



**Submission to the
2015-2016
Northern Territory
Budget**

January 2015

National Seniors

Australia

About National Seniors Australia

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

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

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

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

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

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Recommendations

Seniors Concessions

Recommendation 1: *National Seniors recommends that the Government commits to funding and resourcing the Office of Senior Territorians and partner with the Charles Darwin University, or other bona fide institution, to conduct research to produce and implement evidence based policies for well targeted, adequate and appropriate concessions for both Pensioners and Self-Funded Retirees.*

Administration

Recommendation 2: *National Seniors recommends that the Government restructure the three components of the Senior's portfolios with a designated area to access a portal that aligns fiscal, administrative and policy information. This reorganisation should also include upgrading and updating of the website.*

Advanced Personal Planning

Recommendation 3: *National Seniors recommends that:*

- *A training module for advanced planning be designed by an educator and the Department of the Attorney-General and Justice.*
- *That this module be available for professionals in a 'Train the Trainer' package and delivered in all centres.*
- *That trainers ensure Residential and Community Care facilities are targeted in training sessions.*
- *That workshops of sufficient length be designed and conducted for seniors and their families to encourage uptake of this planning and to promote an understanding of the linkage with eHealth records*

Elder Abuse

Recommendation 4: *National Seniors recommends that:*

- *The Government fund the extension of the elder Abuse research/survey to be undertaken by the Darwin Community Legal Service (DCLS) in 2015 and provide support to ensure the methodology is robust.*
- *Protocols for the Northern Territory are developed to build on experience from other jurisdictions including the public sector, NGOs and the retail and service sectors*
- *Funding be set aside for the establishment of suitable service responses, sensitive to the needs of the clients and cultures identified.*

Older Workers

Recommendation 5: *National Seniors recommends that:*

- *That age barriers encapsulated in NT Legislation, Regulations and Agency Policies that prevent older people working until they choose to leave the NT workforce are investigated, comprehensively identified and removed.*
- *That in line with recommendation 1 the NT Government reform The Workers Compensation and Rehabilitation Act (NT) to have no age cap, preferably by either implementing the standard recommended by the Hanks Review or by emulating Western Australia and Queensland Workers Compensation provisions.*
- *That the NT Government, through COAG and other Federal/State and Territory forums, advocate for the removal of the remaining areas of age discrimination from superannuation guarantee law*
- *That the NT Government through the Commissioner for Public Employment investigate and identify systemic and work culture biases that limit opportunity for older people at all levels of the NT Public Service, and implement programs to eradicate those biases.*

Seniors Concessions and Administration

Seniors Concessions

Recommendation 1: *Commit to funding and resourcing the Office of Senior Territorians and partner with the Charles Darwin University, or other bona fide institution, to conduct research to produce and implement evidence based policies for well targeted, adequate and appropriate concessions for both Pensioners and Self-Funded Retirees.*

Established in acknowledgement of the service and loyalty of senior Territorians, the Northern Territory Pensioner and Carer Concession Scheme (NTPCCS) is a highly regarded and appreciated scheme that assists older Territorians and carers to access concessions that allow them to maintain a decent standard of living.

However, the announcement made as part of the 2014-2015 Northern Territory budget to transform the NTPCCS into a means tested payment administered locally, but reliant on Commonwealth Government assessment requirements applies a 'one size fits all' approach.

The difference between the NTPCCS and other State and Territory concessions schemes is the ethos behind the original programme, not as a welfare payment but as an inducement to recruit, retain and reward Territorians for the real difficulties of living in remote locations and the challenging climatic conditions. While modified over the last two decades with the advent of technology, which in itself involves costs, these conditions still apply and are predicted to become more severe through climatic changes.

The withdrawal of Commonwealth funding for concessions through the *National Partnership Agreement on Certain Concessions for Pensioners Concession Card and Seniors Card Holders*, has resulted in a rushed policy response from the Northern Territory government. The means testing amendment now applied to the NTPCCS is linked to CPI, and determined through national data sets.

In light of the newly implemented means testing arrangements announced in the 2014-2015 Territory budget, National Seniors recommends that any movements to the value of concessions be linked to the real cost of living in the NT and applied to all concessions.

Many of the concerns held by seniors relate to the cost of living. Nationally, there is concern for the future of those people on fixed incomes with escalation in utility costs. Again, we point out that Territorians and in particular, Senior Territorians are more at risk due to fixed incomes combined with escalating prices and a higher cost of living than other areas. Additionally, it is important to note that there is no concession available in the NT for LPG, a commodity that 30 per cent of Northern Territory household's utilise and which is predicted to substantially increasing in price.

The Office of Senior Territorians is a known and valued resource. Restoration of confidence to the Pensioners and Self-Funded Retiree sector, both present and future, would be achieved if the Northern Territory Government committed to further resourcing this unit and partnering with the Charles Darwin University, or another bona fide institution, to conduct research, produce and then implement evidence based policies that ensure:

- That systems are introduced that will allow more comprehensive data collection and robust interpretation to inform future policy and identify irregularities,
- that the separation of the Power and Water corporation does not disadvantage seniors including those who cannot access concessions,
- that the real effect of the policy change is measured and reported on to the MAC-ST, with consideration given to those people who have now been denied access to the NTPCCS and the cost of returning concessions to all people over 65 be determined. This could include costing with some regard given to national legislative changes e.g. age pension eligibility age moving to 70.
- that the present enquiries into improper use of the NTPCCS be pursued,
- that a report of these findings is a set item of agenda to the MAC –ST meetings, and
- that the MAC–ST is charged to ensure there is universal access to information about the NTPCCS across the organisational and geographical sectors that the members represent.

Ref:

1. Press Release 03 September 2014. “Ministers Accept need to review NT senior concessions” National Seniors Australia.
2. Northern Territory Government Inform Fact Sheet “changes to the Northern Territory Pensioner and Carer Concession Scheme” 14 May 2014
3. National Seniors Australia Report “A squeeze on spending?” October 2013.
4. National Seniors Policy office statistical analysis “gas use in each State and Territory” from the ABS 5 November

Administration

Recommendation 2: *National Seniors recommends that the Government structure the three current components of Seniors Administration (Chief Ministers’ Department, Department of Health and Minister for Senior Territorians) into one agency/department. This will allow access to an interface with government that aligns fiscal, administrative and policy information. This reorganisation should also include upgrading and updating of the website.*

Accessing information on concessions or eligibility for subsidies through the current system is a major cause of concern for older Territorians. With numerous Portfolios carried by individual Ministers in the Territory it is complex for older Territorians to interact, with three separate Ministers, and three different Departments, to achieve any form of coherence in addressing issues of concern.

The Office of Senior Territorians with an Executive Director- Social Policy Coordination Unit, Manager of Community Engagement and the Senior Policy Officer come under the responsibility of the Chief Minister; the Pensions and Carer Concession Scheme and Seniors Card are with the Minister for Health; and the Ministerial Advisory Council- Senior Territorians (MAC-ST) is a function of the Minister for Senior Territorians who has no administrative or fiscal responsibility. Principles of good governance suggest that this inefficient structure must be simplified to remove structural impediments to the well-being and democratic participation of the NT’s longest serving population group.

Such consolidation will ensure adequate and timely access to accurate and appropriate information for senior Territorians.

1. Notes from NTPAG meeting with the Northern Territory Chief Minister-Hon Adam Giles 23 July 2014
2. NT COTA Paper tabled at the Ministerial Advisory Council –Senior Territorians (MAC-ST) 12September 2014
3. Press/ Electronic Media reports of arrests made in Fraud Cases of Senior’s concession funding November2014

Advanced Personal Planning

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- *A training module for advanced planning be designed by an educator and the Department of the Attorney-General and Justice.*
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The passing of the *Advanced Personal Planning Act* in March 2014 and the subsequent *Advanced Personal Plan (APP)* booklet has been positively received by National Seniors members throughout the Territory. In addition, the information on the Department's Website is beneficial to those who have access to the internet. This suite of tools is seen as an outcome for the repeated representations made to many politicians and input into departmental workshops and committees by the National Seniors NT Policy Advisory Group.

However, the recent public presentation held by the Department of the Attorney- General and Justice has been confusing to our members. Members with limited knowledge on the subject of advanced planning and indeed many legal and medical professionals, considered the sessions rushed in nature and dismissive of actual concerns of the targeted cohort of seniors, carers and family members who attended the public meetings.

To adequately complete and register an APP will require ongoing public education and advocacy training for those professionals who could be expected to advise, assist in preparing and/or witness the final document. Encouragement and demystification of the subject is required for persons reluctant to discuss or even make a will.

Ref:

1. The Advance Personal Planning Act 2014. Northern Territory Australia.
2. www.advancedpersonalplanning.nt.gov.au
3. Alice springs presentation by Department Attorney General and Justice – Introducing the Bill May2014

Elder Abuse

Recommendation 4:

National Seniors recommends that:

- *The Government fund the extension of the elder Abuse research/survey to be undertaken by the Darwin Community Legal Service (DCLS) in 2015 and provide support to ensure the methodology is robust.*
- *Protocols for the Northern Territory are developed to build on experience from other jurisdictions including the public sector, NGOs and the retail and service sectors.*
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Preventing elder abuse in an ageing world is everybody's business. "Elder abuse is a violation of human rights and a significant cause of injury, illness, lost productivity, isolation and despair." (Active Aging , a Policy Framework WHO, 2002). Confronting and reducing elder abuse requires a multidisciplinary approach. Workers throughout the Northern Territory within Health, Aged Care and Legal Services express concern at professional limitations of response services to the presentation of elderly clients with suspect or clearly identifiable abuse. This is a significant gap in the services that should be available to Senior Territorians. Accepting that within the NT the statistics are not collected, research still not carried out, reporting purely anecdotal, the National Seniors NT Policy Advisory Group still questions the lack of concern by government in making a contribution to the introduction of services for this need. The Northern Territory is the only State/Territory where Services for the Abuse of older adults are not established or being developed.

Darwin Community Legal Service (DCLS) is instigating, staffing and funding a six month trial, of an Information Line, on a designated 1800 number, to gather data to demonstrate the need for services for this vulnerable group within the Territory. This trial is to commence mid-January 2015 for a six month period. National Seniors supports the DCLS initiative. However, such a limited survey by an organisation already stretched by funding cuts from the Commonwealth Government, will be strained to provide a comprehensive Territory picture, it may however direct attention towards immediate service development needs.

Regardless of the postcode, Toorak, Parap or Papunya will have demonstrated physical, financial and psychological abuse of some elderly people within certain situations and families. Within other jurisdictions, establishing a hotline or similar response facilities, have provided ample proof of the need and the efficacy of these resources.

Strategies for action have been trialled and tested in other States and Territories. Until reporting is required the issue is too daunting, too painful, avoided by many and in particular the victims. Reluctance to confront is an obvious prohibitor of action. This requires politicians and community leaders to acknowledge the need and to concurrently implement protocols for recognising and reporting elder abuse within all service sectors.

References:

2014 - AGAC (Australian Guardianship and Administration Council) 3rd National Elder Abuse Conference, Perth WA. 3-4th September 2014.

2014 – "Take Action" Elder Abuse Awareness Day Conference, Adelaide Convention Centre. 16th June 2014

2013 - INPEA (International Network for the Prevention of Elder Abuse), Seoul, South Korea. 23rd June 2013

2012 - Elder Abuse: A Cause for Action. The Australian Association of Gerontology Northern Territory Conference - *Working Towards A Safer Future* - Alice Springs NT September 2012.

Older workers

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As a society, we have been slow to recognise that millions of older Australians are locked out of the workforce due to age discrimination. Politicians and the general community are starting to understand what a terrible waste of human capital this situation represents; a loss to the national and regional economy and to businesses large and small, and a loss to the individual who is pushed out of the workforce prematurely.

A number of important areas of government and industry policy contain age limits that constrain the rights of older workers. Given the policy levers that currently encourage, and in some cases, require people to remain in the workforce well into their 60s, there is a strong argument to remove any barriers to the full benefits of workforce participation for all workers, regardless of age.

NT policies and laws, through their operation, deter or prevent older people working, even when they do find jobs. The age thresholds that apply to workers compensation and superannuation are just two prominent examples. Private sector policies relating to income insurance are further examples of age discrimination particularly for tradespeople and those in small to medium enterprises.

More insidious, and maybe even more influential, are work culture attitudes that limit opportunity for older workers both in and out of employment. These should be identified for what they are - discrimination - and strenuous efforts made to eradicate them.

We submit that the 2015 NT Budget include provisions and funding for the NT Government to devise and implement positive reforms firstly within the NT Public Sector, and concurrently through negotiation with the private sector, to establish partnerships to remove identified impediments to workforce participation for older workers.

The funding should also provide support for extension of successful models and programs implemented in the public sector to the private sector, and through this partnership act positively to remove age-discrimination across the entire NT workforce.

Workers Compensation and Rehabilitation

Many of us want to work past our 60's, but we need to be able to do this in safety and security. Workers Compensation and Rehabilitation Legislation reform would be an enabler in this area.

The South Australian Government has taken steps to reform workers compensation rules so that older workers are not left unprotected. The *Return to Work Bill 2014 (SA)* aligns workers compensation rules with the rising age pension age.

The age pension age is set to rise to 67 by 2023 and may rise to 70 by 2035, however most Commonwealth and State and Territory workers compensation schemes use 65 as the token age where workers are expected to cease work. This not only sends the wrong message to older employees, it is a real gap in protection.

The recent review of the (NT) *Workers Rehabilitation and Compensation Act* contained a recommendation (Recommendation 44), that proposed changes to the Act to allow older workers who are injured at work to access payments for 104 weeks. This recommendation has, we believe, been supported by Government - but has not yet been enacted.

In addition, prior to drafting and enacting the proposed amendment we urge the NT Government to consider the findings of the *The Hanks Review* which was undertaken by the Commonwealth in 2012.

The Hanks Review recommended trialling the availability of the incapacity benefits to the qualifying age for the age pension, and allowing workers over age pension age to receive benefits for up to five years rather than the current limit of two years. The Federal Government has not yet responded to those recommendations.

We urge the NT Government to either implement the standard recommended by the Hanks Review or emulate Western Australia and Queensland and have no age cap.

Superannuation age limits

That the NT through COAG and other Federal/State and Territory forums advocate for the removal of the remaining areas of age discrimination to be removed from superannuation guarantee law.

The removal on the age limit on the superannuation guarantee will have positive benefits for those working into their 70s and beyond. In addition it has sent a message that people are valued in the workforce, no matter what their age. However, some age-specific limits to superannuation continue to disadvantage people who are working past the age of 75.

Workers over the age of 75 are not eligible to make concessional contributions into their superannuation funds. The concessional contribution scheme allows all other workers to make salary sacrifice contributions of up to \$25,000. From July 2009 to July 2012, people aged between 50 and 75 could make increased contributions of up to \$50,000. The increased contributions cap for over 50 year olds is expected to be reintroduced in July 2014. These contributions are taxed at the concessional rate of 15 per cent.

Workers over 75 years miss out on this tax advantage which provides significant benefit to other working Australians.

A further limit on the superannuation scheme affects over 75 year olds who want to make after-tax contributions to their superannuation fund. There is currently no scheduled reform to superannuation law to allow people over 75 to make non-concessional (after tax) contributions to their superannuation fund, even if they meet the work test. The work test allows people aged 65 to 74 to contribute \$180,000 per annum to their super fund. People under 65 years have the added

advantage of being able to contribute a lump sum of \$540,000 to their super if they comply with the 'bring forward' rule.

Precluding working people over 75 from making concessional and non-concessional superannuation contributions is at odds with the removal of the age limit on the superannuation guarantee. On the face of it, this is policy at cross-purposes. Removing the age limit on the superannuation guarantee needs to be followed with accompanying tax concessions that do not cut out once working people reach age 75.

The Australian Government has a role to ensure that provisions for people transitioning to retirement are appropriate to the stage of life and to the individual's financial status. However, an arbitrary cut-off point to superannuation concessional and non-concessional contributions at age 75 can send a message to employers and employees that workers at this stage of life are of lesser value. It may also act as a disincentive for people to remain in the workforce.

In making its reforms to the superannuation scheme, the Australian Government needs to consider ways in which the scheme can be nuanced to provide fairness and equity for all older workers, including those aged 75 and older.

References

Australian Human Rights and Equal Opportunities Commission.