and life experience to make a difference by volunteering and making a difference to the lives of others.

We support those in need – as a not-for-profit organisation, we raise funds and redirect monies received to older Australians who are most in need.

We help our members save – we offer member rewards with discounts from over 7,000 business across Australia, we offer discount travel and tours designed for the over 50s, and we provide older Australians with affordable, quality insurance to suit their needs.

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Recommendations

The New South Wales Policy Advisory Group strongly supports the overall objectives of the *NSW Ageing Strategy* which encourages seniors to lead an active and rewarding life as valued members of the community. Our specific recommendations for the 2013-2014 State Budget are as follows:

Employment

1. Review the impact of current compensation laws and insurance regimes, including Workcover, on workforce participation for New South Wales seniors with a view to ensuring equitable access, regardless of age.
2. Increase mature age participation rates for greater self-sufficiency in retirement and reduced spending on social security and healthcare.
3. Ensure that workforce training opportunities are not subject to age restrictions.

Cost of Living

4. Maintain the provision of utility rebates and financial assistance for low income households.
5. Provide the option for low-income consumers to remain on a flat tariff indefinitely rather than move to time-based cost-reflective pricing mechanisms.
6. Increase the rebate on rates paid by pensioners in line with inflation.
7. Apply heavy penalties to constructors of strata title buildings in the event of noncompliance with building codes.

Social Inclusion and Consultation

8. Provide information such as bus timetables in printed as well as electronic formats.
9. Work with local government to create age-friendly communities so that people of all ages have access to shops, health centres and cultural and sporting opportunities.

10. Continue consulting with older people and representatives from peak organisations about issues that affect older people.

Vulnerable Older People

11. Support organisations and programs that reduce the isolation of older people in the community.
12. Collect data from abuse hotline calls to provide insights into ways of reducing vulnerability.

Health

13. Improve hospital discharge procedures for people who live alone or without access to support, by ensuring that links are made to relevant services before patients are sent home.
14. Support health maintenance programs such as hydrotherapy and tai chi which improve mobility and balance.

Consumer Protection

15. Continue to monitor scams that target older people, and to raise awareness through publicity in media outlets, community groups and organisations such as National Seniors

Transport

16. Enhance support to the Community Transport Program to widen the availability of access through community organisations and local councils for older Australians to attend social activities

Housing

17. In partnership with the private sector and community housing, develop conveniently located affordable housing options for those who are downsizing and those who are at risk of homelessness.

Executive Summary

National Seniors' New South Wales Policy Advisory Group plays a key role in identifying emerging issues and trends affecting the over-50s throughout the State. It also acts as a conduit between National Seniors' members within the State, relevant community organisations, and the New South Wales State Government.

Australia's ageing population - a result of increasing life expectancy and sustained low fertility following the post-war baby boom - is one of the most significant challenges facing the nation. We must make a conscious effort to plan and structure our cities to ensure liveability and non-discrimination. According to the 2011 Census, there were 3 million people aged 65 years and older resident within Australia. Over half of this population were aged 65-74 years. The post-war Baby Boomers are now beginning to enter the older age group (65 years and over) and will continue to increase its relative size.

Beyond 2020, population ageing will be even more pronounced with around 39% of the population being aged 50 and older by 2050.

The government must also recognise that the over-50s are a diverse segment of the State's population. At the younger end of the spectrum the growth in the 'baby boomer' population is bringing new issues and expectations of retirement, replacing the traditional view of 'dependency and decline' with one of independence and increased productivity. Additionally, increased life expectancies are supporting marked growth in the numbers of people aged 75 and older.

The cultural and linguistic diversity of the population aged 50 and older has the potential to impact on care needs and social engagement. Research suggests that older adults with English as a second language often revert to their first language as they get older and respond best to community-based care provided by people from the same cultural background.

Older Australians are a diverse group with varying needs and requirements to live a healthy and comfortable life. National Seniors' State budget submission therefore seeks to outline those areas key to enhancing the health, well-being and inclusion of older people in New South Wales. The budget submission also seeks to respond to rising demands for essential services and cost of living pressures.

Government leadership is critical to meeting the challenges posed by these demographic changes. National Seniors believes making decisions now will greatly assist the State's readiness to cope with an ageing population into the future - from productivity to participation, health and aged care.

Employment

Recommendation 1: Review the impact of current compensation laws and insurance regimes, including Workcover, on workforce participation for New South Wales seniors with a view to ensuring equitable access regardless of age.

Recommendation 2: Increase mature age participation rates for greater self-sufficiency in retirement and reduced spending on social security and healthcare.

Recommendation 3: Ensure that workforce training opportunities are not subject to age restrictions.

Over the last 20 years, increased workforce participation among older age groups has been integral to Australia's sustained economic growth. National Seniors acknowledges this growth- which is partly attributable to the baby boomers moving into the older age bracket- while recognising that there are still a range of barriers preventing older workers from participating within the workforce.

Action is required on outstanding New South Wales issues:

- Workers' compensation is only conditional for those aged 65 and older, and
- Employment insurance is subject to limitations for those aged 65 and older.

Any lingering assumption that people in this age group should retire and draw the Age Pension is out of touch with current experiences. Mature age workforce participation is growing, people are choosing a later retirement and many baby boomers have no plans to retire¹. The exclusion of the older age cohort in employment will have a significant impact over time on the Australian economy, resulting in a loss of almost 450,000 potential employees by 2031 which translates to around 12.5 million work hours forgone². Furthermore, we note that the *NSW Ageing Strategy* recommends- "review the impact of current laws and insurance regimes, including Workcover, on workforce participation."³ We regard this review as high priority.

Recent TAFE cutbacks have limited course options and raised fees for many second-chance learners, including those aged 50 and older who are upgrading their skills to regain employment or improve career opportunities. Furthermore, negative stereotypes and discriminatory attitudes towards older workers reduce workforce opportunities in recruitment, training and promotion. National Seniors research shows that 13% of older workers who participated within paid employment during the last 5 years (from 2008-2012), experienced workplace

¹ National Seniors Australia. 2012. *The Health of Senior Australians and the Out-of-Pocket Healthcare Costs they Face*. Productive Aging Centre: Canberra.

² National Seniors Australia. 2009. *Experience Works: The Mature Age Employment Challenge*. Productive Aging Centre: Canberra.

³ Department of Family and Community Services Office for Ageing. 2012. *NSW Ageing Strategy*. New South Wales Government: Sydney

exclusion specifically attributable to age.⁴ These experiences of discrimination are a significant factor in decisions to leave the workforce.

We support all steps designed to reduce indirect discrimination of this type.

Cost of Living

Recommendation 4: *Maintain the provision of utility rebates and financial assistance for low income households.*

Recommendation 5: *Provide the option for low-income consumers to remain on a flat tariff indefinitely rather than move to time-based cost-reflective pricing mechanisms.*

Recommendation 6: *Increase the rebate on rates paid by pensioners in line with inflation.*

Recommendation 7: *Apply heavy penalties to constructors of strata title buildings in the event of noncompliance with building codes.*

The rising cost of living pressures, including prices of electricity, gas, petrol, groceries, council rates, transport and health services continue to cause anxiety for older people, especially pensioners on fixed incomes.

We urge governments at all levels to work with power companies to control escalating power bills, currently a source of anxiety in many households. National Seniors recommends that government rebates and financial assistance be increased to match the rapid increases in electricity charges, including any additional charges resulting from the introduction of time-based cost-reflective pricing and the implementation of smart meters and that these rebates be available to all low-income households.

National Seniors does not support the mandated application of time-based cost-reflective pricing and smart meters to all consumers. We believe that low-income consumers should have the option to remain on a flat tariff indefinitely rather than time-based cost-reflective pricing mechanisms. Further, consumers that opt to remain on the flat tariff should have the ability to refuse the installation of smart meters and be spared the additional costs associated with network-wide smart meter installation.

We note that the \$250 rebate on local council bills has remained the same since 1993, in which time it has lost more than half its value in real terms, increasing hardship for pensioners. Accounting for inflation between 1993 and 2012 would

⁴ National Seniors Australia. *Experience Works. The mature age employment challenge.* Canberra. 2009.

see this rebate rising from \$250 per annum to \$414.55 per annum. National Seniors supports an increase in this rebate equivalent to inflation.

We note that the NSW Government provides a \$5000 subsidy to purchasers of newly constructed homes. However, the *Sydney Morning Herald*⁵ has documented the high proportion of newly constructed strata title buildings with faults that require rectification. If builders or developers go bankrupt, there is no redress for strata owners who have to fund building rectification themselves, at a cost far exceeding \$5000 in most cases. This would be prohibitive for pensioners, many of whom prefer to purchase existing homes.

We appreciate and support the retention of the \$2.50 pensioner excursion ticket for public transport and note that this allows many pensioners to enjoy social outings and to attend necessary health and business appointments.

Social Inclusion and Consultation

Recommendation 8: Provide information such as bus timetables in printed as well as electronic formats.

Recommendation 9: Work with local government to create age-friendly communities so that people of all ages have access to shops, health centres and cultural and sporting opportunities.

Recommendation 10: Continue consulting with older people and representatives from peak organisations about issues that affect older people.

Government agencies increasingly communicate with clients electronically. It is important to recognise that a significant minority of those aged 65 and older are not yet comfortable with computers and other digital technology. For people 65 years and older, the level of participation or access to the internet is still markedly low at only 37%⁶. Therefore, information needs to be provided in print and by telephone, not just online.

National Seniors supports initiatives to promote liveable, age friendly local communities, with a range of cultural and recreational opportunities for citizens of all ages. This will result in the provision of spaces and opportunities for people to interact feel safe and contribute in a meaningful way to society.

Furthermore, when services such as community transport are rationed, social needs are given low priority compared to medical appointments. As important as

⁵ Mckenny, L and Moore, M. (2012, May 21). Most New Strata-Title Properties have Defects. *The Sydney Morning Herald*. Available at <http://www.smh.com.au/nsw/most-new-stratatitle-properties-have-defects-20120520-1yz12.html>

⁶ Australian Bureau of Statistics (ABS). 2011. *Australian Social Trends: Online at Home*. Australian Government: Canberra.

access to doctors and hospitals is, social inclusion entails a wider range of community activities. Living longer and living better depends on a secure network of friends and community contacts in addition to family.

We appreciate initiatives that promote volunteering, such as a reduction in the cost of police checks for those volunteering in schools and similar environments.

National Seniors believes that it is important to continue communication between peak bodies representing those aged 50 and older, and consumers themselves, to ensure representation on significant policy issues directly affecting them.

We appreciate the current consultative practices of the Office for Ageing and the Minister for Ageing and urge this practice to be continued.

Vulnerable Older People

Recommendation 11: Support organisations and programs that reduce the isolation of older people in the community.

Recommendation 12: Collect data from abuse hotline calls to provide insights into ways of reducing vulnerability.

Other vulnerable people of concern include those who are isolated and alone. Some people are solitary by choice, but policies that promote liveable communities should seek ways to engage the less connected members of the community.

National Seniors supports the introduction of a confidential abuse hotline for older people requiring advice about financial, physical or psychological abuse or neglect. It is important that older people are provided support and referrals to make their own decisions.

Some public housing tenants, specifically frail older women, live in fear of their neighbours – an unintended consequence of the current social mix in subsidised housing.

In addition, many older people are fearful of asserting their rights with family and friends on whom they may rely for physical and social support. It is therefore essential that the calls to the Hotline are monitored to provide guidance on strategies that will reduce the vulnerability of older people.

Health

Recommendation 13: *Improve hospital discharge procedures for people who live alone or without access to support, by ensuring that links are made to relevant services before patients are sent home.*

Recommendation 14: *Support health maintenance programs such as hydrotherapy and tai chi which improve mobility and balance.*

Although the *NSW Ageing Strategy* includes a section on keeping people healthy and out of hospital, no new programs appear to be listed. We support existing programs such as falls prevention and dementia awareness, and urge the health sector to form partnerships with local government and Sport and Recreation in encouraging active lifestyles, good nutrition and other health maintenance initiatives.

The first specific aim under *Keep people healthy and out of hospital* is “Focus all health services on enabling older people, especially the frail, to remain living in their communities.” We support this aim. Services such as physiotherapy and hydrotherapy play a key role here. Health prevention strategies reduce overall health spending – local budget constraints should not override general budget benefits. One instance is the hydrotherapy service at Prince of Wales Hospital, currently under threat. Hydrotherapy is a vital service for older people who will become a real drain on the health budget if they present to emergency departments with falls, broken limbs and other health crises.

Hospital discharge practices remain unsatisfactory. People who live alone should not be sent home unsupported when they are still too frail to manage shopping and self-care. Recently introduced Home Hospital services are a step in the right direction but many service gaps remain. The transition care programs provide an example of how integrated service planning can support older people to rehabilitate and return to independent living in their homes rather than enter residential aged care prematurely.

We note that the Federal Government has assumed financial responsibility for aged care for those 65 and older. The transition to full Federal administration of HACC and similar home support services requires careful management. As only about 6% of the community live in residential care, general health services for the majority of people aged 65 and older who live at home remain crucial.

Consumer Protection

Recommendation 15: *Continue to monitor scams that target older people, and to raise awareness through publicity in media outlets, community groups and organisations such as National Seniors.*

The Department of Fair Trading disseminates information on avoiding scams, but it is a considerable challenge to reach the most vulnerable, who include NESB people, the housebound and those who do not use computers. We support initiatives to get the message out through television, radio including community language radio, brochures, and public speaking at seniors' organisations.

Transport

Recommendation 16: *Enhance support to the Community Transport Program to widen the availability of access through community organisations and local councils for older Australians to attend social activities*

Efficient transport services are essential infrastructure. National Seniors supports the thrust of the recently announced transport plan, with light rail from Kingsford/Randwick to Circular Quay, improved access to Port Botany and Sydney Airport, and a balance between the needs of public transport and the private car.

Concessional car registration is much appreciated by pensioners who drive. A newspaper report that this concession was under threat (SMH, date) caused great consternation among older NSW residents.

The \$2.50 pensioner excursion ticket adds to the community participation of those aged 60 and older who hold a seniors' card. Not only does it help people volunteer, take care of grandchildren, attend appointments and meet friends, it has the side benefit of contributing to the profitability of small businesses such as cafes and shops.

Loss of a driver's licence is a devastating event in many senior Australians' lives. There is much that governments can do to help them maintain community contact through public transport and community transport. As stated above under the budget area of *Social Inclusion and Consultation*, community transport should not be restricted to medical needs.

Furthermore, National Seniors applauds the NSW Government for funding the Community Transport Program. This program allows community organisations and local councils to provide transport to people who may have limited or no access to private transport and to those who may have difficulty in gaining access to conventional transport systems. National Seniors urges the New South Wales State government to continue funding for this program to address

transport disadvantage at the local level and also to widen the availability of access through community organisations and local councils for older Australians to attend social activities

Housing

Recommendation 17: *In partnership with the private sector and community housing, develop conveniently located affordable housing options for those who are downsizing and those who are at risk of homelessness.*

Pensioners who rent are among the most disadvantaged New South Wales citizens. Affordable housing is much discussed, but remains scarce. The *NSW Ageing Strategy* includes several strategies for improving the supply and range of affordable housing.⁷ We support actions by Government to engage with the private sector, the community housing sector and the government-run social housing sector, to increase housing options for older people. Location in reach of services such as shops, transport and health facilities are important considerations, as is the ability to choose a familiar locality. There is scope for extending the self-managed co-operative housing model for suitable groups of older people, perhaps through community housing organisations.

⁷ Department of Family and Community Services Office for Ageing. 2012. *NSW Ageing Strategy*. New South Wales Government: Sydney