



Northern Territory
2008
Election Priorities

About Us

National Seniors Australia is the country's largest seniors' organisation with over 280,000 members (including over 3,000 in the Territory). We are a not-for-profit community organisation that seeks to:

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

Our members, who are from metropolitan, regional and rural areas across all states and territories are broadly representative of the three key ageing cohorts: those aged 50-65; those aged 65-75; and those aged 75 +.

In addressing the needs of this diverse membership, we have developed an ageing agenda that encompasses the issues pertinent to these different age cohorts, as well as to seniors from varied socio-economic backgrounds and geographical locations.

Policy

National Seniors Northern Territory Policy Group (NTPG) was established in 2006 and plays a key role in identifying emerging issues and trends in the Territory. The NTPG also acts as a conduit between National Seniors members in the Territory, relevant community organisations, and the Territory Government.

National Seniors National Policy Office (NPO), based in Canberra, facilitates the implementation of National Seniors' policy agenda and advocates on behalf of members to government at all levels, to business and to the broader community.

The work of the NPO is further enhanced by National Seniors comprehensive grassroots process, which enables members to contribute to policy development and debate through local branches, regional zone committees, and state, territory and national policy groups.

Research

National Seniors Productive Ageing Centre (NSPAC) was established by National Seniors Australia to advance knowledge and understanding into all aspects of productive ageing to improve the quality of life of people aged 50 and over. NSPAC, based in Canberra, is co-funded by National Seniors and the Commonwealth Department of Health and Ageing.

Key objectives of NSPAC are to: initiate, develop and support innovative and high quality research on issues that impact the ability of seniors to contribute productively to the economy and society; inform Government and community on productive ageing matters; and raise awareness of research findings which would be of use to individuals.

Executive Summary

In collaboration with the Northern Territory Policy Group (NTPG) and the broader Territory membership National Seniors has identified three key priorities which are being put to the major parties in the lead up to the NT Election. These priorities are considered by National Seniors to be feasible for Government, and are likely to impact positively on the lives of senior Territorians.

Accordingly, on behalf of its 3,000 members in the Territory National Seniors is seeking all political parties to commit to the following recommendations. National Seniors will be informing its members prior to 9 August of the responses received.

National Seniors is seeking a commitment to:

Immediately engage with aged care service providers in order to develop a comprehensive and long-term strategy to address the lack of appropriately qualified staff in the aged care industry, and the exodus of aged care workers to other sectors.

Amend the Workers Rehabilitation and Compensation Act (2007) in order to remove explicit and unreasonable age based restrictions on weekly compensation payments.

Provide Pensioner Concession Card (PCC) holders with an exemption from stamp duty when downsizing their homes (up to the value of a median-priced house or unit).

Demographic Snapshot

The Northern Territory has the lowest median age of all states and territories, but like the rest of Australia its population is ageing. The proportion of the Territory's population aged 50+ is projected to increase to 25% by 2020, compared to just under 20% in 2004. Over the same period the population aged 75+ will increase from around 1.5% currently to over 2.5%.

While the proportion of the Territory's population aged 50+ and 75+ will remain lower than for all other states and territories, between 2004 and 2020 the Territory is projected to experience one of the fastest growths in these age cohorts (60% and 95% respectively).

This will present a number of challenges for government, business and the broader community as it follows that the demand for essential services, such as health and aged care, will increase accordingly. Decisions taken now will determine the Territory's readiness to cope with demographic change in the future.

Projected % growth in the population aged 50+ (from 2004 figures):

	2020	2030	2040	2050
Northern Territory	60	95	130	160
Australia	45	70	90	105

Projected % growth in the population aged 75+ (from 2004 figures):

	2020	2030	2040	2050
Northern Territory	95	230	360	470
Australia	60	130	200	240

*(Source: National Policy Office, National Seniors)*1*

1* ABS 3222.0 - Population Projections, Australia, 2004 to 2101 – Series B (2006)

1 Appropriate Care - Staffing Pressures

Immediately engage with aged care service providers in order to develop a comprehensive and long-term strategy to address the lack of appropriately qualified staff in the aged care industry, and the exodus of aged care workers to other sectors.

Why are changes necessary?

Despite several major Australian Government funding initiatives, staffing pressures in both residential and community settings remains an issue in all states and territories.

The exodus of qualified workers to other industries in pursuit of higher remuneration and better working conditions is central to this issue. Between 1996 and 2001 the number of registered nurses reporting their job as being in a nursing home fell by 18% while those reporting their job as being in another industry increased by 10% (ACOSS 2006).

The trend towards an ageing labour force is particularly pronounced in the community services sector with between 10% and 40% of the workforce expected to retire in the next 15 years. In 2001 nearly half (49.3%) of all professional care workers in community service industries were aged 45 or over (ACOSS 2006). Similarly, in 2001 nearly half (49.5%) of all workers in nursing homes were aged 45 or over compared with a 33.8% average for other services (ABS 2002).

What are the future implications?

Workforce pressures are already impacting negatively on the level of care provided to care recipients, and if left unaddressed could put at risk the long term sustainability of the industry. The ageing of Australia's population presents a further challenge as it follows that the demand for aged care services, and therefore qualified staff, will need to increase accordingly.

How does the Territory compare?

While workforce pressures are impacting on care providers Australia-wide, care providers operating in the Territory appear to be among the worst affected.

Proportion of care providers reporting difficulty attracting appropriate or qualified staff:

NT	ACT	QLD	TAS	WA	SA	NSW	VIC
77%	76%	69%	69%	68%	61%	57%	48%

Average staff turnover amongst non-profit care providers:

TAS	WA	NT	VIC	SA	ACT	NSW	QLD
39%	23%	20%	20%	19%	19%	17%	16%

Source: Australian Community Sector Survey (ACOSS 2008)

It is apparent that in order to limit the impact of staffing shortages care providers operating in the Territory are becoming increasingly reliant on volunteers. Around 70% of the Territory's non-profit care providers recently reported that the unfunded work by volunteers had increased in the last year compared to only 55% reporting an increase in paid hours worked by staff (ACOSS 2008).

Is it affordable?

Workforce shortages are leaving some care providers no choice but to take on 'agency' nurses which can cost up to 50% more per capita than for an ongoing employee. This will impact significantly on the financial sustainability of care providers in the Territory. The *Australian Community Sector Survey* showed an overall net operating deficit of \$5.4 million per annum for the 31 community care providers who responded to the survey. This was the largest deficit recorded compared with the net operating results in all other states and territories.

2 Workers Compensation

Amend the Workers Rehabilitation and Compensation Act (2007) in order to remove explicit and unreasonable age based restrictions on weekly compensation payments.

What does the Act (2007) say?

The *Workers Rehabilitation and Compensation Act (2007)* stipulates that when a claimant is 63 years of age or younger, weekly compensation ceases when that claimant turns 65. Alternatively, when a claimant is 65 or older weekly compensation will only be paid for a maximum period of 26 weeks.

Why are changes necessary?

Australia is undergoing extensive demographic change and, as a consequence, the size and age composition of the labour force is changing. The retention of mature age workers will lessen this impact and will assist in relieving the skills shortage across many sectors of the economy.

Age limitations appear to have no justification and contrast sharply with increasing mature age participation rates and increasing life expectancy. In particular, current workers compensation arrangements act as a considerable disincentive for many older Territorians to remain in the workforce past traditional retirement age, or to return to the workforce in the event of having left.

As the labour force ages, industries which have higher proportions of mature age workers such as agriculture, fishing, mining and forestry will be worst affected. In 2006, workers aged 55 and over represented nearly 12% of the total Territory workforce, compared to only 6% in 1996. Mature age jobseekers (aged 55+) also made up nearly 10% of all Territory jobseekers in 2006 compared to only 5% in 1996 (ABS 2006).

How does the Territory compare?

The NT *Workers Rehabilitation and Compensation Act (2007)* is the most restrictive workers compensation scheme in the country for persons aged 65 and over.

State/Territory	Compensation cut-off where claimant is 65+
NT	26 weeks
NSW & TAS	1 year
SA & ACT	2 years
VIC	2 ½ years
QLD	5 years

What has been done in other States & Territories?

On 1 July 2008 new provisions were introduced in South Australia which provide that a worker who is injured within 2 years of retirement age (65 years), or thereafter, is entitled to 2 years of income maintenance, compared to only 6 months previously.

Provisions to workers compensation legislation have also been introduced in Western Australia and Tasmania enabling individuals to receive an additional income supplement or to have their entitlement to weekly compensation extended, where a worker can demonstrate their intention to work beyond the age of 65.

The Victorian Government is currently reviewing the *Victorian Accident Compensation Act 1985*, and will consider the impact of age limitations as part of this process.

Is it affordable?

The *Comparative Performance Monitoring Report (2008)* states that only 15% of serious workers compensation claims in the Territory for 2003-04 were paid for 26 weeks or more. Accordingly, National Seniors does not believe the removal of unfair age restrictions would lead to a noticeable increase in claims.

3 Stamp Duty – Downsizing

Provide Pensioner Concession Card (PCC) holders with an exemption from stamp duty when downsizing their homes (up to the value of a median-priced house or unit).

Why are changes necessary?

Many older Australians will move out of their family home in order to live in a smaller unit. The reasons are many and varied, including increased living pressures; the need for proximity to medical services, family or friends; and desire to access the benefits of retirement village living.

Older Territorians have made a significant contribution to the Territory's well-being during their lives through both paid work and volunteering. It is therefore important for society to respect and support them as they age, and for government to ensure that a favorable environment exists in which the benefits of downsizing can be fully utilised.

How does the Territory compare?

The current rate of stamp duty in the Territory not only fails to recognise the benefits of downsizing but acts as a considerable disincentive. The status-quo is also at odds with the much publicized objective of the NT Government to encourage people to age in the Territory.

A senior who is downsizing to a median value house (\$463,000) in Darwin would currently pay over \$18,000 in stamp duty, or over \$9,000 if downsizing to a median value unit (323,000). This represents, along with estate agent fees, a significant proportion of the intended savings.

From 1 July 2008 Darwin had the second highest rate of stamp duty for a median value house compared with all other capital cities in Australia.

A comparison of stamp duty payable by an age pensioner purchasing a median value house:

Sydn	Darw	Melb	Pert	Adel	Canb	Hoba	Bris
\$20,285	\$18,608	\$18,550	\$18,430	\$16,030	\$16,892	\$8,302	\$6,650

Median values for each capital city sourced from Australian Property Monitors 2008

The only concession for which some age pensioners in the Territory may be eligible is the general *Principal Place of Residence Rebate* (\$2,500). This compares unfavorably with better targeted concessions provided to pensioners in other states.

What has been done in other States and Territories?

In the ACT and Victoria age pensioners are provided with a full exemption from duty for home purchases up to the value of \$412,000 and \$330,000 respectively.

Is it affordable?

In 2006-07 the Territory Government raised over \$107 million in stamp duty on conveyances. This represents an increase of over 200% since 2001-02 (ABS 2008).

A comparison of stamp duty (conveyances) revenue increases between 2001-02 and 2006-07:

NT	WA	QLD	TAS	SA	ACT	VIC	NSW
206%	194%	141%	121%	104%	98%	57%	34%

Source: Taxation Revenue 5506.0 - ABS (2008)

From 2001 the Territory Government has provided \$230 million in direct tax relief, however this has primarily targeted business and first home buyers. Further, the 2008-2009 Territory Budget stated that economic growth in the Territory is forecast to strengthen to 6.6% in 2008-09. Accordingly, senior Territorians increasingly feel that they have not shared in any tax relief or in the Territory's improved economic position.

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