

MEDIA RELEASE

Benevolent Society welcomes support for older Australians

Sydney, 8 May 2018 - The Benevolent Society, Australia's first and oldest charity, welcomes aspects of this budget with a focus on programs aimed at assisting older Australians, including new home care packages, a re-drawing of the home care scheme, and an increase in the work bonus.

“Having said that, though,” says Executive Director Strategic Engagement, Research and Advocacy, the Benevolent Society Dr Kirsty Nowlan, “these additional packages are spread over four years and doesn't meet the full shortfall of people waiting for packages.

“The budget does not help all of the 60,000 people who currently have no package at all, or the 44,000 people currently on lower level packages than they require. No one should have to wait for this critical assistance. Once people are assessed as being eligible and in need, they should have a package ready to go.

“This is not, as has been heralded, a ‘budget for baby boomers’ nor does it have older Australians as its centrepiece with a ‘sweeping blueprint for aged care’. The Government has tried to frame this as a budget for older Australians. But around 250,000 households relying on the Age Pension are living in private rental accommodation. Trying to pay rent and meet the cost of living on the age pension is the greatest creator of poverty amongst older Australians. Rent Assistance has become grossly inadequate. When you add the rising costs of health care, dentistry and technology, many older people have to take drastic measures to try to make ends meet. Government policy has simply failed to provide a decent standard of living for many older Australians.

“We are disappointed that the Government has retained its policy to increase the pension age to 70. For some people, working until 70 years of age is just not possible, and this decision will force

them on to other payments such as Newstart. Many older Australians are already struggling to get by on the pension.

“We do welcome the \$145 million to improve aged care in regional and remote areas and the \$82 million to improve access to mental health services in residential aged care and we appreciate the government increasing the cap on older Australians earning a wage on top of their pension, although we would have liked to have seen this introduced alongside practical measures to keep older Australians at work.

“It is a favourable program that allows retirees to earn \$300 per fortnight instead of \$250 on top of their pensions, an additional \$1,300 per year. But compare this to other countries – in Canada, for example, people on the equivalent of the Age Pension (Old Age Security) can earn up to \$1,400 (Canadian) per week before the income test kicks in. And in New Zealand, there is no income test for the Age Pension. This means that someone on the Age Pension is encouraged to keep working, whilst they can and whilst they want to, so they have the ability to increase their savings further before full retirement.

The government claims the budget includes \$258.6 million over five years to enhance the standard of living of older Australians with \$11 million to expand the Pension Loans Scheme to all Australians over the pension age, including full rate pensioners and self-funded retirees, so they can boost their retirement income and use the equity in their homes to increase incomes. The myth that all older Australians own their own home lives on in this budget. But those relying on the Age Pension are struggling in private rental. This budget does nothing to assist their financial position. A Government that was serious about addressing financial distress amongst older Australians would be increasing Commonwealth Rent Assistance and helping them get into subsidised social housing.

“We would have liked to have seen a broader strategy addressing all issues affecting older Australians.

“For example, we are disappointed that the government did not discuss ageism in the workplace while expecting or even encouraging Australians to work longer. Without addressing discriminatory behaviours and attitudes in recruitment, retention and exit from the workforce, many older Australians will continue to be shut out of work. We know that labour force participation rates drop sharply as people age. People aged 50-54 have a participation rate of 82.5% but this drops to 57% for those aged 60-64 and then to 13.7% after the age of 65. In terms of international comparisons, we know that Australia lags well behind other comparable nations for the participation rate of older people. This is a systemic issue which we urge government to address.

“And I’d like to emphasise that we object to the language used by the government and several media outlets as identifying baby boomers as a ‘strain on the economy’ or that older Australians are causing an aged care crisis due to the impending retirement of Baby Boomers. We urge everyone to treat all Australians with the respect and dignity they deserve. Older Australians contribute a massive amount to our communities, families and the economy as workers, volunteers and carers. It’s about time we embraced the opportunities our ageing demographics provide us and stop demonising older people.”

Additionally, The Benevolent Society is pleased that the Government has committed to fully funding the NDIS, stating “every dollar and every cent committed to delivering the NDIS is in place and always will be”. The budget also includes \$92.1 million to ensure support for people ineligible for the NDIS. We do however remain concerned that if the overall budget position becomes precarious in future, this commitment may not be met.

It is disappointing to see that the Federal Government has again failed to take a leadership role to bring about the systemic change needed to improve child safety and well-being in Australia. In the year that we are reporting to the United Nations on Australia’s progress on upholding the *Convention on the Rights of the Child*, this budget fails to provide the funding needed to deliver on its own commitments in the National Framework for Protecting Australia’s Children.

“Lastly”, adds Dr Nowlan, “this is a budget with \$41 billion aimed at older Australian voters, we’ve been told. Frankly, we’d like to see where that \$41 billion is being spent as we advocate for a fairer and supportive society.”

-ends-

For interviews, please contact:

Melanie King, Manager Media Relations & Public Affairs, The Benevolent Society

02 8262 3547 or 0414 341 328

Melanie.king@benevolent.org.au

About The Benevolent Society

The Benevolent Society is Australia’s first charity, working as a catalyst for social justice and change for over 200 years. Founded in 1813, The Benevolent Society advocates for a better life for all Australians, and provides in-home services for older Australians, and people with disability, as well as providing programs in Family support and early intervention. We help people age well and live their best lives, staying in their homes wherever possible.

For more information, please visit www.benevolent.org.au, on Facebook/thebenevolentsociety or on Twitter - @BenevolentAU