



**Aged & Community  
Services • Australia**

**Submission**

to

**Advisory Panel on the Economic Potential of Senior Australians**

in response to

*Realising the economic potential of senior Australians*

**October 2011**

## **Introduction**

Aged and Community Services Australia (ACSA) is the national peak body for aged and community care providers representing over 1100 faith based, charitable and community-based organisations providing residential and community care services, housing and supported accommodation to almost 1 million older people, younger people with a disability and their carers.

ACSA strongly endorses the Advisory Panel's report in which it captures many of the major recurring themes raised in discussions with our members about ageing and the future of aged care.

## **Positive Ageing in Community**

That Australian society is experiencing significant ongoing change in relation to population ageing is undeniable but it is important that this not be portrayed in the rather apocalyptic terms that some observers and commentators tend to use; rather, increased life expectancy and improving health conditions should be regarded as a measure of success and an opportunity for people to make meaningful contributions well into older age. As the report notes, individuals, organisations and society more generally must take on the challenge that these changes present.

A significant barrier to older Australians realising their full potential is the negative image of older people often depicted in the media but also as a result of general misconceptions. The report quite rightly draws attention to the fact that fewer older people require nursing home care than many might think; and indeed, a great many maintain very healthy, active lifestyles, contributing to the economy 'as workers, carers, consumers and members of their communities.' Importantly, the report also notes that older Australians are also better educated and more financially secure than previous generations.

Positive images of ageing will give older Australians the confidence to remain engaged and contributing to their potential.

An underlying premise to achieving the economic potential of senior Australians (and by extension, the economic potential of the nation as a whole) revolves around establishing a genuinely age-friendly society. The reality is that age discrimination is manifested in many ways. Active cultural change towards an age-friendly society must be addressed if we are to move in the direction articulated in the Advisory Panel's report.

An age-friendly society will be depicted in many ways – the transport services we provide, public amenities, signage and the way we plan/design neighbourhoods and housing, as well as how government policy and services are designed. In short, it is imperative that we remove the barriers and invest in people throughout their lifetimes. The report emphasizes the importance of choice as being a key determinant in enabling people to realize more of their potential. The same choices should be open to people regardless of age.

## **Engagement through the Aged Care Sector**

The aged care industry is well placed to take on these challenges. Our industry has a multi-faceted engagement with senior Australians. On the one hand, we provide services for older Australians; on the other we are a significant 'employer' of senior Australians in both paid and unpaid (volunteer) roles.<sup>1</sup> In both aspects, our sector has a key role to play in terms of the health and wellbeing of older Australians through investment in infrastructure, training, support and relevant programs and initiatives.

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<sup>1</sup> Paid aged care employees make up around 23 per cent of the total health care and social assistance industry workforce (ABS 2009b; Martin and King 2008, Productivity Commission 2010). Over 90% of the aged care workforce is female and over 60% are aged 45 years or older (DEEWR (2008); Martin and King (2008), PC 2010, Ch 14).

While ACSA has long argued for fair and competitive wages for professional staff across the aged care industry and has achieved the support of the Productivity Commission in this regard (*Caring for Older Australians*, 2011) the industry also recognises the critical role played by volunteers, not only as a source of labour but as a link between the people directly supported by aged care services and the wider community. In many cases, volunteers are family members and 'younger seniors' and the experience of volunteering in aged care enables them better to influence the care received by their relatives as well as ensuring that the care they themselves will access later in life is what they want.

Our sector offers opportunities for paid and unpaid involvement across a range of areas enabling older Australians to continue contributing to their communities, assists the operation of key services and keeps seniors engaged. As such, investment by the aged care industry in new information and communications technologies, and training, has the added, flow-on benefit that it will also support senior Australians' engagement with that technology.

Similarly, investment in new information and communication technologies in older persons housing provides an opportunity for older Australians to continue their contribution through the use of this platform irrespective of physical abilities.

Our sector has the potential to be a hub for lifelong learning. A culture of lifelong learning promotes integration, participation and well being and has positive health benefits. It is essential for the realisation of the economic potential of senior Australians, particularly in the context of national workforce development.

### **Costs and Contributions**

It is true that as the Australian population ages, government expenditures are expected to rise due to increased income support and health costs. This focus on costs has resulted in the overly negative view of population ageing and its representation as a problem. However, in terms of unpaid work alone, people aged over 65 contribute almost \$39 billion a year to the Australian economy.<sup>2</sup> Furthermore, public expenditure on income support and health pays dividends by enabling older people to yield a return to the community through unpaid work and other 'transfers of goods, gifts, cash and inheritance'.<sup>3</sup>

The Productivity Commission's (PC) report, *Caring for Older Australians* (2011), presents a blueprint for reforming Australia's aged care system. The shift in emphasis to providing care and services in the community, including into older people's own homes, presents a further opportunity to increase the potential for older people to continue to make an active, positive contribution. ACSA has long argued for an increase in community care services, including the sorts of rehabilitative, restorative and 'reablement' approaches proposed by the PC. The result, we believe, would be improvements in Activities of Daily Living and related incidental activities, leading to increased community and social engagement and a reduction in social isolation and associated loneliness. Such outcomes can only help to encourage greater participation and contribution on the part of older people.

### **Seniors' Housing**

Australia lacks a single or coordinated national housing strategy, let alone for older people. Current Federal, State and Local Government initiatives to promote affordable housing tend to focus on social housing or first home buyers, at the expense of the broader market. The reality is that a large part of the future affordable housing market will be older people but current approaches to planning, design and financing are not age-friendly. Considerations such as appropriate design standards, six star energy ratings, land and infrastructure costs and age friendly neighbourhoods add to the costs of all housing developments but can make it very difficult to keep prices affordable.

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<sup>2</sup> Australian Institute of Family Studies, *Measuring the value of unpaid household, caring and voluntary work of older Australians*, October 2003)

<sup>3</sup> Ibid.

Together with the Council on the Ageing (COTA), ACSA has actively advocated for the creation of a National Older Person's Housing Strategy. The action we have sought is:

- the maintenance and enhancement of existing housing stock to allow people to age in place; and
- an increase in the supply of affordable and appropriate housing for older people.<sup>4</sup>
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We seek the support of the Advisory Panel for this strategy.

### **Seniors at Work**

As the Advisory Panel's report highlights, senior Australians are a growing portion of the national workforce. Older workers have a key role to play in succession planning, through mentoring and coaching emerging leaders.

Transition strategies to retirement should focus on leveraging off the experience and wisdoms of older workers which are critical to our sector (as to all sectors) which will face significant challenges in the provision of services to our ageing population.

Providing affordable and appropriate training opportunities to senior staff and senior job seekers will be a critical factor in maintaining a highly skilled national workforce, including in the aged care industry. As the report recognises, many older workers are keen to revise their skills to keep ahead, and employers should be encouraged –by national advertising campaigns, for example – to address age discrimination in their employment practices. Wages should reflect skills, experience and capacity, and not be age-responsive/age discriminatory. As workers stay in the workforce to later ages, the nexus between age and declining wages should be monitored to ensure that older Australians do not become a new class of working poor. As the report notes, older single women are in danger of becoming poor at an age when their housing security may depend on maintaining their income. As a significant employer of senior female staff, the aged care industry is particularly cognisant of this issue.

### **An Aged Care Industry with Vision**

ACSA is keen to continue its engagement with the Advisory Panel. A range of benefits can flow to the aged care industry through the realisation of the changing face of society envisioned in the Advisory Panel's report. Older Australians should command a stronger and more respected place in our society (not just our economy). The aged care industry has a strong facilitative role in the harnessing of opportunities presented to the nation by senior Australians.

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<sup>4</sup> COTA/ACSA, *A Fair Share for Older People – The Need for a National Older Person's Housing Strategy*, March 2009.