



National Seniors  
Association

**2008-2009**

**Budget Submission to the**

**Northern Territory**

**Government**

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# 1. Executive Summary

National Seniors welcomes this opportunity to highlight some of the pertinent issues identified by the Northern Territory State Policy Group (NT SPG) and the broader National Seniors membership. We also look forward to a favourable outcome for our members in the Northern Territory Government's 2008/09 Budget.

National Seniors policies and policy agenda are developed through a comprehensive grassroots process that enables members to contribute through local Branches, regional Zone Committees, State and Territory Policy Groups (SPGs), and a National Policy Group (NPG). The outcomes from this policy formulation process are incorporated into our National Policy Document.

National Seniors NT SPG was established in 2006 and plays a key role in facilitating the development and implementation of policies contained in National Seniors National Policy Document. The NT SPG also acts as a conduit between – National Seniors members in the Territory; relevant community organisations; and the NPG on policy issues of relevance to seniors.

By focusing on five (5) policy priority areas this submission makes the following recommendations to the Northern Territory Government:

## Aged Care

- ***Fund collaborative research projects that examine the economic and social impacts of social isolation.***
- ***Continue to provide financial support and work collaboratively with business and community organisations to ensure an adequate and varied range of community events and activities that encourage seniors to remain physically and mentally active.***
- ***Work collaboratively with aged care service providers in order to address the lack of appropriately qualified staff and the exodus of aged care workers from the industry by establishing worthwhile career pathways.***
- ***Review current quality monitoring mechanisms for HACC funded agencies in order to ensure efficient use of funds and maximum care provision in both urban and remote communities.***

## Commonwealth/State & Territory relations

- ***Encourage the Council of Australian Governments (COAG) to immediately establish a National Council comprising Commonwealth, State and Territory Ministers responsible for Ageing, which would report directly to COAG and be responsible for developing strategic responses to the Intergenerational Report and other national ageing issues.***

### Mature age employment

- ***In collaboration with business and community organisations fund additional programs that provide information and assistance to mature age job seekers in the Territory, and raise awareness amongst employers of the necessities and benefits of including mature age workers.***
- ***Fund additional training opportunities for mature age job seekers to develop new skills and strengthen existing skills.***
- ***Work with the Commonwealth, State and Territory Governments to improve and standardise workers compensation legislation to ensure that employers and mature-aged workers are not disadvantaged by explicit age-based restrictions.***
- ***Take leadership through the Council of Australian Governments (COAG) in calling for the Commonwealth Government to immediately remove explicit age based restrictions in current superannuation arrangements.***

### Stamp duty

- ***Provide seniors holding Pensioner Concession Cards, Commonwealth Seniors Health Cards or NT Seniors Cards with a concessional rate of stamp duty when downsizing their homes.***
- ***Eliminate stamp duty impost on home and contents insurance for seniors holding Pensioner Concession Cards, Commonwealth Seniors Health Cards or NT Seniors Cards.***

### Transport reciprocity

- ***Proactively engage with the Commonwealth, State and Territory Governments to implement a single interstate transport scheme for Seniors Card holders across Australia.***

We believe if these recommendations are adopted by the Northern Territory Government it will go a long way to meeting the current and future needs of senior Territorians.

## 2. About Us

**National Seniors** is the largest senior's organisation in Australia with over 250,000 individual members in 165 branches across the country. We are a not-for-profit community organisation with the following objectives:

- to provide economic and social benefits for people 50 years and over;
- to represent our members' views to Government at all levels; and
- to make donations and provide service and advice to charitable institutions assisting people 50 years and over.

National Seniors offers members a vast range of services and benefits and is an influential vehicle for contributing to policy debates affecting older Australians.

National Seniors' policies and policy agenda are developed through a comprehensive grassroots process that enables members to contribute through local branches, regional zone committees, State and Territory Policy Groups (SPGs), and a National Policy Group (NPG). The outcomes from this policy formulation process are incorporated into our *National Policy Document*<sup>1</sup>.

The **National Policy Office (NPO)**, based in Canberra, facilitates the implementation of National Seniors' national policy agenda, and advocates on behalf of older Australians to government at all levels, and to business and the broader community. The NPO works closely with our National, State and Territory Policy Groups and our extensive network of State offices, branches and zone committees in determining issues of relevance to older Australians and identifying trends in ageing.

The work of the NPO is assisted by the Commonwealth Department of Health and Ageing, through the Community Sector Support Scheme (CSSS). The funding received under this scheme better positions National Seniors to:

- grow the operational capacity of the NPO;
- expand communications with the seniors' community;
- increase engagement opportunities for disadvantaged seniors; and
- act as a conduit for information flow between government and the community in order to draw together seniors' views on issues of relevance and provide a consultative mechanism for the government.

The NPO also plays a key role in informing the development of the research program for the National Seniors Productive Ageing Centre, which in turn, provides research input to the NPO. The **National Seniors Productive Ageing Centre (NSPAC)**, established in 2002, is co-funded by National Seniors in collaboration with the Department of Health and Ageing. NSPAC's role is to research issues that impact on the ability of seniors to contribute productively to the economy and society. The centre is consumer focused in both the development of its research agenda and conduct of research activities.

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<sup>1</sup> National Seniors. 2006. *National Policy Document*. Available at: [www.nationalseniors.com.au/Policies](http://www.nationalseniors.com.au/Policies).

## 3. National Seniors Submission

### 3.1 Aged Care

#### 3.1.1 Ageing at Home

Over 90 per cent of Australians currently age in their own homes. Research also shows that by 2010, an even greater proportion of older Australians will be living alone – we must therefore ensure this group of seniors receive adequate support and does not become disconnected from the community.

By supporting older Australians who elect to age at home positive outcomes are provided to both the individual and to government by lessening the demand for residential aged care.

Notwithstanding these benefits, older people ageing at home face a number of challenges – decreased mobility; difficulty undertaking tasks such as gardening and housekeeping; and escalating energy and food costs.

It is also crucial for the well-being of older Australians that they remain connected with their communities. It is also incumbent on all levels government, business and the wider community to provide the means for them to do so.

Our Northern Territory members are concerned that more needs to be done in the Territory to limit the opportunities for social isolation to occur. This is made all the more important by the predicted ageing of the Territory's population and the increasing preference of older Territorians to age at home.

Research has proven that the more opportunities there are for people to interact and communicate the less likely they are to develop depression or mental illness. Australian studies also show that most people rely on and are more likely to seek assistance from family, friends and community based non-professionals in cases of depression, rather than from health professionals.

However, for older Territorians without family or friends the opportunities for social interaction are less prevalent, limiting opportunities to communicate health or cost of living concerns. It is therefore essential that government where possible facilitate events and activities that encourage seniors to remain physically and mentally active.

National Seniors encourages the Northern Territory Government to work with business and a broad range of community organisations in order to develop innovative community support activities for older people. To ensure variety in these activities partnerships should also be developed with schools, colleges, universities and with local sporting groups and clubs.<sup>2</sup>

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<sup>2</sup> Ideas based on: Clarence City Council, *Positive Ageing Plan 2007-2011*, Available at: <http://www.ccc.tas.gov.au/site/page.cfm?u=601>

While current incidences of social isolation in the Territory may be within generally accepted levels, appropriate action taken now will enable these levels to be reduced further in the future.

Another area of concern for our members is the *Home and Community Care Program* (HACC), which is jointly funded by the Commonwealth but managed largely by the Northern Territory Department of Health and Community Services (DHCS). In particular, members are concerned that the administration of the HACC program in the Northern Territory is poor, including services for indigenous seniors living in remote communities. In particular, with only 30 per cent of HACC urban services being reviewed against service standards in 2006-2007 National Seniors believes that the process for scrutinising service providers is currently inadequate.<sup>3</sup>

There also appears to be no explicit mechanism for assessing the proportion of overall funding which is spent by individual (HACC funded) service providers on administrative costs. The introduction of an 'administrative spending cap' would ensure that money is efficiently spent by providers and would maximise the hours of care that could be provided.

Accordingly, National Seniors believes that the Northern Territory Government needs to follow the precedent set by other states and undertake an independent review into the efficiency of individual HACC funded services in the Territory.

It is recommended that the Northern Territory Government:

- ***Fund collaborative research projects that examine the economic and social impacts of social isolation.***
- ***Continue to provide financial support and work collaboratively with business and community organisations to ensure an adequate and varied range of community events and activities that encourage seniors to remain physically and mentally active.***
- ***Review current quality monitoring mechanisms for HACC funded agencies in order to ensure efficient use of funds and maximum care provision in both urban and remote communities.***

### 3.1.2 Residential

While recognising the Commonwealth Government's recent investment in relation to aged care through the *Securing the future of aged care for Australians* package, staffing pressures in residential and community settings remains an issue in all states and territories.

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<sup>3</sup> NT Treasury Department. 2007-2008 Budget – Budget Paper No.3. Available at: <http://www.budget.nt.gov.au/papers/bp3/health.pdf>



National Seniors Territory members have expressed concern that both the shortage of staff and the lack of appropriately qualified staff is impacting negatively on the level of care provided. Further, unless these problems are addressed the long term sustainability of the age care industry could also be put at risk.

In the Northern Territory, the population is predicted to grow by 75 per cent between 2004 and 2051, with the over 50s population projected to increase by nearly 170 per cent, from 37,031 to 99,720.<sup>4</sup> Further, the population 85 and over in the Territory is predicted to increase by more than 850 per cent by 2051.<sup>5</sup>

This transformation presents a number of challenges for Australian society as it follows that the demand for health and aged care services and appropriately qualified staff will need to increase accordingly.

In particular, strategies which attract and retain appropriately qualified and skilled staff for the aged care sector will need to be developed. In this respect the *2007 National Aged Care Workforce Census and Survey* will provide a solid platform on which these strategies can be based.

Addressing staffing pressures is not the sole responsibility of the Commonwealth Government. National Seniors believes it is incumbent on state and territory governments to also take responsibility for this salient issue.

It is recommended that the Northern Territory Government:

- ***Work collaboratively with aged care service providers in order to address the lack of appropriately qualified staff and the exodus of aged care workers from the industry by establishing worthwhile career pathways.***

### 3.2 Commonwealth/State & Territory Relations

Given that the ageing portfolio straddles Commonwealth, State and local responsibilities it is crucial that the various levels of government work collaboratively if ageing initiatives are to be planned, developed and implemented in an effective manner.

Unfortunately, there is a current lack of cohesion across government which is resulting in poor strategic direction, gaps in service delivery and poor information dissemination.

A National Ministerial Council that reports directly to the Council of Australian Governments (COAG) and has specific responsibility for the broad range of issues that affect older Australians (e.g. health and aged care, mature age employment, financial security, housing affordability and positive ageing) is required to overcome the current dysfunctional arrangements.

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<sup>4</sup> Australian Bureau of Statistics (ABS). 2006. *Population Projections, Australia 2004 -2101*. Available at: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/3222.02004%20to%202101?OpenDocument>

<sup>5</sup> Ibid.

The complexities and overlaps inherent in aged care provision are one example of an area that would greatly benefit from a dedicated National Ministerial Council. This would also assist in stemming the increasingly apparent flow of cost shifting onto local government and non-profit community organisations.

While some aged care services are funded by the Commonwealth others are jointly funded by the Commonwealth and the States. There are some (17) seventeen different funding arrangements for community care services including: Home and Community care (HACC); Veterans Home Care; Community Aged Care Packages (CACPs); Carer Respite Services and many more – all with varying eligibility requirements.

The lack of cohesion and direction across government in respect to aged care has no doubt contributed to the current situation: a complex web of services and funding sources, that is increasingly difficult for individuals and their families to navigate.

It is recommended that the Northern Territory Government:

- ***Encourage the Council of Australian Governments (COAG) to immediately establish a National Council comprising Commonwealth, State and Territory Ministers responsible for Ageing, which would report directly to COAG and be responsible for developing strategic responses to the Intergenerational Report and other national ageing issues.***

### 3.3 Mature Age Employment

For many senior Australians, participating in the labour force is a way of contributing to society and maintaining financial independence.

#### 3.3.1 Greater Information & Assistance

The Australian Government's *Second Intergenerational Report* (2007) suggests that a major way of increasing Australia's overall productivity is by lifting workforce participation rates, including mature age participation rates.

Australia is undergoing extensive demographic change and, as a consequence, the size and age composition of the labour force is also changing.<sup>6</sup> As well as contributing to overall participation the retention of mature age workers will lessen the impact of the predicted skills shortage across many sectors of the economy.

The participation rate of older Australians (45-64) has increased steadily over the last 20 years and is now at its highest level on record.<sup>7</sup> The proportion of employed people aged 45-64 has increased from 56 per cent in 1983 to 69 per cent in 2003.<sup>8</sup>

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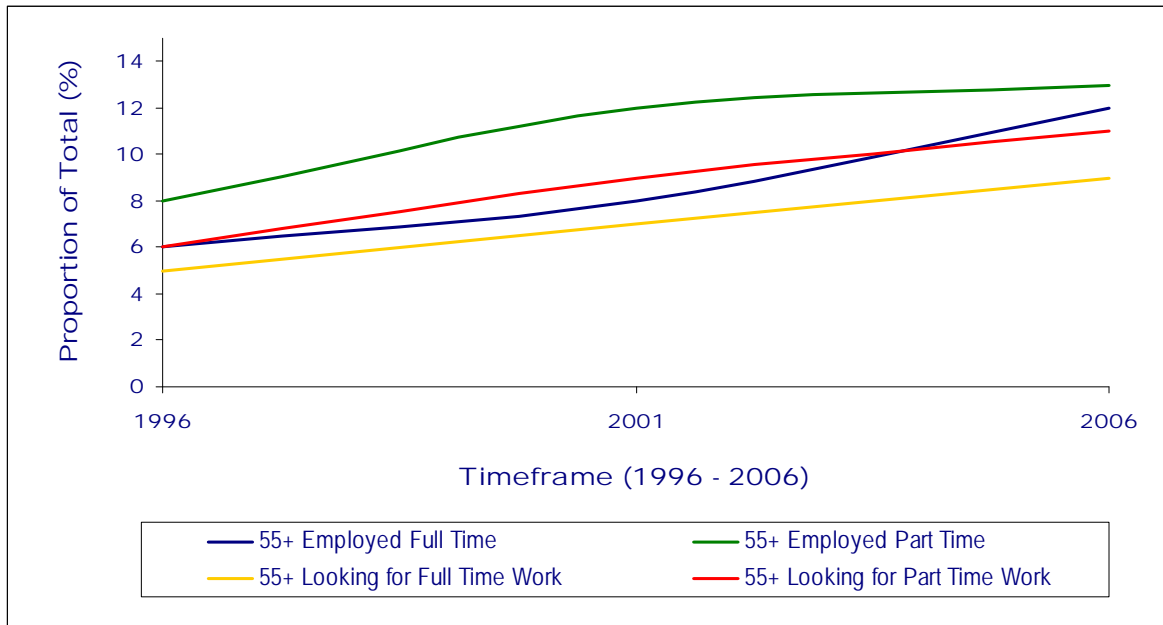
<sup>6</sup> Australian Bureau of Statistics. 2004. *Labour force characteristics of mature age people*. Available at: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/94713ad445ff1425ca25682000192af2/31876e7ef527256eca256f1f007b8cde!OpenDocument>

<sup>7</sup> Commonwealth Department of Treasury. *Older men bounce back: the re-emergence of older male workers*. Available at: [www.treasury.gov.au/documents/1190/HTML/docshell.asp?URL=04\\_men.asp](http://www.treasury.gov.au/documents/1190/HTML/docshell.asp?URL=04_men.asp)

<sup>8</sup> National Seniors analysis based on ABS data from 1996, 2001 and 2006 Census

The Northern Territory is no exception to this trend with workers 55 years and over representing nearly 12 per cent of the total (full time) Territory workforce in 2006 compared to just over 6 per cent in 1996 (see Figure 1 below).<sup>9</sup>

**Figure 1 – Mature aged (55+) as a proportion of total employed & total jobseekers in the Northern Territory (Based on 1996, 2001 & 2006 Census)**



(Source: Compiled by National Seniors)<sup>10</sup>

Notwithstanding these developments, there remains an estimated 120,000 mature-aged unemployed job seekers nationwide.<sup>11</sup> In the Northern Territory, mature age jobseekers make up nearly 10 per cent of all jobseekers looking for full-time work compared to just 5 per cent in 1996, and an even greater proportion of those seeking part-time work (see Figure 1 above).

A comparatively small workforce and an ageing population will ensure the Northern Territory remains at the forefront of the mature age employment debate.

Accordingly, it is essential that the Northern Territory Government works with and supports local business to provide flexible work practices that match the specific needs of mature age workers.

Mature age employees have accumulated significant talents, skills and experience. It is important that Territory employers recognise and retain this valuable resource and provide opportunities for mature age workers to continue to work, or to return to work in the instance of having left.

Research shows that organisations rarely implement programs specifically aimed at addressing the needs of mature-age workers, such as access to training.

<sup>9</sup> Ibid.

<sup>10</sup> Based on ABS data for 1996, 2001 and 2006 Census

<sup>11</sup> National Seniors. *Commonwealth Budget Submission 2007-08*. Available at: <http://www.nationalseniors.com.au/>

Individual concerns such as lack of confidence, unfamiliarity with contemporary technology or practices and so on, also inhibit individuals from actively seeking work for fear of outright rejection. National Seniors members have expressed the need for greater assistance and information for mature age job seekers to address these concerns.

While recognising recent initiatives such as the joint Commonwealth-Northern Territory Government grants program *Australians Working Together*, greater commitment is clearly needed if the economic benefits of increasing mature age participation rates are to be maximized in the Territory.

Aside from increasing available labour, such responses are necessary to limit the potential for long term disadvantage.<sup>12</sup>

It is recommended that the Northern Territory Government:

- ***In collaboration with business and community organisations fund additional programs that provide information and assistance to mature age job seekers in the Territory, and raise awareness amongst employers of the necessities and benefits of including mature age workers.***
- ***Fund additional training opportunities for mature age job seekers to develop new skills and strengthen existing skills.***

### 3.3.2 Removal of age barriers

While recognising the significant developments in recent years in areas such as compulsory retirement and age discrimination, certain age limitations remain in place that undermine the ability for some older Australians to undertake full or part-time work in order to supplement their retirement savings.

In particular, age requirements in relation to workers compensation represent a considerable disincentive for mature age workers and jobseekers to work past age pension age, in particular for those in high risk industries. In 2003 over 40 per cent of workers in the agriculture, forestry and fishing industries were 45-64, which is consistent with the trend for fewer young people to enter farming and with farmers often working beyond the age of 65 years.<sup>13</sup>

Compared with other states the Northern Territory has one of the most limited workers compensation schemes for persons over 65 years of age. Workers compensation in the Territory ceases when a worker turns 65 (when the claimant is 63 or younger) or alternatively lasts for only 6 months (when the claimant is 65 or over) (see Figure 2 below).

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<sup>12</sup> Ibid.

<sup>13</sup> Australian Bureau of Statistics. 2004. Op.cit.

**Figure 2 - A comparison of mandatory workers compensation cover across the Commonwealth, States & Territories**

| Jurisdiction                             | Mandatory period of payment (where claimant is 65 or over) | Age at which workers compensation ceases (where claimant is 63 or younger) |
|--|--|--|
| CWTH (Including some private businesses) | 2 years  | 65   |
| VIC                                      | 2 ½ years  | 65   |
| NSW                                      | 1 year   | 65   |
| SA                                       | 6 months   | 65   |
| WA                                       | 1 year   | 65   |
| QLD                                      | (Standard) 5 year period applies                           | 5 years after initial incapacity claim                                     |
| TAS                                      | 1 year   | 65   |
| ACT                                      | 2 years  | 65   |
| NT                                       | 6 months   | 65   |

(Source: Compiled by National Seniors)<sup>14</sup>

Explicit age barriers in current superannuation arrangements also act as a significant disincentive for older Northern Territorians to remain in employment or to return to the workforce. For instance, while employers can still make contributions on behalf of employees until the age of 75, contributions are not mandatory for employees aged 70 years or older. While recognising that superannuation is a Commonwealth responsibility, National Seniors believes there is an opportunity through COAG (Council of Australian Governments) for state and territory governments to also raise awareness around these disincentives.

These age barriers appear to have no justification and contrast sharply with the increasing participation rates and life expectancies of older Australians.

It is recommended that the Northern Territory Government:

- **Work with the Commonwealth, State and Territory Governments to improve and standardise workers compensation legislation to ensure that employers and mature-aged workers are not disadvantaged by explicit age-based restrictions.**
- **Take leadership through the Council of Australian Governments (COAG) in calling for the Commonwealth Government to immediately remove explicit age based restrictions in current superannuation arrangements.**

<sup>14</sup> Information was sourced from the following: NSW Workers Compensation Act (1987), Victorian Accident Compensation Act (1985), Queensland Workers Compensation and Rehabilitation Act (2003), South Australian Workers Rehabilitation and Compensation Act (1986), WA Workers Compensation and Injury Management Act (1981), Tasmanian Workers Rehabilitation and Compensation Act (1988), ACT Workers Compensation Act (1951), and NT Work Health Act (2007).

## 3.4 Stamp Duty

### 3.4.1 Downsizing

It is a fact of life that, eventually, many older Australians will move out of their family home in order to live in a smaller unit. The reasons are many and varied, including:

- a reduced income and increased living pressures (rates, home maintenance, house and contents insurance);
- the need for proximity to medical services, family or friends; and
- the need to access the benefits of retirement village living.

In realising some of the wealth tied up in property many retirees are able to top-up their typically low, fixed incomes and provide themselves with the financial security to meet any unexpected one-off costs. It is therefore incumbent on government and business to ensure that a favourable environment exists in which the benefits of downsizing can be fully utilised.

National Seniors members have expressed their concern that in the Northern Territory the current rate of stamp duty fails to recognise the benefits of downsizing and at the same time acts as a considerable disincentive.

For example, currently a senior who is downsizing from a family home valued at \$750,000 to a smaller unit valued at \$500,000 would be required to pay over \$20,000 in stamp duty. This represents 8 per cent of the intended savings and around 15 per cent of the savings when estate agent fees are included.

The current *Principal Place of Residence Rebate* is only \$2,500 for contracts negotiated on or after 20 June 2005. This amount is grossly inadequate when contrasted against the growth in median house prices in recent years.

Darwin house prices rose by 12.5 per cent in the 12 months to September 2007.<sup>15</sup> Further, in the year to June 2007 Darwin's median house price climbed \$45,000 to \$395,000, while the median unit price climbed to \$279 250, up \$11 775.<sup>16</sup>

A State and Territory comparison also reveals that the Northern Territory has some of the highest rates of stamp duty for residential properties purchased at between \$200,000 and \$500,000 (see Figure 3 below).

The effects of these high rates on senior Territorians have been further compounded by the rapid increases in property prices and the increased likelihood of those downsizing looking to be in close proximity to essential services, which typically increases property values and further reduces intended savings.

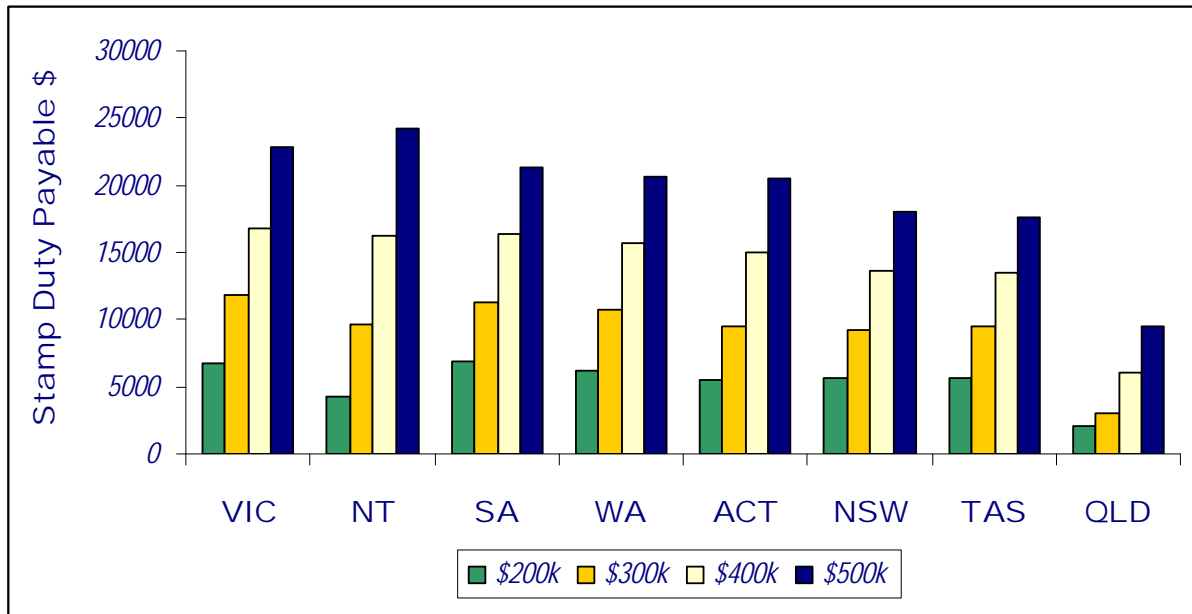
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<sup>15</sup> Australian Investment Centre. 2007. Available at:

<http://www.australianinvestmentcentre.com.au/aic/site/libraries/Latest+Information>

<sup>16</sup> Ibid.

**Figure 3 – Comparison of stamp duty (non first home buyers) across states and territories for property purchases valued at between \$200k - \$500k**



\*Information in this table is current as at 19.11.07  
 (Source: Compiled by National Seniors)

While recognising the need to provide assistance to first home buyers such as young families and those on low incomes, National Seniors would like to emphasize the disparity with the assistance currently offered to seniors.

In contrast to the consideration given to senior Territorians the 2007-2008 Northern Territory Budget entitled first home buyers to a concession of up to \$15,312 off the stamp duty payable. This concession, which is separate to the *First Home Owner Grant* of \$7,000, represents the duty on the first \$350,000 of the purchase price off the property and is expected to provide \$4 million in tax relief each year.<sup>17</sup>

Accordingly, senior Territorians increasingly feel that they have not shared in this tax relief or in the Territory’s improved economic position.

In 2005-2006 the NT Government raised over \$113 million in stamp duty conveyances, representing an increase of over 300 per cent on 2000-2001 revenue, and an increase of 55 per cent on the previous financial year.<sup>18</sup> Also, while the Northern Territory Government has provided \$156 million in direct tax relief since 2002, this has primarily targeted business and first home buyers.<sup>19</sup>

Older Australians make significant contributions to the nation’s well-being during their lives through both paid work and volunteering and it is therefore incumbent on us as a society to respect and support them as they age.

<sup>17</sup> NT Treasury. Territory Revenue Office. Available at: [http://www.nt.gov.au/ntt/revenue/home\\_incentives.shtml](http://www.nt.gov.au/ntt/revenue/home_incentives.shtml)

<sup>18</sup> Australian Bureau of Statistics. 2007. Taxation Revenue Australia 2005-2006. Available at: <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/5506.02005-06?OpenDocument>

<sup>19</sup> NT Treasury. 2007-2008 NT Budget - Overview. Available at: [http://www.budget.nt.gov.au/papers/bud\\_over/budget\\_overview.pdf](http://www.budget.nt.gov.au/papers/bud_over/budget_overview.pdf)

In providing seniors who are downsizing with a similar concessional rate as that offered to first home buyers, the financial well-being of the Territory's seniors' community could be vastly improved.

It is recommended that the Northern Territory Government:

- ***Provide seniors holding Pensioner Concession Cards, Commonwealth Seniors Health Cards or NT Seniors Cards with a concessional rate of stamp duty when downsizing their homes.***

### 3.4.2 Insurance

The current high rate of stamp duty on insurance premiums is undoubtedly contributing to the rapid increase in the cost of home and contents and motor vehicle insurance which is now beyond the reach of an increasing number of seniors.

Home and contents and motor vehicle insurance have been identified by National Seniors' members as significant cost of living pressures with effects most pronounced, but by no means limited to those who rely on a government age pension as their principal source of income.

For the increasing number who can no longer afford insurance the effects of unexpected one-off costs such as maintenance and repairs can be financially devastating and can impact on a person's mental health.

It should be noted that the ITSA's *2006-2007 Annual Report* shows older Australians (over 55s) account for a much greater proportion of bankruptcies than they did 10 years ago. The Report also illustrates that while older Australians typically have fewer outstanding debts referred for collection, when collection did occur it was usually for much larger amounts than the rest of the population.<sup>20</sup>

While National Seniors recognises the concessions currently offered to seniors in respect to local rates and water and sewerage levies, it strongly encourages the Northern Territory Government to recognise the dangers of the increasing number of seniors forsaking insurance due to its cost.

It is recommended that the Northern Territory Government:

- ***Eliminate stamp duty impost on home and contents insurance for seniors holding Pensioner Concession Cards, Commonwealth Seniors Health Cards or NT Seniors Cards.***

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<sup>20</sup> Insolvency and Trustee Service Australia. 2007. *Annual Report*. Available at:

<http://www.itsa.gov.au/dir228/itsaweb.nsf/docindex/about+us->publications->annual+reports?opendocument>



### 3.5 Transport Reciprocity

Whilst most seniors can obtain business and travel concessions from the various State and Territory Seniors Card programs, anomalies and inequities are created by the current lack of a national transport reciprocity scheme.

By way of an example, the cost currently to an NT Seniors Card holder of a return trip from Sydney (central) to visit the Jenolan Caves (Blue Mountains) is \$23.20. This contrasts sharply with the \$2.50 fare for travel companions with a NSW Seniors Card (see Figure 4 below).<sup>21</sup>

In all states other than the Northern Territory and Tasmania ‘out of state’ Seniors Card holders cannot access public transport discounts extended to ‘home state’ Seniors Card holders. The anomalies and inequities created by this lack of transport concession reciprocity also vary from State to State (see Figure 4 below).

**Figure 4 – A State & Territory comparison of the cost of a daily (metro) travel ticket for NT Seniors Card holders and home-state Seniors Card holders**

|                                | Price (\$)  |              |             |             |             |
|--------------------------------|-------------|--------------|-------------|-------------|-------------|
|                                | WA          | NSW          | VIC         | SA          | QLD         |
| NT Seniors Card holder         | 8.10        | 15.40        | 9.90        | 7.70        | 8.20        |
| Home state Seniors Card holder | 2.40        | 2.50         | 3.00        | 3.80        | 4.10        |
| Price Difference               | <b>5.70</b> | <b>12.90</b> | <b>6.90</b> | <b>3.90</b> | <b>4.10</b> |

*\*Information in this table is current as at 10.07.07  
(Source: Compiled by National Seniors)<sup>22</sup>*

The confusion caused by current arrangements also acts as a significant barrier to interstate tourism. *Bureau of Tourism Research* (2002) shows that seniors spend in the region of \$8.5 billion in overnight domestic travel each year. This represents 21 per cent of total overnight domestic travel expenditure in Australia. As a result of projected demographic changes these amounts are expected to notably increase.<sup>23</sup>

Research also reveals that seniors are more likely than any other age group to travel interstate in order to visit friends or relatives. National Seniors members have also expressed how the added cost pressures have impacted on their ability to do this, or to participate in the community. From June 2005 to June 2006 proportional spending on transportation increased by over 8 per cent for older person households.<sup>24</sup>

<sup>21</sup> City Rail NSW. Available at: <http://www.cityrail.nsw.gov.au/>

<sup>22</sup> Information for this table was sourced from publicly available online travel information.

<sup>23</sup> A.Hossain, G.Bailey and M.Lubulwa (2002), *Characteristics and Travel Patterns of Older Australians: Impact of Population Ageing on Tourism*, Bureau of Tourism Research, Canberra

<sup>24</sup> Australian Bureau of Statistics. (2006). *6463.0 Analytical Living Cost Indexes for Selected Australian Household Types*

While noting that previous attempts by the Commonwealth Government to introduce a national reciprocal transport scheme have been unsuccessful, the current period of economic prosperity, growth in interstate travel and increased travel costs for seniors have ensured the issue remains pressing for older Australians.

National Seniors is also aware that the recently elected Commonwealth Government has committed to invest \$50 million to establish a national reciprocal public transport entitlement that will ensure State Government Senior's Card holders can travel at concessional rates anywhere in Australia.

Introduction of such a scheme would remove a major disincentive to interstate travel amongst older Australians and enable older Territorians to visit friends and family residing interstate, thus helping to reduce the impact of social isolation. This would greatly benefit all 10,000 Seniors Card holders in the Territory.<sup>25</sup>

It is recommended that the Northern Territory Government:

- ***Proactively engage with the Commonwealth, State and Territory Governments to implement a single interstate transport scheme for Seniors Card holders across Australia.***

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<sup>25</sup> Department of the Chief Minister. *Information for Businesses*. Available at: <http://www.nt.gov.au/dcm/seniors/card/infobus.html>

## 4. References

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