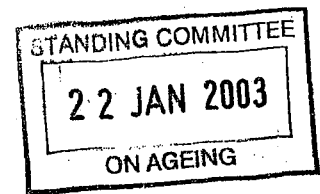




Adam Cunningham  
Inquiry Secretary  
Standing Committee on Ageing  
Parliament House  
CANBERRA ACT 2600



10 January 2003

Dear Mr Cunningham

**Re: Inquiry Into Long-Term Strategies To Address The Ageing Of The Australian Population Over The Next 40 Years**

ACOSS is pleased to provide a submission to this Inquiry. Apart from this brief introductory letter, the bulk of our submission is contained in the attached documents, which outline our policies on a range of issues pertinent to the terms of reference of the Inquiry.

The way in which countries respond to demographic change is determined by many different forces, including the relative value placed on particular social outcomes. For ACOSS, the debate about population ageing provides an opportunity to plan and implement a set of policies at a national level that will make Australia a fairer society, particularly in terms of the distribution of work, income and caring responsibilities.

There are a number of urgent issues facing Australia which, if not addressed in the short to medium term, will have lasting effects on the Australian population and make it more difficult to manage population ageing over the longer term. Key concerns are the problems of unemployment and joblessness which have a profound effect on the current income levels, skill levels and social connectedness of many Australians as well as on future retirement savings, tax revenue and social security expenditure. Other major concerns include the supply of affordable housing (including the importance of the links between labour and housing markets), the strength and integrity of the tax base and the level of support for family and community based care upon which economic activity rests.

In terms of population ageing and employment, ACOSS supports the Government's approach of increasing workforce participation among mature age people and extending the age of retirement. This approach will help to shift employer attitudes towards the employment of older people and, with the right policy settings in place, should have a beneficial effect on the living

Australian Council  
of Social Service

Level 2  
619 Elizabeth St  
Redfern

Locked Bag 4777  
Strawberry Hills  
NSW 2012

Ph [02] 9310 4844  
Fax [02] 9310 4822

acoss@acoss.org.au  
www.acoss.org.au

standards of older people, costs to government and contributions to the economy both now and in the future.<sup>1</sup>

For this strategy to work however, significant investment will be needed to enable older people to work, including investment in:

- life long learning, reskilling and employment experience for older people;
- community services (including transport) and health care for older people<sup>2</sup>;
- other community services, such as child care, respite care and in home care, as older people (many of whom provide unpaid care in the community) move back into the workforce or extend their working lives; and
- more flexible work practices.

While policies directed at older people are critically important in managing population ageing, a whole of population focus is required if Australia is to sustain its social, economic, cultural and environmental health over the next forty years. This means, in particular, a progressive and adaptive tax system to underpin needed social expenditure. This is the focus of the material included in this submission.

Yours sincerely



Andrew McCallum  
President

---

<sup>1</sup> For a good summary of these issues please refer to the publication produced by Council on the Ageing (Australia) and the Committee for Economic Development of Australia, *Older Australians: A Working Future*, Vol 10/2000.

<sup>2</sup> This refers to the services needed to support older people in employment. For a separate discussion of the specific issues surrounding aged care, please refer to the work of the National Aged Care Alliance and in particular, the discussion paper prepared by Jan Webster, *Options for Financing Long Term Care for older people in Australia*, January 2002.

**List of publications enclosed or to be forwarded**

ACOSS, *ACOSS Budget Priorities Statement 2003-04* (to be forwarded when published)

ACOSS, *Generating Jobs: Fifteen Strategies for Reducing Unemployment in Australia*,  
ACOSS Paper 118, October 2001

ACOSS, *Fairness and flexibility: Making superannuation work for low and middle income-earners*, *Submission to the Senate Select Committee on Superannuation's inquiry into superannuation and standards of living in retirement*, ACOSS Paper 123, May 2002

Harvey, R., *Options for Reforming the Pharmaceutical Benefits Scheme: Submission to the Interdepartmental Committee*, ACOSS Info Paper 320, August 2002

ACOSS, *Public and Community Housing: A rescue package needed*, ACOSS Info Paper 323, October 2002

ACOSS, *A framework for Commonwealth/State Housing Agreement negotiations and beyond*,  
ACOSS Info Paper 319, August 2002

ACOSS Media Release, *ACOSS calls for replacement of baby bonus with a universal maternity benefit*, 11 December 2002