

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

Dear Mr Cunningham

**SUBMISSION FROM UNITINGCARE AUSTRALIA
TO INFORM THE INQUIRY INTO LONG-TERM STRATEGIES TO ADDRESS THE
AGEING OF THE AUSTRALIAN POPULATION OVER THE NEXT 40 YEARS.**

Thank you for the invitation to provide a written submission to this important Inquiry. We enclose a brief submission, covering several of the themes set down for investigation by the Standing Committee. *UnitingCare* Australia asks that the Standing Committee notes that *UnitingCare* Australia is also signatory to the submission prepared on behalf of the National Aged Care Alliance (NACA). The NACA submission describes in detail a range of aged care issues requiring urgent attention.

We note that the next step of the Inquiry comprises a series of public hearings to be held in February 2003. *UnitingCare* Australia looks forward to contributing.

Should you require any further information or clarification regarding the attached submission, please contact Meriel Schultz, Advisor on 02 62902160 or by email: meriel@nat.unitingcare.org.au.

Yours sincerely

Lin Hatfield Dodds
National Director

17 December 2002.

SUBMISSION TO THE HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON AGEING INQUIRY.

Long term strategies to address the ageing of the Australian population over the next 40 years.

INTRODUCTION

UnitingCare Australia welcomes the opportunity to make a submission to the House of Representatives Standing Committee on Ageing.

In support of positive ageing, UnitingCare Australia seeks to:

- contribute to the development and maintenance of health and social service systems in Australia that emphasise wellbeing, prevent illness and provide equitable, dignified and quality long-term care;
- prevent and reduce the burden of disability, especially in people in vulnerable circumstances;
- ensure appropriate care for people with disabilities as they grow older;
- advocate for active participation and inclusion of older people in all aspects of society;
- increase the independence of older people by providing protection and supportive services, especially at difficult stages of ageing;
- stimulate research, through sharing knowledge and practical community-based experience with researchers, policy makers and service providers.

UnitingCare Australia welcomes the scope of the Inquiry noting the Committee's interest in the adequacy of retirement incomes both now and in the future, workforce participation, aged care, education, housing and health. In addition to these issues, UnitingCare Australia adds the importance of sustainable environments within Australia, including the adequacy of the physical environment and of transport systems. These latter two issues are particularly relevant to the mobility and social inclusion of older people within their communities.

Recognition of the synergies between each of these elements is also vital. For example, maintenance of older people in their own homes or in community settings is dependent on the adequacy of retirement income, a well thought out continuum of aged care and housing, health and transport policies.

It is encouraging to see Australian governments beginning to work with 'whole of government' processes. A good example is demonstrated in the Federal Government's '*Strategy for an Ageing Australia*'. UnitingCare Australia is concerned that measures to assist older people remain healthy and economically active are considered as a necessity – not a luxury. Measures must take into account the real needs, preferences and capacities of older people. Measures also need to recognise the prior influence of positive earlier life experiences so that the needs and expectations of future older citizens are not compromised.

Recommendation:

- *That all levels of government recognise the importance of setting measurable, intersectoral policy objectives as the foundations of positive ageing. Governments are urged to consider spending (on health, education, income support, employment, the environment, transport, housing and community capacity building) as linked, long-term investments integral to positive outcomes for an ageing Australia.*

RETIREMENT INCOMES

Adequate retirement income is essential, at least to alleviate poverty. The comfort and security of older people is directly linked to the economic success of the community. In global terms, Australia

is relatively well resourced to support its older citizens, with funds made available through a mix of public pensions, superannuation and voluntary savings.

However, *UnitingCare* Australia recognises that despite the provision of the aged pension, many older people in Australia do not have reliable or sufficient incomes to ensure a secure and stable life in their older years. Research by the World Health Organization (WHO) indicates that this is especially so for older women and for those living in rural areas. WHO research also indicates that low income has a direct effect on health and independence. *UnitingCare* Australia and the broader *UnitingCare* network of services are particularly concerned with the inclusion of the most disadvantaged, (ie those who have few assets, little or no savings, or who are part of families with low or uncertain incomes).

Recommendation

- ***UnitingCare Australia supports the views of the World Health Organization in calling for a broad national approach to active ageing policies that includes schemes to reduce poverty and include older people in income generating activities.***

PAID WORK

There is a global trend that recognises the importance of supporting active, productive contribution by older people in paid, unpaid and voluntary work. OECD reports, produced over the past two decades, demonstrate that the use of early retirement as a means to free up jobs for the (younger) unemployed has not been an effective solution. Other studies indicate that older people with low incomes are one third as likely to have high levels of functioning as those with high incomes. Voluntary work is also shown to benefit older people by increasing social contacts and mental wellbeing, while making a significant contribution to community life and to the nation as a whole.

Recommendations

UnitingCare Australia calls for:

- ***recognition in policy statements and program planning of the impact that employment can make on sustaining adequate living standards for people as they grow older, while simultaneously encouraging harmonious intergenerational transfers;***
- ***inclusion of older people as a population group in all workforce planning; and***
- ***policies and programs that explicitly harness the skills and experience of older people in a range of paid, unpaid and volunteer capacities.***

HOUSING

The ‘baby boomers’ grew up in an environment that encouraged home ownership. Many older people now place high value on remaining in their own homes and most wish to stay within familiar communities. Housing often requires modification to enable older people, especially the frail aged, to continue to live safely within their own homes. Provision for home maintenance, aids and appliances is largely provided through government-funded home maintenance schemes (eg the HACC Home Maintenance Service) but (as illustrated in the recent Myer Foundation Report ‘20/20 A Vision for Aged Care’) these services reach only 10% of people with core activity restriction and 40% of people who require aids and appliances.

While affordable housing is a universal issue, *UnitingCare* Australia is particularly concerned for the small (12% of all people aged 65 or over) but significant group of older people who rent privately or live in public housing. Low income, limited or no assets and accompanying problems such as low health status makes this group particularly vulnerable.

Adequate housing must also be set within an adequately supportive community environment. Mobility is an important issue for the ageing and the ability to access public transport, to move

about independently and safely within the community and to have safe and ready access to resources (eg shops, pharmacies, medical facilities, churches and recreational venues) is important to the social inclusion of older people within their communities).

Recommendations

UnitingCare Australia asks that governments move to:

- *set minimum standards of accessibility so that ‘adaptable’ housing becomes a financial reality as people age;*
- *develop new guidelines and protocols for distribution of aids and appliances suitable for use in home settings;*
- *develop guidelines for urban, satellite town and rural community design that provides accessible and affordable transport and safe access to shops, medical facilities and other community facilities.*

HEALTH and AGED CARE

1. Health System Reform

UnitingCare Australia considers that all older people in Australia should have affordable and equitable access to a planned and properly resourced continuum of care system that promotes good health and wellbeing, prevents ill health and social isolation and works with consumers to deliver appropriately linked care services and support programs. These services should be flexible, respond to the needs of consumers, recognise the diversity of both communities and individuals and promote choice and respect among those accessing the services provided. These principles are described in further detail in the submission put forward to this Inquiry by the National Aged Care Alliance, to which UnitingCare Australia is a signatory.

UnitingCare Australia notes the focus of the health policy reform agenda endorsed by the Australian Health Ministers Conference this year, particularly the intention of governments to improve the interface between acute, primary and aged care services. UnitingCare Australia also notes and supports the references and recommendations found within the 2002 Myer Foundation Report ‘2020 A Vision for Aged Care’.

Recommendations

UnitingCare Australia calls for all governments to:

- *Work actively and swiftly to ensure the long term health and wellbeing of individuals and communities. This may be best achieved through reinvestment and reorientation of strategies and programs towards preventive public health programs that encourage home based service delivery and linkages to local community based health services. This approach will assist in the reduction of hospitalisation costs and impact on the level of demand for residential aged care services.*
- *Substantially reform and expand community based so older Australians can live in their own homes as long as possible as they age.*
- *Streamline administration of care, aligning government responsibility and accountability for aged care programs to ensure optimal planning processes and efficient care delivery.*

2. Benchmarks of Care

Reshaping a sustainable aged care health system is a vital strategy for health portfolios at all levels of government. An essential first step in the development of a robust system is adequate assessment of need. Australia currently has limited benchmarks of care against which to plan and implement long term and effective aged care health strategies.

Recommendation

UnitingCare Australia recommends:

- *the development and implementation of a revised system of aged care for Australia based on evidence-based benchmarks that reflect both quality of life and quality of care.*

3. Aged Care Allocation

Current allocations of residential care places do not meet the access needs of frail older people.

Until the long-term strategies described above are implemented, a complementary medium term strategy is required to manage the mismatch between supply of, and demand for, aged care places.

Recommendation

UnitingCare Australia seeks:

- *a review, informed through community debate, of the current allocation process for aged care places.*

4. Funding Models

UnitingCare Australia supports the concept of development of different principles to govern funding arrangements for older people (ie separate out principles and funding for aged care services in a range of settings, differentiating these from funding related to aged care accommodation).

Other issues of funding relate to models of consumer contribution as a contribution to the overall cost of care in the later years of life.

Recommendation

UnitingCare Australia calls for :

- *governments to work with the aged care sector to develop a system that separates the principles and processes designed for funding or contribution to community care services from those designed for accommodation in residential aged care facilities;*
- *increased funding to ensure a universal high quality 'base service' available at minimal or no cost for those without resources of their own;*
- *a phasing-in of higher contribution rates using a means tested system ;*
- *linking the consumer's level of contribution to broader choices of both services and accommodation across the continuum of care;*
- *introduction of schemes for individuals to enable accumulation of funds through compulsory savings over their working lives to meet at least part of their contribution to aged care costs (eg superannuation schemes).*

5. Workforce Development

Workforce development issues are already on the Federal and State Government agendas (eg primary health care, higher education and nursing reforms). There are currently serious staffing shortages in aged care. These shortages extend throughout the nursing, medical and allied health professions. There is currently limited articulation of training pathways for health professionals and allied workers, antiquated workforce models within the aged care sector and inequity in terms of wage parity with other forms of health care work.

Recommendations

- *UnitingCare Australia calls as a matter of urgency for a national response to these issues. The response shall cover the fundamental issues of models of funding, wage parity and workforce development pathways.*