Ageing and disadvantage

Current research and policy environment

Prepared for the Brotherhood of St Laurence
Attachment – Directory of research relating to ageing and disadvantage

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Use of terms in this report

**Research** is used to encompass activities involving data collection, analysis, assessment of evidence, policy development and advocacy.

**Older people** is generally used to refer to people aged 65 and over; in some sources this category includes women aged 60 and over.
1 Issues of ageing and disadvantage in Australia

This section provides information on the trends and issues in key policy areas relating to ageing; including population changes, income and poverty among older people, retirement and workforce participation, housing tenure, health status and aged care services.

Australia has an ageing population profile, with older people living longer, healthier lives. In 1990 there were about 2 million people aged 65 or over in Australia. By 2000 there were 2.4 million older people, and there is estimated to be 4.5 million in 2020. The total population is not growing as quickly, and so the proportion of older people is expected to increase to about 25% of the population by 2050.

Population ageing is widely considered to be a problem for two reasons:

- the increased proportion of people of retirement age in relation to the population of working age (the aged dependency ratio)
- the expected costs of an increase in demand for subsidised health and aged care services.

The changing age profile of Australia is caused by both a decrease in fertility and an increase in life expectancy. Life expectancy for a man aged 65 in 1964 was 77, by 2004 life expectancy had increased to 83 years. For women, average life expectancy at 65 has increased from 81 to 86 years. Increased life expectancy means that people retiring now and in the future will have a longer and more active period of retirement than previous generations.

1.1 Planning for an ageing Australia

Policy for the future is generally made by looking at the past, but it is now clear that the priorities and needs of the future population will be different from the past, and research is needed to understand the requirements for future policy. The life history, expectations and needs of older people into the future may not be the same as the current generations of older people.

When looking at data from the past in order to plan for the future, we need to consider three ways in which groups of people can differ from each other over time:

- **age effect** – these are related to life course, and the usual pattern of building up assets over a working life and drawing on the value of these assets in retirement
- **period effect** – the life course of people can be influenced by the period in which they live, with incomes and the wealth people can build being affected by living through a period of high unemployment, high house price rises, or other factors
- **cohort effects** – behaviour at a certain age can change over time, with significant variations between generations, such as the changes in women’s working patterns than mean women now reaching retirement have a substantially greater level of workforce participation than did women in earlier cohorts.

The nature of the impact of an ageing population in Australia will be particularly influenced by period and cohort effects. People who are currently retiring or planning to retire have different expectations of their retirement lifestyle than those of previous generations. Many predictions of the negative economic impacts of an older population have assumed that the older population of the future will be essentially the same as the older people of recent decades.
In the past a large proportion of retirees have relied on the age pension for income and have lived with limited means. The rise of mandated superannuation provisions and the rapidly increasing values of housing and stock assets in the last decade mean that future generation of retirees have a greater average level of wealth for their retirement. However, a focus on the increase in average wealth can overlook those older people who have lived on low incomes and who do not own housing and stock assets. These older people are financially and socially disadvantaged, and would be further disadvantaged by policy changes focussed on the average wealth and income of older people.

It is apparent that the baby boomer generation holds a greater expectation of lifestyle in retirement than earlier generations. Therefore the behaviour of the current older generation, people born between 1900 and 1942 and who lived through depression and war, is not a reliable basis for estimation of the behaviour of people born after the war, who grew up and worked in a different social and economic environment.

Demographic changes in coming decades will have significant impacts on the nature of Australia’s economy and society. An Access Economics report on population ageing and the economy argues that the older population will be the primary drivers of growth in consumption spending and that employers need to value older workers.

*The ageing of the population represents a fundamental change in the Australian economy’s structure. If we approach this new era with the attitudes of the past, then an ageing population may well have many negatives for the economy. Alternatively, there is much to be gained if we update our attitudes and embrace the challenges of a maturing population.* (Access Economics 2001)

Older people have a higher level of home ownership and therefore a greater level of wealth. This equity value of the home is now becoming accessible through new financial products such as reverse mortgages.

As longevity increases, there are concerns that retirees may not have enough superannuation to allow a comfortable longer life. Early retirement has become a popular option, either for lifestyle reasons or due to unemployment or disability. There are concerns that early departure from the workforce can significantly reduce potential income in retirement.

The government has sought to address these issues by developing policies to facilitate the continued workforce participation of older people. This has included raising the preservation age for accessing superannuation, and new proposals to allow partial access to superannuation as an income stream while people of retirement age are in the workforce part-time.

The new model for retirement funding is superannuation where sufficient, or a combination of superannuation, the age pension and tax concessions to enable welfare in retirement for those whose superannuation is insufficient.

Higher levels of workforce participation will be needed to support continued economic growth and tax revenues to support a greater retired population. Policies are being developed to promote flexible work opportunities for older people wishing to continue working part-time, as well as parents of young children, to increase the workforce participation rate. Also, a reduction in the unemployment rate will reduce the level of low-income households of working age and reduce the tax burden in this area.
1.2 Population projections

Population projections by the Australian Bureau of Statistics show that the number of people of working age or younger is not expected to increase significantly in the next 50 years, with the greater part of population growth occurring in the 65 and older age group. Much of this is due to the ‘baby boom’ generation born between 1946 and 1965, who will move into the 65+ age group from 2011.

In 1980, 10% of Australia’s population were aged 65 and over. By 2000 the proportion was 13%, and by 2020 it is estimated that 18% of the population will be 65 and over. This growth is expected to stabilise at about 25% of the population by 2050. The change in population profile is caused by reductions in fertility and mortality, in comparison with earlier generations. The following figure shows the changing population profile that has been projected. There have been some changes in the population age mix since 1980, particularly in the middle years, with noticeable increases in the older age groups to be seen by 2020.

![Australian population profile 1980 to 2040 (projected)](image)

Figure 1: Australian population profile 1980 to 2040 (projected)

As people live longer, the age profile among older people is also changing. In 1980, 7% of the 2.4 million people aged 65 and over were aged 85 or over. By 2010 this is estimated to be 14%, or over 400,000 people across Australia. By 2040 there is estimated to be 1.3 million people aged 85 or over, nearly 20% of all older people. The following figure shows the projected growth, from less than 1 million people aged over 65 in 1970 to over 8 million in 2050.
1.3 Wealth, income and expenditure

Australia is a prosperous country, and wealth and incomes are growing. But the benefits of this prosperity are not evenly distributed. In 2003–04, the least wealthy 20% of households owned 1% of total net household wealth, while the lowest income 20% of households received 5% of gross household income. (Australian Bureau of Statistics 2006(c))

Income and wealth are related but separate measures of financial wellbeing. The accumulation of income over time is the way in which most households build wealth. Older people have on average lower incomes and greater wealth than those in the prime working years who have on average higher incomes, and higher financial obligations for children while building wealth through purchasing a home.

Wealth of older Australians

A NATSEM study compared the income and wealth of older people between 1986 and 1997, looking at households where the head of household was aged 65 or over. Over the eleven year period, the estimated average wealth of older Australians increased by more than 90%. This increase was particularly driven by increasing house prices, accumulated superannuation benefits and the increased take-up of share ownership by Australians. (Harding, King & Kelly, 2002)
The share of household wealth held by households aged over 65 rose from 17% to 27% over this period. This was not just due to the increasing proportion of the population in this age group; average wealth per older person rose significantly over this period. However, the study found ‘a growing divergence in the economic fortunes of older Australians’. (Harding et al 2002).

The transfer of wealth between generations has traditionally been a contributor to household assets and retirement incomes, but this is also changing. The current generations of older people, living much longer lives than their parents, are retaining their assets for their own use. People are reaching retirement age while their parents are still alive, in much greater numbers than ever before. This leads to the potential for inter-generational conflict about the use of financial resources.

**Incomes and expenditure of older Australians**

On average, the incomes of older people grew slightly more than for younger people over the years from 1986 to 1997. However, this masked distributional changes, as the income share of the upper quartile of older people increased, while the share of the bottom quartile decreased. (Harding et al 2002)

The high proportion of older people receiving the age pension has generally provided a more even distribution of income across older households. Currently, about 83% of the population of age pension age receive a pension – 68% a full pension and 15% a part pension. This includes recipients of the Age Pension, Service and War Widows Pensions. This high level of dependency on pension payments means that older people’s income and welfare are strongly influenced by the level of pension payments, allowances and other benefits, and the means test for pension eligibility.

**Direct and indirect benefits**

In addition to the Age or Service Pension, most older people receive a range of direct and indirect benefits from governments. Direct benefits include additional cash payments (known as allowances) made to pensioners, as well as a range of indirect benefits such as access to subsidised medications through the Pharmaceutical Benefits Scheme (PBS), and concessional rates for many services provided by state and local governments.

These benefits can form a substantial part of the overall income of older households. The figure below shows the average level of these benefits for older households, as calculated by the ABS in 1998-99. While these dollar values are outdated, the proportions of total income provided by these benefits may not have changed significantly.

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1 This is the latest edition of this analysis available from the ABS. A new edition of this report using data from 2003-04 will be released in mid-2007.
Figure 3: Average weekly value of income, direct and indirect benefits, for older people, 1998-99

This figure shows the average weekly value of income and benefits for all older households across all levels of income. For many people receiving the Age or Service Pension, the level of private income is substantially lower than the average. The ABS valuation of indirect health benefits (hospital, GP and pharmaceutical) shows that the value of these benefits can be considerable for many older people. (ABS 2001(b))

The Australian Government issues two concession cards which allow access to a range of benefits for older people:

- **Pensioner Concession Card** (PCC) is available to all recipients of the Age or Service Pensions – 3.15 million card holders in 2006
- **Commonwealth Seniors Health Card** (CSHC) is available to self-funded retirees of Age Pension age with income below a certain level – 300,000 card holders in 2006.

These cards entitle the holders to a range of direct benefits, as well as indirect benefits through access to subsidised and discount services from the federal, state and local government level.

- Direct benefits are available to eligible pensioners and holders of the CSHC through specific allowances:
  - rent assistance paid to pensioners renting privately who pay more than a threshold rent
  - utilities allowance ($106 in 2006-07) paid to pensioners to subsidise the cost of utilities bills
  - telephone allowance ($85.60 in 2006-07)
  - seniors concession allowance is paid annually to holders of the CSHC, to recognise the value of the concessions available to holders of the PCC which are not available to holders of the CSHC ($214 in 2006-07).

- Health benefits are available to holders of the PCC and CSHC:
  - concessional rate for PBS pharmaceuticals
  - eligibility for bulk-billed GP services where available
- reduced threshold for cap on non-hospital medical costs through the Medicare Safety Net
- subsidised hearing, dental and ambulance services (pension recipients only).

The value of health benefits and concessions, and the hospital services available through Medicare, were estimated to comprise 25% of the average weekly income of older people in 1998-99. (ABS 2001(b))

• Indirect benefits available to holders of the PCC:
  - council rates – generally a percentage reduction of the total rates due, up to a maximum level. Some councils have introduced a deferred payment scheme for older residents, where the rates accumulate as a debt against the property until the death of the ratepayer.
  - water and sewage charges – generally a percentage reduction up to a maximum annual concession
  - concessional private vehicle registration
  - concessional public transport fares
  - concessional rates of stamp duty on property purchases.

The value of these other indirect benefits is more variable, depending on property values and transport usage of households.

These benefits and concessions provided by all levels of government are important to managing some of the costs of living for older people, particularly those in poor health. The greatest value accrues to older people in receipt of an Age or Service Pension. As the proportion of older people in receipt of pensions decreases, so will the proportion eligible for these direct and indirect benefits.

Eligibility for the PCC was originally restricted to recipients of a full pension, but was expanded to part-pension recipients in 1993. In 1994, access to some concessions was further expanded to self-funded retirees through the CSHC. This extension of concession eligibility may have resulted in reductions in the value of the concessions available to recipients of a full pension. A subsequent Parliamentary Committee report on concessions eligibility found that some concessions provided to PCC recipients by state and local governments had been reduced in response to the greater costs of subsidising these concessions for a broader range of people. (House of Representatives Standing Committee on Family and Community Affairs, 1997)

A more recent Parliamentary Committee addressed the role of concessions in addressing poverty and recommended that ‘priority for access to concessions be directed to low income pensioners and allowees’, rather than further expanding concession eligibility. (Senate Community Affairs References Committee, 2004)

Living costs

Expenditure patterns of older people are influenced by their level of income, as well as their stage of life, home ownership and health. The ABS survey of Household Expenditure found that in 2003-04, older couples had an average income of $620 per week, and an average expenditure of $615 per week.

Older couples spent an average 21% of their income on food, 10% on housing costs, 15% on transport, 8% on medical and health costs, 15% on recreation activities, and 3% on domestic
fuel and power. Despite higher levels of home ownership among older couples than other age
groups, the proportion of expenditure on housing was similar to people in their 50s. These costs
are mainly fixed costs of home ownership, such as rates, insurance and maintenance, which
although a lower dollar value than other age groups forms a higher proportion of the fixed
incomes of older people.

Older people living alone spent an average of $351 per week, with 21% spent on housing costs,
18% on food, and 10% each on transport and recreation.

These average levels of expenditure for older couples and single people are substantially greater
than the level of income provided by the Age Pension. In 2006, the Age Pension for a couple
who own their home was $417.20 per week, or $249.85 for a single person. Pensioners who do
not own their home receive an additional payment of rent assistance, taking the total weekly
payment to $464.70 for a couple and $300.15 for a single person.

This suggests that the mean figures for weekly income and expenditure provided by the ABS
are not a good indication of the financial situation of the majority of older people. The median
value would be a better indicator of the real level of income and expenditure for people over 65,
but this figure is not provided in the ABS analysis. The ABS does indicate that older people are
more highly represented in the lowest two income quintiles than in higher quintiles. The mean
weekly expenditure for the lowest household income quintile is $413, which is more consistent
with the income level of the Aged Pension. If older people receiving the full age pension spend
at the average level of expenditure for their age group ($615 for couples or $351 for singles), to
achieve the average standard of living provided by this expenditure, they would have to be
drawing significantly on the value of assets and any other income to sustain this expenditure.

For single people and families dependent on income support payments, the maximum allowance
payable is lower than the Henderson Poverty Line. This is not the case for aged pensioners,
where the level of the pension is greater than the poverty line for both single people and
couples. In 2006, a couple receiving the full pension, and own their home, received $150 per
week more than the poverty line. A single person who did not own a home only received $29
more than the poverty line each week.

In this regard, people on the age pension may be seen to have less of a risk of poverty than
unemployed families with children. However there are many variations in the needs of older
people and their access to affordable housing can be constrained, increasing their risk of poverty
given their proximity to the poverty line.

Older people must have access to sufficient income to provide for their basic costs of living,
housing costs (the fixed costs of home ownership or rent) and the additional costs of ageing.
These costs of ageing can include health care services, medication, hospital admissions, in-
home care services, mobility aids and equipment and home modifications to accommodate
reduced mobility. There are a number of programs to subsidise the costs of older people, which
are administered by a range of agencies with different eligibility criteria and access
arrangements. There appears to be little research to assess the suitability of these various
subsidiies and concessions to meet the needs of low-income older people.
1.4 Work and retirement

Australian men traditionally retired at the age of 65, and women at 60, if they had ongoing involvement in the workforce. There was a clear difference between work and retirement, observable both in incomes and in the activities of older people.

Now the boundaries between work and retirement are blurring. Many people are retiring earlier, or staying on the workforce past retirement age, often working on a casual or part-time basis. The ABS estimates that the average age of retirement for current retirees in 2004-05 was:

- 58 years for men (with 56% having retired before 65)
- 47 years for women (54% having retired before 60) (ABS 2006 (a))

In 2005, most men aged 55-64 were still in the workforce, with 65% in employment, of which 16% were employed part-time. This was an increase on much of the previous ten years, in which about 61% of that age group were in employment. Women aged 55-64 had a 44% participation rate in 2005, an increase from 28% in 1995. Part-time work is common for women in this age group, with 50% working part-time. (ABS 2006(c))

Some women continue to work past the traditional female retirement age, with 29% of women aged 60-64 in 2005 still in the workforce, as well as 4% aged 65 and over. (ABS 2006(c))

Early retirement is of concern for policy-makers, as reduced workforce participation by people aged 55 to 64 reduces the capacity of the economy to support the increasing health care and social welfare costs of an ageing population, as well as lowering the living standards of early retirees.

Early retirement is not an indicator of affluence for most retirees. Research from NATSEM highlights the “two worlds of young retirees”.

One small group is retiring with significant assets and continuing to enjoy a high income, while a larger group is leaving the labour force (perhaps involuntarily) with very little, if any, income or superannuation. (Kelly, Farbotko and Harding 2004)

Retirees aged 50-54 have the lowest level of income of all retirees, equal to 20% of the annual income of full-time workers of the same age. This can be made more difficult by the presence of children in retiree households. In households aged 50-54, 52% of households still have children living at home. Of households aged 55-59 years, 32% still have children at home, and 20% of households aged 60-64 years.

The figure below shows the differences in income levels between retirees and workers in each age group.
The average income level conceals the level of disadvantage of many of these people, which can be seen when looking at the distribution of income among early retirees, as in the following figure.

**Source:** AMP/NATSEM Income and Wealth Report, March 2004

*Figure 4: Average personal income for people aged 50-69, by employment status*

*Figure 5: Distribution of personal income of younger retired people (aged 50-59)*
Among recent early retirees (retired less than one year) aged 50-54, more than 60% have less than $10,000 in superannuation, with the average superannuation balance being $25,000. Only 18% of this group have a level of superannuation that can provide a reasonable retirement income in old age. People aged 50-69 who are still working have average superannuation balances over $100,000, as shown below.

![Average personal superannuation balance by employment status and age (2002–03)](chart)

**Figure 6: Average personal superannuation balance for retirees and workers**

Recent research published by the Australia Institute explored the retirement expectations of baby boomers, who began reaching 60 in 2006. This research contradicts the social perception of affluent baby boomers, reinforcing the NATSEM research findings of low superannuation provisions and also finding that many people approaching retirement are not conscious of their limited capacity to fund their retirement expectations.

*At a time when individuals are increasingly expected to self-fund in retirement, baby boomers have become the ‘bunnies’, caught in a situation in which they are being asked to do something they do not have the capacity to do. Because compulsory superannuation was introduced late in their working lives, the boomers have become subject to the new expectations of self-provision without having had the opportunities to save enough to provide fully for retirement. Of course, in this situation, lower income earners are disadvantaged in two ways - as against other generations and against wealthier members of their own generation.* (Hamilton and Hamilton 2006)
Involuntary retirement

Retirement is not necessarily a voluntary action. There has been limited research conducted with retirees to understand their retirement choices, but some factors underlying reasons for the high level of early retirement are broadly supported:

- an increased uptake of the Disability Support Pension over the last decade, particularly by men, has facilitated early retirement for people with limited skills, and particularly recognising the high injury risks in manual labour
- a low level of demand for unskilled labour, particularly by men, leading to separation from the workforce
- the level of education among current mature workers is lower than that of younger workers and can further reduce the demand for older workers
- negative perceptions of the capacity of older workers by employers can limit the employment opportunities of mature workers.

Retrenchment from a job is a factor in early retirement, as mature workers can have difficulty finding new employment. This is particularly a risk if the retrenchment is from an industry that is experiencing a transition, and where there may be limited opportunities for workers to find similar positions.

In 2001, an ABS study looked at the outcomes for people who had been retrenched in the previous three years, and found that a significant proportion of people aged over 55 had left the workforce. (ABS 2001(a))

Table 1: Employment status for people retrenched in previous three years (2001)

<table>
<thead>
<tr>
<th></th>
<th>Employed</th>
<th>Unemployed</th>
<th>Not in workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Men</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45-54</td>
<td>69%</td>
<td>20%</td>
<td>11%</td>
</tr>
<tr>
<td>55-64</td>
<td>51%</td>
<td>12%</td>
<td>37%</td>
</tr>
<tr>
<td><strong>Women</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45-54</td>
<td>67%</td>
<td>9%</td>
<td>23%</td>
</tr>
<tr>
<td>55-64</td>
<td>45%</td>
<td>3%</td>
<td>52%</td>
</tr>
</tbody>
</table>

The HILDA (Household, Income and Labour Dynamics in Australia) Survey has also enquired about reasons for early retirement, and found that ill health can be a significant contributor. Of retired people, 36% reported that their retirement was involuntary, and a further 10% said that it was somewhat involuntary. Their own ill health (25%) or ill health of a family member (6.3%) were significant contributory factors to retirement. (Headey, Warren, and Harding, 2005)

While early retirement of low-income people is generally seen by government as an economic problem, the complexity of the situation has begun to be acknowledged:

*Some of the poor labour market participation rates of older people reflect transitions in the nature of the Australian economy over the past 25 years and the potentially scarring effects of major recessions. For example, the decline of labour intensive parts of manufacturing lowered the demand for blue-collar male jobs, which were disproportionately held by people without post-school qualifications. The disadvantages faced by this group were accentuated by several deep recessions that led to significant...*
layoffs of mature workers who never got a job again. The corresponding group of older, less skilled males in the 2030s and 2040s will be in different industries and face different pressures. (Productivity Commission 2005, p 362)

While the Productivity Commission suggests that this situation is a cohort affect, and less likely to be a problem for future generations, there is a need to address the disadvantage of the current cohort of low-income early retirees.

### 1.5 Home ownership and housing alternatives

Most Australians aspire to own their own home, and home ownership is high for the current generations of older people. The following figure shows the pattern of housing tenure across the age ranges.

Source: ABS Housing Occupancy and Costs, Australia, 2003-04 4130

![Housing tenure by age group (2003-04)](chart)

Figure 7: Housing tenure by age group

Home ownership has been an integral part of retirement savings for most Australians. Among households aged 65 and over, 79% own their home, and a further 4% are continuing to pay a mortgage. For those paying a mortgage, the average outstanding value is about $37,000.

The average age at which people enter home ownership is increasing – primarily due to the sustained increase in housing prices, changes in family structure, education and employment patterns. This raises concerns that the policy assumption of home ownership underpinning the retirement of a large majority of older people may not be sustained for future cohorts.

While 79% of households 65 and over own their home, only 57 % of those aged 55 to 64 are in the same situation. Another 24% of that age group are paying a mortgage, with an average outstanding mortgage value of $71,000. (ABS 2006(b))

The situation for people nearing retirement age has changed over recent decades. In 1982, 56% of people aged 50-59 owned their own home without a mortgage, by 2003-04 this had fallen to
46%. In the same age group, the percentage living in a home where they are paying a mortgage went from 28% in 1982 to 38% in 2003-04. (ABS 2006(c))

The combination of lower rates of home ownership, higher outstanding mortgage values and levels of early retirement indicate that a greater proportion of people about to reach retirement age may experience housing stress in retirement than is the case for the current groups of older people. In addition, the lack of an established asset base in the form of a house can limit the financial options in retirement.

The uneven distribution of the housing price boom has also had an impact on the affordability of retirement housing. Older people selling their home to move into a retirement village or smaller home are receiving very different values. Those selling lower value homes have fewer affordable choices of retirement housing.

The Australian Housing and Urban Research Institute (AHURI) continues to conduct research on the housing needs and housing costs of older people, and the potential impact of reduced home ownership on the wellbeing of future cohorts of older people.

**Older people in rental housing**

Among households aged 65 years and over, 14% live in rental housing, with approximately half of these households renting through a State housing authority and half renting privately. Households aged 65 and over are the largest group of State housing authority tenants, being 27% of all tenant households.

While the proportion of older households (6.5%) renting privately is substantially lower than in other age groups, this constitutes over 100,000 older households at risk of financial stress due to the cost of rent.

The costs of renting have significantly greater impact on the fixed incomes of older people. Households aged 65 and over who are renting privately spend an average of 33% of their income on housing (shown in the figure below). These older renters pay a higher average proportion of their income on housing than any other age group in any form of housing.

![Housing costs as a proportion of gross income, renters (2003-04)](image)

*Figure 8: Rental housing costs as a proportion of gross income*
Australia has traditionally had a higher level of home ownership than in Europe, and this has influenced the development of the private rental market and social housing programs. Private rental agreements are generally of shorter term in Australia than in nations with lower home ownership, reducing the security of tenure and increasing the risk of rent increase for tenants.

**Housing to ‘age in place’**

The concept of ‘ageing in place’ is central to the provision of aged care services in Australia. Older people generally want to stay in their own home for as long as possible, and community care services are designed around the assumption of older people living in secure and appropriate housing. To be suitable for ageing in place, housing must be secure, affordable, appropriate for the physical capability of the older person, and located in an area where social supports and facilities are readily available.

Despite the high level of home ownership by older people, there are groups of older people who will be disadvantaged in access to care and support services. AHURI has identified four sub-groups of older people with low income or assets who are disadvantaged in accessing community care services:

- homeowners whose assets are not sufficient to fund access to alternative accommodation or care services
- people renting with limited assets
- people renting with little or no assets
- people who are homeless or at risk of homelessness.

The housing price boom has resulted in some older people receiving very high prices when selling the family home, and the increased availability of these funds has contributed to the increasing prices of age-appropriate housing, such as retirement villages and ‘lifestyle apartments’. These price rises mean that an increasing proportion of older homeowners can be excluded from these housing options due to the lower value of their family home.

Many older people consider ‘downsizing’ their housing, moving to a smaller home on retirement. As prices rise and apartment living and ‘low-maintenance’ homes become more popular with all ages, older people are competing for these options in a more competitive housing market.

The changes in the housing market have contributed to an expansion of the problem of affordable housing options for older people, which had previously been limited to non-homeowners. The reduction in social housing and the move to rental allowances in recent decades has also contributed to the reduction in housing options for low-income older people.
1.6 Health and wellbeing

Older people are widely perceived as being frail or unwell, but the current generations of older people are healthier and living longer than earlier generations. American and European longitudinal studies of ageing have found that the broader social perception of ill-health among older people was not matched by the perceptions of older people.

*Although elderly people may be taking an average of three to eight different medicines and may be chronically ill in the eyes of their physicians, they often do not regard themselves as sick... Subjectively, two out of thee elderly individuals perceive their own health as superior to that of their peers, whereas only one in seven feels less healthy than their peers.* (Vaillant and Mukamal 2001)

The two main issues of current focus in the health and wellbeing of older people are chronic disease management and mental health. The prevention and management of chronic disease is a national priority for all ages, but particularly for disease management in older people, where the effects of chronic disease can be most significant. Chronic disease management for older people is focussed on cardiovascular and respiratory conditions and diabetes, which can reduce life span as well as quality of life, and arthritis and musculoskeletal conditions which reduce quality of life. Over 40% of deaths of older Australians are from cardiovascular conditions.

Poor health is closely linked with poverty. The onset of chronic disease in working-age people can reduce the capacity to work and therefore increase the risk of disadvantage and poverty. People whose working life is cut short by ill-health are at greater risk of disadvantage in retirement. Rates of chronic disease are also higher in low-income communities, indicating a two-way relationship between disease and disadvantage. Much chronic disease stems from risk factors such as smoking, diet, obesity and exercise, and the related physical increases in blood pressure and cholesterol levels.

Community health services and hospital outreach programs are increasingly providing exercise programs, dietary advice, and other health promotion services to older people, to allow them to maintain their health and manage any existing chronic disease.

Mental health in older people is a growing concern for health services. This includes the effects of cognitive decline due to ageing and some diseases, organic dementia, and psychological illness. Measures of mental health across the community show that older people have lower rates of mental illness than do younger people. However some researchers have suggested that this may be due to a lower frequency of diagnosis, with the mistaken attribution of the condition to the ageing process. Mental health services are generally targeted to working-age people and there may be personal and cultural barriers for older people in accessing these services. The Australian Government has recently funded ‘Specialist Mental Health Workers for Older People’ to work with aged care assessors to address the particular mental health needs of older people as part of aged and community care programs. These mental health workers are commencing services in 2006-07 and there is the potential for this service to identify the broader level of mental health service need within the older population.

‘Health ageing’ is a key policy area of governments and there is ongoing clinical and social research in this area, seeking to find ways to minimise the burden of disease and the costs of health care through better and more efficient health care services.
Understanding wellbeing

Research with older people has identified a range of factors that influence wellbeing:

1. objective physical health
2. subjective view of physical health and ability to carry out tasks of daily life
3. length of active life (number of years without objective or subjective physical disability)
4. objective mental health
5. subjective life satisfaction over the last 20 years
6. social supports through relationships with friends and family.

This broad range of factors allows the assessment of older people, and their ability to respond to the challenges of ageing, along a continuum of wellbeing. This more holistic approach to wellbeing is increasingly being incorporated into health service planning, recognising the need to support all aspects of older people’s wellbeing.

It can also be seen that many life events can affect one or more of these factors and therefore risk reducing the wellbeing of people as they age. Social service providers are now becoming more aware of the interrelationship between these factors and are developing additional programs and services to contribute to people’s wellbeing.

Premature ageing

In addition to broader population ageing, there is a cohort of people who experience premature ageing. There is little data available to determine the size of this cohort, but many of the members are likely to be in need of social support services at an earlier age.

Premature ageing may be caused by disability, disease or life experience. These factors can accelerate or exacerbate the normal biological, psychological, functional and social changes that are a result of the ageing process. Particular people at greater risk of premature ageing include:

- people with Down Syndrome and other chromosomal disorders who experience the physical impacts of ageing at a younger age
- people with musculoskeletal and neurological conditions experience fatigue and associated functional limitations which are exacerbated by the affects of ageing (AIHW 2000)
- people who have been homeless for considerable periods of time experience ‘harsher living circumstances’ that contributes to premature ageing (AHURI 2005).

A 2003 survey found that over 1.8 million people aged 15 to 64 years have a disability causing core-activity restrictions or limitations to their range of activities. (ABS 2004) The following table shows the percentage of people in each age range that have either a severe core activity restriction, or some specific limitations to their ability.

<table>
<thead>
<tr>
<th></th>
<th>15 to 64 years</th>
<th>65 and older</th>
</tr>
</thead>
<tbody>
<tr>
<td>severe core activity restrictions</td>
<td>3.3%</td>
<td>19.6%</td>
</tr>
<tr>
<td>specific restriction or limitation</td>
<td>12.4%</td>
<td>45.5%</td>
</tr>
</tbody>
</table>
Studies of disability prevalence in Australia have found that the number of people aged 15 to 65 reporting a disability increased in the 1990s. In part this was due to the increase in the proportion of the population aged 45 and older who are reaching an age of higher incidence of disability. (AIHW 2000)

The affects of premature ageing include increasing frailty and reduced functional capacity, particularly ability to manage activities of daily living. These people are therefore in need of support services which are generally provided to older people, and can experience difficulty in accessing such services. (AIHW 2000)

The National HACC guidelines allow services to be provided to people experiencing premature ageing, as eligibility is based on the level of frailty and disability rather than age. There is potential for some of this group of people to be receiving appropriate support services through HACC. However, not all HACC providers recognise the needs of this group, and these people are likely to be reliant on income support payments and social welfare organisations.

1.7 Aged and community care

The aged care services system in Australia provides both residential and community care services. The principal policy relating to the needs of older people is ‘ageing in place’. This aims to meet the support and care needs of older people to maintain quality of life at home, rather than through institutionalisation. The concept of ageing in place is well established and people expect to stay in their own home, with additional support services where necessary, for the rest of their life.

Residential aged care

Residential care is provided for people with the need for ongoing care and support that cannot be provided in their own home. The Australian Government funded over 160,000 residential aged care places across Australia in 2005 and has a target of 200,000 places in 2006-07. Residential aged care accounts for 70% of total aged care expenditure by governments, and about 5% of older people live in residential care facilities. More than half of residents are aged 85 or more.

Two levels of residential care are provided – low level and high level care. Low level care comprises 38% of residential places currently funded and provides personal care and support services with access to allied health services. High level care comprises 62% of the aged care places currently funded, and provides 24 hour nursing care as well as personal care, support services and access to allied health services. Over the last decade, the focus has moved more to high level care, with an increase from 58% of residents assessed for high level care in 1998 to 68% in 2005.

Changes in planning and funding arrangements for residential aged care have changed in recent years, increasing the risks for disadvantaged older people. The distinctions between nursing homes and hospitals have lessened as the focus has moved to providing more high level care. People who need accommodation but who do not have high level support needs are less able to gain a place in a residential hostel, and have limited housing options. The requirement for an accommodation bond for low level care is also an impediment. Boarding houses have in the past been seen as an option for older people needing accommodation and some support services, but the availability of these facilities is decreasing.
Funding for residential care services is separated into accommodation and care components, with the expectation that people will pay for the accommodation competent using the value of their home. Concessional funding is available for people who need care but do not have sufficient assets to pay a bond or accommodation charge. 37% of current aged care residents receive the full concessional status, with a further 10% receiving some assistance.

In areas of lower home ownership or lower house values, more than half of residents can be eligible for the full concession status. Their assets, even after selling a home, are insufficient to pay the accommodation charges.

**Community care programs**

While residential care is an important service for some older people, there is a larger number of older people who are in need of support services to enable them to maintain their quality of life at home. Community care services assist these people to remain living in their own homes and aim to prevent premature admission to residential care and avoidable hospital admissions.

There has been a growth of community care programs in recent years, in response to the community need for support services and in line with the policy of ‘ageing in place’. In addition, the costs of residential aged care and the constraints on growth due to a limited workforce mean that the development of suitable and sustainable alternatives to residential care are a necessary part of the Australian services system into the future.

There are two forms of community care packages which provide an older person at home with care services equivalent to residential care.

- **Community Aged Care Packages (CACP)** provide packaged care for frail older people eligible for low level residential care, coordinated through a care manager, and providing services to meet daily care needs. In July 2005, more than 30,000 CACPs were operational and a further 5,500 places have subsequently been announced.

- **Extended Aged Care at Home** provides packaged care for frail older people with complex care needs, who are eligible for high level residential aged care. Services include those available to CACP recipients plus nursing care and allied health care. EACH is a newer program and in July 2005, 1,828 packages had been allocated across Australia, with a further 2,082 places subsequently announced, including specialised dementia packages (EACH-D).

The Home and Community Care Program (HACC) is the largest community care program, jointly funded with state and territory governments and providing care services to more than 744,000 people in 2004-05. A range of personal care, home care, respite and advisory services are available.

As discussed previously, the underlying assumption of secure and appropriate housing for recipients of community care services can be particularly detrimental for disadvantaged people who have greater difficulties accessing residential care.

**Planning for aged care**

Aged care places are not evenly distributed across Australia; there is a detailed planning process to determine the number and type of care places to be funded in each ‘aged care planning region’. The planning process aims to ensure that the growth in aged care places is consistent with population growth and demographic change, as well as differing needs across the
community. This includes consideration of the needs of low-income people, and Indigenous communities in each planning region.

The Australian Government currently aims to provide 108 aged care places for every 1,000 people aged 70 or over (plus Indigenous people aged between 50 and 69 years). Places are allocated across the following three categories: low level residential care (48 places), high level residential care (40 places), and community care packages (20 places).

The Department of Health and Ageing is currently conducting a number of reviews of elements of the aged care planning system. The national planning framework for community care is being revised, and the aged care assessment program is being evaluated. Both of these reviews are likely to produce findings that will be of interest to aged care service providers, as well as advocacy groups.

HACC is funded jointly with states and territories and service planning is principally conducted by the state and territory departments. Each state prepares an annual plan setting out strategic priorities, forming the basis for allocation of funding to service providers. Funding is allocated for each ‘aged care planning region’ in response to the annual state plan and advice from service providers about the level of need in specific areas. Each state consults with stakeholders about community needs before allocating funding to service providers.

There is little provision in the current aged care planning and service system for specialist services to address the particular needs of socially and financially disadvantaged people, people with behavioural problems, cognitive loss, those without personal support networks or other special needs which are not specifically related to health or physical need. These services, by their nature, would not be able to recover costs from recipients and would require greater levels of subsidy. While there is specific funding to subsidise community care and accommodation for homeless people, this is targeted to a narrow range of people and leaves out a lot of other socially disadvantaged people.

The BSL as a service provider and advocacy organisation has the opportunity to contribute to the planning process for care services, and current reviews, by providing information on the needs of particular groups of people, and in particular planning areas.

1.8 Caring by older people

While much of the policy focus about ageing relates to the costs of care for older people, there is some research into the caring activities done by older people.

\[\text{Far from being net receivers of help and support, older people are, in fact, net providers, at least up to the age of 75 years. They provide childcare, financial, practical and emotional assistance to family members including helping people outside the household with the tasks of daily living. Such unpaid caring and voluntary work adds up to a significant proportion of GDP, around seven per cent on some measures. (Healy 2004)}\]

Older people form a large proportion of community volunteers, as well as providing care for older family members and grandchildren. Informal community care for older people is primarily provided by the spouse or children of the older person, many of whom are themselves over 65.
Older people also frequently provide childcare and other domestic support services to their working-age children. Australian research has indicated that the value of informal caring provided by older parents to working-age children is greater than the value of the care provided to older people.

The social value of these activities by older people is often overlooked in the concerns about the costs of ageing. Research by the AIFS estimated that the informal caring and voluntary work provided by older people is worth about $39 billion each year.
Policy frameworks addressing ageing

This section outlines the policy frameworks relating to ageing. The National Strategy for an Ageing Australia was released in 2002 as the major national policy statement, under which many other policy initiatives are developed and funded. This has succeeded in setting a coordinated agenda for ageing policy across Australia – responding both to the changing needs of older people and seeking to address the economic implications of population ageing.

*A touchstone of a civilised society is that it values and provides support for older people in recognition of their past and present contribution and respects their right to dignity as they live in old age.* (Australian Government 2001)

There has been a number of significant policy frameworks and strategies issued by governments in recent years, and policy changes to address issues of population ageing.

In 2002, the Australian Treasury released the *Intergenerational Report* on the fiscal effects of population ageing. This focussed attention on the projected increase in pension, health and aged care costs, and the effect on government budgets. This led to policy debates about the need for sustained economic growth to support these social costs – through the 3 Ps, population, participation and productivity. Population growth was targeted through the provision of additional payments to assist parents with a new child, labour productivity has been targeted through further industry and industrial relations reform, and workforce participation through the recent changes to income support for parents and people with disabilities.

In the same year, the Australian Government released the National Strategy for an Ageing Australia, which aimed to set a coordinated agenda for ageing policy across Australia. Each State and Territory has issued a strategic policy document related to ageing, and local governments are also increasingly preparing ageing strategies.

Following the Intergenerational Report, the Productivity Commission was requested to conduct an inquiry in the economic implications for an ageing Australia. This inquiry received submissions from a wide range of organisations and presented a broader view of the social and economic implications of ageing, finding that population ageing *should not be seen as a problem, but will give rise to economic and fiscal impacts that pose significant policy challenges.*

These strategic policy frameworks have a broad commitment to the wellbeing and independence of older people. However, much of the focus of policy implementation is on the economic aspects of population ageing. Research and evidence that reinforces these declared commitments to wellbeing and independence can be more readily accepted by decision-makers. The BSL can use these declared commitments to wellbeing in framing recommendations to government for policy improvements.

The following sections describe the national strategy, and the Victorian strategy as an example of the state approach.
2.1 National Strategy for an Ageing Australia

This major strategy document was issued by the Australian Government in 2001, and aims to set a coordinated agenda for ageing policy across Australia. The Strategy has seven underlying principles, focussing on quality of life for older people, self-reliance, and ageing research:

- The ageing of the Australian population is a significant common element to be addressed by governments, business and the community.
- All Australians, regardless of age, should have access to appropriate employment, training, learning, housing, transport, cultural and recreational opportunities and care services that are appropriate to their diverse needs, to enable them to optimise their quality of life over their entire lifespan.
- Opportunities should exist for Australians to make a life-long contribution to society and the economy.
- Both public and private contributions are required to meet the needs and aspirations of an older Australia.
- Public programs should supplement rather than supplant the role of individuals, their families and communities.
- The delivery of services and pensions for our ageing population is affordable so long as we have a well-managed economy and growth.
- A strong evidence base should inform the policy responses to population ageing.

The Strategy has a clear emphasis on social engagement and quality of life, as well as economic wellbeing. This is consistent with the focus of the BSL, and the Strategy provides a sound basis for policy advocacy in relation to these issues. The importance of increasing self-reliance is clear in this policy, but it is placed in the context of social support and service provision, opening up opportunities for European-type programs that build personal capacity for self-reliance.

The Strategy recognises the issues of low retirement savings and its impact on living standards for older people.

There are many issues that affect the capacity to save for retirement at the individual level. The accumulation of superannuation and other savings is linked to levels of earnings and duration of employment for the majority of people. For example late entrance to the workforce, and interrupted workforce participation patterns will impact on the capacity of some individuals to privately fund their retirement and achieve the standard of living they seek. These factors particularly impact on women. There will certainly be increases in superannuation savings across the population, but there will continue to be considerable numbers of people who will rely on some level of public pension to supplement their own retirement savings.

Research as evidence for policy

The Strategy promotes research as an important contribution to Australia’s response to population ageing.

Ongoing research to inform and guide our responses to population ageing will be an important part of the monitoring and review process. Research will be required to guide policy development, set future priorities for action, identify best practice, identify
barriers to change, evaluate the impact of policies, programs and services, and guide individual and social action. We will need a strong evidence base to understand not only how to mobilise our response to an ageing nation, but also how to adjust our responses as we move through the next fifty years.

The Government has expressed a clear commitment to ageing research, and a willingness to engage with research as evidence for policy formation. The question for researchers is how to design and present research that is able to be used in policy formation.

As a result of this Strategy, networks of ageing researchers are being developed, with a strategic agenda for ageing research and activities to build capacity in ageing research. This is discussed further in the following chapter.

**National policy developments**

Given the national policy focus on ageing, there are a number of aspects of policy undergoing reform. These policy developments are occurring at both the fiscal and service level. As described earlier, community care planning policy is being revised, as is the Aged Care Assessment Program. Employment and workforce policies, workforce and income support programs are under ongoing review, focussing on methods to improve workforce participation. There is potential for workforce policy changes to have negative impacts on disadvantaged people, particularly those who have left the workforce due to difficulty in gaining employment.

The Department of Health and Ageing has advised that a review of the National Strategy is underway and will be released later in 2007.

**2.2 State ageing policy**

The Victorian Government issued a *Forward Agenda for Senior Victorians* in 2002. This State ageing policy is a good example of the policies and strategies issued by State, Territory and local governments across Australia. It addresses the continued independence and health of older people, as well as continued economic and social participation. The key principles include:

- Enable senior Victorians to lead independent, active and healthy lives for as long as possible.
- Encourage communities to value, listen to, and learn from seniors, and understand and appreciate the diversity of the ageing experience.
- Create opportunities for seniors to fully participate in economic, social and community life.
- Equip seniors with the information they need to understand their rights, and the choices and opportunities open to them.
- Raise the profile of population ageing as an issue for government, business and the community, and build partnerships for action.
- Provide opportunities for seniors to contribute to planning for the future and promote informed decision-making by government, business and the community.

Much of the strategic policy areas relating to ageing are primarily the responsibility of the Australian Government, with state policies focussing on improving the quality of life and access to services for older people.
In addition to broad policy statements on ageing, each state has developed specific policy or programs in specific aspects of ageing and wellbeing.

- In Queensland, the Government has established a specialist Elder Abuse Protection Unit, run in conjunction with a charitable organisation. The unit investigates reports of elder abuse and works with service providers to deliver training and policy to reduce the risk of elder abuse. This encompasses physical and emotional abuse as well as financial exploitation.

- In Victoria, the Department of Human Services is revising the HACC program to change the focus from dependency to interventions to build the functional capacity of older people.

- In NSW, the Department of Health is funding detailed reviews of the linkages between health, aged care and community services, to provide better coordinated and more responsive services for older people.

- Also in NSW, the government has established a Ministerial Advisory Committee on Ageing, which is able to conduct detailed research, receive submissions, and provide policy recommendations to the Minister.

- In South Australia, the Government has established a Social Inclusion Board, reporting to the Premier, which is charged with conducting research and developing policy proposals to reduce social exclusion. This unit is initially focussed on families with children and homeless people, but has scope to address the social exclusion of older people.
3 Research agenda in ageing

There is a national focus on building a research agenda and research capacity in ageing. This section describes the research agenda and networks being developed to improve and coordinate Australian ageing research.

3.1 Australian ageing research agenda

The evidence base needs to be built around an Australian ageing research agenda, developed and endorsed by stakeholders with an interest in demographic ageing. An Australian Ageing Research Agenda will assist government policy makers, researchers, universities, funders and potential collaborators (including the private sector) in making the right investments in research needed to inform policy development, practice and decisions given the structural ageing of Australia’s population. (AIHW 2003)

The Australian Government set out four National Research Priorities in 2002, as a focus for research activity funded by the Government. Ageing well, ageing productively and preventive healthcare are goals for the research priority of promoting and maintaining good health.

These research areas cover many possible topics for research, covering both clinical, social and policy research. Recognising that this research needs to have some coordination to avoid unnecessary duplication of effort, the Framework for an ageing research agenda was developed in 2003, and a number of research networks have been established to support researchers and coordinate activities. The focus of governments on research is often on the policy and evaluation research that can immediately influence decision-makers. There is also a significant amount of research that addresses the issues that are not prioritised by government but which affect the quality of live of older people and cause or mitigate disadvantage.

The Framework for an ageing research agenda has two core elements:

- building ageing research capacity
- strategic ageing research themes.

It identifies six strategic priorities for building ageing research capacity, including:

- improving ageing research methods and outcomes through appropriate training, collaboration and workforce development
- translation of ageing research into practice
- better use and dissemination of existing research through improved networking, collaboration and use of appropriate “clearing house” arrangements
- multidisciplinary and cross-sectoral initiatives bring the diversity of research activities into a substantial body of knowledge available to address emerging ageing policy issues
- addressing gaps in existing ageing research and identify emerging issues through better dialogue between researchers, government, industry and consumers.

The Framework also set out six strategic ageing research themes, which are consistent with the National Strategy:

- maintaining economic growth in the face of an ageing workforce
- achieving adequate, sustainable retirement income over lengthening periods of retirement
• developing positive images of ageing and supporting continued social participation
• developing age-friendly infrastructure and built environment
• achieving healthy ageing to maintain health and independence
• providing accessible, appropriate, high quality health and aged care.

These themes provide a wide scope for research, and also provide the opportunity for research addressing these themes to be more readily received by governments, which have identified their need for information and evidence to support policy-making.

3.2 Research networks and researchers

There are a range of newly established organisations and networks developed to promote and support ageing research. Attachment B to this report provides a directory of ageing researchers and research networks.

3.3 The role of research in providing evidence for public policy

Many researchers conduct research in the hope that the findings can be used to improve policy or services. The successful transfer of research into evidence that informs public policy decisions depends on both factors inherent in the research, and in the recipient decision-making agency.

Factors influencing government agencies and decision makers

Many factors influence government agencies and decision makers in their willingness to receive and use research findings.

Ageing is clearly an issue of interest to government at all levels, and both governments and many individual agencies have issued strategy documents outlining their priorities and approach to ageing. Research that is congruent with the espoused position of a government or agency has a greater potential for uptake by decision-makers.

In agencies with a central strategic plan, policy recommendations are required to be expressed in terms of congruency with one or more elements of the strategic plan. Staff in these organisations come to expect that any proposal for change will be justified in terms of the strategic plan or related policy objectives. Policy recommendations from external researchers that do not provide this clear justification (or demonstration of congruency) can be seen as unsuitable for consideration. If the proposal provides evidence or recommendations that conflict with the strategic agenda, it is also unlikely to be considered, unless it can demonstrate significant congruency with other aspects of the strategy.

Over time, the values and objectives of policy can become established in an organisation as a set of shorthand concepts and phrases. These ways of expressing the objectives become entrenched and opportunities to achieve the broad objectives are interpreted through the specific phrases used in the organisation. Policy proposals from researchers that do not use these internal phrases can require more effort from staff to interpret, and can risk being overlooked or misunderstood. Knowledge of the internal priorities and the way these are understood and expressed by staff can be important to the success of recommendations from external sources.
Priorities within government agencies are also driven by performance indicators and reporting requirements. Many agencies have regular internal reporting processes to measure their performance on certain indicators. An external policy proposal that can enable an agency to better meet these indicators is received more positively.

Government agencies, and divisions within agencies, may declare a preference for policy proposals that have an innovative approach, while other agencies may prefer more conventional approaches. This preference for innovation is predominantly in areas dealing with service delivery. It can be important to understand these internal preferences and to couch proposals in a way which emphasise the innovativeness of the recommendations, or the way in which the recommendations conform to existing approaches.

There are also practical considerations in the receptiveness of government agencies. Policy proposals, particularly those with cost implications, are considered in an annual cycle of policy and program review and budget preparation. Policy recommendations received by the agency after the completion of budget planning are unlikely to be considered. Any such recommendations may be overlooked in the policy cycle for the following year without ongoing advocacy from stakeholders. The timing of elections also influences the receptiveness of government agencies.

As the ageing research networks build links with interested policy-makers, researchers will be able to build internal knowledge to better present their research in a way that is positively received by government agencies.

Factors relating to the research

There are also factors relating to the nature of the research, its findings and presentation, which influence the receptiveness of policy-makers.

Congruency with current policies, priorities and frameworks is important to the acceptability of research findings. Research topics that are consistent with current priorities, and policy recommendations that are congruent with declared objectives, have a greater possibility of being considered.

Methods and approaches used in research can also influence the receptiveness of policy-makers. The use of a familiar theoretical framework or method to interpret the research materials can allow research to be more accessible to policy-makers. In the same way, the use of an unfamiliar method or framework for interpretation can make it more difficult for policy makers to interpret the research findings, unless this is clearly explained by the researchers.

Research findings that challenge current policy or conventional wisdom can be difficult for policy-makers to accept. Researchers can assist this audience by providing references to any other research or material which allows policy-makers to substantiate the nature of the findings.

As described above, the language in which research findings are framed can be critical to enabling policy-makers to engage with research findings. Concepts expressed in familiar wording can reduce the complexity for agency staff when reviewing external research. Wording that emphasises the congruency of the policy recommendations with broader strategy and priorities can equally assist policy-makers to make use of the recommendations.
The level of complexity in the policy recommendations also influences the receptiveness of policy-makers. Recommendations that require further detailed work to develop policy or costings are a greater challenge for government staff, and willingness to explore implementation detail may depend on timing in the policy cycle.

Research can be used as evidence to support policy changes, when policy-makers respond positively to the research. Research is more likely to be seen as suitable evidence when it is:

- congruent with strategic priorities of government as a whole or the agency
- presented using concepts and language that is familiar to the agency staff
- delivered to suit the timing of the policy cycle
- provides sufficient information to support the findings
- does not require significant investment to develop new policy and costings
- is from a credible source.
4 Current ageing research

This section outlines key research projects being currently undertaken or planned. There is a diversity of research activity and these are presented in a number of categories in detail in Attachment A.

The current focus on ageing across governments, Universities, clinicians, service providers and the broader community has lead to a great deal of research being conducted on issues related to ageing. In addition, there is a significant amount of clinical research, such as medication for dementia or reduction in injury from falls, which is not discussed in this report.

Australia has an active community of researchers in ageing, currently undertaking a wide range of projects. Some of these are focussed very specifically on a program or group of people, while others conduct analysis at the level of the whole society or all older people.

4.1 Directory of research relating to ageing and disadvantage

As part of this report, a directory of current research on issues relating to ageing and disadvantage has been prepared (Attachment A) The directory also includes recently completed projects where the topic is particularly of interest to the BSL, or where it is likely to lead to ongoing research. These projects are categorised into both thematic categories and topic areas, which intersect depending on the approach of the project.

This section of the report summarises the nature of research being conducted, giving examples which are described in more detail in the directory.

4.2 Income and poverty

There are a number of large-scale research projects underway, assessing issues of income and disadvantage, particularly relating to low-income workers and income support recipients. Many of these projects do not focus specifically on older people, but they provide important information on the situation of financially disadvantaged people who are at greater risk of poverty in retirement.

Researchers at the ANU are currently completing research into intergenerational transmission of dependence on income support. This project identifies situations where intergenerational dependency has occurred, considers causal mechanisms and determines policy implications. This is being conducted using income support program data and survey results. While not directly exploring the situation of individual families, it will identify issues and causes that can be used to inform research at the household level, or to determine appropriate family support programs.

The University of Queensland is conducting research to develop a conceptual and statistical framework for the measurement of non-market factors affecting social inequality and social wellbeing. While this project is not specifically related to older people, it is highly relevant to understanding disadvantage among older people. For older people, particularly those receiving the age pension, living standards are strongly influenced by the availability of appropriate services and concessions, not just from the income received. At the conclusion of this project,
the new framework for measuring the influence of non-market factors will be applied to available data to provide an indicative assessment of regional social wellbeing.

Poverty in retirement depends on the level of assets or income accrued through the working years. The University of New South Wales is undertaking research on retirement asset decumulation, assessing the adequacy of retirement provision, and proposing alternative methods for workers to build the value of assets to provide a suitable retirement income.

4.3 Work and retirement

There are a number of current research projects addressing the factors leading to early retirement, choices made about retirement and opportunities for older workers to continue in employment.

Researchers at the University of Sydney are conducting The Older People and Living Project, considering the transition from work to retirement for people who emigrated to Australia in their working life.

*Will older workers change their retirement plans in line with the Government’s calls for later retirement?* is the topic of research at the University of Tasmania. This project looks at the regional impact of population ageing in Australia, and the extent to which the retirement intentions and motivations of older workers may alter in line with new government retirement policy, and the incentives or disincentives that facilitate this change. This project aims to provide an evidence base to governments about the ways in which policy can influence retirement decisions.

A team at the University of NSW is also seeking to provide evidence to support policy initiatives. The Demand for Older Workers: Technology, Skill and Employment Opportunities Project is considering the role of technological change on the demand for older workers. By understanding the choices made by businesses in selecting their workforce, policies and programs can be developed to increase their willingness to hire, train and retain older workers.

The Australia Institute, in conjunction with the University of Sydney, is researching baby boomers and retirement. This research includes large scale surveys of ‘baby boomers’ to understand their retirement intentions and their ability to fund retirement through superannuation.

4.4 Health and wellbeing

‘Healthy ageing’ is a major element of the national ageing research agenda. Much of this research relates to clinical management and treatment of health conditions, and is not in the scope of this report. There is also research on the quality of life of older people, the health services provided by aged care facilities, and the prevalence of certain conditions and their influence on wellbeing of older people.

As policy makers encourage people to continue working up to and beyond retirement age, the issue of the health of older workers can become more significant. Researchers at the University of Sydney are studying the economic impacts of disease on older workers and opportunities for intervention. This project is modelling the workforce participation and retirement of older workers and its relationship to illness, the costs to individuals of early retirement related to
illness and the costs to the Australian government. It will identify conditions that have the
greatest influence on early retirement and propose opportunities to reduce the risks of disease or
of disadvantage as a result of these conditions.

The *Living Alone in Australia Project* is being conducted by researchers from La Trobe
University over four years. Recognising the continued increase in the number of lone person
households, this research aims to determine whether the increase in living alone reflects
increasing social isolation or whether it represents changing forms of social relationships. While
this project is not specially related to ageing, older people have a higher proportion of people
living alone than in other age groups, and therefore this project may identify important issues
for risks of social isolation and disadvantage among older people.

The mental health of older people is now becoming a focus of research, recognising that
depression and other conditions can reduce quality of life, and that depression should not be
considered as a corollary of ageing. This research is in addition to the clinical and social
research on dementia and the care of people with dementia.

Researchers at the University of Western Australia are currently working on a project,
*Investigating older Australians’ beliefs about and understanding of mental health and their
practice of relevant protective behaviours*.

This project will consult with older people to understand their perceptions of mental health risks
and protective behaviours. The project is being conducted jointly with mental health
practitioners, and will produce material that can be used by health workers to explain the risks
and protective behaviours to their older patients.

This project takes a broad topic area of the mental health of older people, narrows it down to a
focus on ways to prevent mental health problems, and then aims to deliver materials from the
research that can be immediately useful in a clinical setting.

The Ageing Research Unit at the Australian National University also conducts research relating
to the mental health of older people. Its current *Retirement and mental health* project is
exploring the relationship between workforce participation and psychological wellbeing, and the
way in which mental health, physical health, and personal characteristics can influence people's
ability to work in older adulthood. This is particularly relevant to the issue of early retirement,
as people with experience of unemployment have a higher rate of depression and this may
influence the ability to remain in the workforce.

### 4.5 Housing and neighbourhoods

There are a number of research projects in the area of housing, and the residential environment.
These projects can focus on assessments of the needs or situation of current older people, an
analysis of current service provision, or identifying emerging trends and policy options.

Researchers at the University of New South Wales are currently conducting research on
*Environmental quality and health in the elderly: the Australian situation and international
comparison*.

This project is looking at aspects of the residential environment that can influence health status.
This includes the impact of traffic noise and air pollution on cardiovascular and respiratory
disease, and the relationship between housing and falls. A survey of older people will be
conducted and combined with hospital records to explore the relationship for people in three different areas of Sydney. This information will be compared with similar research being conducted in Europe. The results of this research will provide a better understanding of the risks of poor health and injury for older people, and indicate policy options to reduce these risks.

The Australian Housing and Urban Research Institute (AHURI) has conducted a number of research projects relating to housing for older people. Currently AHURI is researching **programs for integrated housing, support and care for older people.**

In this project, AHURI will identify, describe, classify and evaluate the full range of program options for integrated housing, support and care for older Australians, drawing on both Australian and international literature and case studies. The results of the project will be published and will provide a detailed review of these programs and an assessment of the policy implications of the research findings.

Both of these projects are focussing on issues of relevance to the BSL and will provide published research findings that can be useful in both planning future research and in determining appropriate policy changes for advocacy. Other projects focus on very specific topics, like accessibility of public transport, or specific housing programs.

### 4.6 Caring and community

There are a range of research projects being conducted by academics and service providers about care services for older people, and the communities in which older people live.

Silver Chain is a social welfare organisation in WA, which provides a range of social services and also undertakes research. Currently it is conducting research on **a new paradigm for home care.**

This project assesses a new paradigm for providing home care services, based on a model of early intervention and building functional capacity. It will address whether this new paradigm can provide better outcomes for older people and whether it can be a more cost-effective model of home care within the HACC program. This research is relevant both to Silver Chain as a service provider, but also to the State and Federal governments which fund HACC services.

Researchers at the Victoria University of Technology are considering the role of **Community based coalitions for health, safety and wellbeing.** Coalitions in the fields of disease prevention, public health, community psychology and community development are being evaluated and a best practice model will be developed for the effective creation and functioning of community-based coalitions for health, safety, and wellbeing.

Social inclusion is an important aspect of health ageing in the community. Researchers at the University of Adelaide are exploring this in rural communities in a project entitled: **Landscapes of rural ageing: the methodological challenges in exploring social networks.** This project considers the demographic and economic changes in four regional towns in South Australia and the influence this has on the social networks of older people.
5 A strategic approach to research in ageing and retirement

There is a great diversity of issues, research and policy responses relating to ageing. There is no single strategic direction for the BSL, but a range of options and opportunities to conduct research and advocacy, learn from and encourage other researchers, and to stimulate debate.

In preparing this report, we have gathered a database of over 150 current research activities, specifically relating to ageing or to issues that impact on ageing and disadvantage. These are detailed in Attachment A to this report. These existing research activities provide opportunities to engage with researchers and take advantage of the learnings that can then be used for planning further research and for improving the outcomes for older people who are disadvantaged.

The directory of current ageing research also provides an indication of issues that are not being addressed by research in the public domain. The BSL proposed a list of research topics in the brief for this report, and an assessment of each of these topics is provided in Attachment B. This assessment considers the suitability of these topics based on the level of other research in these areas.

There are many topics that the BSL could choose to research, and options for the selection of topics are discussed at the end of this section of the report. Before discussion specific topics for research, we outline a framework for a strategic approach to prioritising research.

The BSL can make a valuable contribution to the current research and policy debates on ageing, drawing on the considerable skills and experience of its BSL staff, and their commitment to improving the welfare of disadvantaged people. The critical decision for the BSL will be in targeting its research capacity to appropriate issues and perspectives. This includes decisions relating to:

- the level of engagement with an identified issue
- the perspective with which to approach the issue
- the capacity of BSL staff to conduct the research or contribute to the research
- the receptiveness of governments and other relevant decision-makers.

The final two decisions are beyond the scope of this report, and will need to be addressed by the BSL when determining appropriate research plans. The first two decisions are particularly important in narrowing the range of options to allow the development of a list of research proposals from which the plan can be developed.

5.1 Level of engagement

There are many issues relating to ageing, retirement and disadvantage that are of interest to the BSL, but it would not be possible to conduct research on all these issues. For each identified issue, BSL has a choice whether to:

- initiate independent research
- collaborate with other researchers/groups
- influence the directions of other research groups
- learn from the findings of others.
The BSL’s level of engagement with each identified issue will depend on the priority of the issue, the capacity to undertake research, and the range of other research being conducted.

For issues where there is a considerable amount of other research being conducted, BSL may find that it is best to engage with these researchers, to learn from their findings and to identify the potential for any follow-up research or similar research from a different perspective. There is also the potential to provide input to larger research projects, based on the Brotherhood’s strong understanding of disadvantage, and to influence the direction of this research.

The status of the BSL as a service provider and advocacy organisation provides an additional opportunity to serve as a representative on research steering and advisory committees. In this way, the BSL can learn from the research of others, share its knowledge and experience, and seek to influence the direction of research to more clearly address the welfare of disadvantaged older people.

There is considerable potential to collaborate with other researchers and organisations, as the Brotherhood is currently doing. Collaborative research projects are increasingly supported, bringing together teams of differing skills and perspectives to create a more comprehensive research approach. The BSL’s insights into the lives of people in poverty can provide a valuable contribution to collaborative research teams.

The BSL is also able to initiate independent research, to explore issues which are not adequately addressed by other researchers, or to examine the findings of other research projects. As a service provider, the BSL has the advantage of established relationships with disadvantaged people who can contribute to the research. This would be advantageous for research to test the suitability of proposed new policy or programs, by exploring the lived experience of people who are the subject of policy investigation.

The decision about the level of engagement for each issue will depend on the priority of the issue, the level of other research and the capacity of the BSL to conduct appropriate research to address the issue of concern.

5.2 Perspective on research issue

Much of the publicly funded research is focussed on broad and structural issues relating to population ageing, labour markets and health services. These research projects are generally addressing future policy development concerns from the perspective of governments, focussing on the society as a whole, or major population groups. There is significantly less research in the public domain that explores the lived experience of people in these population groups, or which addresses ageing, poverty and disadvantage.

These research projects generally take one of three perspectives on the issue:

- the person or household
- a program or service perspective, or
- the perspective of society as a whole.

Many of these large-scale research projects focussing on the perspective of society raise important questions about the situation and needs of specific groups within society. However, the findings are often drawn from the researchers’ interpretations of people’s choices based on aggregate data.
The BSL is well placed to conduct research from the perspective of disadvantaged people and households, to test or expand on the conclusions drawn from these research projects.

These larger studies are also often relied upon by Government departments and policy advocates to inform their understanding of current issues. By conducting research that is linked to findings of these studies, the BSL may be able to influence decision-makers by providing evidence that supports or challenges these findings – by articulating the experience of the people who are the subject of policy investigation.

Much of the research that is conducted at the person or household level is conducted on a smaller scale and is often not in the public domain. Research conducted by the community sector, graduate students and advocacy organisations can be a rich source of information about the needs and situation of specific groups within the community. However, access to this research will depend on having linkages with those conducting the research. As an organisation experienced in both conducting and publishing research, the BSL has the opportunity to encourage other researchers to publish their research and to improve linkages between research groups.

Research at the program or service level covers a range of types of programs, from small-scale interventions for specific community groups, to research on large-scale programs such as income support or aged care services. This research often includes the perspective of the people in the program target group, but the purpose of the research is to examine the program, rather than the experience of the people. The BSL has the potential to provide valuable research from the program or service perspective, such as testing the suitability of an intervention or proposing improvements to services for a specific group.

The BSL is less likely to be in a position to conduct research from the ‘whole of society’ perspective. These projects often involve economic modelling or fiscal analysis, and can run for some years. While this is not likely to be the focus of research by the BSL, some of these projects will be of interest to policy-makers, and there can be value in engaging with these research projects.

5.3 Framework for strategic research selection

As described above, the critical decision for the BSL will be in targeting its research capacity to strategic issues, considering:

- the level of engagement with the issue
- the perspective with which to approach the issue
- the capacity of BSL staff to conduct the research
- the receptiveness of governments and other relevant decision-makers.

The final two decisions are beyond the scope of this report, and will need to be addressed by the BSL when determining appropriate research plans. An assessment of the capacity and capability to conduct research will include the skills and availability of staff, the duration of the research, the cost, and access to appropriate research subjects and data. The assessment of capacity will be different for each issue and will change over time. The receptiveness of governments and decision-makers is also an important factor in deciding research directions. There are some topics where governments or departments have fixed positions and are unlikely to be swayed by research. However, the current focus on ageing by governments at all levels means that
decision-makers are seeking information and evidence to inform policy development, and may be receptive to policy proposals arising from BSL research.

Decisions relating to the level of engagement and the research perspective are particularly important in narrowing the range of options to allow the development of a list of research topics from which the plan can be developed.

Each potential research topic can be considered and prioritised using the following framework.

For each proposed research issue, an assessment can be made of the appropriate approach for each dimension. There is the potential for the BSL to engage with research in all 12 combinations, although there is less potential for initiating independent research at the ‘whole of society’ level.

An example of using the framework for research selection

The topic of Assistive technology for older people was one of those proposed by the BSL in the project brief, and is an area which is being addressed in a number of current research projects. It is not an issue that is specific to disadvantaged older people, and research is more likely to be targeted to providing assistive technology to affluent households with experience in using technology.

This topic may not be a priority for the BSL, but it is a good example of the potential for research collaboration between groups with different skills and experience. The research on assistive technology is mainly conducted by people with a strong technical background and could benefit from collaboration with researchers with a strong understanding of the needs of older people.

There is ongoing research from the society perspective on the broader use of new technologies, and BSL can learn from this to build an understanding of assistive technology. Through engagement with current researchers in this field, the BSL has the opportunity to learn about this technology, influence researchers to consider the needs of disadvantaged people, or collaborate on research activity. This could either be at the program level – focussed on the nature and use of the technology – or the person level – focussed on the needs of the potential users and the suitability of the technology to meet these needs. The specific technical nature of this research means that it would be less suitable for the BSL to initiate its own research on this topic.
Recommendations for strategic research planning

Recommendation 1) That the BSL form strategic partnerships with other researchers and advocacy organisations – to conduct research jointly, share research findings, and identify emerging issues that warrant further research work by the BSL.

Recommendation 2) That the BSL seek to have representatives appointed to advisory committees on ageing research, to ensure that the welfare of disadvantaged older people is clearly addressed.

Recommendation 3) That the BSL use the framework described to determine the approach to each of the many research opportunities in ageing.
6 Research directions for the Brotherhood of St Laurence

This chapter uses the proposed framework for strategic research selection to consider a number of key research areas for the BSL, consistent with its mission to address economic and social disadvantage facing older Australians.

There are many issues of ageing and disadvantage that warrant further research, and the BSL has a history of conducting valuable research. It will be important for the BSL to direct this research capacity to issues that are not receiving significant research and where there is the potential to bring about policy change through the findings of research.

The prioritising approach described in the previous chapter is recommended to narrow down the many possible research issues. This chapter uses this framework to assess a range of options which are seen as high priority for research by the BSL – relating to income and financial security in retirement, and access to appropriate housing and care services.

The issues that are proposed for research engagement by the BSL are:

- Early retirement by low-income households
- Work options for people of retirement age
- Housing affordability and its impact on retirement security
- Options for supporting the costs of ageing
- Appropriate provision of community care services.

Within each of these research areas are a number of topics of interest, which allows for a program of linked research to address related aspects of an issue, as well as providing flexibility to the availability of staff and resources to conduct research.

As public policy changes and services are reformed, new issues will become identified for research. The dual role of the BSL in both providing a range of social service and conducting research allows you to be responsive to emerging issues identified among your clients, serving as an ‘early warning system’ for policy and service failures.

Early retirement by low-income households

As described in section 1.4, the issue of early retirement by low-income households has been identified through large-scale research. These households have low levels of income and superannuation and a high risk of further disadvantage. The options for this research issue can be described as set out in the table.

Much of the current research relating to this issue is conducted at the ‘whole of society’ level, so there is the opportunity to learn from these projects. The large-scale nature of these projects, and their economic focus, means that there is less opportunity to contribute more directly to these research projects.
There is little research conducted at the person or program level, as there are few programs that explicitly target this issue, so there is less opportunity to learn about this perspective. Given the emerging nature of this issue, research from the person perspective could be conducted initially, exploring the experiences of these early retirees.

Initial research would focus on clarifying the pathways to low-income early retirement, which is likely to include factors such as redundancy, physical injury, illnesses or family breakdown. By determining the relationships between life experience and early retirement for a cohort of people, research from the program perspective can then develop strategies for reducing the risks of low-income early retirement following these life events.

**Work options for people of retirement age**

The brief prepared by the BSL for this study included a number of research topics relating to the need for people to remain in the workforce to build savings for retirement. These topics included the retirement choices for people in physically demanding jobs, and opportunities for retraining for low-income workers, to enable work beyond retirement age.

People who lack retirement savings have a greater risk of disadvantage as they age, therefore continued work past retirement age can reduce this risk for people who have the capacity to continue working.

The BSL already has experience in providing training for its employment service clients to enable them to gain work in aged care facilities. This is a valuable background from which to further explore the potential for re-training of older unemployed people or low-income workers to enable them to work in areas of workforce demand.

Research conducted by The Australia Institute (Hamilton and Hamilton 2006) found differing perceptions of retirement between low-income and high-income workers aged 45 to 59. Low-income workers generally wished to cease work at retirement age or earlier, but were unsure how they would finance their retirement. More than half of low-income workers in their survey expected to work after retirement age, undertaking part-time or full-time work, mainly for financial reasons.

"Unlike high-income boomers, low-income boomers are mostly unhappy about needing to work beyond the retirement age. They would like to have the choice available to their high-income counterparts, but if they did they would choose to retire."

This suggests that there will be an ongoing need for training programs to assist older workers to build skills for work that suits their physical capacity and desire for part-time and other flexible work arrangements. Employers will also need assistance to understand the needs of these older workers and to provide suitable work arrangements.
While there is considerable research on retirement and older workers from the society perspective, this is focussed on regulatory responses and aggregate figures. There is potential to learn from the analysis of these research projects, and there may be opportunities to contribute the BSL’s experience to future projects of this type. There are also a number of research projects being conducted on the issue of continued work by older workers, both from the person and program perspective. These may provide learnings to the BSL, as well as providing opportunities for collaboration.

There is less research focussing on the opportunities for older workers who are disadvantaged to continue working in ways that suit their personal needs, not just for providing income. The skill and experience of the BSL in this area would form a strong basis for initiating or collaborating on research in program models for building capacity and opportunity for low-income people to continue working in ways that maintain their wellbeing and incomes. This may include programs to retrain older workers to work in aged care services and other areas with growing demand.

**Housing affordability and its impact on retirement security**

The decline in housing affordability in many Australian cities has been identified as an emerging issue for an ageing population. Home ownership is a major factor in reducing disadvantage for older people. The decrease in home ownership, and the later age of home purchasing, means that there will be an increasing proportion of people retiring while still paying a mortgage, or without owning a home.

In addition, the housing price boom has been uneven and older people selling their family home to move into a retirement village or other age-appropriate housing are receiving vastly different values. There is the potential for people owning lower-value homes to have increasing difficulty in accessing age-appropriate housing, as prices for this housing is pushed up by those who have sold higher-value houses.

Concern about the reduced level of home ownership by new retirees has been raised in research on housing from the society perspective, and there is the potential for the BSL to learn from this research, and collaborate with or influence housing researchers to address the retirement income implications of decreased housing affordability.

There are a number of research organisations working on housing issues for our ageing population, so there are opportunities for collaboration and influence. As this is an emerging issue, there are fewer opportunities to initiate independent research. However, the experience the BSL has gathered

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X = option, \ = partial option, ? = possible option
over many years of understanding the needs of the current older population who do not own their home can form a valuable input to the larger-scale research being conducted.

The BSL is also well-placed to conduct research on the related issue of the ability of lower-value homeowners to use the value of their home to purchase alternative age-appropriate accommodation. This does not appear to be specifically addressed in other research, although it is implied in the research into the movement of retirees to regional areas. This research suggests that the change is made for both lifestyle reasons and to allow access to a wider range of affordable housing.

### Options for supporting the costs of ageing

Social welfare and advocacy groups have long argued that the age pension is not sufficient to cover the full costs of living. As governments now express concern at the increasing cost of pensions due to population ageing, there is little likelihood of willingness to increase pensions to accommodate changes in the structure of living costs.

However, there are many alternative approaches to assisting older people to live securely on the age pension. There are many programs providing targeted benefits, concessions and rebates to older people, but these are rarely coordinated and the value may not closely relate to the value of the service being subsidised.

Research in the based has focussed on demonstrating the inadequacy of the pension to cover variations in the cost of living, but little research has been done to assess the costs of ageing and the suitability of the available concessions to address these costs.

The BSL can learn from previous research on the costs of living for pensioners and may be able to influence other researchers in this area.

The established relationships with low-income older people would form a strong basis for a study of the costs of ageing and the value of the available concessions and rebates, looking from both the person and program perspectives. This could address both the value of the concessions in relation to the identified cost, the process by which the concession is obtained, and the eligibility criteria.

This research could include:

- government funded concessions (such as public transport fares, car registration and utilities subsidies)
- changed payment arrangements (such as deferred local government rates, Medicare safety net)
- private sector concessions and discounts that relate to the costs of ageing (such as pharmacy discount schemes and private allied health discounts)

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X = option, \ = partial option, ? = possible option
Appropriate provision of community care services

The continued expansion of community care services raises a number of issues about the suitability of these services for all older people needing care. Community based aged care services (such as HACC and CACP) are based on the assumption that people have access to a range of social supports in their community, as well as appropriate housing and facilities to enable them to ‘age in place’. These assumptions can be seen as a risk for the sustainability of community care services, as well as risking the exclusion of socially and financially disadvantaged people.

A number of research projects are exploring the relationship between social capital and community care services, and there is also opportunity for research to clarify the suitability of community care services for people who experience disadvantage and social exclusion.

Using the framework shows that there is limited potential for engaging with this issue at the ‘whole of society’ level, as it is a program focussed research issue. However, there are a number of research projects on social capital and social exclusion from the society perspective, so there is potential to learn from this research and to seek to influence others’ research to address the needs of socially and financially disadvantaged older people.

There are a range of research activities currently being conducted on community care services, primarily from the program perspective, so there are opportunities to engage with these researchers. The number of research projects addressing this issue suggests that there may be less need for the BSL to undertake broad research on community care. However, given the important findings of the BSL research into the different definitions of independence between long-term disadvantaged people and other recipients of HACC services, there appears to be a need for further research into the most appropriate approaches to community care for disadvantaged people.

Conclusion

This chapter has described five key areas for research and proposed topics within these areas for the BSL to develop into research proposals. Some of the specific themes worthy of closer investigation include:

- Assessing the impact of early retirement in low-income households on the health, well being and independence of older people.

As part of this focus, consideration should be given to:

- Exploring the range of income support options (direct and indirect) required by older people to access adequate housing and to maintain their independence, health and wellbeing.

- Identifying those factors that individuals cite as critical in maintaining their health, wellbeing and independence as they get older.
• Understanding impact of work (paid and voluntary) and social connectedness on the lives of older people as a means of maintaining their independence, health and wellbeing.

As part of this focus, consideration should be given to:

- Examining the changing nature of family structures and social networks of older people who are disadvantaged and their impact on their quality of life and individual independence
- Exploring options/approaches/methods to reduce social isolation and enhance the social connectedness of older people in their local communities

• Examining the impact housing affordability for older disadvantaged Australians on their retirement security

As part of this focus, consideration should be given to:

- Assessing the impact of reduced home ownership amongst retirees and its impact on individual independence, health, well being and family arrangements
- Identifying options (direct and indirect) to better support older people in their retirement who are disadvantaged and do not own their own home

• Identifying the changing factors impacting on the cost of living profile for older people

As part of this focus, consideration should be given to:

- Identifying the changing cost of living profile for people aged 75 and older and the implications for income security, concessions and other payment arrangements

• Developing community care models to support those older people who are socially and financially disadvantaged

As part of this focus, consideration should be given to:

- Identifying and exploring the cost-effectiveness of support models targeted at people aged 75 and older who are financially and socially disadvantaged
- Determining strategies that can better mobilise local communities to better support its older people who are financially and socially disadvantaged

Each of these themes touch on key issues that have the potential to impact widely on older people, and particularly those people who are socially and financially disadvantaged.

Within each of these research areas are a number of topics of interest, which allows for a program of linked research to address related aspects of an issue, as well as providing flexibility to the availability of staff and resources to conduct research.

As public policy changes and services are reformed, new issues will become identified for research, both within these key areas and in other areas. The approach outlined in this report can be used by the BSL in the future to assess and prioritise any emerging issues for research.
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