



**Draft Submission to The House of
Representatives Standing Committee on
Ageing**

**Inquiry into the Long Term
Strategies to Address the Ageing of
the Australian Population Over the
Next 40 years**

DECEMBER 2002

Inquiry into the Long Term Strategies to Address the Ageing of the Australian Population Over the Next 40 Years

Introduction

Lgov NSW understands that the House of Representatives Standing Committee on Ageing is enquiring into long term strategies to address the ageing of the Australian population over the next 40 years. The Committee has identified for the inquiry some broad themes for investigation:

- current and future adequacy of retirement incomes
- workforce participation
- aged care
- education
- housing and
- health

Lgov NSW represents the Local Government Association of NSW and the Shires Association of NSW, and was formerly known as the Local Government and Shires Associations (LGSA) of NSW. Therefore, Lgov NSW represents the 172 general purpose councils, 20 county councils and 13 Regional Aboriginal Land Councils in New South Wales.

The mission of Lgov NSW is to be a credible, professional organisation representing Local Government, providing services to councils and facilitating the development of an efficient, effective, responsive, community-based system of Local Government in NSW.

Local Government is a stakeholder in responding to their communities' concerns, needs and aspirations on aged matters because:

- Local Government is the sphere of government with the responsibility to act as a focus for articulating their communities' concerns, to represent local communities to other spheres of government on those concerns and to seek responses to them, and there are concerns about aged policy in many NSW communities
- Local Government is a planner and regulator of the local environment, which in turn affects government, commercial and not-for-profit infrastructure and services for ageing people
- Local Government is a provider of general facilities and services to communities that have a role in supporting ageing people
- Local Government is a significant funder or co-funder, planner, supporter and provider of community services that directly assist ageing people

Lgov NSW has a critical role in assisting member councils with each of these four facets.

Background

NSW Local Government's charter involves providing directly or on behalf of other governments adequate, equitable, appropriate, efficient and effective services and facilities. It has a significant and historical involvement in planning, developing, providing and/ or supporting a wide variety of infrastructure, facilities and services.

The charter highlights principles relating to:

- community leadership

- regard for cultural and linguistic diversity
- planning and providing for the needs of children
- regard for the cumulative effect of decisions
- trusteeship of public assets
- facilitation of stakeholder participation, and
- elimination of bias

The Charter makes it clear that Local Government is a sphere of government with a legitimate role in providing a wide variety of services that local residents require.

Local Government can choose to involve itself in the provision, management or operation of the following 'community service' functions:

- community services
- public health
- cultural, educational and information services
- public transport
- sport, recreation and entertainment, and
- housing (see Chapter 6 *Local Government Act 1993* as amended)

NSW Local Government plans, supports or provides a wide range of community building or support mechanisms. Data from the *Resourcing communities: the 1999 Community Planning and Services Audit* shows the activity level on a wide range of social planning and community development activities, direct provision of infrastructure, facilities and services, and support of non-government facilities and services.

In terms of social planning and community development activities the activities most common for Local Government across the State are as follows:

- *supporting promotional or symbolic weeks*, covering in descending order Seniors Week (92%), Library Week (89%), Youth Week (85%), NAIDOC Week (63%) and National Reconciliation Week (59%)
- *facilitating development of new facilities, services or activities for specific target groups or issues*, covering in descending order ageing people (86%), young people (86%), people with disabilities (77%), neighbourhoods (72%), culture (67%), children (67%), families (61%), education (56%), and indigenous people (51%)
- *participating in crime prevention* or community safety strategies of the Police Service (79%)
- *pursuing local social planning*, covering in descending order community profiles (76%), s94 Community Facilities Contribution Plans (71%) and incorporating specific target groups or issues into their Social Plan (NB: With the completion of the first round of Social/Community Plans under the regulation since this study the figures are known to have changed dramatically in regard to the numbers of councils covering various target groups)
- *maintaining Plans of Management for various classes of Open space*, Sporting Grounds (78%) and Parks and Gardens (76%) and Open Space Needs Studies (52%)
- *participating in the planning processes of other spheres of government*, covering in descending order Ageing and Disability Department planning (70%), DoCS Integrated Community Services planning (63%), State Child Care Consultations (56%), National Child Care Strategy consultations (55%), Area Health Service discussions on immunisation (54%) and Regional Arts Strategy participation (51%)
- *having an Access Committee (Disability)* (67%)
- *supporting the local Interagency* (54%)
- *preparing local policies* (although the only one reaching a majority is 'Library Policy Statements'(52%)).

An Ageing Australia

At the beginning of the nineteenth century 4 percent of the Australian population were aged over 65. By 1999 this percentage had risen to 12.2% and is projected to rise even further (Andrews, 2002, p1).

The reasons for this rise are three fold:

- Increases in life expectancy due to medical advances and higher standards of living. In the year 1901 average life expectancy was 55. It is now over 75 and projected to rise to 83 by the year 2051
- Increase in the aged population associated with the ageing of the Baby Boomer generation
- Decline in the birth rate as women choose to have fewer children. This has been attributed to improved contraception, changing values in relation to the family and significant increases in the numbers of women participating in the workforce

While there is a general consensus that the proportion of older Australians will rise over the coming 40 years, future projections differ significantly in relation to the population scenario adopted. A recent study by the CSIRO “Future Dilemmas: Options to 2050 for Australia’s population, technology, resources and Environment” (CSIRO, 2002) explores three possible population scenarios. The first scenario considers the implications of a zero net immigration rate (low); the second considers an immigration rate of 70,000 people in line with the current policy setting (medium) and the third explores the implications of an immigration rate set at two thirds of one percent of the current population per year (high). By the year 2050 the low, medium and high population scenario’s give domestic populations of 20, 25 and 32 million people respectively. Each scenario by extension involves significantly different outcomes in relation to age ratio’s within the population with the proportion of the population over 65 years of age by the year 2050 reaching 20% under the high scenario, 25% for the medium scenario and 27% for the low scenario.

The report indicates that under the low and medium population scenario’s the dependency ratio relating the number of younger and older people to those of working age will rise to levels between 7 and 8 dependents per 10 people of working age compared to a level of 6 dependents per 10 of working age for the high scenario.

The report raises three important issues in relation to the changing demographic structures:

- Regional Australia tends to age more than the cities due to assumptions about internal migration
- The impacts of regional ageing are compounded because of increasing aged related medical problems in the regions compared to younger cities
- The demand for services will fluctuate driven by slow moving changes in demographic structures. There is a need to prepare the workforce and its infrastructure well ahead of time to better accommodate these issues

Whichever scenario is adopted it is clear that there will be a significant increase in the proportion of older Australians in the Australian population. The way in which this increase is managed will constitute one of the major challenges for social policy over the coming decades. While much commentary has focused on projected burdens on public finances and infrastructure, it is clear that there are many potential benefits in re-evaluating the role and contribution of older citizens to society. Local Government advocates the need for a balanced policy approach grounded in the social justice principles of equity, access, inclusiveness, choice and opportunity. Such an approach provides incentives and support to those who are able to

pursue independent lifestyles and makes adequate provision for those who are reliant to various degrees on the state for their welfare.

Local Government supports the policy principles outlined in the National Strategy For An Ageing Australia which emphasises the need for broad holistic approaches to aged care policy in relation to four themes:

- Independence and self provision
- Attitudes, lifestyle and community support
- Healthy ageing, and
- World class health and aged care

The strategy is based on a number of principles including:

- That the ageing of the Australian population is a significant common element to be addressed by governments, business and the community
- All Australians regardless of age should have access to appropriate employment, training, education, housing, transport, cultural and recreational opportunities
- Older Australians should have access to care services that are appropriate to their diverse needs
- Both public and private contributions are required to meet the needs and aspirations of older Australians
- A strong evidence base should assist the policy responses to population ageing

In many respects, aged policies in Australia have reflected outdated stereotypes of older people. These attitudes are in part due to the fact that Australia has always fundamentally been a youth oriented culture. Such a culture was attributable to the pioneering character of early Australia, the successive waves of young immigrants who entered the country throughout the 19th and 20th century and the fact that up until early last century the life expectancy for women was 46 years and men 48 (Olsberg, 1992, p3). As recently as the 1950s men on average lived only 2 years after retiring. This had contributed to a culture which tended to discount the capacity of the elderly to contribute to society, and led to a general lack of respect and veneration for their knowledge and skills.

These cultural stereotypes have little relevance to contemporary Australia. Australians in retirement now live significantly longer than their forbears and enjoy better health and more active lifestyles. Elderly people are also accumulating more private resources and have a greater capacity to remain in the workforce. Changes to workplace practices, retirement, superannuation and education policy will be important factors in promoting independence and extending traditional lifecycle age parameters.

In this context aged policy will need to reflect the changing profile of older Australians in an increasingly globalised society where traditional paradigms are under challenge. Policies promoting individual independence, productivity, choice, workforce participation and social inclusion will increasingly produce a diverse range of individual circumstances. Accordingly traditional age based categorisations of older people will need to be refined in order to incorporate a wide ranging number of indicators such as physical and mental capacity, economic and employment status and social and family needs.

While Local Government supports a comprehensive integrated approach to aged policy, which promotes the capacity of older people to be independent, active and productive there is a corresponding need to ensure the needs of the less advantaged are met. Aged policies need to be pursued in the context of a broad social support system which offers security, respect, dignity, quality treatment and social inclusion to all older Australians. Large numbers of older

Australians will remain highly dependant on the social welfare system and will continue to be at risk of illness, disability and social alienation. The maintenance of social services such as Medicare, Home and Community care, residential care, and health and housing are essential components of a just and equitable aged care system.

Local Government is concerned about the large numbers of older Australians who due to lack of resources, finances, poor community infrastructure and insufficient support services are unable to meaningfully participate in their local communities. Ongoing initiatives must be developed to counter the degree of social isolation that is common to many older Australians. Despite the recent focus on ageing as a priority social policy issue there are serious shortfalls in essential services which if left unaddressed will continue to impact adversely on older Australians. There are also deficiencies in the planning, co ordination and targeting of services which are leading to serious inequities and service shortfalls. In line with the healthy ageing philosophy and the ethic of independence, aged care needs to move beyond narrow personal care based models of support to integrated whole of community supports which pro-actively facilitate the participation of older Australians in their local communities. As a key democratic institution promoting community decision making, a planner of the local environment and a provider of essential community services such as community care centres, public libraries, cultural and recreation services Local Government has an important role to play in facilitating this participation.

Local Government promotes robust local communities which are responsive to a diverse range of individual, cultural, social, economic and physical needs and which promote inclusive, just, equitable and democratic forms of social participation. As the importance of local community is increasingly recognised from a central policy perspective and the provision of services continues to be devolved to the local level increased financial support to local communities and collaborative approaches to planning, policy development and service provision between the three tiers of government is required in order that the support needs of an ageing population can be met.

Special Needs Groups and Regional Issues

Regional Issues

Local Government has an important role to play in the planning and provision of aged services. As an advocate for local communities Local Government is well placed to monitor regional demographic shifts associated with the ageing of the Australian population.

Of particular concern to Local Government is the ageing of regional populations. Due to migratory factors associated with large numbers of younger people leaving regional areas and insignificant numbers of new migrants settling in such areas the ageing of the Australian population is likely to be more pronounced in regional areas than it is in metropolitan areas. There is, as a consequence, a strong need for aged care policy to reflect the particular needs of regional communities. Such communities often have insufficient resources to care for their aged population – due in part to their small size, inadequate services, facilities and infrastructure, an inability to attract professionals and other problems relating to insufficient economies of scale. It is not uncommon, for instance, for many small regional towns to be without a general medical practitioner. Policy initiatives which provide essential social services and incentives to service providers and professionals to locate to such areas are urgently required.

Another issue of concern is the large influx of retired people to coastal areas of NSW such as Port Stephens and Bega. These people often resettle in early retirement and may choose to live in housing developments, retirement villages or caravan parks which do not adequately account for their long term needs. There may also be issues of social isolation and inadequate social supports associated with the fact that they may be living long distances from their wider family.

As a result enormous pressure is placed on local services and infrastructure. These pressures are not being adequately accounted for by regional service planning with regard to essential social services such as community and residential care, housing, and health. The provision of Home and Community Care Services (HACC) and residential care places in such regions is in many cases under the targeted benchmarks and resource allocation instruments such as census data are often imprecise and outdated. Urgent consideration needs to be given to developing a more responsive regional planning mechanism which incorporates these demographic variations and provides extra resources to affected regions.

Action Proposals

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Policy initiatives which provide essential social services and incentives to service providers and professionals to locate to regional areas
- Development of responsive regional planning mechanisms which incorporate demographic variations and provides extra resources to regional areas which have high populations of ageing retirees.

Migrants

In 1996 there were 1.1 million people aged 55 and over living in Australia who were born overseas. This group comprises 31% of the Australian population aged over 55. Fifty nine percent of these people are from non English speaking backgrounds and this proportion is set to increase through the coming century (Department of Immigration and Multicultural and Indigenous Affairs, 2002). Due to the successive waves of young post war settlers arriving in Australia a large portion of the migrant community is now reaching retirement age.

This group is distinguished by the following characteristics

- A high proportion of individuals, particularly older women, who have limited English language skills
- Lower levels of education than those who are Australian born
- Lower labour force participation and higher unemployment rates than those who are Australian born
- Lower incomes and levels of superannuation than those who are Australian born

Local Government is mindful of the difficulties encountered by many older migrant Australians and the need for adequate planning and support to be provided to this group as they progress through their retirement. Many older migrants suffer a degree of social and cultural isolation accentuated by limited English speaking ability and community involvement. Such people are often unaware of available community supports. Ageing policy must account for the needs of this growing component of Australia's aged population through the provision of accessible, culturally appropriate information and services and ongoing initiatives to facilitate community participation.

Action Proposal

Local Government commends the following proposal to the Commonwealth Standing Committee for full investigation and support:

- Provision of accessible, culturally appropriate information and services to migrant communities and ongoing initiatives to facilitate community participation.

Aboriginal and Torres Straight Islanders

Life expectancy at birth is 56.9 years for indigenous men and 61.7 years for indigenous women. This compares with 75.2 years and 81.1 years respectively for non indigenous men and women (Medical Journal of Australia, 2002). Such a statistic reflects not just the relative poor health of indigenous Australians but a range of social indicators in which disadvantage is manifest. Local Government believes that future policies in relation to the ageing of the Australian population need to take into account the particular circumstances of indigenous Australians and the need for comprehensive, integrated policy approaches which address the alarming degrees of social and economic disadvantage evident in indigenous communities.

Action Proposal

Local Government commends the following proposal to the Commonwealth Standing Committee for full investigation and support:

- Development of comprehensive, integrated policy approaches which address the alarming degrees of social and economic disadvantage evident in indigenous communities.

Workforce participation

If Australia is to maintain its living standards in the context of an ageing population there will need to be a fundamental re-evaluation of workforce practices, attitudes and culture in order to take advantage of the skills and experience that mature age workers can bring to the workforce. Essential to this will be a need to undermine entrenched cultural attitudes relating ageing to incapacity.

Such attitudes are clearly present in the high attrition rate from paid employment of people between the ages of 50 and 65, continued incidents of age discrimination and early retirement practices.

In the face of the ageing of the Australian population there will be an increasing need to counter these attitudes and practices. In its projections of workforce dependency ratios the CSIRO technical report "Future Dilemmas" (2002) showed that on current trends aged to working population dependency ratio's would increase from 0.28 in 1993 to between 0.6 to 0.8 by the year 2050. Furthermore BIS Shrapnel long term forecasts of economic growth suggest that workforce growth will slow from the present rate of approximately 180, 000 per year to 140,000 over the next decade to zero by the late 2020s (Council on the Ageing, 2002, p5).

Clearly there is a need to re-evaluate the contribution that mature age workers can make to the workforce. The average period of retirement is now 25 years and many people will spend as much time in retirement as they did in the paid workforce. The transformation in the Australian population will be intensified by the heightened expectations of the ageing baby boomer generation who will be reaching retirement age in the early 21st Century and who are unlikely to accept traditional stereotypes of retirement and old age. The Access Economics, Population Ageing and Economy Report (2001) confirms Local Government perceptions that mature age workers are highly capable, motivated, and energetic and that productivity and work quality declines little with age. For much of their retirement period older Australians will be physically fit and healthy, mentally and intellectually alert and emotionally and psychologically at their peak..

In line with these changing social, economic and cultural realities Local Government supports Commonwealth Government measures aimed at providing incentive for older Australians to remain in the workforce longer. These include increasing the preservation age for superannuation from 55 to 60 years, increasing the contribution age to 70 years and exempting

superannuation from the social security income and assets test for unemployed people over the age of 55 seeking work. In addition the following areas must be addressed:

Age Discrimination: Initiatives are needed to address systemic age discrimination within the Australian workforce and wider community. Older workers are far more likely to be denied workplace training, promotion or targeted for retrenchment. Comprehensive Age Discrimination Legislation is needed to counter these practices. More broadly, negative stereotypes which associate the aged with low productivity, inefficiency, and mental and physical incapacity need to be countered with positive messages which highlight the contributions older Australians can make to the workforce and broader society.

Flexible Work arrangements: In order to encourage the participation of older Australians in the workforce there will be a need to promote work arrangements which are responsive to individual circumstances, capacities, and attitudes. This may involve innovative approaches to work practice, work hours and conditions of employment. There will also need to be greater emphasis placed on opportunities for older Australians to change employment/ career and for a system of phased retirement which allows for a graded reduction in work hours. Associated with this is the need for social security provisions which are responsive to flexible work arrangements and promote workplace participation.

Education and Training: Policy needs to reflect the dynamic nature of the Australian workplace as technological change and the forces associated with a globalised economy compel employees to keep pace with continually changing work environments. Emphasis on lifelong learning and the need to upgrade skills would counter the high redundancy rate for older Australians. Training in information technology, careers advice, and assistance with job search have been identified by Local Government as high priority.

Action Proposals

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Incentives in social security and superannuation systems to encourage older Australians to remain in the workforce longer
- Comprehensive age discrimination legislation
- Community education regarding the skills and capacities of older Australians
- Flexible work arrangements
- Comprehensive education and training in line with the principles of life long learning

The capacity of older Australians to participate in the workforce and productively contribute to Australian society will be of major importance to an ageing Australian population. Policy must promote new paradigms in relation to the capacity, knowledge and skills of older Australians and make provision for tailored services, incentive based superannuation and social security arrangements and flexible work practices which facilitate older Australians remaining in the workforce longer.

Retirement Income

In 1998 proportion of the Australian population aged 65 years or over was 12 percent (2.3million). By the year 2050 this is projected to rise to anywhere between 20% to 27%. (CSIRO, 2002). Over this period spending on aged related matters as a proportion of Gross Domestic Product is estimated to increase by 6-7 percent. (Andrews, 2002, p5). There are concerns that this increase will place an undue financial burden on future generations of Australians. Though there will be an increasing trend for Australians to remain in the workforce well past the traditional retirement age of 65 the length of the retirement period for the next

generation is likely to be longer as improvements in health care increasingly extend healthy life expectancy. Associated with this will be changing expectations of quality of life and standard of living in retirement. While some older Australians will be able to access a variety of income supports which will allow them to sustain their standard of living in retirement, there will also be large numbers who will be almost totally reliant on the aged pension and will increasingly struggle to maintain a decent standard of living. The ability to provide adequate income support for all Australians in retirement will be one of the major challenges for social policy over the coming decades.

Superannuation and Voluntary Savings

Local Government has supported initiatives to boost levels of self funded retirement income such as the Superannuation Guarantee and tax concessions for voluntary superannuation contributions. Presently there are 500 billion dollars in superannuation funds managed by the Australian system and this is set to rise to 600 billion dollars by the year 2005 (Andrews, 2002, p6).

Further research on retirement living standards is needed to ensure that the current 9% superannuation guarantee will meet the retirement needs of older Australians. While there have been calls from some sectors of the Australian community to increase the guarantee to 16% there is a body of research which suggests that the current rate may be adequate. A recent study by NATSEM for CPA Australian and Tower Financial Services, comparing pre retirement and retirement living standards for people on various wage levels who have made Superannuation Guarantee contributions over their working lives suggests that at the current rate of 9% low and middle income groups will attain a higher living standard of living upon retirement while those on high incomes (not withstanding their higher level of voluntary saving) will sustain a small drop in standards (ACOSS, 2002, p7). In light of this consideration might be given to allowing people to access part of their superannuation for purposes other than retirement – for instance education, home purchase or child care. This may be particularly important for low income earners who are often struggling to meet long term saving needs.

Aged Pension

The Aged Pension is presently benchmarked at 25% of the male total average weekly earnings and complemented with a range of additional payments and concessions. As of the year 1999, of the 1.7 million Age Pension recipients, 67 percent receive the full rate of pension and 33 percent receive a part rate of pension. (ABS, 1999) This proportion of Australians reliant on the full age pension is likely to remain steady for at least the next two decades. While the primary objective of the aged pension is poverty alleviation for those without adequate alternative income support, Local Government is of the view that a considerable proportion of individuals relying on the aged pension as their principal means of support are clearly struggling to maintain a decent standard of living. This is particularly the case for those individuals who do not own their own home and are forced to pay commercial property rental rates. In 1997/98 seven percent of couples and 19.3 percent of single people over 65 were renting. (ABS, 1998). Of particular concern to Local Government are the number of elderly single people (particularly women), who are living without alternative income supports, struggling to pay commercial rates of rent and who are in many cases socially and culturally isolated. These people, and others who may, for instance, live in their own home but with limited financial means, have little capacity to put money aside for non core living expenses such as dental care, property repairs or small purchases. The increasing move to a user pays ethic in Australia has also impacted on these older Australians, particularly in relation to increased costs associated with recent increases in the Pharmaceutical Benefits Scheme and the imposition of the Goods and Services tax. This is particularly the case in regional areas where GST related increases in transport and petrol costs have impacted substantially on the cost of living. Local Government believes consideration should be given to some form of subsidy or income supplement in order to assist this group of people.

Action Proposals

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Further research on retirement living standards to ensure that current superannuation arrangements will meet the retirement needs of older Australians in the coming decades
- Recognition of the difficulties experienced by many older Australians who are reliant on the aged pension as their sole means of income, with increased service support and financial assistance to this group

Pensioner Rate Concessions

An issue of broad concern to Local Government in relation to the ageing of the Australian population is that of pensioner rate concessions. The cost of compulsory pensioner rate rebates is a rapidly growing burden in many areas and is affecting the level and range of services that councils are able to deliver. The scheme already costs some individual councils well in excess of \$1m annually. The total cost to Local Government in NSW is now in excess of \$71m annually. This is the result of an ageing population and, in some locations, the influx of retirees. Many councils are advising that they will not be able to sustain the growing costs in the medium to long term.

Local Government also believes that the cost is inequitably distributed. Those who qualify for rebates are disproportionately represented in low income areas; areas that already have a high demand for council services but a limited revenue raising capacity. Given the limited revenue base of Local Government it is unfair that it should be required to fund this form of pensioner assistance. Such a benefit should be funded from the broader revenue base of the State or Federal Government. It is noted that NSW is the only State Government that does not fully fund pensioner rate concessions.

Action Proposal

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Pensioner Rate Concessions to be funded by State or Commonwealth Government in order that Local Government is able to meet the long term needs of an ageing population

Education

Education and the need for lifelong learning will be a critical factor in determining the degree to which older Australians meaningfully participate in society over the next forty years. As the forces of globalisation continue to impact on Australian society and advancements in technology redefine social, economic and cultural practices there will be a need for ongoing education which keeps pace with the constant rate of change. This is particularly important in the context of the ageing of the Australian population and the related imperative for older Australians to remain longer in the workforce. Lifelong learning enhances the skills and confidence of older Australians and promotes adaptable practices which are responsive to ongoing change.

Action Proposals

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support

- Reduction of financial and practical impediments to the participation of older Australians in the education system – such as location, time, and cost

- Provision of flexible, targeted courses responsive to the needs skills, talents and expectations of older Australians
- Initiatives aimed at raising community awareness of the benefits of ongoing education to all Australians
- Provision of information for older Australians in relation to education options and incentives to participation
- Prioritisation and promotion of information technology skills as a means of facilitating participation

Housing

As government policy over the next forty years is likely to increasingly reflect strategies aimed at promoting independent community living, greater importance has been placed on the need for accessible, affordable and suitable public and private housing for older Australians.

As a representative body for local communities and a planner of the local environment Local Government has an important role in ensuring adequate standards and provision of public and community housing for older people. Local Government is committed to working cooperatively with communities, other councils, non-government organisations and the State and Commonwealth Governments to ensure that this right is protected.

Local Government has a significant involvement in housing issues for older people, including:

- Planning for housing needs of older people
- Providing support for community housing development in local areas and participating in joint ventures for housing development.
- Exercising development control of housing for older people in NSW under State Environment Planning Policy 5 (SEPP 5) – Housing for Aged and Disabled Persons.
- Contributing land or providing administrative, technical, financial, strategic support to not for profit organisations developing local affordable housing projects.
- Acting as an owner or manager of housing stock, or as a land or housing developer.
- Seeking to use the capacity of the Environmental Planning and Assessment Act to assist in the retention and provision of affordable and adaptable housing.

There are a number of issues of concern to Local Government which if unaddressed will significantly impact on the quality and effectiveness of the housing options of older Australians over the next forty years.

- Though the rate of home ownership for older Australians is high, there are still significant numbers of older Australians who do not own their own home and are reliant on the aged pension for income support. These people typically live in public housing or rent in the private rental market. The move away from public housing provision toward rent assistance has meant that larger numbers of older Australians are being forced to meet commercial market rates of rent. This has caused a great deal of financial hardship and insecurity for many older Australian, particularly single people living in metropolitan areas where market pressures are increasingly tight. This pressures are likely to increase over the coming forty years. Consideration needs to be given to increasing support to this group both through the provision of public housing and increased rental subsidies
- There are significant concerns that government planning frameworks for housing do not account for housing provision in smaller regional towns. Despite many smaller towns having waiting lists for older people seeking accommodation in self care units there is little available funding to build these facilities. While the housing department provides some funds through a range of community housing programs, it appears that the planning framework used to allocate resources is not adequate in taking into account the needs of

smaller rural towns. These towns do not have a population base large enough for them to rank as a high priority when compared to larger regional centres. Planning frameworks and resource allocation needs to reflect the housing requirements of older people living in small regional towns

- While Local Government supports integrated planning approaches to housing provision for older people as an essential means of addressing the long term housing needs of older Australians there is a need for such approaches to be responsive to local community needs. There is a concern that central planning regulations such as State Environment Planning Policy 5 - ageing and disability- (SEPP 5) impose blanket development controls across all councils without flexibility for local circumstance. This can often lead to housing developments which are poorly planned, unsympathetic to the local environment and not in accord with local demographics or future planning needs. In NSW there have been concerns in relation to the amount of medium density housing developments being approved under SEPP 5 which do not adequately provide for the long term support needs of residents and place stress on local infrastructure, services and facilities. The NSW Government has responded to these concerns by giving the Planning Minister the authority to exempt chosen councils from SEPP 5 planning controls provided adequate planning and provision for the housing needs of aged and disabled people can be shown. The criteria for exemption are not, however, clearly transparent and are viewed to be too heavily reliant on ministerial discretion
- There is a strong perception in some councils that central planning regulations such as SEPP 5 do not make adequate provision for the services, facilities and infrastructure needed to support older people. This is particularly the case since recent changes to SEPP 5 eliminated the need for residential facilities to provide on-site services. SEPP 5 regulations need to be tightened in order to ensure that prospective residential developments take adequate account of long term social impacts. This will be a vital if the long term requirements of an ageing population are to be provided for
- Local Government promotes the application of Adaptable Housing standards to foster the growth of residential housing stock that is suitable for the changing lifecycle needs of older people. With the progressive ageing of the Australian population the need for adaptable housing will grow. There is, however, a strong perception that the current regulation of only 10% of accommodation units in SEPP 5 being required to meet the standards of adaptable housing is clearly inadequate. In time the remaining 90 per cent of dwellings may require conversion to ensure that all mobility impaired people have access to all essential areas, in particular, access to toilet, bathroom, bedroom and living area. Local Government is of the view that policy does not take into consideration the future, personal and economic costs associated with this conversion
- Local Government acknowledges that the improvement of housing outcomes for its community is reliant on the provision and maintenance of a basic level of infrastructure, facilities and services. In accordance with Government “ageing in place” policies there is strong need for practical supports such as gardening, home modification, maintenance, shopping, laundry services, cleaning and general social interaction to complement existing community care based supports. In the coming years the provision of such support will be a major factor in keeping older Australians in their homes. Though there are some funds available through the HACC program, present services are principally targeted at the personal care needs of high support clients. Targeted services which take into account the broad support needs of older Australians represent a proactive means of assisting older people to remain independent in the community. The HACC program needs a consistent injection of resources to allow appropriate level of practical support for older people
- Lack of respite care is of extreme concern. Respite should play an important role for older people living in their homes who may experience temporary illness or incapacity, who are making the transition back to home after a stay in hospital or whose carers need a temporary break. As older people continue to age in place over the coming forty years the need for respite will continue to increase. The absence of respite is resulting in inappropriate hospital admissions and creating a premature need for residential based care. Feed back from aged

care stakeholders suggests that the current Commonwealth subsidy for residential care providers is inadequate to cover the actual costs of short term respite placements. This creates a disincentive for residential care providers to offer respite or limits the number of beds available. There is a need to ensure there are a number of permanent respite beds available at both high and low care levels to enable planned respite

- In order that the long term housing needs of older Australians are met State and Commonwealth governments need to maintain their mutual commitment to the Commonwealth/ State Housing agreement and increase the real level of funding to the program

Action Proposals

In order that the housing needs of an ageing Australian population can be met over the coming forty years Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Increased rental subsidies and provision of adequate public housing to meet the needs of older Australians dependent on the aged pension for the majority of their income
- Planning frameworks and resource allocation need to reflect the housing requirements of older people in small regional towns
- Central planning regulations such as SEPP 5 need to be flexible and responsive to local circumstance
- SEPP 5 regulations need to be tightened in order to ensure that prospective residential developments take adequate account of long term social impacts
- The current quota of 10% of developments being required to meet the standards of adaptable housing is clearly inadequate and needs to be increased
- The HACC program needs a consistent injection of resources to allow appropriate level of practical support for older people in order that they can remain living in their homes longer
- Increased funding and subsidies for respite care
- State and Commonwealth governments need to maintain their mutual commitment to the Commonwealth/ State Housing agreement and increase the real level of funding to the program

As aged policy continues to reflect the ethic of independent, community based living the provision of adequate housing options will be of major importance over the next forty years. Housing policy needs to be responsive to both individual and community needs with long term planning approaches which anticipate the needs of an ageing population. Central to this will be the need to provide quality housing options to those older Australians who do not own their own home.

Residential Care

Major reforms to aged care were introduced in October 1997. The reforms included unifying nursing homes and hostels under the one system, the introduction of the Residential Classification Scale (RCS) as a single classification and funding tool to cover the full spectrum of care needs and the introduction of greater flexibility for respite care. These changes were part of a strategy by Government to achieve a level of provision of 40 nursing home beds, 50 hostel places and 10 community care packages per 1000 people aged 70 or over by the year 2011. The broad objective, as facilitated by the increase in residential care fees and charges, the increased use of Community Aged Care packages, and increases to HACC funding, was to increase the proportion of older Australians living independently in the community.

While Local Government supports in principle the general policy trend toward independent community living there is a need to ensure adequate residential care for those individuals whose needs are unable to be met in the community. In this sense it is important that the aged care

ethic of independence does not mitigate against the provision of adequate institutional care for those who need it. Local Government is strongly of the belief that the current allocation of residential care placements is inadequate and that the lack of placements is impacting adversely on the wider community care sector. In addition, while Local Government supports the philosophy of 'ageing in place' as an important component of addressing the needs of an ageing population there is a need for policy to reflect the broad support needs of older people living in the community or ageing in place in a hostel or similar facility.

In relation to factors which may impact on the capacity for Australia to adequately meet the residential care needs of an ageing population Local Government has the following concerns. .

- Increases in ongoing fees and charges will cause enormous financial hardship on residents. Many older people living in residential care facilities are marginalised due to an inability to meet non basic expenses, such as social expenses, transport or presents for relatives. Fee calculations need to make provision for these extra expenses
- Under current practices there is an enormous amount of pressure and stress being placed on older Australians when consideration is made as to whether they should be placed in supported accommodation. This is particularly the case after a period of hospitalisation. Financial implications are complex and there is often a degree of pressure from family members to preserve the family home. Counselling, support and procedural protocols will need to be put in place which allow time for individuals and families to address these issues
- Increasing selectivity relating to the RCS category or funding priorities mean that it can be sometime difficult to access a residential care placement in the local community. Residential care facilities are under no obligation to place local residents. In some regional areas there may be few local residential care options and consideration may need to be given to accepting a placement out of area. This causes a significant degree of stress to older people and their families and can lead to social isolation. In order to adequately meet the care needs of older Australians living in regional areas allocative mechanisms need to be put in place which prioritise local placements and give incentive to residential care providers to accommodate local residents
- The withdrawal of Federal funding for capital grants for nursing homes and hostels in metropolitan areas has placed considerable pressures on residential care facilities, which may need to expand in order to meet certification requirements or to allocate additional funded places. There is a strong case for increasing capital funding support for small facilities in rural areas where market incentives are not strong and where it is difficult to achieve economies of scale. Despite the move toward independent community living, the construction, renovation and modification of residential care facilities will continue to be of major importance in meeting the needs of an ageing population
- The need to construct high care residential facilities is presently being made difficult by inadequate assessment of construction costs. A June 2001 publication by Hanna Newman from the Uniting Church of Australia demonstrated that the Commonwealth figure of 68,000 per bed in a high care facility is totally inadequate and the true costs are closer to 110,000. Consequently providers are no longer rebuilding old nursing homes or constructing new ones, but building low care facilities where the residents are able to pay an accommodation bond. Over 70% of people currently entering high care facilities come directly from their homes or from an acute care hospital bed. Only a small proportion of entrants come from a low care facility. Until this situation is addressed there will be a major deficiency in Australia's aged care system with great numbers of people who have been encouraged to age at home having no access to beds in high care facilities when they need them
- Due to Commonwealth policies aimed at supporting older Australians to live independently in the community, there has been a corresponding increase in the need for short term, high level care facilities. These facilities are necessary due to the fact that many older Australians who have spent the majority of their retirement living at home will require some form of high level care toward the end of their life when living independently is no longer an option.

These people may also endure periods of illness or injury which necessitate admission to a hospital and/or short term high level care facility. There is a general shortage of such facilities due to an absence of Commonwealth Government capital funding and the fact that such facilities are not as financially lucrative as low care residential facilities aimed at bond paying residents. The lack of such facilities is placing pressure on hospitals which are unable to discharge patients due to lack of suitable alternatives. It is also placing pressure on Home and Community Care (HACC) services which are being forced to provide in-home support to older people who should be in residential care

- There continue to be long waiting lists for care in rural and remote communities. This will need to be addressed as a matter of priority
- There is concern that allocation of residential care places and community aged care packages is based on outdated census information which may not adequately measure the migratory patterns, or broad demographics of particular regions. This is particularly the case for many regional coastal areas which have seen large influxes of retired people over relatively short periods of time. These regional pressures will increase over the next forty years as the Australian population ages. There is a strong need to develop a more sensitive allocative instrument which takes into account a wide range of environmental, planning and demographic factors in order to account for the implications of these changing regional demographics over the coming years
- There are significant discrepancies between the targeted benchmark allocation of aged care places based on the Commonwealth Government formula and the actual provision of places. For instance in the Bega Valley Shire the allocative formula of 100 aged care places for every 1000 residents over 70 should result in the provision of 350 aged care places – 182 low care places, 140 high care places, and 28 Community Aged Care Packages. However based on Department of Health and Aged Care data there are currently 256 operational aged care places in the Shire: 96 low care place, 110 high care places, and 28 Community Aged Care packages. Significant shortfalls of this kind will continue to place enormous stress on HACC and other community services. Measures need to be adopted which expedite the planning, construction and certification phases in order that identified needs are met in a timely fashion

Action Proposals

In order for the residential care needs of an ageing population to be met over the next forty years Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Provision in residential care fee calculations for non core expenses
- Provision of counselling, support and procedural protocols which allow time for individuals and families to address issues relating to residential care placement
- Use of allocative mechanisms which prioritise local residential care placements and give incentive to residential care providers to accommodate local residents
- Provision of capital grants funding for residential care facilities in metropolitan areas and increase in capital grants funding to residential care facilities in rural areas
- Urgent measures undertaken to reduced the waiting list for residential care facilities in rural and remote areas
- Review of funding assessments for high care residential facilities in order to reflect construction costs
- Increased funding and incentives for the provision of short term, high level care facilities
- Development of allocative instruments for regional residential care funding which take into account a range of environmental, planning and demographic factors
- Provision of sufficient residential care placements in order to meet targeted benchmarks.

The provision of high quality, affordable and accessible residential care facilities which are responsive to individual and regional needs will be a crucial factor in determining the adequacy of Australia's response to the ageing of the population.

Community Care

Community Care is predominantly provided through the joint NSW/Commonwealth Home and Community Care (HACC) program with 60% of the funds being provided by the Commonwealth government. The HACC program began in the mid 1980's and was part of the Commonwealth Governments aged care reforms which sought to unify the diverse forms of community care into the one funding program in order to address the broader strategic aim of reducing the number of older people entering residential care. Under HACC the range of community care programs expanded with new service types such as respite care, home modification and community transport. To date over 4000 separate HACC services are provided nationally.

In addition to HACC funded services the Commonwealth Government has provided Community Aged Care Packages as a means of alternative service provision for people who would otherwise be placed in hostel level residential care. Community Age Care Packages have proved effective as a means of streamlining service provision through the one brokerage and therefore simplifying service referral and access. The Commonwealth government has also recently began the Extended Aged Care at Home pilot program (EACH). EACH provides the equivalent level of in home care as a high level care service. Other community care services include the Community Options Program, Carers Resource Centres, National Respite for Carers and Assistance with Care and Housing for the Aged.

Local Government provides or facilitates the provision within the local community of appropriate infrastructure, facilities, services and programs relevant for older people. As a key provider of HACC funded services Local Government has an important role to play in the planning and provision of community care.

In relation to Community Care the following issues are of concern to Local Government.

- The present level of HACC service funding is inadequate and if continued will fail to meet the needs of older Australians in the coming years. Councils have expressed concern at the additional pressures that have been placed on the community care sector as larger numbers of aged and disabled people live independently or with carer support in the community. This pressure has been exacerbated by changes associated with the ageing of the Australian population and the shortage of residential care and respite places. Councils reported that despite government policy objectives aimed at reducing the number of people in institutional / residential care HACC service levels were clearly inadequate to meet the increased demand. This is causing enormous stress and difficulty for many aged people who are not receiving the level of support that they need. There is an urgent need for the State and Commonwealth Governments to allocate increased funding for Home and Community Care (HACC) services in order to meet the needs of older people and to continue to increase resources in a way that anticipates rather than trails increases in semi-dependent ageing people
- Waiting lists for Community Aged Care Packages are in many areas extremely long. If this situation continues increasing numbers of older people will prematurely enter residential care. Allocation of packages will need to accurately reflect current community demands
- There are concerns in relation to HACC resource allocation, with services principally targeted at those with high support needs. There is a general insufficiency of basic support services such as home maintenance and gardening. Many older people living in the community have limited financial capacity and may not be physically able to perform basic

tasks around the home. In accordance with long term ageing in place policies a more holistic approach to in-home supports will be needed in order to keep older people living independently in the community (see point above under Housing on page 14)

- Lack of co ordination of services. Given the large number of services there needs to be an integrated approach to service planning, delivery, information, and co ordination in order to avoid variable standards, eligibility requirements and work practices. Ongoing initiatives will be needed to develop a simplified and streamlined system which incorporates the diverse number of community care programs and is easily accessible to the individual client. Local Government as a key stakeholder in local communities is well situated to play an important role in this process
- Ongoing initiatives in relation to regional planning and data collection will continue to be of importance. This will need to involve comprehensive and accurate collection and analysis of data and constructive feedback to service providers. Statistical data needs to be tested against the views of key stakeholders
- The co ordination of health and community care services needs to be improved. This is particularly the case in relation to early discharge and post acute care
- The output based funding for HACC services provides a limited working model which often does not account for local circumstance, service capacity or consumer need. A move away from the purchaser/ provider model toward a more collaborative service agreement approach must be considered

Action Proposals

In order for the community care needs of an ageing Australian population to be met over the next forty years Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- State and Commonwealth Governments to allocate increased funding for Home and Community Care (HACC) services in order to meet the needs of the aged and disabled population
- Reduction in waiting lists for Community Aged Care Packages in order to reflect current community demands
- Need for more holistic approach to HACC service provision in order to incorporate practical home supports to older Australians
- Integrated approach to service planning, delivery, information, and co-ordination which is responsive to both individual and regional needs. Local Government to play a key role
- Ongoing initiatives in relation to comprehensive and accurate regional planning and data collection
- Improvements in the co ordination of health and community care services particularly in relation to early discharge and post acute care
- Move away from the purchaser/ provider model toward a more collaborative service agreement approach

If the needs of an ageing population are to be adequately supported in the community there is a need for comprehensive, co-ordinated community care which is accessible and relevant to the increasingly divergent needs of an ageing population.

Carers

Those providing informal care to older people are a key component of Australia's aged care system providing approximately three quarters of care and support to aged people living in the home (Andrews, 2002). As Australia's population continues to age and the number of older Australians living in the community increases the role of these carers will become increasingly important. Despite this, carer's continue to be poorly supported. Carer's frequently feel frustrated by the lack of support services that they can access – particularly in relation to the

minimal amount of accessible respite – they are often socially isolated, stressed and physically and emotionally exhausted due to the relentless and often unrewarding nature of their work. Though the establishment of Care Respite Centres and Carer Resource Centres is welcomed ongoing research and policy development is needed in order to better support and address the needs of this group. There is a clear need for increased respite, counselling, information and support services which acknowledge the vital role that aged carers will continue to play in an ageing Australia.

Action Proposals

In order for the long term needs of carers to be met Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Ongoing research and policy development in order to identify support needs of carer's.
- Increased respite, counselling, information and support services.

General Facilities and Services

Senior Citizens Centres

Senior's Centres will continue to be a valuable resource for social and community support for older people. Seniors Centres are well placed to provide a focal point for information and access to services for older people living in an area. A typical senior citizens centre provides a wide range of social, recreational and health programs for older people. This might include recreation activities such as dancing, yoga and social outings, ethno specific social groups, low cost allied health services, podiatry and massage. In order to match the changing profile and interests of older people senior citizen centres need to keep reinventing themselves. In the context of an ageing population additional resources will be required if senior citizen centres are to continue to fulfil their vital community role.

Action Proposal

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Additional funding and resources in order to reflect the importance of Senior Citizen Centres as an important community resource for older Australians

Recreation for Older People

Local Government has a major involvement in the provision of recreation programs and facilities in NSW. Examples include the provision of modified exercise programs, aqua fitness, 'learn to' classes and community arts projects. In addition Local Government is attaching greater importance to systematic planning for community services and recreation. These services are essential to maintaining the health and vitality of older Australians. Funding levels will need to reflect the ongoing importance of these services in managing an ageing population.

Action Proposal

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Increased funding for recreation services in order to reflect the importance of such services to a healthy ageing policy agenda.

Public Libraries

Local Government has a long history in the provision of library services to local communities. Libraries perform an important role in keeping many older people in touch with their local community, as well as providing an array of information, cultural and educational services.

These services are of particular importance to many older people who may otherwise experience some degree of cultural or social isolation.

Salient features of the Public Library Network are as follows:

- 91% of people believe that libraries are important to their community
- 50% of the NSW population are registered members of public libraries, and many more are regular library users. Surveys show, typically, that 37% are employed, 25% retired, 22% students, 12% home duties/carer and 4% unemployed
- 67% use their public library at least once every two weeks
- More than 31 million visits to NSW public libraries and the State Library in 2000 (an average of 4.8 visits for every person in NSW). More than 43 million items were lent from collections
- A very broad demographic spread of users through all categories of age, gender, occupational status, ethnicity and income, with a higher proportionate use by those not born in Australia and Australians of non-English speaking background
- All public libraries have high levels of use for education and training (functioning as an additional arm of the compulsory and post-compulsory educational infrastructure). Over 50% of the State Library's clients are students involved in formal education
- Growth in usage will be largely concentrated among the age groups above 45 years, and in particular those above 55. Financial limitations for many of the 4.3 million "baby-boomers" due to retire will drive demand for increased information services and cultural and recreational activities provided by publicly funded institutions

Despite the importance of public libraries as a community resource, funding has been in decline for the last 20 years, with the latest budget offering from the NSW Government exposing a serious degree of ignorance as to the importance of libraries to the local community. Immediate increases in funding to Public Libraries are needed in order to redress funding decline over the last 20 years and to acknowledge the vital role libraries play in supporting older Australians. The Commonwealth Government must provide significant on-going funding to enable equitable public access to information technology. Further, funding levels need to be increased in real terms over the coming 40 years in order to sensitively match changing demography to increasing demands from a progressively ageing client base.

Action Proposals

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Immediate increases in funding to public libraries are needed in order to redress funding decline over the last 20 years and to acknowledge the vital role libraries will continue to play in meeting the needs of an ageing population
- Funding levels need to be increased in real terms over the coming 40 years in order to match changing demography to increasing demands from a progressively ageing client base
- The Commonwealth Government must provide significant on-going funding to enable equitable public access to information technology

Transport

Access to reliable, affordable and regular transport will continue to be of major importance to older Australians as a means of maintaining independence and accessing basic services. While the public transport system is the principal means of transport for many older people, community transport and taxi services are extremely important to those who may be too frail to use public transport or who are not serviced by existing public transport routes. Affordable and accessible community transport and taxi services are an important facilitator of community participation for those older Australians who might otherwise remain in their homes. However

for many older people of limited financial means cost is often identified as the major impediment in accessing private, public and community transport. This combined with a significant shortfall in available community transport services significantly impacts on the lifestyles of many older Australians. Provision of affordable, accessible and comprehensive public and community transport will be an essential factor in meeting the needs of an ageing population.

Inadequate transport services are a particular concern in many rural and remote areas. Older people living in these areas are seriously disadvantaged in relation to convenience, time, cost and distances travelled in accessing cultural and social activities. A program to financially defray the expense incurred by country travellers would do much to ensure equity to this section of the community.

Action Proposals

Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Provision of affordable, accessible and comprehensive public and community transport in order to meet the needs of an increasingly independent and active older population
- Financial assistance through increased concessions or service provider subsidies in acknowledgement of the difficulties experienced by older people living in rural or remote areas

Health

The Commonwealth Government funds the majority of the health care system with the states and territories co funding and administering public hospitals, mental health and community health services. Local Government has a role in environmental health protection, disease prevention programmes and public health surveillance.

Australia's life expectancy is among the highest in the world and the time that older Australians can expect to spend living in retirement has increased enormously over the last 2 generations. As the proportion of older Australians grows over the coming years new emphasis will need to be placed not just on the provision of health services but on the promotion of healthy lifestyles. This will need to include the promotion of physical and mental health, nutrition, safe environments, and exercise. Furthermore improved integration between service providers and an emphasis on transitional care will be important factors in the provision of aged care over the coming 40 years.

People aged 65 years or over account for about 35% of Australia's health expenditure. For these people cardiovascular diseases, cancer, respiratory illness and falls are the major causes of death. 80% of health problems are considered to be prevented or postponed through lifestyle changes (Australian Institute of Health and Welfare, 2000). In line with this Local Government is supportive of initiatives which seek to explore integrated holistic approaches to health management which incorporate a broad array of lifestyle issues. Such an approach is evident in the NSW Healthy Ageing Framework (1998) which incorporates an array of health related indicators such as attitudes to ageing, discrimination, community participation, independence, accessible and supportive living environments, and the provision of information about services and rights.

These broad lifestyle factors need to be complimented by a strong public health system which provides high quality care to all, effective well targeted and accessible community care, convalescent and rehabilitation facilities, allied health services, dental care, and pharmaceutical benefits.

The need to integrate and co ordinate services in rural areas has recently been addressed by the Multi Purpose Service (MPS). This model draws together a number of different services including hospitals, nursing homes, hostels, and community care into one system managed by the NSW Health Department. This model was a response to the rural health crisis, specifically the cost of providing health services to small rural and remote populations where there is only sporadic demand for such services and there may be difficulty recruiting staff. While Local Government has on the whole been supportive of such an approach there is a need to ensure that Local communities do not lose input into service planning coordination and delivery.

Specifically there are certain areas of concern to Local Government.

- The chronic under resourcing of public hospitals and health services. This is a state wide issue and needs to be addressed as a matter of urgency
- The lack of medical practitioners servicing some rural and remote areas. This is particularly of concern in the context of an ageing population as the ratio of older people living in rural and remote areas is significantly higher than that in metropolitan areas. There is a need for measures designed to provide incentive for medical practitioners to move to rural and remote areas
- There is a strong trend away from the bulk billing of general practitioner medical services. This is increasingly the case in many rural or regional areas where there may be a limited number of doctors servicing the area. The increased costs of medical care is of major importance to older people who visit their doctor more frequently than other Australians and generally have limited financial resources
- Local Government is concerned about the trend away from doctor's visiting residential care facilities or doing home visits. This has been associated in part with the fact that older GP's who view home visits as an integral part of their practice are now at the retirement age. Younger doctors, many of who are in corporate practices, are often unwilling to leave their surgery. This often leads to many elderly people remaining in their home untreated or being admitted to a hospital Accident and Emergency ward. Consideration may need to be given to increasing the Medicare rebate for home and nursing home visits or providing direct funding to local GPs
- There are ongoing problems with discharge planning. Local Government is concerned about the repeated incidents of inadequate coordination between hospital discharge planning and residential and support services. Discharge planning is essential to ensure adequate continuity of care for older people, to ensure that they and their carers are prepared for a return to the home or to minimise the wait for residential based care. Many councils have reported that discharge planning meetings are not well supported by hospital staff and that there are often attitudinal problems with some hospital staff towards frail aged patients because of the extra care they require and the difficulties caused by long waiting lists for nursing home beds. Problems are often encountered where acute beds are used for 'care awaiting placement'. This is largely due to the fact that there are often limited options for placement resulting from the inadequate provision of residential care beds. There is in addition often a lack of co- ordination between hospital discharge and community services. Protocols in relation to discharge need to be developed which smooth the transition of elderly patients from hospital to residential care. In addition greater attention should be focused on 'care awaiting placement' to ensure that appropriate care is provided for older people awaiting placement in an aged care facility

Action Proposals

In order for the health needs of older Australians to be met over the next forty years Local Government commends the following proposals to the Commonwealth Standing Committee for full investigation and support:

- Urgent injection of funds and resources to public hospitals and health services
- Measures undertaken to increase the rate of bulk billing
- Measures designed to give incentive for General Practitioners to provide services to rural and remote areas
- Measures to increase the number of doctors performing out-of-surgery medical consultations
- Measures designed to improve co-ordination of health and community services particularly in relation to discharge placement

As Australia's population ages the need for a well resourced, comprehensive health system will be paramount. Such a system will need to incorporate both effective high quality treatment to the sick and incapacitated and proactive measures designed to promote healthy lifestyles.

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