

**Association of Independent Retirees (A.I.R.) Ltd**

**NATIONAL SURVEY  
OF MEMBERS  
2006**

**DETAILED REPORT**

**Prepared by: Dr J Barry Ritchie  
30 October 2006**

## A.I.R. National Survey 2006

The Association of Independent Retirees (A.I.R.) Limited is the peak body representing the views of fully and partly self-funded retirees with over 15,000 members and 80 branches Australia wide. The Association's policies endeavour to achieve dignity, independence, and freedom of choice for retirees, recognising a diverse range of individual circumstances.

A questionnaire was circulated to all members through insertion in the June 2006 edition of the Independent Retiree Journal. A cut-off date was set at 17 July for receipt of completed questionnaires. A few hundred responses received after the closing date were not included in the data entry.

All questionnaires were confidential and data was entered by an independent organization. One questionnaire was returned for each single member and each couple, whether one or both parties of the couple were members. Provision was made to differentiate between individual members in a couple where this was appropriate. However, financial data provided was combined data for a couple. Income ranges were for combined taxable income for the 2004/2005 financial year.

Number of member respondents:

Single members	1,089	24.5%
Couples	1,964	
Couple members	3,363	75.5%
<b>Total member respondents</b>	<b>4,452</b>	<b>100%</b>

The total number of members of A.I.R. is approximately 15,300. Therefore, the survey return represented about 29% of members.

The data from all responses was entered and used in the analysis. The number of returns that included Taxable Income data was 2,817, or 236 less than the total number of returns. These were not used in the financial analysis but were used in the other sections of the survey.

The age profile of respondents does not match the age profile for the general population of retirees because it is limited to self-funded retirees. It is also unlikely to match the general population profile for self-funded retirees. The percentage of members under 65 compared to the 55-85 age groups does not appear to match that for the general population. In addition, membership of A.I.R. probably reflects active self-funded retirees over the age of 85, which is likely to be significantly less than for the total population over 85. Therefore, care must be taken in extending the findings to the general population of self-funded retirees although the results probably reflect the situation for active retirees over the age of 65 fairly well.

### Contact and Copyright Information

Association of Independent Retirees (A.I.R.) Ltd.  
National Secretariat  
PO Box 329  
Deakin West ACT 2600

© Association of Independent Retirees (A.I.R.) Ltd.  
Any material in this Survey report may be reproduced provided suitable acknowledgement is made.

**Contents**

1. Member Profile	4
2. Financial Profile	6
3. Health Profile	17
4. Activity Profile	22
5. A.I.R. Activities	26

**List of Figures and Tables**

Table 1 Distribution of Returns by State	Fig. 1
Table 2 Age Profile Fig. 2a, Age Profile, Fig. 2b Age Profile over 75	
Table 3 Accommodation	Fig. 3
Table 4 Household Ownership and Insurance	
Table 5 Drivers Licence and Car Ownership	Fig. 5
Table 6 Taxable Income Distribution	Fig. 6
Table 7 Income distribution by Income level and Age Group	Fig. 7
Table 8 Pensions as a Percentage of Taxable Income Group Fig. 8a Pension Recipients, Fig.8b Part Age Pensions	
Table 9 CSHC recipients by income group	Fig. 9
Table 10 Type of Pension Income Fig. 10a Pension Income by Type, Fig. 10b Superannuation Pension Type	
Table 11 Income distribution as a percentage for each type of pension Fig. 11a Public & Private Sector Super, Fig. 11b Pension Distribution by Income	
Table 12 Income distribution as a percentage for each type of pension Fig. 12a Allocated Pensions by Age, Fig. 12b Allocated pensions by Income	
Table 13 Taxed Scheme Pension distribution by Age (percent) Fig. 13 SMSF Trustees by Income	
Table 14 Sources of Income (percent)	Fig. 14
Table 15 Total Income by Type Fig. 15 People with a Single Source of Income	
Table 16 Cost of financial services	Fig. 16
Table 17 Preparation of Accounts	Fig. 17
Table 18 Effect of Finance on Activities	Fig. 18
Table 19 Health Levels	Fig. 19
Table 20 GP Visits	Fig. 20
Table 21 Specialist Visits	Fig. 21
Table 22 Hospital Visits	Fig. 22
Table 23 Holders of CSHC and Private Health Insurance	
Table 24 Accumulative % Reaching the PBS Limit	Fig. 24
Table 25 Medical Costs	Fig. 25
Table 26 Mobility, Sight, Hearing and Dental conditions	
Table 27 Personal Protection	
Table 28 Paid Work and Voluntary Activity Fig. 28a Paid & Volunteer Work, Fig. 28b Volunteer Work Commitment	
Table 29 Work by Age Group	Fig. 29
Table 30 Effect of Income on Travel—% Respondents	
Table 31 Effect of Income on Travel—% Income Bracket	Fig. 31
Table 32 Effect of Age on Travel	Fig. 32

A.I.R. National Survey 2006

Table 33 Lifestyle Activities

Fig. 33a Exercise, Fig. 33b Leisure Activities

Table 34 Internet Usage

Fig. 34

Table 35 A.I.R. Activities

Table 36 Members' Interests

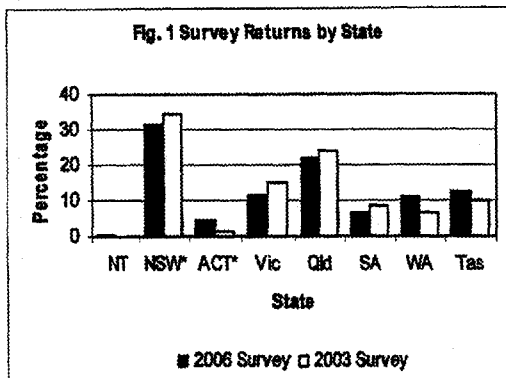
Fig. 36a Value from Meetings, Fig. 36b Leisure Activities, Fig. 36c Member Interests

Table 37 Issues Raised by Members

**1. Member Profile**

State returns from the earlier 2003 National Survey are compared with the 2006 National Survey in Fig. 1 and Table 1. Note that in the 2006 survey the ACT includes all 2600 postcodes although some are in neighbouring NSW. The change in percentage returns does not necessarily reflect change in membership in each State. The degree of interest may also be a factor.

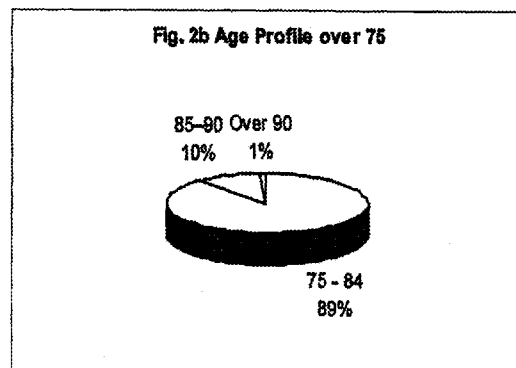
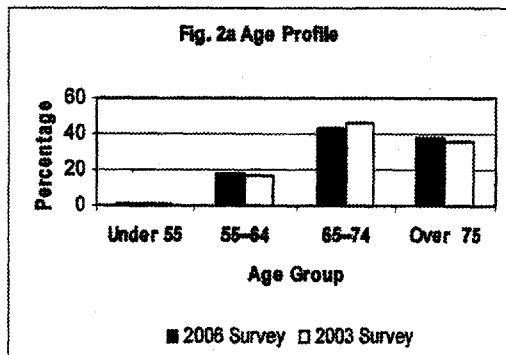
Australian passports were held by 94.8% of members; 10% held dual passports. This suggests that about 15% of members originally came from overseas. 410 Visa holders represented 3.1% of members.



State	2006 Survey	2003 Survey
NT	0.4	0.1
NSW*	31.7	34.3
ACT*	4.3	1.6
Vic	11.3	14.8
Qld	21.8	24.2
SA	6.6	8.3
WA	11.2	6.6
Tas	12.7	10.0

**\*Note:** In the 2006 survey, the ACT includes all 2600 postcodes including surrounding areas of the ACT. The sum of the NSW and ACT results was 35.9% in 2003 and 36.0% in 2006.

Compared with the 2003 survey, the age profile data suggests an increase of 2% in the age range above 75 and a similar reduction in the age range 65-74 (Fig. 2a, Table 2). Although the data is not shown here, single members tend to be older than couples. The age profile for the age groups over 75 for the 2006 Survey is shown in Fig. 2b.



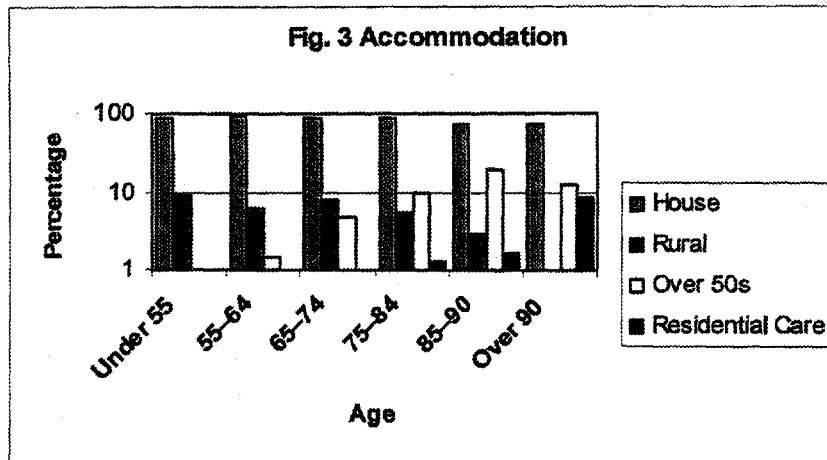
A.I.R. National Survey 2006

Age	Under 55	55-64	65-74	75-84	85-90	Over 90
2006 Survey	0.7	17.5	43.4	33.3	4.4	0.5
2003 Survey	0.6	17.1	46.2	36.2*		

\*Note: The total of the age group over 75 was 38.2% in the 2006 survey compared to 36.2% in the 2003 Survey.

Living at home is dominant but declines significantly after 85 (Fig. 3, Table 3). People steadily leave rural properties across the age range. There is a steady increase in use of Over 50s accommodation and residential care with age. The result suggests that there needs to be an emphasis on supporting retirees in their homes as their age increases.

Accommodation was dominantly fully owned (Ref. Table 4). The number of respondents taking out home equity loans was very small (21 of 2,986 or 0.7%). A modest number (19%) reported having life insurance.



Note: This chart is drawn as a logarithmic chart to show the values more clearly.

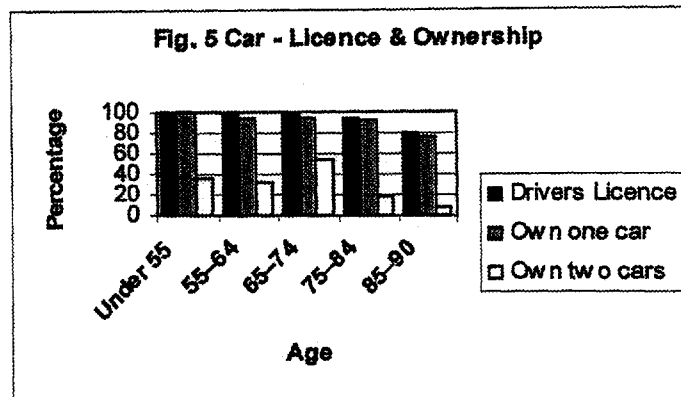
Age	Number	House %	Rural %	Over 50s %	Residential Care %
Under 55	11	90.9	9.1	0	0
55-64	407	93.4	6.4	1.5	0
65-74	1284	89.4	8.0	4.9	0.3
75-84	1136	88.7	5.5	9.9	1.3
85-90	174	74.7	2.9	19.5	1.7
Over 90	24	75.0	0	12.5	8.3

Ownership	*Number	Fully Owned %	Mortgaged %	Home Equity Loan %	Rented %
	2986	95.3	1.4	0.7	2.5
Insurance	*Number	Life %	Household %	Car %	Other %
	3036	19.0	95.2	93.0	31.6

\*Note: Number of respondents on which the percentages are calculated.

A very high percentage of respondents had driving licences and owned one car up until the age of 85. There was a significant decline over age 85. 76% of spouse members had a drivers' licence.

Over one-third of respondents owned two or more cars but the number rapidly reduced to one car over age 75 (Fig. 5, Table 5). Most respondents owning cars had car insurance (Ref. Table 4).



Age	*Age Range Numbers	Drivers Licence %	Own one car %	Own two cars or more %
Under 55	11	100	100	36.4
55-64	407	98.5	93.1	31.7
65-74	1284	98.5	94.9	54.5
75-84	1136	94.5	92.3	17.1
85-90	174	79.3	77.0	7.5
Over 90	24	62.5	66.7	0

\*Note: The figures are for singles and couples combined because of shared car ownership for couples.

## 2. Financial Profile

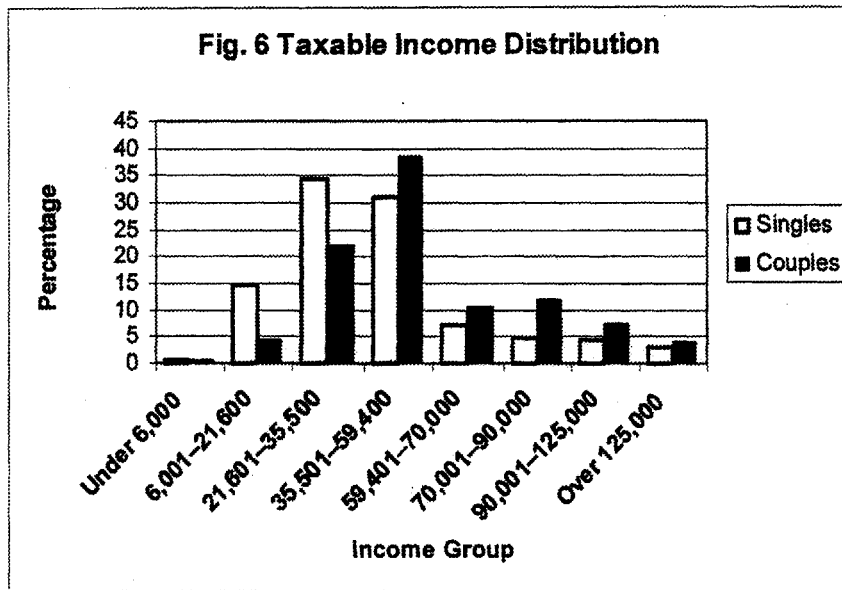
The percentage distribution of members by Taxable Income is shown in Fig. 6 and Table 6. The notes in the table show notional income cut-off points for age pensions, SATO, and AOWE for the purpose of indicating taxable income categories where these support systems and income rates might be expected to apply. Age pensions and SATO are based on notional incomes, which vary from taxable income in many cases.

A.I.R. National Survey 2006

The average of Taxable Income was approx. \$53,000. This figure is approximately equal to gross Average Ordinary Weekly Earnings (AOWE), but is better compared with after-tax AOWE during the 2004/2005 financial year of approx. \$40,000. About one-third of members (34.9% below a taxable income of \$35,500) earned less than the after-tax value of AOWE.

The distribution of income across age groups is shown in Table 7. Fig. 7 shows a roughly equal percentage of respondents in each income range for a given age group. However, the percentages of members in the very low income range less than \$6,000 and in the income ranges above \$59,400 are small. Therefore, it can be concluded that A.I.R. represents self-funded retirees across all income levels. It does not represent self funded retirees disproportionately at very high income levels or at very low income levels.

The data does not represent a longitudinal change for an individual or couple as they age. For example, for individuals and couples over age 85 the data may demonstrate a situation where their assets from which they derive income were built during their working life more than 30 years previously and where those assets have subsequently declined in real terms. However, this situation could be expected to be different in the income categories below \$21,600. In these categories people with declining taxable income at higher income levels would be expected to take up part-age pensions to compensate for the lack of income from their personal investments or superannuation leading to a higher percentage of people in the older age groups for these income categories. The data does not show this trend.

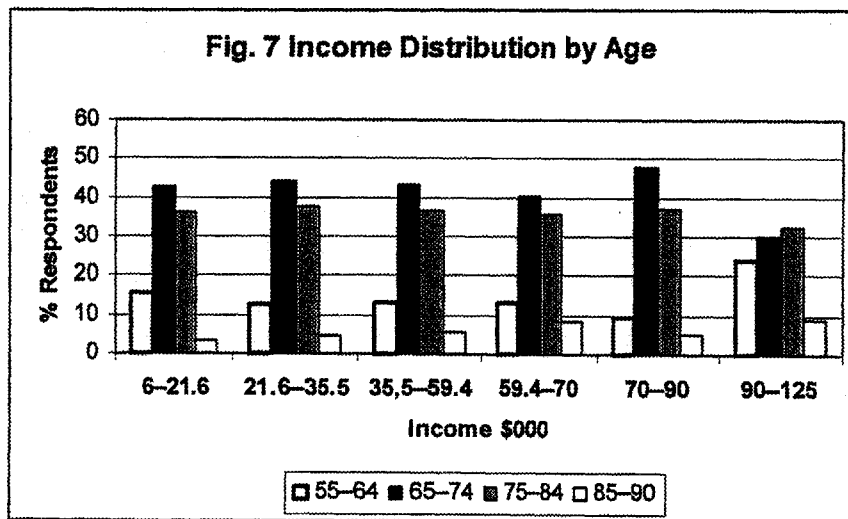




A.I.R. National Survey 2006

Table 6 Taxable Income Distribution				
Taxable Income \$	Singles %	Couples %	Total %	Notes*
Under 6,000	0.7	0.7	0.7	
6,001-21,600	14.5	4.5	7.9	Full age pension paid with total notional income: Singles \$16,300, Couples \$27,600. Full SATO tax offset for singles below a notional income of \$22,000, couples below \$36,500.
21,601-35,500	34.5	22.1	26.3	No age pension is paid with a notional income above \$36,200 for singles and \$60,500 for couples. No SATO tax offset above a notional income of \$40,000 for singles and \$62,000 for couples.
35,501-59,400	30.9	38.4	35.9	Category is generally above age pension levels for singles but CSHC is paid to a taxable income of \$50,000 for singles. Gross MAWE approx. \$52,000.
59,401-70,000	7.3	10.6	9.5	Category is generally above age pension level for singles and couples.
70,001-90,000	4.8	12.1	9.7	CSHC for couples cuts out at a taxable income of \$80,000.
90,001-125,000	4.3	7.4	6.4	
Over 125,000	2.9	4.1	3.7	
<b>Total Numbers</b>	<b>956</b>	<b>1,861</b>	<b>2,817</b>	
Total %	100	100	100	

Notes: The amounts in the Notes column are for the 2004/2005 years and are approximate only.



A.I.R. National Survey 2006

	<b>Under 55</b>	<b>55-64</b>	<b>65-74</b>	<b>75-84</b>	<b>85-90</b>	<b>Over 90</b>	<b>Total</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>Under \$6,000</b>	0	15	45	30	10	0	100
<b>\$6,000-\$21,600</b>	0.9	15.7	42.6	36.3	3.1	0.9	100
<b>\$21,601-\$35,500</b>	0.4	12.7	44.2	37.6	4.6	0.4	100
<b>\$35,501-\$59,400</b>	0.2	12.9	43.3	36.5	5.7	0.6	100
<b>\$59,401-\$70,000</b>	0.4	13.1	40.4	35.6	8.6	0.4	100
<b>\$70,001-\$90,000</b>	0.7	9.6	47.8	36.8	5.1	0	100
<b>\$90,001-\$125,000</b>	0	24.0	30.2	32.4	8.9	3.90	100
<b>&gt;\$125,000</b>	0	21.2	35.6	39.4	2.9	1.0	100

Types of pensions are shown in Fig. 10a and Table 10 for total respondents. The greatest percentage was part-age pensioners at 17.1%, but overseas pensioners (11.1%) and 'Other' pensioners were significant.

Types of pensions and the affect of the income and asset test on age pensions are shown in Fig. 8a, Fig. 8b and Table 8 for the taxable income categories up to \$59,400, levels that respondents would be expected to have significant recourse to age pensions.

Approximately one-third of respondents reported that they received a full- or part-age pension in income groups up to \$35,500. The percentage dropped to 13.8% receiving a part-age pension in the income category \$35,500-\$59,400. In addition, Table 10 shows that the percentage of respondents receiving a part-age pension was only 17.1%. It might be expected that a greater percentage would have access to a part-age pension at these taxable income levels.

A significant number reported that they failed the asset test. Halving the asset test reduction rate from the full-age pension, as announced in the May 2006 budget, should assist a greater number to obtain access to a part-age pension.

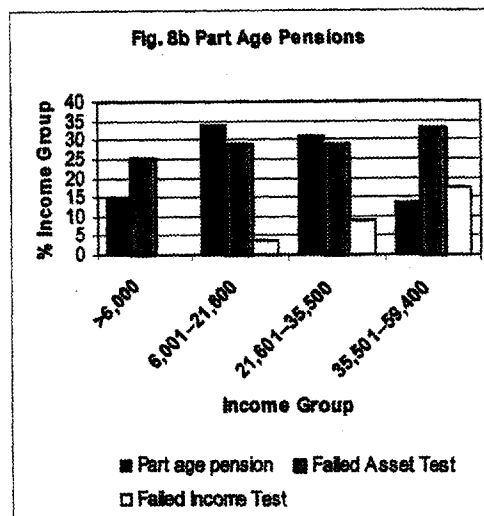
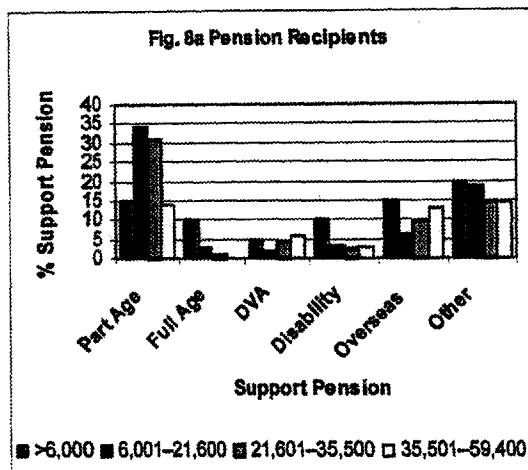
Respondents generally reflected the membership of A.I.R. as partly or fully self-funded retirees. Only a very small number reported that they received the full-age pension.

A significant percentage reported that they received a type of pension other than the specific ones listed in Table 8. The nature of these pensions is unknown.

Pension recipients, other than superannuation recipients and full-age pension recipients represent 46.7% of all members of A.I.R. A further 146 or 3.3% of member respondents do not have access to Australian Government pension or medical benefits. Some of these would be expected to be 410 Visa holders. With approximately one-half of all members receiving pensions of these types, A.I.R. membership criteria might need to acknowledge the role of A.I.R. in representing these groups.

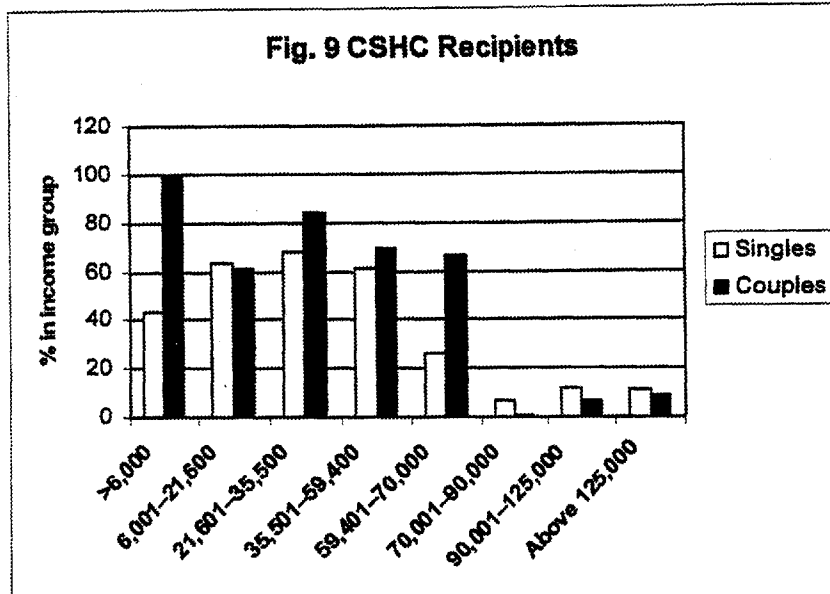
A.I.R. National Survey 2006

The reported levels of full- and part-age pensions appear to be consistent with the percentage of respondents receiving the CSHC at over 60% in the same income groups (Fig. 9, Table 9).



Taxable Income	No.	Full Age	Part Age	Failed Income Test	Failed Asset Test	DVA	Disability	Overseas	Other
>6,000	20	10.0	15.0	0.0	25.0	5.0	10.0	15.0	20.0
6,001-21,600	223	3.1	34.1	3.6	28.7	1.8	3.6	6.3	18.8
21,601-35,500	742	0.9	31.0	8.8	28.6	4.2	2.6	9.4	14.6
35,501-59,400	1010	0.1	13.8	17.3	32.8	6.0	2.8	13.0	14.3

**Note:** The total percentage in each income group is slightly overstated because a small number of respondents reported failing both the Income Test and the Asset Test.



**Table 9 CSHC recipients by income group**

Taxable Income	Number Singles	CSHC Singles %	Number Couples	CSHC Couples %
>6,000	7	42.9	13	100
6,001-21,600	139	63.0	84	61.0
21,601-35,500	330	68.0	412	84.0
35,501-59,400	295	61.0	715	69.0
59,401-70,000	70	26.0	197	66.0
70,001-90,000	45	7.0	226	54%
90,001-125,000	41	12.0	138	7.0
Above 125,000	28	11.0	76	9.0

The greatest number of members receiving superannuation from organization untaxed schemes was State Government recipients at 12.1%, with the total of Comsuper and other Federal Government superannuation at 8%. Taxed company superannuation schemes represented 5.1% of the total pension and superannuation groups.

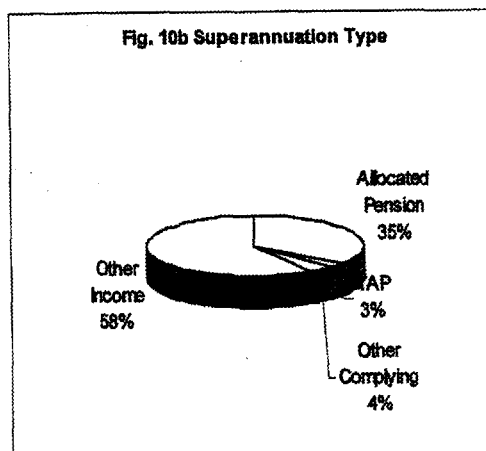
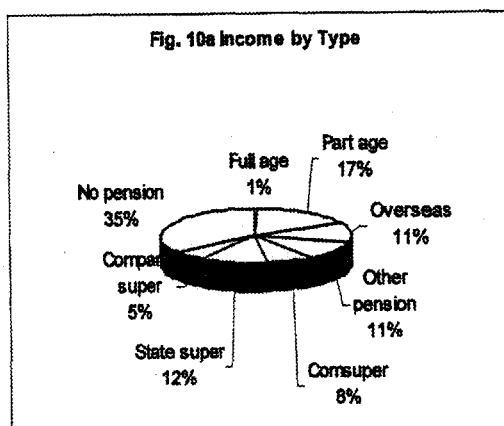
Table 10 shows that nearly one half (41.6%) of members had a taxed-scheme superannuation pension. The percentage of allocated pensions was dominant at 83.4%; TAPs represented 6.5%, and complying pensions 10.1% (Fig. 10b and Table 10). Fig. 12a shows that only 22% of members over 75 received an allocated pension and Fig. 12b shows that 71% of allocated pensions were in the income ranges below \$59,400.

Table 11 suggests that recipients of company superannuation are a higher proportion at higher income levels than untaxed superannuation scheme recipients. The latter have the highest proportions of income in the \$21,600 to \$59,400 income categories.

A.I.R. National Survey 2006

Table 12 shows that 14.8% of members were trustees of superannuation funds. Of these 11% were trustees of SMSFs in the pension or drawdown phase. 'Other Trustees' (Ref. Table 12) may be Trustees of SMSFs in the accumulation phase not drawing down a pension. They may also be Trustees of Family Trusts or Testamentary Trusts. The distribution between these groups of trustees is unknown. Fig. 13 shows the distribution of Trustees by income.

Table 13 shows that 64% of members in the 65-74 age group had a taxed-scheme superannuation pension. However, only 30.2% had a similar pension in the 75-84 age group. This result strongly supports the A.I.R. contention that retirees over 75 are severely disadvantaged.



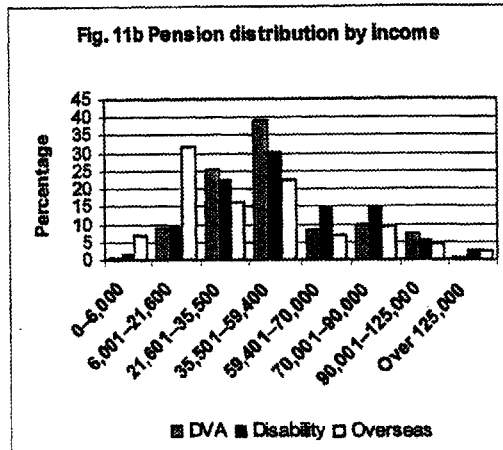
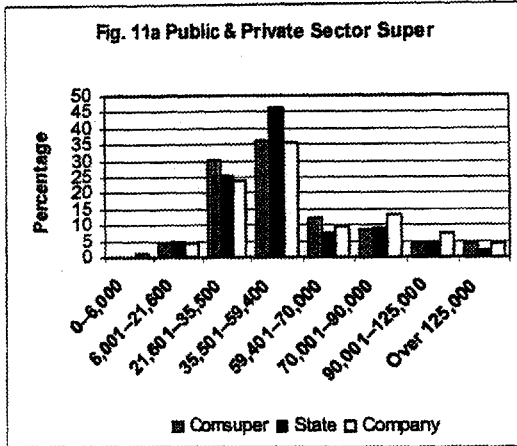
**Table 10 Type of Pension Income**

Pension	Number	Total Members %	Pension	Number	Total Members %
*Full-age pension	19	0.6			
*Part-age pension	523	17.1			
DVA pension	156	5.1			
Disability pension	76	2.5			
Overseas pension	492	11.1			
Other pension	486	10.9			
Comsuper	333	7.5	Allocated Pension	1546	34.7
Other Aust. Govt. Super	23	0.5	TAPs	120	2.7
State Govt. Super	540	12.1	Complying	187	4.2
Company Super	228	5.1			
**Total		64.9**		1853	41.6

\*Percentages are based on the number of singles and couples as distinct from number of members.

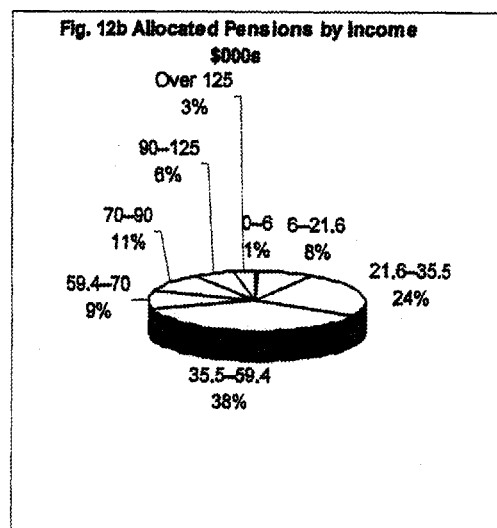
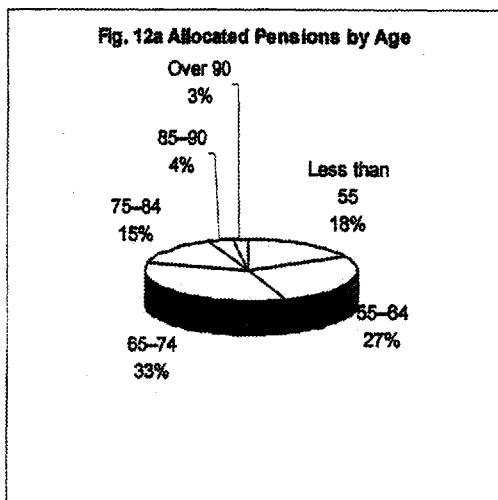
\*\*Totals do not represent the total of members because some members have more than one type of pension.

A.I.R. National Survey 2006



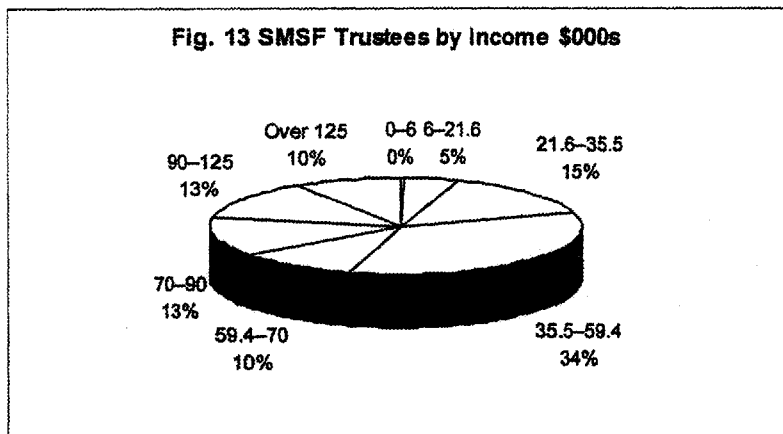
**Table 11 Income distribution as a percentage for each type of pension\***

Income	DVA	Disability	Comsuper	State	Company	Overseas
0-6,000	0.6	1.3	0	0	1.1	6.8
6,001-21,600	9.0	9.2	4.1	4.9	4.3	31.8
21,601-35,500	25.6	22.4	30.2	25.7	23.8	15.9
35,501-59,400	39.1	30.3	36.4	46.3	35.7	22.7
59,401-70,000	8.3	14.5	12.4	7.2	9.7	6.8
70,001-90,000	9.6	14.5	8.7	9.3	13.5	9.1
90,001-125,000	7.1	5.3	4.1	4.2	7.6	4.5
Over 125,000	0.6	2.6	4.1	2.3	4.3	2.3
Total percentage	100	100	100	100	100	100
Total Number*	156	76	333	540	228	492



A.I.R. National Survey 2006

Income	Allocated	TAP	Complying	SMSF Trustees	Other Trustees
0-6,000	0.6	1.8	0.8	0.3	0
6,001-21,600	7.8	12.3	9.5	5.0	8.7
21,601-35,500	24.3	15.8	28.6	15.0	8.7
35,501-59,400	38.1	40.4	31.0	34.3	38.0
59,401-70,000	9.2	10.5	10.3	10.0	10.9
70,001-90,000	10.5	3.5	7.9	13.1	9.8
90,001-125,000	6.2	14.0	6.3	12.8	14.1
Over 125,000	3.3	1.8	5.6	9.5	9.8
Total percentages	100	100	100	100	100
Total Number	1546	120	187	488	170
% of respondents	34.7	2.7	4.2	11.0	3.8

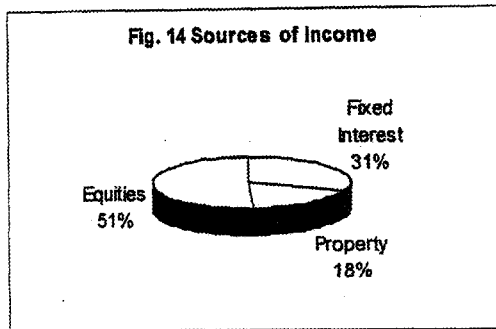


Age	Allocated	TAP	Complying	SMSF Trustees	*Other Trustees
Less than 55	27.8	0	0	5.6	5.6
55-64	42.3	1.2	3.9	17.9	10.1
65-74	54.1	4.1	5.8	15.7	4.3
75-84	23.8	2.7	3.7	4.7	1.5
85-90	6.5	0	2.5	0.8	0.4
Over 90	4.0	4.0	4.0	4.0	0
Total %	100	100	100	100	100

Three types of investment used by respondents outside superannuation are shown in Fig. 14 and Table 14. Equities represent the largest percentage (55.7%). Note that the total investment reported was 109.3%, showing that some respondents entered data in more than one column even though they were requested to enter in one column only.

Of those respondents stating that all their income came from one source, 72% reported that their income came from personal investment (Fig. 15 and Table 15). Superannuation formed a major part of income for 50.8% of respondents.

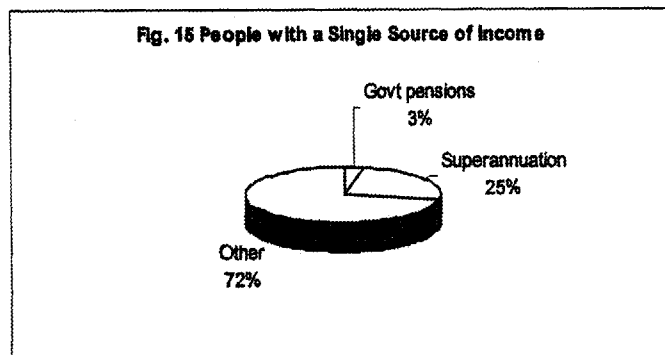
A.I.R. National Survey 2006



**Table 14 Sources of Income (percent)**

Fixed Interest	Property	Equities
33.6	20.0	55.7

\*These percentage figures add to 109.3% showing that some respondents answered in more than one column.



**Table 15 Total Income by Type**

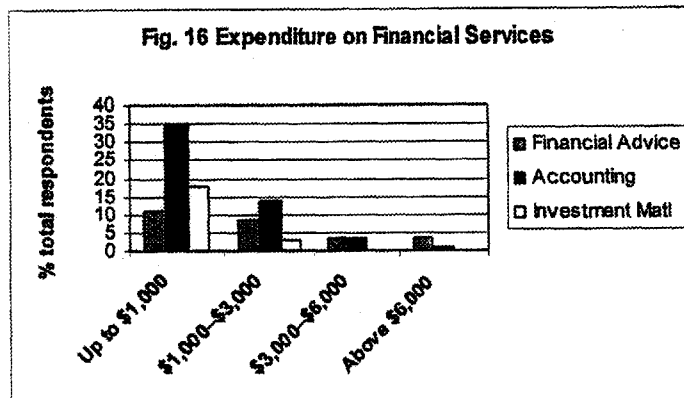
1. Distribution as a % of each category (All, Major part, etc.)				
	Govt pensions	Superannuation	Other	Total %
All	3.3	24.7	72.0	100
Major part	7.3	58.6	34.1	100
Reasonable part	20.0	36.9	43.2	100
Minor part	39.9	16.5	43.6	100
2. Distribution as a % of each type of income				
All	6.0	18.7	41.2	
Major part	15.1	50.8	22.2	
Reasonable part	28.0	21.6	19.1	
Minor part	50.9	8.8	17.5	
Total %	100	100	100	

35.2% of respondents spent between \$1,000 and \$3,000 on accounting services and 11.1% on financial advice in the 2004/2005 financial year; 3.6% spent between \$3,000 and \$6,000 on accounting services and another 3.3% spent between \$3,000 and \$6,000 on financial advice (Fig. 16 and Table 16). A further 4.6% spent over \$6,000 on each type of service.

Most members (77.4%) used an accountant or agency for preparation of accounts; 21.5% prepared their own accounts (Fig. 17 and Table 17). There is no evidence that the percentage of people preparing their own accounts falls with age.

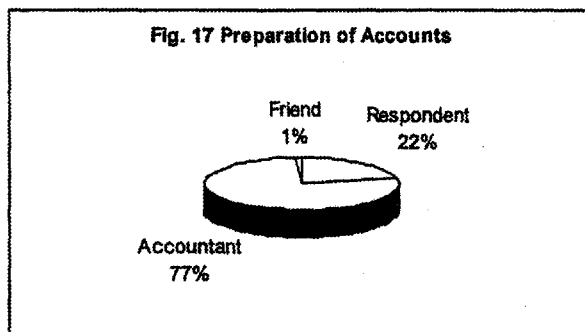


A.I.R. National Survey 2006



**Table 16 Cost of financial services**

Cost	Financial Advice %	Accounting Services %	Investment materials %
Up to \$1,000	11.1	35.2	17.8
\$1,000-\$3,000	8.2	13.6	2.8
\$3,000-\$6,000	3.3	3.6	0.2
Above \$6,000	3.4	1.2	0



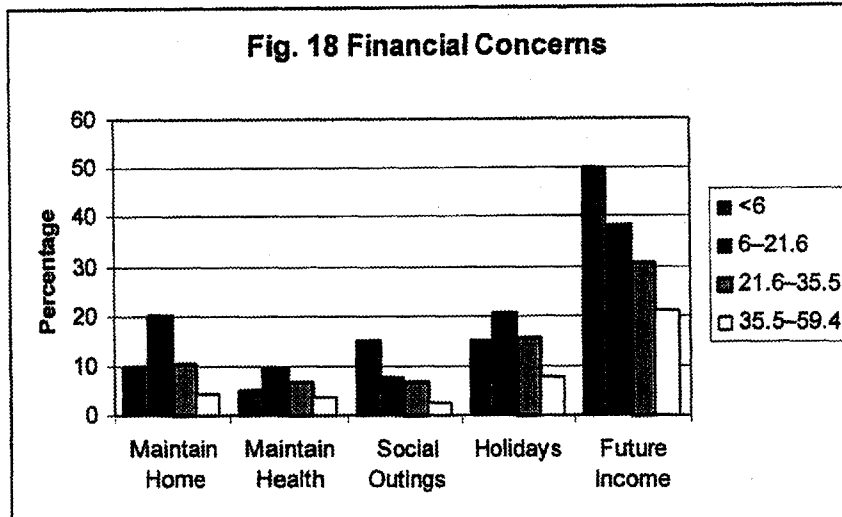
**Table 17 Preparation of Accounts**

Accounts prepared by	Respondent %	Accountant Agency %	Friend %
	21.5	77.4	1.1

The percentage of people worried about having an adequate income in the future reached 50% in the \$6,000 income category (Fig. 18 and Table 18). About one-third of people were concerned about their financial future in the financial categories up to \$35,500 (an amount less than the after-tax income from AOWE). In the three categories with a taxable income below AOWE home maintenance was of greatest concern followed closely by the ability to go on holidays. In the categories below a taxable income of \$21,600, respondents reported difficulty with maintaining their health, undertaking local travel, and enjoying social outings. This result suggests that people with a taxable income of about half of the after-tax AOWE have difficulty in achieving a reasonable life style. The result is consistent with figures published by Westpac which suggest that for couples, a 'comfortable income' is \$43,350 and a

'modest' income is \$23,550. For singles, a 'comfortable' income is \$32,800 and a 'modest' income is \$16,930.

The level of income required for a reasonable life style will be expected to increase over time. Major factors are increased life expectancy causing people to be concerned lest they have an inadequate income over a possible number of remaining decades of life. Retirees are more healthy and mobile at a given age and wish to have an active life style. The reduced cost and ease of interstate and overseas travel makes these activities more readily available.



**Table 18 Effect of Finance on Activities**

	Maintain Home %*	Maintain Health %	Health Aids %	Good Diet %	Social Outings %	Club M'ship %	Local Travel %	Holidays %	Future Income %
<6000	10.0	5.0	0	0	15.0	20.0	5.0	15.0	50.0
6001-21600	20.2	9.4	3.6	3.1	7.6	4.9	8.1	20.6	38.1
21601-35500	10.4	6.7	3.4	1.1	6.5	4.2	4.3	15.4	30.7
35501-59400	4.4	3.5	2.1	0.7	2.4	2.2	2.4	7.6	21.1
59401-70000	0.7	1.5	0.4	0	2.6	1.9	1.9	3.4	15.4
70001-90000	1.8	1.1	1.1	0	1.1	1.1	1.1	3.3	11.8
90001-125000	0	0.6	0	0	1.1	0.6	0.6	1.1	8.9
>125000	0	0	0	0	0	0	0	0	4.8

\*The percentage is that of the total in each income category.

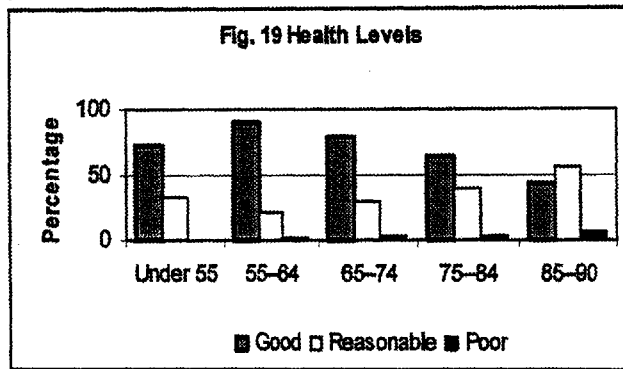
### 3. Health Profile

A high proportion of respondents reported that they were in good health (Fig. 19 and Table 19). The sample size for the age group under 55 and over 90 was small. Consequently, the percentages may be distorted for these groups. However, the figure and table demonstrate clear evidence of declining health with increasing age. It would

A.I.R. National Survey 2006

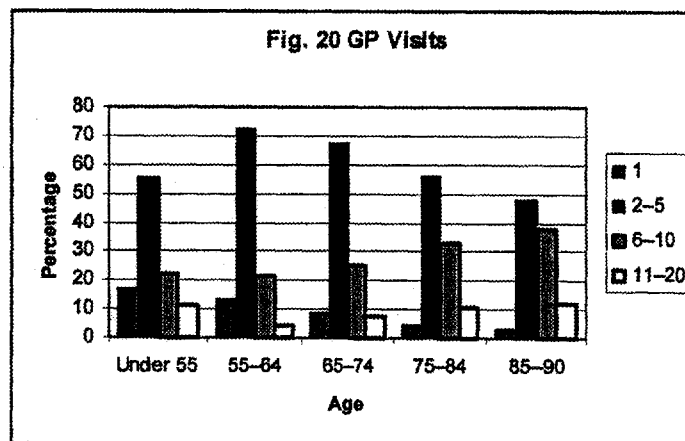
be interesting to compare the decline with the respective population age groups as a whole but this information is not available.

The number of visits to GPs, specialists, and hospitals were obtained for the 2004/2005 financial year. The consequence of declining health is shown in an increasing number of GP visits (Fig. 20 and Table 20), with a small but increasing percentage with age reporting more than 20 visits per year. A similar trend is evident with visits to specialists (Fig. 21 and Table 21) although most visits do not exceed ten per year. In the age groups 55 to 90, between 25% and 30% of respondents did not visit a specialist. Some two-thirds of respondents did not enter hospital during the year (Fig. 22 and Table 22). The majority of the remainder had one visit.



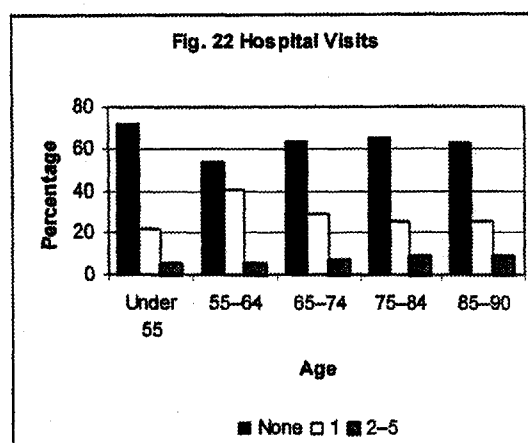
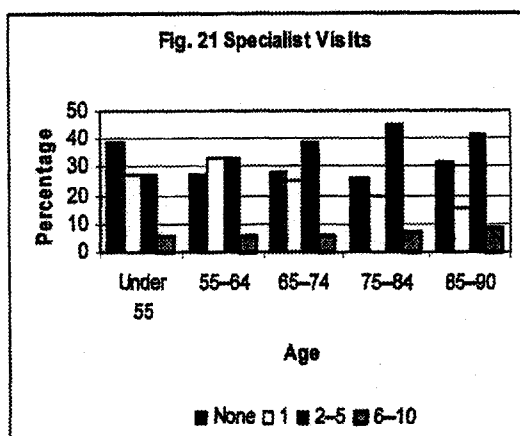
**Table 19 Health Levels**

Age	Number	Good %	Reasonable %	Poor %
Under 55	18	72.2	33.3	0
55-64	593	90.1	21.6	1.9
65-74	1919	78.8	30.3	2.9
75-84	1651	64.1	39.8	3.5
85-90	231	42.9	55.8	6.5
Over 90	25	64.0	32	4.0



A.I.R. National Survey 2006

Age	Number	0-1 %	2-5 %	6-10 %	11-20 %	Over 20 %
Under 55	18	16.7	55.6	22.2	11.1	0
55-64	593	13.0	72.7	21.2	4.4	0.7
65-74	1919	8.6	67.5	25.1	7.8	1.5
75-84	1651	4.1	55.9	33.0	10.8	2.0
85-90	231	3.0	48.1	37.7	11.7	3.5
Over 90	25	8.0	56.0	24.0	8.0	4.0



Age	Number	None %	1 %	2-5 %	6-10 %	11-20 %	Over 20 %
Under 55	18	38.8	27.8	27.8	5.6	0	0
55-64	593	27.7	32.9	33.2	5.4	0.8	0.2
65-74	1919	28.3	25.6	38.9	5.9	1.2	0.1
75-84	1651	26.4	20.0	44.8	6.8	1.9	0.1
85-90	231	31.9	15.2	41.6	8.7	1.7	0.9
Over 90	25	40.0	16.0	44.0	0	0	0

Age	Number	None %	1 %	2-5 %	6-10 %	11-20 %	Over 20 %
Under 55	18	72.2	22.2	5.6	0	0	0
55-64	593	53.5	40.6	5.4	0.2	0.3	0
65-74	1919	63.2	29.4	6.8	0.4	0.1	0.1
75-84	1651	65.1	25.5	8.4	0.7	0.2	0.1
85-90	231	62.8	25.5	9.1	1.3	1.3	0
Over 90	25	68.0	24.0	8.0	0	0	0

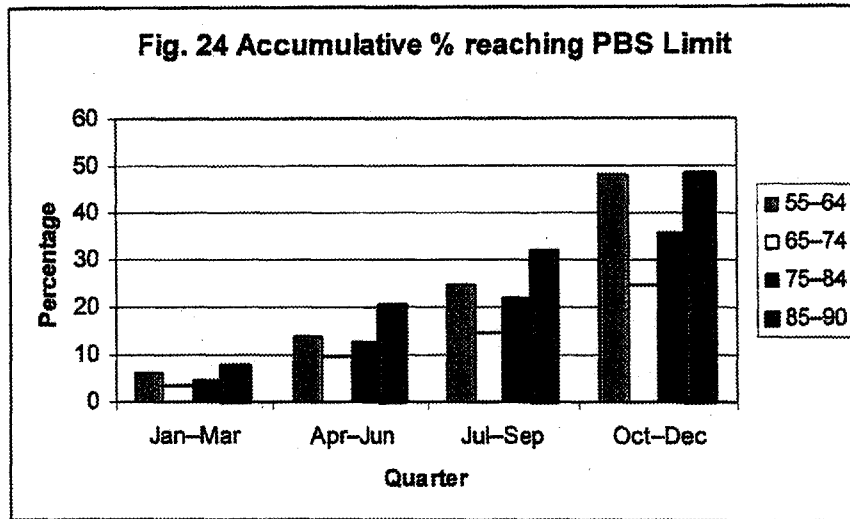
Private health insurance was taken out by 86.4% of respondents (Table 23). The CSHC was available to 57.5% of respondents (Table 23). Between 24.8% and 48.5% of CSHC holders stated that they would reach the Pharmaceutical Benefits Scheme limit during 2006 (Fig. 24 and Table 24). Between 3.4% and 7.6% reported

that they reached the limit in the first quarter. From the point of view of self-funded retirees, the PBS scheme would appear to be a very crude and inequitable method of managing pharmaceutical benefit costs.

The Medicare safety net would be reached within a year by 27.3% of respondents (Table 25).

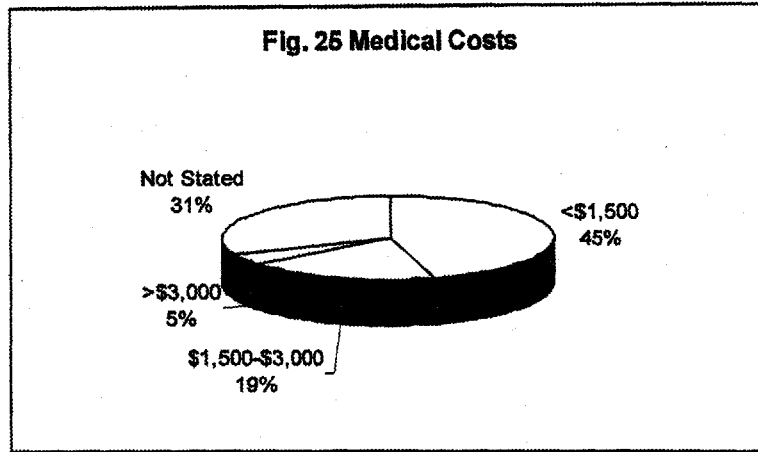
Medical costs greater than \$3,000 per year were reported by 4.5% while 18.7% reported costs between \$1,500 and \$3,000 per year (Fig. 25 and Table 25).

	Number	Percentage
<b>CSHC</b>	1756	57.5
<b>Private Health Insurance</b>	3815	86.4



Age	*Number	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
Under 55	1	0	0	100	100
55-64	146	6.2	13.7	24.7	47.9
65-74	1338	3.4	9.5	14.8	24.8
75-84	1176	4.5	12.8	21.8	35.7
85-90	132	7.6	20.5	31.8	48.5
Over 90	15	0	6.7	26.7	40.0

\*The number used is the number of respondents holding CSHC.



Out of Pocket Expenses	Number	Less than \$1,500 %	\$1,500-\$3,000 %	More than \$3,000 %
	4437	45.8	18.7	4.5
<b>Medicare Safety Net</b>	<b>Number</b>	<b>% Reaching Cut-in point</b>		
	4437	27.3		

Table 26 shows data on other health issues. A small percentage, 6.1%, reported that they needed an aid for walking. Most required spectacles for reading while 51.9% required them for driving.

Nearly half (47.7%) reported that they had good hearing; 15.1% acknowledged that they had poor hearing and a similar percentage reported that they had a hearing aid. Free hearing aids were used by 3.9% of respondents. A small percentage had a telecom device to assist in telephone conversation.

About two-thirds of respondents had insurance cover for dental services. A similar percentage (76.4%) had a regular dental check. A high percentage (38.8%) reported that they wore dentures. A very small percentage (1.9%) reported that their teeth restricted their diet.

Table 27 shows that 6% of respondents had a personal alarm.

Nearly two-thirds (62.9%) had an Enduring Power of Attorney for financial affairs. However, only about one quarter had an Enduring Power of Attorney for medical and guardianship (28.7% for medical and 24.4% for guardianship).

A.I.R. National Survey 2006

Table 26 Mobility, Sight, Hearing and Dental conditions							
Mobility	Number	Walk Freely %	Walk Aided %				
	4437	92.1	6.1				
Sight	Glasses for:	Reading %	Driving %				
	4437	89.3	51.9				
Hearing		*Good %	*Average %	*Poor %	Hearing Aid %	Free Hearing Aid %	Telecom Device %
	4437	47.7	45.3	15.1	14.8	3.9	2.4
Dental		Regular Check %	Wear Dentures %	Insurance Cover %	Waiting for DHS %	Teeth Restrict Diet %	
	4437	76.4	38.8	66.7	0.5	1.9	

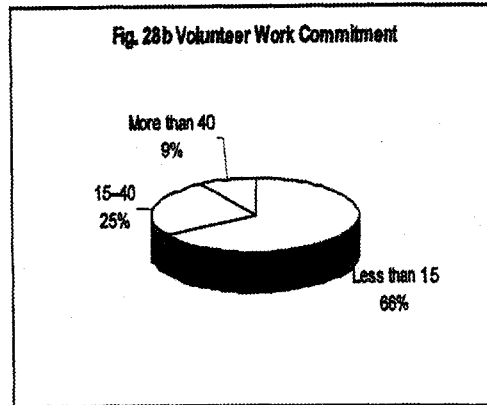
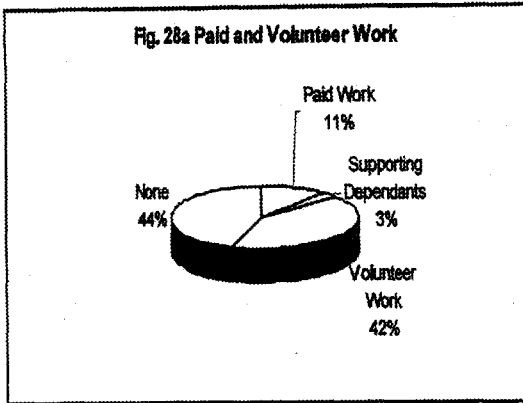
Table 27 Personal Protection				
Personal Alarms	Number	Available %		
	4437	6.0		
Power of Attorney		Financial %	Medical %	Guardianship %
	4437	62.9	28.7	24.4

**4. Activity Profile**

At first sight, a surprisingly low percentage of respondents undertook full time or part time work (1.3% and 4.4% respectively) (Fig. 28a and Table 28). A further 5% reported that they worked occasionally. However, the results show a different pattern when the percentage of each age group undertaking work is analysed (Fig. 29 and Table 29). In the 55-64 age group, the age group with incentives for transition to retirement, 28.5% reported working. In the 65-74 age group a total of 15.3% reported working including 7.3% who reported working occasionally. The government requires people in this age group to work 40 hours in a 30 day period in a year to be able to transfer undeducted contributions into superannuation. It might be expected that the percentage of people working occasionally in this age group will increase in the future as government policy becomes recognized.

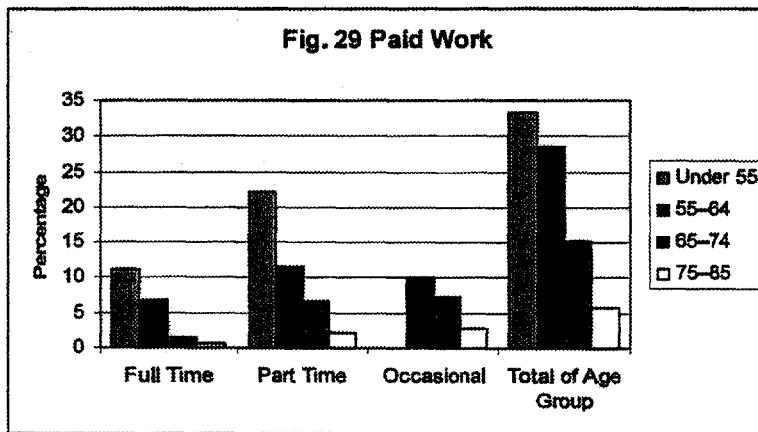
Respondents undertook a significant amount of volunteer work (Fig. 28b and Table 28). Altogether, 41.6% reported that they undertook voluntary work, with 14.1% reporting amounts greater than 15 hours per month. The effect on volunteer work of people taking up government incentives for paid work may have negative consequences for community lifestyle overall.

A.I.R. National Survey 2006



**Table 28 Paid Work and Voluntary Activity**

Paid work	Number	Full time	Part time	Occasionally
		%	%	%
	4437	1.3	4.4	5.0
Supporting dependent		Children	Disabled	
	4437	1.8	1.3	
Volunteer Work		Less than 15	15-40	More than 40
		%	%	%
Respondent hrs/month	3053	27.5	10.4	3.7
Partner hrs/month	1407	28.0	9.4	3.2



**Table 29 Work by Age Group**

	Full Time	Part Time	Occasional	Total of Age Group
	%	%	%	%
Under 55	11.1	22.2	0	33.3
55-64	6.9	11.5	10.1	28.5
65-74	1.4	6.6	7.3	15.3
75-85	0.7	2.2	2.8	5.7



A.I.R. National Survey 2006

Travel was a major factor in lifestyle activities (Table 30). Nearly three-quarters (73.5%) travelled interstate during the last two years, with nearly half (48.4%) travelling two or more times. About one-quarter (24.7%) travelled overseas once and 13.8% two or more times.

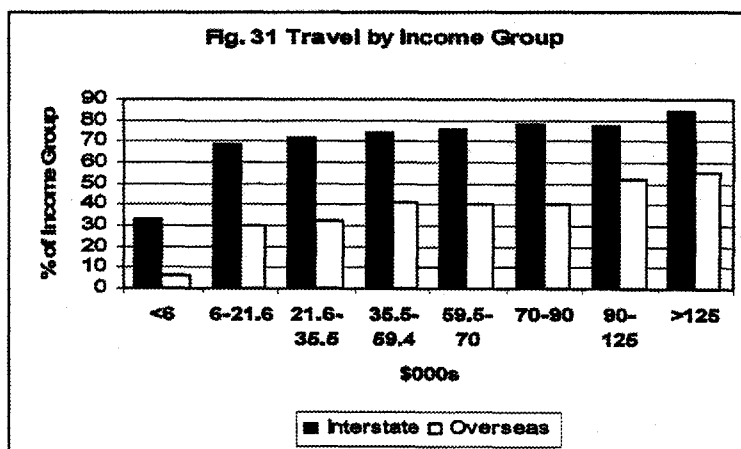
The percentage of respondents in each income category (Fig. 31 and Table 31) travelling interstate varied from about one-third in the \$6,000 income category, about two-thirds in the \$6,000-\$21,600 category, and about three-quarters in all higher income categories. About one-quarter of income groups above \$21,600 travelled overseas once; about 10% with incomes above \$35,500 travelled twice per year. Up to age 90 (Fig. 32 and Table 32) there was little discernible effect of age on interstate travel. However, overseas travel dropped off significantly over age 84.

Walking (71.6%), meeting regularly with friends (80.1%), and being involved in clubs and societies (69%) were the main activities undertaken by respondents (Table 33). More played sport (25.1%) than attended sporting events (8.6%) or bet/played pokies/bingo (7.1%).

A significant percentage of respondents had access to the internet (Table 34). Nearly half of respondents (46.3%) used the internet for general interest, one-third for social contact and nearly one-quarter (23.9%) for online transactions (Fig. 34 and Table 34).

**Table 30 Effect of Income on Travel—% Respondents**

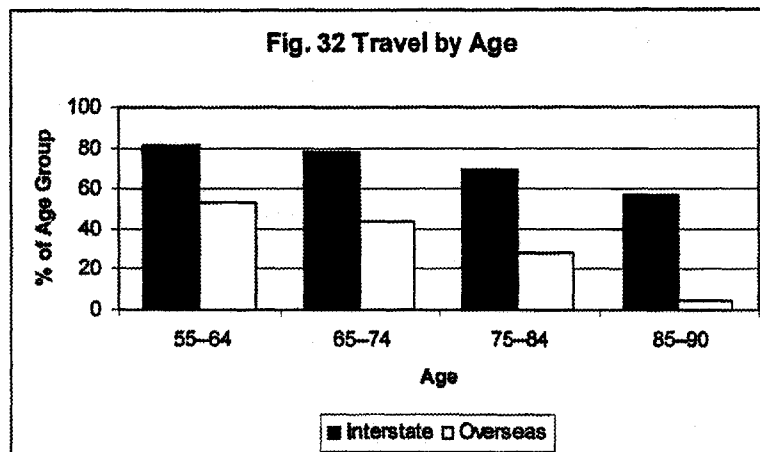
Percentage Total Respondents	Interstate Travel Times per year			Overseas Travel Times per year		
	Once %	Twice %	> twice %	Once %	Twice %	>twice %
Income						
0-6,000	0.2	0.1	0.1	0.1	0	0
6,001-21,600	2.2	1.4	1.8	1.4	0.6	0.3
21,601-35,500	7.4	5.4	6.1	6.3	1.8	0.4
35,501-59,400	9.1	7.9	9.4	9.7	3.7	1.2
59,401-70,000	2.0	1.6	3.6	2.2	1.1	0.5
70,001-90,000	2.4	2.3	2.9	2.4	1.1	0.4
90,001-125,000	1.0	1.2	2.3	1.8	1.0	0.5
Over 125,000	0.8	0.6	1.7	0.8	0.6	0.6
<b>Total</b>	<b>25.1</b>	<b>20.5</b>	<b>27.9</b>	<b>24.7</b>	<b>9.9</b>	<b>3.9</b>



A.I.R. National Survey 2006

**Table 31 Effect of Income on Travel--% Income Bracket**

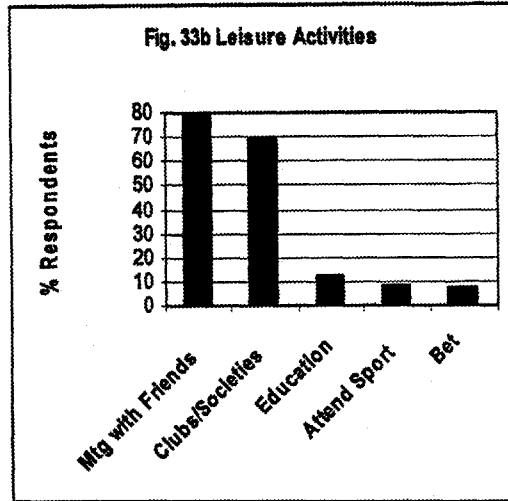
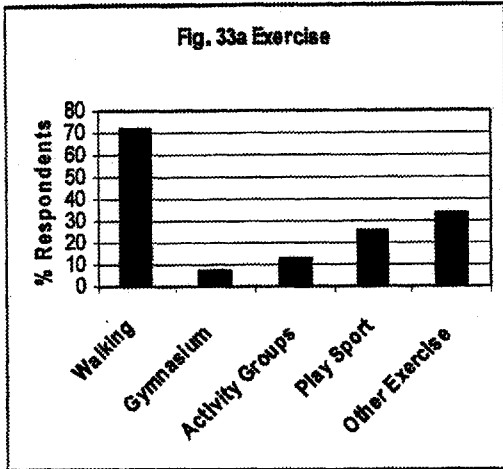
Percentage in each Income Bracket	Interstate Travel Times per year			Overseas Travel Times per year		
	Once %	Twice %	> Twice %	Once %	Twice %	> Twice %
0-6,000	15.2	12.1	6.1	6.1	0	0
6,001-21,600	27.2	18.3	23.2	18.3	8.0	3.6
21,601-35,500	28.1	20.7	23.3	24.0	6.7	1.6
35,501-59,400	25.6	22.2	26.3	27.3	10.3	3.3
59,401-70,000	20.9	17.2	37.7	23.5	11.6	5.2
70,001-90,000	24.5	23.4	30.0	25.3	11.4	3.7
90,001-125,000	22.2	19.4	36.1	28.3	16.1	7.8
Over 125,000	22.3	16.5	45.6	21.4	16.5	17.5



**Table 32 Effect of Age on Travel**

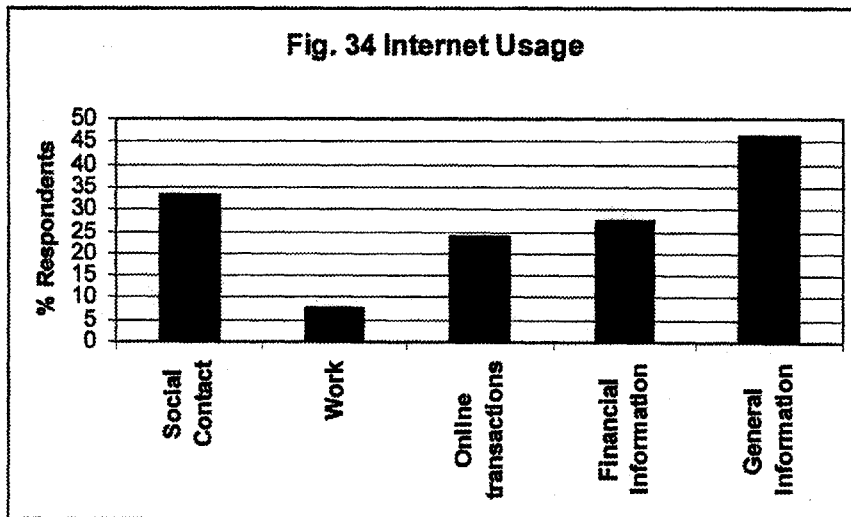
Age	Number	Interstate Travel Times per year			Overseas Travel Times per year		
		Once %	Twice %	>Twice %	Once %	Twice %	>Twice %
Under 55	23	21.7	30.4	34.8	17.4	13.0	17.4
55-64	705	21.1	24.1	36.3	30.8	15.2	7.0
65-74	1939	24.2	21.5	32.3	27.2	12.2	4.7
75-84	1535	28.9	19.4	21.1	20.7	6.4	1.4
85-90	210	21.4	21.9	13.8	1.0	2.9	0.5
Over 90	25	32.0	4.0	8.0	12.0	4.0	12.0

A.I.R. National Survey 2006



**Table 33 Lifestyle Activities**

Exercise	Number	Walking %	Gymnasium %	Activity Groups %	Other %
	4437	71.6	7.4	13.0	33.8
Meeting with friends		Regularly %			
	4437	80.1			
Leisure activity		Clubs/Societies %	Education Classes %		
	4437	69.0	12.4		
Leisure activity		Play Sport %	Attend Sport Events %	Bet/Pokies/Bingo %	
	4437	25.1	8.6	7.1	



<b>Social Contact %</b>	33.4
<b>Paid/voluntary work %</b>	7.6
<b>Online transactions/trading %</b>	23.9
<b>Financial Information %</b>	27.7
<b>General Information %</b>	46.3
<b>Number Respondents</b>	4437

## 5. AIR Activities

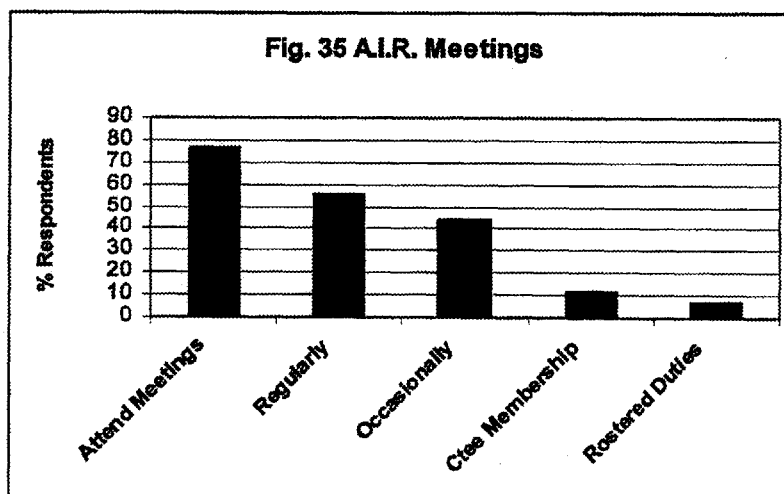
Slightly more than half of all respondents (55.9%) attended A.I.R. meetings regularly (Fig. 35 and Table 35); slightly less than half (44.1%) occasionally. Over three-quarters (77%) attended meetings. The important benefits were information obtained (61.6%), talks (59.6%), and social activities (33.5%) (Fig. 36a and Table 36).

A small percentage 1.9% were involved in committee work while 7.1% carried out rostered duties (Table 35).

The Independent Retiree received excellent support with 82.5% reporting that they enjoyed reading it. Nearly one quarter (23.8%) reported using advertisers' services. 15.7% reported accessing the A.I.R. website (Fig. 36b and Table 36).

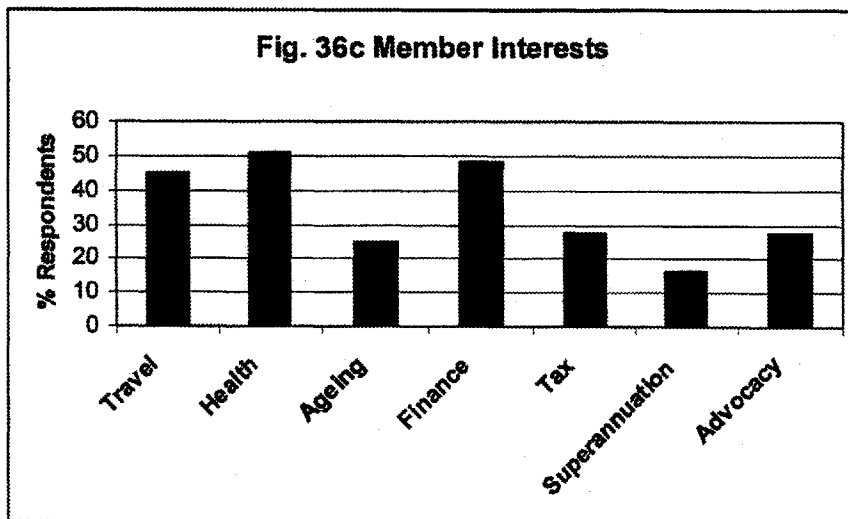
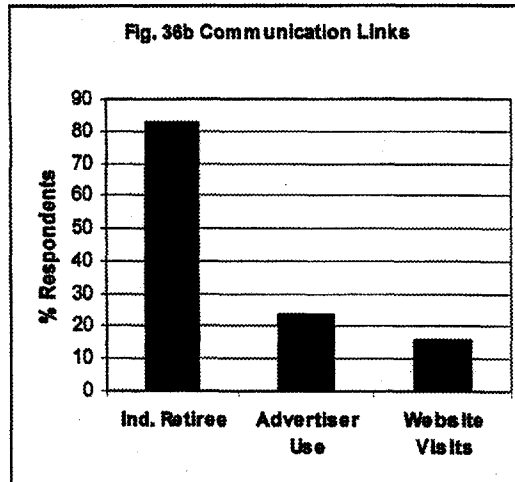
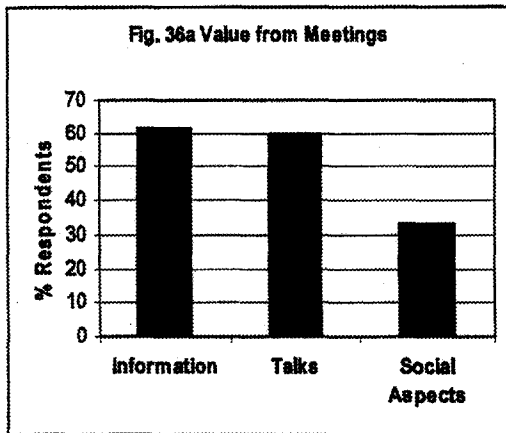
Members' interests varied widely with around half of members reporting interest in each of travel, health and finance (Fig. 36c and Table 36). About one-quarter reported interest in ageing, tax and political commentary while 16.7% reported interest in superannuation.

Some 218 issues of concern to members were raised in the Comments Section of the questionnaire. These were wide ranging and of considerable value in determining future A.I.R. policy. They were summarised into major issues and are shown in Table 37 together with their importance as measured by the number of detailed issues raised. Personal issues of the greatest importance were Financial issues (33%) followed by Lifestyle issues (18%). The most frequent issues raised concerning A.I.R. were its management (14%) and the Independent Retiree journal (7%). The detailed issues are contained in a separate document.



A.I.R. National Survey 2006

Table 35 A.I.R. Activities				
Attendance	Number	Regular %	Occasional %	Percentage of members attending meetings %
	3416	55.9	44.1	77.0
Branch involvement		Committee %	Rostered Duties %	
	4437	11.9	7.1	
Use of Advertisers Services		Often %	Occasional %	
	4437	0.5	23.3	



A.I.R. National Survey 2006

Meeting enjoyment	Talks %	Social Aspects %	Information Obtained %				
	59.6	33.5	61.6				
Independent Retiree	Enjoy %						
	82.5						
Visit AIR Website	Regularly %	Occasionally %					
	1.7	14.0					
Major Interest	Travel %	Health %	Ageing %	Finance %	Tax %	Super-annuation %	Political Commentary %
	44.9	51.1	24.9	48.1	27.7	16.2	27.7

Note: Total number of respondents is 4437

Issue	No. of Comments	Percentage of Total	Issue	No. of Comments	Percentage of Total
Lifestyle	39	18	Land Tax	4	2
Concession Cards	11	5	Community Issues	14	6
Financial	71	33	A.I.R. Management	30	14
Health Costs	8	4	Membership	3	1
Legal	3	1	Branch Meetings	12	6
State & Local Government	8	4	Independent Retiree	15	7

End of report.

