



**Submission to the
2014 - 2015
Tasmanian
State Budget**

July 2014

About National Seniors Australia

National Seniors Australia is a not-for-profit organisation that gives voice to issues that affect Australians aged 50 years and over. It is the largest membership organisation of its type in Australia with more than 200,000 members and is the fourth largest in the world.

We give our members a voice – we listen and represent our members' views to governments, business and the community on the issues of concern to the over 50s.

We keep our members informed – by providing news and information to our members through our Australia-wide branch network, comprehensive website, forums and meetings, bi-monthly lifestyle magazine and weekly e-newsletter.

We provide a world of opportunity – we offer members the chance to use their expertise, skills and life experience to make a difference by volunteering and making a difference to the lives of others.

We help our members save – we offer member rewards with discounts from thousands of businesses across Australia. We also offer exclusive travel discounts and more tours designed for the over 50s and provide our members with affordable, quality insurance to suit their needs.

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Recommendations

Concessions

1. That the current level of concessions to holders of a Pensioner Concession Card, Commonwealth Seniors Health Card and Seniors Card are maintained (including those previously funded by the Commonwealth National Partnership Agreement).

Health

2. Achieve the Australasian College for Emergency Medicine target for attending to emergency department patients within four hours.
3. Ensure that 50's and over have timely access to dentists thereby reducing the general dental care waiting list.
4. Ensure that a feasibility study into the establishment of a purpose built Hospice facility for Northern Tasmania commences before the 1 January 2015.

Housing

5. Provide property duty relief for seniors selling their family home and downsizing.

Mature Age Employment

6. Amend the Work Cover legislation to allow workers who are injured at or after the age of 65 to benefit from workers' compensation in exactly the same way as younger workers are able to.
7. Develop a program to increase the workforce participation of the 50's and over, including providing training, support, career re-evaluation, redirection and reskilling.

Executive Summary

National Seniors Tasmanian Policy Advisory Group plays a key role in identifying emerging issues and trends affecting the over-50s throughout Tasmania. It also acts as a conduit between National Seniors' members within the States, relevant community organisations and the Government.

The Australian population is ageing. The proportion of the population aged 65 years or more is projected to increase from around one in seven Australians in 2012 to one in four Australians by 2060 and close to one in 3.5 Australians at the turn of the next century.¹

Currently, over 51 per cent of Tasmanian voters are aged 50 and over.² Within a few years a clear majority of voters will be aged 50 and over.

In 2020 one in five Tasmanians will be aged 65 and older, and in 2030 it is projected that one in four Tasmanians will be aged 65 or more³. This ageing demographic presents a number of challenges and opportunities for the Tasmanian Government, economy and community.

There are many opportunities for the Tasmanian Government to implement changes which would benefit Tasmanian seniors. However recognizing the State's financial constraints, National Seniors has limited its pre-budget submission request to four key issues: Concessions, Health, Housing and Mature Age Employment – all of which also have a significant economic and employment impact.

Tasmanian seniors have indicated that their top priority is to ensure that the current level of concessions and rebates **are not scaled back** regardless of any reductions in Commonwealth financial support.

All Tasmanian seniors are struggling with the increasing cost of living and have already cut back on their consumption of essential services such as electricity, water and gas.

Tasmanian seniors cannot afford an increase in their cost of essential services, as would result from any scale back to the current concessions and rebates.

¹ Productivity Commission (2013) *An Ageing Australia Preparing for the Future*. Australian Government.

² The Australian Electoral Commission (2013) *Elector Count by Division, Age Group and Gender for all States and Territories*. Australian Government.

³ Department of Premier and Cabinet (2013) *Facing the Future: A Baseline Profile on older Tasmanians*. Tasmanian Government.

Concessions

Recommendation 1: That the current level of concessions to holders of a Pensioner Concession Card, Commonwealth Seniors Health Card and Seniors Card are maintained (including those previously funded by the Commonwealth National Partnership Agreement).

Tasmanian seniors including pensioners and self-funded retirees are heavily reliant on the current level of concessions and rebates provided on a number of essential services such as Local Government rates, water and sewerage, electricity, gas, motor vehicle registration and public transport.

The current value of Tasmanian senior and pensioner concessions is approximately \$1,163 per annum⁴ which is the lowest value of senior and pensioner concessions of any State and Territory.

A single senior in receipt of the full age pension receives a meager \$842.80 a fortnight amounting to a little over \$21,000 per annum. Any decrease in concessions will be a significant hit to those low income earners who already live very frugally. The age pension is also expected to begin to decline in relative value from 1 September 2017 as a result of proposed changes to the indexation applied to the age pension.

We urge the Tasmanian Government to maintain the value of concessions currently available for pensioner and seniors following the examples of other States and Territories which have committed to maintaining the current level of concessions.

National Seniors is hopeful that any reduction in the Governments' expenditure to recover the funding lost from the Commonwealth will be derived from non-essential expenditure for example the funding of sporting events.

Economic and Employment Impact:

The loss or scale back of concessions will have a contracting effect on the Tasmanian economy. If concessions are lost or scaled back Tasmanian seniors will cut back on their spending and reduce the demand for goods and services, thereby applying further pressure on local businesses and increasing the likelihood of job losses.

⁴ Tasmanian Government (2013) *Discounts and Concessions*. Tasmanian Government

Health

Recommendation 2: Achieve the Australasian College for Emergency Medicine target for attending to emergency department patients within four hours.

Recommendation 3: Ensure that 50's and over have timely access to dentists thereby reducing the general dental care waiting list.

Recommendation 4: Ensure that a feasibility study into the establishment of a purpose built Hospice facility for Northern Tasmania commences before the 1 January 2015.

Emergency Departments

The consequences of not being able to access timely health care are serious. When people can't access general health care, they are more likely to get sick and may even end up in hospital when a simple condition is allowed to worsen.⁵ Lack of access to timely health care also reduces productivity with annual productivity losses associated with absenteeism and presenteeism estimated to be as much as \$25 billion.⁶

The proportion of emergency patients seen on time in 2012-13 within the Tasmanian public health system falls within the mid-range of 71 per cent among all states and territories whose responsiveness ranged from 51 to 78 per cent.⁷ The Australian hospital statistics 2012–13 Emergency department care report indicates that Tasmania also has a below average median waiting time in minutes to attend to emergency patients overall.⁸

A 2014 Tasmanian health report on emergency department responsiveness shows that responses to Category 1 (resuscitation), Category 2 (emergency) and Category 5 (non-urgent) patients met the target percentages for providing care within the response times set by the Australasian College for Emergency Medicine guidelines.⁹

However this was not the case for Category 3 (urgent) and Category 4 (semi-urgent) patients who should be seen within 30 minutes and one hour respectively.

Among emergency department patients, 55.0 per cent of Category 3 (urgent) patients were attended to within 30 minutes, below the target of 75 per cent and 62.3 per cent of Category 4

⁵ Stephen Duckett and Peter Breadon (2013) *Access all areas: new solutions for GP Shortage in rural Australia*. Grattan Institute.

⁶ Australian National Preventive Health Agency (2013) *State of Preventive Health Agency*. Australian Government.

⁷ Australia Institute of Health (2013) *Australia hospital statistics 2012-13* Australian Government.

⁸ Australia Institute of Health (2013) *The Australian hospital statistics 2012–13 Emergency department care report* Australian Government.

⁹ Department of Health and Human Services (2014) *Your Health and Human Services Progress Chart: June 2014* Tasmanian Government.

(semi-urgent) patients were attended to within one hour, below the target of 70 per cent. It is disappointing that nearly half of Category 3 patients and 40 per cent of Category 4 patients are not seen within the targeted timeframe however, we note that performance against these two targets has improved since last year.

National Seniors is concerned that the State wide target of 78 per cent of patients physically leaving the Emergency Department within four hours of presentation has not been achieved in the March 2014 quarter with only 67.1 per cent of patients leaving within four hours. In addition overall performance has declined slightly from the December 2013 quarter which achieved 68 per cent of patients leaving within four hours. Unfortunately, at this stage it appears unlikely that the long term December 2015 target of 90 per cent of patients physically leaving the Emergency Department within four hours of presentation will be reached.¹⁰

Tasmania's emergency waiting times are putting urgent and semi-urgent older patients at risk. Long emergency department waiting times are associated with an increased risk of hospital admission or death.¹¹

Dental Health

Tasmania has the lowest rate of dental practitioners per capita of any State or Territory.¹² The waiting list for public general dental care (adults) continues to rise. As at 31 December 2013, the general care waiting list increased from 14,489 to 15,427 individuals or an increase of 6.4 per cent compared to the same time in the previous year.¹³

The long emergency wait times and delays to see dentists experienced by Tasmanian seniors within the public health system must be reduced to provide residents with timely access to health care. Such timely access to health care will result in over 50's returning to work sooner, taking less sick days and in some case avoiding hospitalization and early retirement.

Northern Tasmania Hospice

Demand for palliative care services will continue to grow at a faster rate than in other States because of Tasmania's aging population.¹⁴ National Seniors members have indicated that the lack of a palliative care facility in the north of the State is having a detrimental impact on seniors and their families.

¹⁰ Department of Health and Human Services (2014) *Your Health and Human Services Progress Chart: June 2014* (Appendix 1) Tasmanian Government.

¹¹ British Medical Journal (2011) *Association between waiting times and short term mortality and hospital admission after departure from emergency department* BMJ 2011; 342 doi:

¹² Australian Institute of Health and Welfare (2012) *Oral Health and Dental Care in Australia Key Facts and Figures 2012* Australian Government and the University of Adelaide.

¹³ Department of Health and Human Services (2014) *Your Health and Human Services Progress Chart: June 2014* Tasmanian Government.

¹⁴ Eagar, K, Gordon, R, Quinsey, K and Fildes, D, *Palliative Care in Tasmania: current situation and future directions*, Centre for Health Service Development, University of Wollongong, 2004, 80p.

A survey conducted by the Friends of Northern Hospice indicated that 81 per cent of doctors surveyed believe there are deficiencies in palliative care services in Northern Tasmania. Action is required to address this deficiency as soon as possible i.e. commences before the 1 January 2015.

The Government must keep its election promise to provide \$100,000 to fund a feasibility study into a palliative care facility in Northern Tasmania in the 2014-15 budget.

Economic and Employment Impact:

Redirecting expenditure on health to the key priorities and projects as recommended will increase the health and wellbeing of Tasmanian seniors and the broader community.

Reducing the number of unhealthy or injured Tasmanians aged 50 and over could have numerous positive impacts for the Tasmanian community and economy. Health improvements for 10 per cent of the unhealthiest older workers (those aged 49-60) can have significant positive effects on the economy.¹⁵ The proposed new Hospice will also create new jobs in the north of the State and boost the regional economy.

Housing

Recommendation 5: *Provide property duty relief for seniors selling their family home and downsizing.*

Research suggests that 84 per cent of Australian dwellings occupied by people aged 55 years and over are being under-utilised.¹⁶ Seniors have indicated that the cost of stamp/ property duty is a discouraging factor when considering downsizing¹⁷.

National Seniors suggests that the Tasmanian Government follow the lead of the ACT Government and offer some form of duty relief for seniors who wish to downsize.

The ACT Government has recently announced that seniors over 60 who move out of a larger property into a smaller house will pay only \$20 in stamp duty for a property worth \$595,000 or less, and reduced stamp duty on properties worth over \$595,000 and less than \$765,000.¹⁸

Downsizing has many positive benefits for seniors including properties that are easier to maintain and allowing access to equity to fund other retirement expenditure, including the cost of aged care.

¹⁵ Dr George Verikios (2013) *Healthy older workers boost the economy*. Monash University.

¹⁶ Judd B, Olsberg D, Quinn J, Groenhart L, Demirbilek O (2010). *How well do older Australians utilise their home?* AHURI Research and Policy Bulletin Issue 126. Melbourne: Australian Housing and Urban Research Institute.

¹⁷ Productive Ageing Centre (2014) *Downsizing decisions of seniors Australians – What are the motivating and discouraging factors* National Seniors Australia.

¹⁸ Australian Capital Territory Budget (2014-15) *Investing in Canberra* ACT Government

Downsizing also delivers wider community benefits by increasing the availability of family homes for purchase by younger families, which can improve housing affordability and reduce urban sprawl.

Therefore National Seniors also encourages the Government to explore options for medium density age-friendly housing developments in locations that allow seniors to maintain access to familiar services and amenities.

Economic and Employment Impact:

In addition to the general economic benefit of increasing the number of homes purchased, an increase in downsizing (resulting from property duty relief) will allow seniors to access their housing equity increasing the disposable income which is available to go back into the economy.

Mature Age Employment

Recommendation 6: Amend the Tasmanian Work Cover legislation to allow workers who are injured at or after the age of 65 to benefit from workers' compensation in exactly the same way as younger workers are able to.

Recommendation 7: Develop a program to increase the workforce participation of over 50's including providing training, support, career re-evaluation, redirection and reskilling.

Older workers are in a perilous position under current Tasmanian WorkCover legislation. Despite the encouragement by governments for workers to stay at work past retirement age, older workers are discouraged by Tasmania's workers' compensation legislation that provides no automatic coverage for workers aged 65 and over.¹⁹

This is in direct contrast to the more progressive states of Western Australia and Queensland where no workers' compensation age threshold exists within their workers' compensation schemes.

Once a job seeker turns 55 their time spent out of the workforce increases dramatically. Job seekers aged 55 and older are languishing in unemployment for an average 75 weeks compared to 31 weeks for job seekers aged 25-34.²⁰

There is a need for the Tasmanian Government to develop a mature age employment program to assist Tasmanians aged 50 and over who are unemployed or under-employed to find new employment.

The Tasmanian Government's mature age employment program could include an initiative similar to the Over 45 Entrepreneur Small Business Mentoring Up Program previously utilised by the New South Wales Government²¹ and the Western Australian Profit from Experience program.

¹⁹ WorkCover Tasmanian (2014) A Guide to Workers Compensation in Tasmania. Tasmanian Government.

²⁰ Australian Bureau of Statistics (2013) 6291.0.55.001 - Labour Force, Australia, Detailed - Electronic Delivery, Australian Government.

²¹ NSW Industry & Investment (2010) *Over 45's Entrepreneurs Small Business Mentoring Program* NSW Government.

Principally the program must focus on enhancing the skills and emphasising the value of mature workers and their contribution to productivity rather than viewing mature age job seekers as a problem and burden on society.

Economic and Employment Impact:

Increasing the number of older workers will boost the economy, increase the levels of disposable income and reduce the amount of State funding required to support the under- and unemployed.