Chapter 6

Older people

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6 Older people

At a glance

Who are our older Australians?

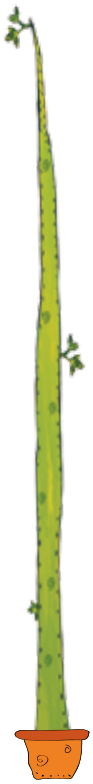
- At 30 June 2012, 3.2 million Australians were aged 65 and over (constituting 14% of the population) and 423,700 people were aged 85 and over (1.9% of the population). Women accounted for 54% of people aged 65 and over and 65% of people aged 85 and over.
- In 2012, 12% of people aged 65 and over were in the labour force—an increase from 6% in 2002. In 2012, just over half of employed older people were working part time.
- In 2009, 520,500 older people (20% of those aged 65 and over) were informal carers—195,900 of whom were primary carers. In 2011, grandparents provided care on a regular basis for more than 930,000 children aged 12 and under (26% of children of this age).
- At 30 June 2012, 76% of people aged 65 and over received an Age Pension through Centrelink or a similar payment from the Department of Veterans' Affairs. More than half (59%) of those receiving a Centrelink Age Pension received a full-rate pension.

How healthy are they?

- In 2011–12, three-quarters (76%) of people aged 65–74 and two-thirds (67%) of those aged 75 and over living in households rated their health as good, very good, or excellent.
- In 2009, 54% of all older people had some form of disability and 20% needed help with core activities.
- Older Australians can expect to live longer than ever before and are, on average, enjoying more years of life without disability. Men aged 65 in 2009–2011 could expect to live another 19.1 years compared with another 12.2 years in 1965–1967. For women, life expectancy at age 65 was 22.0 years in 2009–2011 compared with 15.7 years in 1965–1967.
- Between 1998 and 2009, around half of the gains in life expectancy for older Australians at age 65 were years free of disability.

What services support them?

- A range of government-funded programs assist older people living in the community—in terms of client numbers, the largest is Home and Community Care (with 719,300 clients aged 65 and over in 2010–11).
- At 30 June 2011, there were 158,700 permanent residents aged 65 and over in Australian Government-subsidised aged care facilities.



6.1 Introduction

As with the broader population, older people come from many cultural, social and economic backgrounds and live in a variety of communities. Each person has different circumstances, abilities and resources, as well as their own needs and experiences of ageing.

Demographic and social trends are changing the circumstances of the older population (see Box 6.1 for a definition of 'older people'). Many older Australians are active in the community, providing informal care and volunteering, and are increasingly likely to remain in paid work past ages traditionally associated with retirement. Overall, while there is a large and growing group of older people who are generally well, living independently and actively participating in society, the number of older Australians who are unable to care for themselves at home, or who require support to do so, is also growing.

Box 6.1: Age ranges used in this chapter

This chapter focuses mostly on people aged 65 and over, a conventional definition of 'older people' based on the original qualifying age for the Age Pension (for males). Information in this chapter may relate to age groupings other than 65 and over, depending on the particular service or data source; when this is the case, the relevant ages are indicated.

Where possible, data pertaining to the 65 and over age group are split into subcategories (for example, 65–74, 75–84 and 85+) since the need for, and use of, services often varies with age.

A notable exception to the '65 and over' focus is information about older Aboriginal and Torres Strait Islander Australians. Due to their generally lower life expectancy and poorer health status (see AIHW 2012b), Indigenous Australians may require aged care services at a younger age than other Australians. For this reason, the population of Indigenous Australians aged 50 and over is considered in aged care planning and this broader age range is also used in this chapter.

6.2 The policy context

As discussed in Chapter 1 and detailed further in Section 6.3, the Australian population is ageing, and this is expected to accelerate in the coming decade as the 'baby boomers' (generally defined as people born between 1946 and 1965) enter old age—the first of this cohort turned 65 in 2011. The ageing of the population presents a number of challenges for governments and the community, but also presents great opportunity.

Challenges of supporting an ageing population

Population ageing has social and economic consequences that affect the demand for services, the ability of governments to provide the same level and types of services as in the past, and the broader economy. As illustrated by projected increases in 'old-age dependency ratios' (see Section 1.3), the pool of workers available to provide services and support for older people—directly and through taxation—is expected to fall as a proportion of the population. Associated challenges include the increased demand for health and welfare services, the geographic distribution of the older population, and the additional resources—in money, infrastructure and personnel—that will be needed to support older Australians in the future.

In the 2010 Intergenerational Report, the Australian Government projected that, by 2049–50, its total spending could account for 27.1% of Australia's GDP—around 4.75 percentage points higher than the lowest point projected for 2015–16 (Treasury 2010). The majority (two-thirds) of the projected increase in spending is expected to be on health, where costs are driven by non-demographic factors (such as new technologies, pharmaceuticals and increasing demand for health services). While the interaction between demographic and non-demographic factors is not modelled in the report, it is noted that the greater use of the health system by older people will be a factor in rising costs. Between 2009–10 and 2049–50, health spending is projected to increase sevenfold on those 65 and over and twelvefold on those 85 and over (Treasury 2010).

In terms of costs directly associated with ageing, the Intergenerational Report projects that spending on aged care will increase from 0.8% of GDP in 2010 to 1.8% by 2050, with population ageing accounting for two-thirds of this increase (Treasury 2010). Spending on age-related pensions is projected to rise from 2.7% to 3.9% of GDP over the same period.

Requirements regarding transport, housing, and social and community facilities will also be affected by an ageing population. For example, with increasing age, and the associated increasing prevalence of disability (see Section 6.4), older people are more likely to need housing with accessibility features. As well, population ageing is expected to result in a higher proportion of small households, placing substantial demand on the housing sector (AIHW 2013b).

The uneven distribution of potential need across Australia has implications for planning and delivery of welfare and health services. As shown in Chapter 1, age profiles vary between regions of Australia, with people aged 60 and over making up 18% of the population living in *Greater capital cities*, compared with 23% of those living outside these regions (see Table 1.3). Need for assistance among older people is also unevenly distributed; for example, older Indigenous people are more likely to need assistance with core activities than older non-Indigenous people (see Section 6.4 and Chapter 5). The differing financial resources and wealth of older people also present a challenge for service delivery. Generally speaking, the next generation of older people—the baby boomer cohort—has, on average, higher levels of income and wealth than previous generations but, as with the current cohort of older people, this is not evenly distributed (Productivity Commission 2011). For example, the wealthiest quarter of the baby boomer cohort has 60% of the group's total net worth, while the poorest quarter has 4% of the group's total net worth (AMP & NATSEM 2007).

Opportunities presented by an ageing population

Older people contribute to society in various ways, including as workers, carers and volunteers (see Section 6.5). Older people can expect to live longer than ever before and are, on average, enjoying more years of life without disability (see Section 6.4).

Capitalising on the diverse skills and experience of the older population, and further enabling older people to live more active lives, has many potential benefits for the community, including (but not limited to) offsetting some of the challenges discussed earlier.

In 2011, the Australian Government established the Advisory Panel on the Economic Potential of Senior Australians, which aimed to investigate how Australia could harness the intellectual capital and life experience of older residents. The panel found that there was a lack of opportunity for older people to remain engaged with the community (EPSA 2011). In response to this and other findings, the Australian Government established an Advisory Panel on Positive Ageing (DoHA 2012b). This panel is investigating ways to provide older people with better opportunities to make a positive contribution to the economic and social life of Australia. The panel is looking at a range of topics, including housing, lifelong learning, mature age employment, volunteering, philanthropy and participation in the digital revolution.

Recent policy changes

Living Longer. Living Better

In August 2011, the Australian Government released the findings of a Productivity Commission inquiry into aged care in a report called *Caring for older Australians* (Productivity Commission 2011). The inquiry was given the task of developing detailed options for redesigning Australia's aged care system to ensure that it can meet the emerging challenges of supporting older Australians. The report found that, while the aged care system had improved over the past decade, it suffered from key weaknesses, including difficulties encountered by clients in navigating the range of services available, limited consumer choice, variable quality, gaps in coverage, inconsistent pricing and workforce shortages.

The *Living Longer. Living Better* aged care reform package, announced by the Australian Government on 20 April 2012, aims to build a more nationally consistent and sustainable system (see Box 6.2) and was largely informed by the Productivity Commission's report. The package gives priority to providing more support and care in the home, improving access to residential care, giving greater support to people with dementia, and strengthening the aged care workforce (DoHA 2012d). Some of the changes within the package require legislative amendments. Amendments to the *Aged Care Act 1997* were passed by both houses of the Parliament of Australia in June 2013, and included changes related to residential care and home care, and to governance and administration, such as the establishment of the new Aged Care Pricing Commissioner and the new Australian Aged Care Quality Agency (DoHA 2013b).

Box 6.2: A new direction in aged care

The *Living Longer. Living Better* aged care reform package, is intended to '…build a responsive, integrated, consumer-centred and sustainable aged care system, designed to meet the challenges of population ageing and ensure ongoing innovation and improvement' (DoHA 2012f). It provides $3.7 billion over 5 years and involves a 10-year plan to reshape the aged care system to provide older Australians with more choice, greater control and easier access to a full range of services. As well as significantly expanding services, there will also be changes to the way aged care is financed.

Changes in relation to community care include:

- The Home Care Packages Program will replace the existing Community Aged Care Packages (CACPs), Extended Aged Care at Home (EACH) and Extended Aged Care at Home Dementia (EACHD) packages. There will be four levels of Home Care Packages, including two new levels of support. Level 1 packages will provide support to people with basic care needs, level 2 packages will provide low-level care equivalent to the existing CACP, level 3 packages will provide support to people with intermediate care needs, and level 4 packages will provide high-level care equivalent to the existing EACH package.
- EACHD packages (which currently provide high-level community care to people with dementia) will be discontinued and replaced with a Dementia Supplement, which will be payable within all Home Care Packages and in residential care, when relevant.
- All new Home Care Packages will be offered to consumers on a Consumer Directed Care (CDC) basis—CDC provides care recipients and their carers with greater control over the types of care they access and the delivery of those services.

Changes relating to residential care will include removing the distinction between high- and low-level care.

The aged care reform package also aims to increase the availability, accessibility and coordination of aged care data for the community by establishing a National Aged Care Data Clearinghouse at the AIHW. The Data Clearinghouse, which was launched on 1 July 2013, will provide an independent central point for access to data and information, and will drive quality improvements in national aged care data repositories (see Section 6.8).

Further information about the aged care reform package is available on the *Living Longer. Living Better* website: <www.livinglongerlivingbetter.gov.au>.

Sources: DoHA 2012c, 2012d, 2012f.

Other changes

Two COAG initiatives of particular relevance to aged care are the National Health Reform Agreement and the National Disability Strategy.

The National Health Reform Agreement, endorsed by COAG in 2011, aims to develop a nationally consistent and better integrated aged care system (COAG 2011b). Under the agreement, the Australian Government assumed responsibility for funding basic community care in most states and territories for people aged 65 and over (50 and over for Indigenous people) on 1 July 2011, and assumed operational responsibility for these services on 1 July 2012 (SCRGSP 2013). The agreement represents a significant shift in funding arrangements and has the potential to have a marked effect on service delivery.

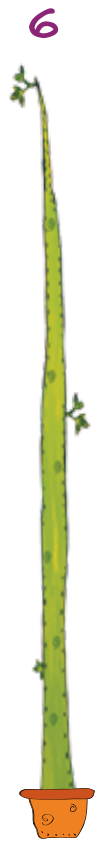
The 2010–2020 National Disability Strategy was released by COAG in 2011 (COAG 2011a). This is the first time that all state and territory governments and the Australian Government have committed to a unified, national approach to improving the lives of people with disability, their families and carers, and to providing leadership for a community-wide shift in attitudes. As part of the strategy, 'people with disability' includes people with an impairment acquired through the ageing process.

6.3 Who are Australia's older people?

At 30 June 2012, 3.2 million Australians (14% of the population) were aged 65 and over (ABS 2012a). This included 423,700 people aged 85 and over (1.9% of the population) and 3,500 people aged 100 and over.

In 2012, women accounted for 54% of those aged 65 and over, 65% of those aged 85 and over and 81% of centenarians. This higher proportion of women at older ages has implications for social and health policy. Women's greater life expectancy, together with lifetime differences in earnings and workforce participation, puts older women at a greater risk than older men of multiple disadvantage, such as having lower incomes and higher rates of severe disability. Although there are more women than men in the older age ranges, the gap between the number of older women and men is gradually narrowing. For example, among those aged 85 and over, there were 2.4 females for every male in 1992, compared with 1.8 females for every male in 2012 (AIHW analysis of ABS 2012a).

The older Australian population is growing—both in absolute terms and as a proportion of the total population (see Chapter 1). Between June 2002 and June 2012, the number of people aged 65 and over increased by 29% (or about 727,000 people), and from 12.6% to 14.2% of the total population. The population aged 85 and over, while still constituting a small proportion of the total, has grown rapidly. The number of people aged 85 and over increased by 54% between 2002 and 2012 (from 274,700 to 423,700 people). ABS population projections suggest that, based on medium-level growth assumptions, the number of people aged 85 and over will reach nearly 1.3 million by 2042, accounting for 4.0% of Australia's total population (ABS 2008b). The growth of this group will have a particularly large impact on the demand for, and expenditure on, aged care services in the future.



Older Aboriginal and Torres Strait Islander Australians

The Indigenous population has a younger age structure than the general population (see Section 1.2). Preliminary estimates produced by the ABS suggest there were around 22,600 Indigenous Australians aged 65 and over (constituting 3% of the Indigenous population), and 88,300 aged 50 and over (13%) at 30 June 2011 (ABS 2012a).

The geographic distribution of older Indigenous people differs considerably from that of their non-Indigenous counterparts. While data for 2011 were not yet available at the time of writing, data for 2006 show that just under one-third (30%) of Indigenous Australians aged 50 and over lived in *Major cities*, with a fairly even distribution of the remaining population across *Regional* (21%), *Outer regional* (23%) and *Remote and very remote* (26%) areas (Table A6.1; ABS 2008a). In comparison, two-thirds (66%) of non-Indigenous people aged 50 and over lived in *Major cities*, with fewer than 2% living in *Remote and very remote* areas. The geographic distribution of the older Indigenous population reflects the distribution of the general Indigenous population (see Section 1.5).

Older overseas-born Australians

Australia is one of the most culturally diverse countries in the world. At 30 June 2011, more than one-third (36%) of Australians aged 65 and over were born overseas—14% in main English-speaking countries (see Glossary) and 22% in other countries (AIHW analysis of ABS 2012f).

The overseas-born population has an older age structure than the Australian-born population; at 30 June 2011, 18% of people born overseas were aged 65 and over, compared with 12% of people born in Australia.

Overseas-born older Australians are likely to be from European countries, having migrated after World War II. In 2011, 73% of older overseas-born people were born in Europe (AIHW analysis of ABS 2012f).

Since the 1970s, migrants (of all ages) have increasingly come from non-European countries, particularly Asian countries (ABS 2012g). For example, in 2011, a higher proportion of overseas-born Australians aged 55–64 were born in Asia (22%) than overseas-born Australians aged 65 and over (13%), while a smaller proportion were born in Europe (55% compared with 73%) (AIHW analysis of ABS 2012 f).

At 30 June 2011, the most common countries of origin for migrants aged 65 and over were the United Kingdom (the birthplace of 11% of older Australians), Italy (4%) and Greece (2%).

Marital status

Information from the 2011 Census shows clear differences in marital status by sex and age (Table A6.2). In 2011, 71% of older men were married (not including de facto marriages) and 11% were widowed. In comparison, 46% of older women were married and 36% were widowed. Among those aged 85 and over, 77% of women were widowed, compared with 34% of men.

The proportion of people aged 65 and over who were married remained relatively stable between 2001 (56%) and 2011 (57%) (Table A6.2). The proportion of older Australians who were widowed decreased (from 31% in 2001 to 26% in 2011), while the proportion who were divorced increased (6% and 10% respectively).

In 2011, 13% of those aged 65–74 were divorced, compared with 7% of those aged 75–84, and 4% of those aged 85 and over. Research by Gray et al. (2010) suggests that for both older men and women (aged 55–74), having experienced divorce at some point in their lives may have negative effects on satisfaction with life and perceived social support. Older women who had experienced divorce were also reported to have lower levels of general health, vitality and mental health than women who were married and had never divorced. The effects were found to be larger for those who remained single after divorce. Note that it is difficult to identify with confidence any causal impact of divorce on wellbeing.

Housing

Older people are more likely than younger people to own their own home. In 2011, 71% of households with a reference person (see Glossary) aged 65 or over owned their own home outright (AIHW analysis of ABS 2011 Census). Another 7% had a mortgage and 15% were renting (including 5% renting from a state or territory housing authority). In comparison, among all households, 32% owned their home outright, 35% had a mortgage and 30% rented (including 4% from a state or territory housing authority) (Table A6.3).

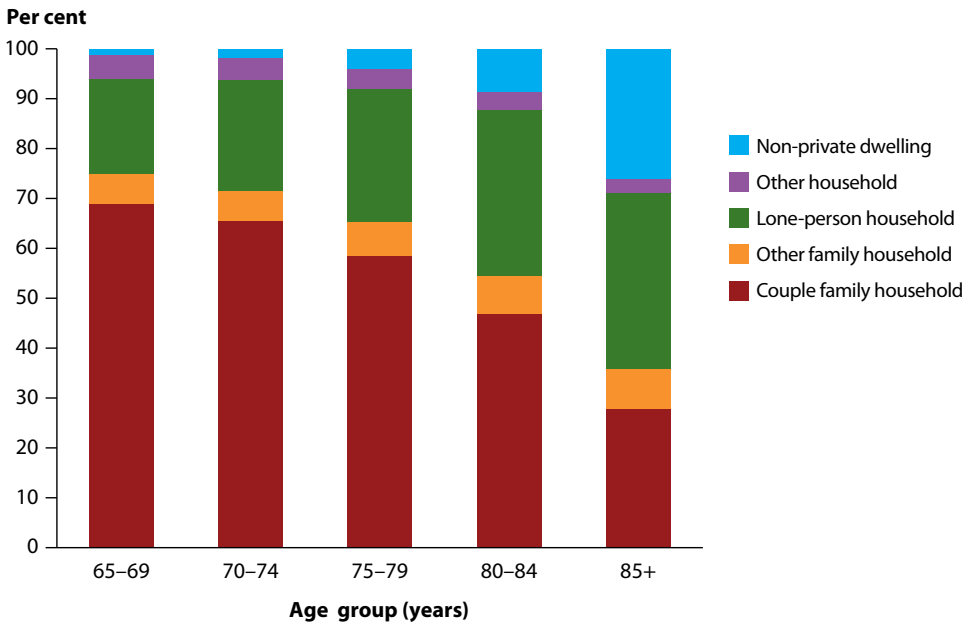
The proportion of older people who own their own home outright is expected to decline in the future (AIHW 2013b). Data from the Household, Income and Labour Dynamics in Australia survey show that the proportion of older households (defined as those in which the oldest member was aged 65 or over) who owned their homes outright gradually declined between 2002 and 2009 (from 78% to 74%) (AIHW 2013b). There were corresponding increases in the other major tenure types, including owners with a mortgage (from 5% in 2002 to 7% in 2009) and those renting privately (5% to 7%).

Further information about the housing circumstances of Australians is in Chapter 3.

Living arrangements

Even at the oldest ages, people aged 65 and over predominantly live in private dwellings (for example, houses, flats and caravans; see Glossary). On Census night 2011, 94% of older people were living in private dwellings. Over half (57%) were members of couple family households, and one-quarter (25%) lived alone (Table A6.4). Less than 1 in 10 (6%) people aged 65 and over were living in non-private dwellings (such as aged care facilities; see Glossary).

The living arrangements of older Australians differ according to age, with the proportion living in couple families decreasing with age, and the proportion living alone increasing (Figure 6.1). About 69% of people aged 65–69 lived in couple family households, compared with 28% of people aged 85 and over. The proportion living alone increased from 19% among people aged 65–59 to 35% of people aged 85 and over. Women accounted for most of those living alone (Table A6.4). The proportion of older people living in non-private dwellings also increased with age, from 1% of those aged 65–69 to 26% of those aged 85 and over.



Notes

1. Data include all people who were at home on Census night, in either private or non-private dwellings. 'Other household' includes group households and non-classifiable households.
2. Data for this figure are shown in Table A6.4.

Source: AIHW analysis of ABS 2011 Census.

Figure 6.1: Living arrangements of older people, by age, 2011

Homelessness

Homeless older people may have greater difficulty than other older people accessing aged care services, and are recognised by the Australian Government as a special needs group. The Assistance with Care and Housing for the Aged program targets older people who are at risk of being homeless or are homeless (DoHA 2012a).

Data from the 2011 Census indicate that there were about 6,200 homeless people aged 65 and over on Census night, the majority of whom (64%) were men (AIHW analysis of ABS 2012c) (see Chapter 7 for details on how homelessness is defined in the Census). Older people accounted for 6% of the total homeless population. Homeless people aged 65 and over were most commonly staying in boarding houses (32%) or staying temporarily with other households (25%). In contrast, homeless people aged under 65 were most commonly living in severely crowded dwellings (41%) or in supported accommodation for the homeless (21%), with a relatively smaller proportion staying in boarding houses or staying temporarily with other households (both 16%). Nearly 1 in 10 homeless people aged 65 and over (9%) were staying in improvised dwellings, tents or sleeping out, compared with 6% of younger homeless people.

Considered as a population rate, an estimated 26 in every 10,000 Australians aged 65–74 (4,200 people) and 15 in every 10,000 Australians aged 75 and over (2,000 people) were homeless on Census night (ABS 2012c). In comparison, among those of all ages, about 49 in every 10,000 Australians (105,200 people) were homeless. The rate of homelessness among older people remained relatively consistent between the 2006 and 2011 Censuses.

In 2011–12, specialist homelessness agencies provided services to about 4,600 people aged 65 and over—constituting 2% of all clients (AIHW 2012h). These agencies provide services to people who are experiencing homelessness or are at risk of becoming homeless. About 29% of older clients were assessed as being homeless when they first received support in the reporting period (with 71% at risk of homelessness), and were less likely to be homeless at the beginning of the support period than the total client population (44% assessed as homeless). Older men were more likely than older women to be homeless at the beginning of their first support period (42% compared with 17%).

More information about Australia's homeless population is in Chapter 7.

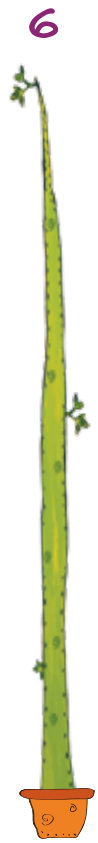
6.4 The health of older Australians

Today's older Australians are living longer than ever before and are generally healthier than previous generations (AIHW 2012b). However, activity limitations and various long-term health conditions tend to become more common with age, and a substantial proportion of older Australians have conditions that increase and complicate their care needs and affect their quality of life. The health of older Australians has been described in detail elsewhere (for example, see AIHW 2007, 2010, 2012b). A brief overview is provided below.

Life expectancy

Life expectancy has increased by more than 30 years since the late 1800s, and Australians enjoy one of the highest life expectancies in the world (ABS 2011a). For a child born in 2009–2011, life expectancy at birth was 79.7 years for males and 84.2 years for females (ABS 2012e; see Indicator 1 in Chapter 11). There have also been substantial gains for older Australians, particularly since the 1970s. For example, a man aged 65 in 1965–1967 could expect to live for an additional 12.2 years. In contrast, a man aged 65 in 2009–2011 could expect to live for an additional 19.1 years (that is, to 84.1) (ABS 2011a, 2012e). For women, those aged 65 in 1965–1967 could expect to live an additional 15.7 years, and those aged 65 in 2009–2011 could expect to live an additional 22.0 years (that is, to 87.0).

Older Australians are not only living longer, but also getting more years of life without disability and without severe or profound core activity limitation (see Glossary). Between 1998 and 2009, around half of the gains in life expectancy for older Australians at age 65 were years free of disability, and between 80% (males) and 95% (females) of the gains were years without severe or profound core activity limitation (AIHW 2012c; see also Section 5.3). However, due to increased longevity and the ageing of the population, the number of older Australians with disability has increased over time.



Self-assessed health

The ABS 2011–12 Australian Health Survey (AHS) shows that, although older people were more likely to report having poor health than younger people, most considered themselves to be in good health. Of older people living in households, three-quarters (76%) of those aged 65–74 and two-thirds (67%) of those aged 75 and over rated their health as good, very good, or excellent (ABS 2013a). In comparison, in the 2004–05 National Health Survey, 69% of people aged 65–74, and 65% of those aged 75 and over rated their health as good, very good, or excellent (ABS 2006). Note that the AHS does not include people living in non-private dwellings, such as those in residential aged care facilities, and so excludes a substantial number of people likely to be in poor health.

Long-term conditions

Long-term health conditions are common among older people, and many have more than one. In 2009, about half (49%) of people aged 65–74 living in households had five or more long-term conditions; this rate increased with age to 70% of those aged 85 and over (AIHW analysis of ABS 2009 SDAC).

The prevalence of various types of health conditions including arthritis, osteoporosis, cancer, heart stroke and vascular disease increases with age (ABS 2012b). The AHS indicates that among older Australians living in households in 2011–12, the most common long-term health conditions were short- and long-sightedness (affecting 35% and 61% of those aged 65 and over, respectively), arthritis (49%), hypertensive disease (38%) and deafness (35%) (AIHW analysis of ABS 2012b).

Dementia is a significant health problem among older Australians and was made a National Health Priority Area in August 2012 (DoHA 2013a). While dementia is not a natural part of ageing, the great majority of people with dementia are older. An estimated 298,000 Australians had dementia in 2011, of whom 92% were aged 65 and over, 70% lived in the community and 62% were women (AIHW 2012d). Nearly 1 in 10 (9%) Australians aged 65 and over, and 3 in 10 Australians aged 85 and over, had dementia in 2011. Dementia can be highly disabling, and for people aged 65 and over was the leading cause of disability burden in Australia in 2011. Although most people with dementia live in the community, about half (52% at 30 June 2011) of all permanent residents in Australian Government-subsidised residential aged care facilities have the condition (AIHW 2012g) (see Section 6.7 for more detail about people in residential care).

Assuming there is no change in the underlying rates of dementia, the AIHW projects that the number of Australians with dementia will reach 322,000 by 2013, almost 400,000 by 2020 and around 900,000 by 2050, potentially posing substantial challenges to the delivery of health, aged care and social services (AIHW 2012d). Older people are projected to account for an increasing share of Australians with dementia; for example, in 2050, 44% of people with dementia are projected to be aged 85–94, compared with 36% in 2011, while the proportion with dementia aged 95 and over is projected to increase from 5% in 2011 to 11% in 2050. In contrast, people under 65 are expected to account for a smaller share of those with dementia over time (from 8% in 2011 to 4% in 2050). Detailed information about Australians with dementia and their carers is in *Dementia in Australia* (AIHW 2012d).

Mental health

According to the 2011–12 AHS, respondents aged 65 and over were more likely than younger respondents to have low levels of psychological distress (as measured by the Kessler Psychological Distress Scale—10 items (K10)). In 2011–12, three-quarters (75%) of older people living in households experienced a low level of psychological distress, compared with 69% of those aged 18 to 64 (AIHW analysis of ABS 2012b). The proportion of older Australians reporting the lowest level of psychological distress has increased since 2004–05, when it was 69% (AIHW analysis of ABS 2006).

However, as noted earlier, the AHS does not include people living in non-private dwellings. According to administrative data, at 30 June 2011, 26% of permanent residents in Australian Government-subsidised aged care facilities had a diagnosis of mental illness (excluding dementia) (AIHW 2012g).

Although older Australians tend to experience lower levels of psychological distress than their younger counterparts, there is evidence of a decline in mental health in later life. In the 2011–12 AHS, people aged 75 and over were less likely to have the lowest level of psychological distress than those aged 65–74 (72% compared with 77% respectively) (ABS 2012b). More detailed analyses of data from almost 237,000 people in the New South Wales 45 and Up Study suggested there was a gradual increase in the proportions of older people with high or very high psychological distress after age 80 and that this was particularly associated with the presence of physical disabilities (Byles et al. 2012).

In addition, suicide rates are relatively high among some groups of the older population. In 2011, the highest age-specific suicide rate for both men and women was for people aged 85 and over, and was particularly high for men (ABS 2013b). Among men aged 85 and over, there were 32 deaths due to suicide per 100,000 population in 2011; this was about 4 times the rate for women aged 85 and over (8 deaths per 100,000), and twice that for men of all ages (15 per 100,000) (ABS 2013b). Note, however, that although the age-specific rates were relatively high, suicide accounted for only a small proportion (0.1%) of deaths of people aged 85 and over.

Disability

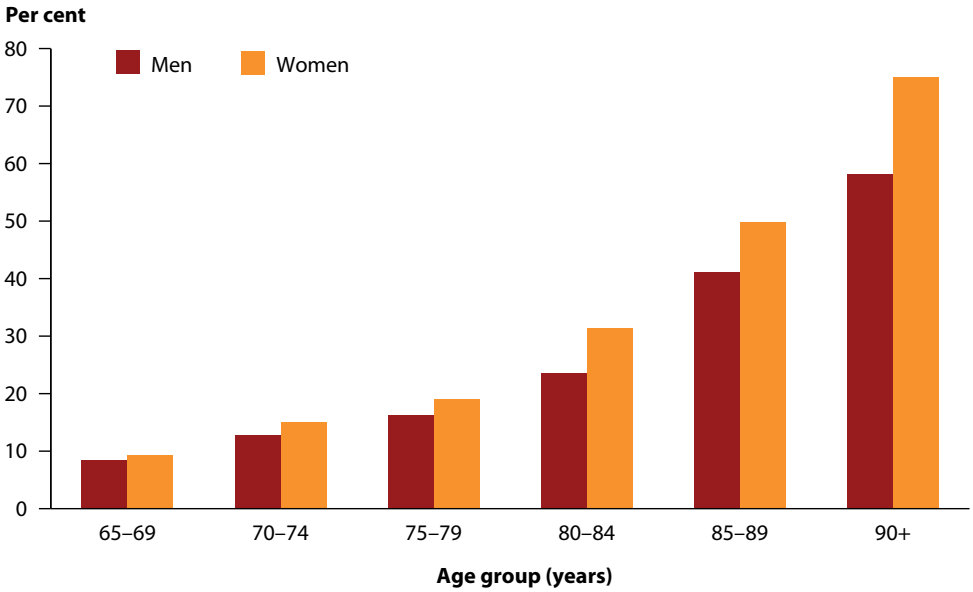
The prevalence of disability increases with age, as does the proportion of the population with severe or profound disability. Data from the ABS 2009 Survey of Disability, Ageing and Carers (SDAC) indicate that just over half (54%, or 1.6 million people) of Australians aged 65 and over had disability; this compares with 17% of those aged 25 to 64 and 7% of those aged under 25.

In 2009, 1 in 5 older Australians (20%, or 590,200 people) had severe or profound core activity limitation, meaning that they sometimes or always needed assistance with at least one core activity task (self-care, mobility or communication). In comparison, 3.6% of those aged under 65 had this level of disability. The rate of severe or profound core activity limitation was higher among older women than older men (24% and 17% of those aged 65 and over, respectively) and increased with age (Figure 6.2).

Information on differences in need for assistance with core activities across small population groups can be derived from Census data (see Box 5.1). This indicates that, after taking into account differences in age structures and response rates of the population groups, older people born overseas in non-main English-speaking countries were somewhat more likely to report needing help with core activities (25% of those aged 65 and over) than those born in Australia (17%) and those born in main-English speaking countries (15%) (see Table A5.7).

The 2011 Census also shows substantially higher rates of need for assistance among older Indigenous Australians than older non-Indigenous Australians. Indigenous Australians aged 65 and over were 1.8 times as likely to need help with core activities as non-Indigenous Australians of the same age (age-standardised rates of 33% and 18% respectively) (Table A5.6).

More detailed information about people with disability is in Chapter 5.



Notes

1. For definition of 'severe or profound core activity limitation', see Glossary.
2. Data for this figure are shown in Table A6.5.

Source: ABS 2010.

Figure 6.2: Older people with severe or profound core activity limitation, by age and sex, 2009

6.5 Older Australians and participation

Participation in social and other community activities has many benefits that promote individual and community wellbeing, and may reduce a person's dependency on the welfare system. Examples of benefits include the building of social networks that provide formal and informal support for members of the community, as well as economic benefits from participation in paid employment.

Lifelong learning

Relatively few older people participate in mainstream formal education. In 2011, around 7,150 Australians aged 60 and over were enrolled in a higher education course (0.2% of people in this age group) (DIISRTE 2012). Participation in vocational education was more common, with around 25,200 people aged 65 and over (0.8%) enrolled in such courses in 2011 (NCVER 2012).

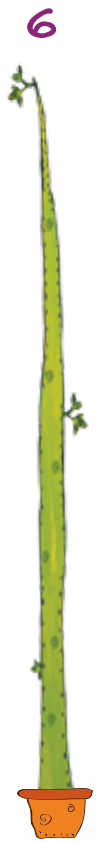
Informal avenues of learning, such as courses through the University of the Third Age (U3A), remain popular among older Australians. U3A is an international movement that encourages retired people to take part in lifelong learning activities for pleasure. By 2011, there were 240 U3A groups in Australia, with more than 69,000 members (Boulton-Lewis & Tam 2011). Courses are also provided online, which means older people who would otherwise be unable to take part in face-to-face learning (for reasons such as geographical isolation or physical limitations) can become involved.

Staying at work

In 2012, 12% of people aged 65 and over were in the labour force (that is, employed or unemployed) (AIHW analysis of ABS 2013c). Among people aged 65–69, 1 in 3 men (34%) and 1 in 5 women (20%) were in the labour force (Table A2.14). Just over half (53%) of people aged 65 and over who were employed worked part time, with women more likely to do so than men (69% compared with 45%) (Table A2.15).

There has been a substantial increase in the labour force participation rate of older people over recent years. Between 2002 and 2012, the rate for women aged 65 and over increased from 3.4% to 7.8%, while that for men increased from 10.3% to 16.9% (Table A2.14). Overall, labour force participation among older people increased by 6 percentage points from 6.4% to 12.0% between 2002 and 2012.

In 2012, the unemployment rate among older Australians was lower than for younger people—1.6% among people aged 65 and over compared with 5.4% of people aged 15 to 64 (AIHW analysis of ABS 2013c). However, this may be partly because older people who wish to be employed but have difficulty finding employment may choose to exit, rather than remain in, the labour force.

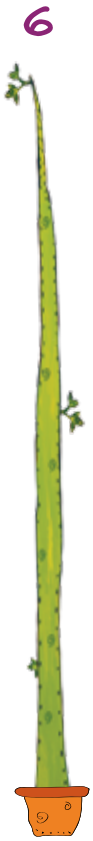


Data collected by the ABS show that, in September 2012, there were about 64,300 discouraged job seekers aged 55 and over, constituting about 60% of all discouraged job seekers (ABS 2013d). Discouraged job seekers are people who wanted to work and were available to start within the next 4 weeks if offered a job, but were not actively looking for a job because they believed they would not find one (ABS 2013d). Of discouraged job seekers aged 55 and over, the most commonly reported main reason for not actively looking for work was that they believed they were considered too old by employers (59%).

A 2011–12 national survey of 45 to 74 year olds found that barriers to labour force participation faced by mature age workers included: discrimination on the basis of age; physical illness, injury and disability; care-giving responsibilities; retraining and up-skilling barriers; flexibility (or lack thereof) of employment arrangements; superannuation issues; and issues regarding re-entry for those who had been out of the workforce for long periods of time (National Seniors Productive Ageing Centre 2012). For example, 1 in 5 said that illness, injury and disability had prevented them from working or looking for work in the 5 years before the survey, and 5 in 6 job seekers reported that age discrimination was an issue when looking for a job.

For more information on the labour force patterns of older Australians, see Chapter 2.

Helping out



According to the ABS 2010 General Social Survey (GSS), 31% of people aged 65 and over had participated in voluntary work in the previous 12 months, with similar volunteering rates for older men (32%) and women (31%) (AIHW analysis of ABS 2011i). These older people volunteered more frequently than younger volunteers, with 55% of those aged 65 and over doing so at least fortnightly, compared with 45% of those aged 18 to 64. Older volunteers were most likely to volunteer for community or welfare organisations (37% of volunteers aged 65 and over) and religious organisations (27%). In contrast, for volunteers aged 18 to 64, sport and recreational organisations were the most common choice (40%), followed by religious organisations (21%).

People aged 65 and over also provide assistance as carers. In 2009, an estimated 520,500 older Australians (20%) were informal carers, providing unpaid support and assistance to relatives and friends who were aged, ill or living with disability (ABS 2010). Around 195,900 of these carers were primary carers (see Glossary). Chapter 8 provides detailed information about informal carers.

Older people continue to be one of several sources of child care for Australian families. In 2011, grandparents provided care on a regular basis for 26% of children (or 937,000 children) aged 12 or under (AIHW analysis of ABS 2012d). A higher proportion of children now receive regular care from their grandparents than in 2008 (19%) (ABS 2009a). Further information about child care is in Chapter 4.

Staying in touch

Social connections are an important source of support for older Australians. Seeking help from family and friends during a crisis can reduce an older person's dependency on formal services, improve quality of life and reduce mental distress. As people age, changes in their circumstances—such as retirement, reduced mobility, illness, widowhood, moving home or taking on informal caring responsibilities—can increase the risk of social isolation. Maintaining connections with family and friends is important and can be achieved through face-to-face contact or a variety of communication technologies.

According to the 2010 GSS, just over three-quarters (77%) of older people had face-to-face contact with family or friends living outside their household in the week before the survey, while most (89%) had at least weekly contact by other methods with people outside their household (AIHW analysis of ABS 2011b). The GSS also indicated that most older people (90%) felt they had at least one family member outside their household in whom they could confide.

Sixty per cent of people aged 65 and over had actively participated in social groups in the 12 months before the survey, although this decreased with age, from 64% of those aged 65–74 to 47% of those aged 85 and over (ABS 2011b). In addition, 30% of older people had actively participated in community support groups, and 16% in civic and political groups.

Older people increasingly use computers and the Internet. In 2010–11, 57% of those aged 65 and over had used a computer at home in the previous 12 months (ABS 2011e). More than 1 in 3 (37%) had accessed the Internet in the previous 12 months, mostly at home. In comparison, 6 years earlier (in 2004–05), 20% of older people had used a computer in the previous 12 months and 15% had accessed the Internet at home (ABS 2005). In 2010–11, older people who used the Internet at home most commonly used it for emailing (91%) and for research, news and general browsing (81%).

Cultural and language barriers can make it difficult for some overseas-born Australians to participate actively in the community. Proficiency in spoken English is an important factor in the social wellbeing of culturally and linguistically diverse older people. Data from the 2010 GSS indicate that overseas-born Australians (of all ages) with low English proficiency tended to have lower levels of labour force participation, poorer self-assessed health, lower overall life satisfaction and lower levels of participation in some community and social activities than those with high English proficiency (Australian Social Inclusion Board 2012).

According to the 2011 Census, among Australians aged 65 and over who were born overseas, 46% spoke a language other than English at home, including 17% who reported speaking English 'not well' or 'not at all' (Table 6.1). English proficiency among those born overseas was poorer among those aged 65 and over than among their younger counterparts: fewer than 1 in 10 (8%) people aged under 65 reported speaking English 'not well' or 'not at all', increasing to 1 in 5 (21%) of those aged 75 and over.

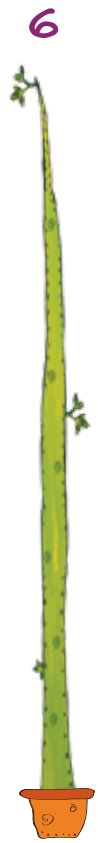


Table 6.1: Overseas-born Australians[(a)], self-assessed proficiency in spoken English, by age, 2011 (per cent)

	<65	65–74	75–84	85+	Total 65+
Speaks only English at home	45.4	55.8	48.5	52.3	53.0
Speaks other language at home and speaks English:					
Very well or Well	45.8	29.8	28.8	24.0	28.8
Not well or Not at all	8.0	13.7	21.4	21.3	17.1
Total[(b)]	*54.2*	*43.8*	*50.8*	*46.2*	*46.4*
Total[(c)]	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

(a) Excludes people whose country of birth was 'not stated', 'inadequately described' or 'at sea'.

(b) Includes people for whom proficiency in spoken English was 'not stated'.

(c) Includes people for whom language spoken at home and proficiency in spoken English was 'not stated'.

Source: AIHW analysis of ABS 2011 Census.

6.6 Financial resources of older Australians

When people retire, the source of their financial resources generally shifts from employment or business income to superannuation, savings, investment income and government pensions. This shift can affect a person's living arrangements, how they participate in the community, and their ability to maintain their chosen lifestyle.

According to the ABS 2009–10 Survey of Income and Housing, households where the reference person was aged 65 or over had the lowest mean equivalised disposable incomes (ABS 2011d; see Glossary). Although households with an older reference person tended to have lower average incomes than other households, they were more likely to have greater wealth. As noted in Section 2.4, both income and wealth should be considered together when assessing the relative access of different population groups to economic resources. A household's wealth, or net worth, is the value of its assets minus the value of its liabilities. In 2009–10, households with a reference person aged 55–64 had the highest mean net worth ($1,051,600), followed by households with a reference person aged 65–74 ($959,500) (ABS 2011f). For households with a reference person aged 75 years or over, the mean net worth was $769,000. The mean net worth for all households was $719,600. See Chapter 2 for further information about household economic resources and components of household wealth.

Home ownership contributes a large part of the wealth of many households. In 2011, 71% of households with an older reference person (aged 65 and over) owned their own home outright (see Section 6.3). However, as older people tend to have lower incomes, housing affordability can be a significant concern for those who do not own their own home and face higher housing costs, such as private renters (see Box 3.5).

Lower income households are classified as experiencing housing stress if they spend 30% or more of their gross income on housing costs (see Glossary). In 2009–10, 5% of lower income couple-only households with an older reference person were renting privately; these households spent 34% of their gross income on housing (ABS 2011g). Of lower income households with a lone-person aged 65 and over, 12% were renting privately; these households spent 39% of their gross income on housing. In comparison, among all lower income households renting privately, an average of 29% of their gross income was spent on housing. A growing number of older people renting privately (see Section 6.3) may lead to a higher proportion of older people with limited disposable income, as private renters generally have relatively high housing costs (AIHW 2013b). See Chapter 3 for more information about housing tenure and Indicator 9 in Chapter 11 for information on change over time in housing stress levels.

According to indicators used in the ABS 2010 GSS, older people were less likely to be living in households experiencing financial stress than younger people. For example, 4% of people aged 65 and over reported that their household had a cash flow problem in the previous 12 months, compared with 25% and 17% of people aged 18–44 and 45–64, respectively (AIHW analysis of ABS 2011b). Older people were also less likely to report that their household had taken actions that reduced assets in the previous 12 months, and more likely to report that their household could raise $2,000 within a week for something important.

Main sources of income

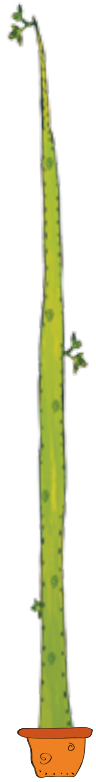
As detailed later in this section, the majority of older people rely, at least in part, on the Age Pension (or similar support from the Department of Veterans' Affairs). A smaller, but substantial, proportion of older Australians, are self-funded retirees. People of pension age receive certain benefits and concessions—some means-tested and others not—that increase their economic security without necessarily providing additional cash income. Examples include the Commonwealth Seniors Health Card and various superannuation tax offsets. Concessions and discounts for older people are often also available in the private sector.

Employment income

A relatively small proportion of older Australians receive the majority of their income from employment. According to the ABS 2009–10 Survey of Income and Housing, wages and salaries were the main source of income for 12% of households where the reference person was aged 65 or over (ABS 2011d).

At 30 June 2012, 3.9% of people receiving an Age Pension from Centrelink had employment income; this was an increase from 3.5% at 30 June 2011 (AIHW analysis of unpublished Centrelink administrative data).

The Pension Bonus Scheme is intended to encourage older Australians to continue in paid work beyond the qualifying age and to delay their claim to the pension (DHS 2013). It provides a one-off tax-free lump sum when those eligible later claim and receive the Age Pension. To be eligible for this scheme, a person must have qualified for the Age Pension before 20 September 2009.



A new measure, the Work Bonus, was introduced in September 2009 as part of the Australian Government's Secure and Sustainable Pension Reform package (FaHCSIA 2012b). The Work Bonus offers a financial incentive for Age Pension recipients to remain in the workforce. A new Work Bonus was introduced on 1 July 2011 to allow Age Pension recipients to keep more of their pension when they receive employment income (FaHCSIA 2012a). In the 12 months after the introduction of the Work Bonus, about 135,000 Age Pension recipients were able to work while having less income counted under the pension income test (FaHCSIA 2012a).

Australian Government pensions

At 30 June 2012, around 76% of the Australian population aged 65 and over received the Age Pension through Centrelink (70%), or a similar means-tested income support payment from the Department of Veterans' Affairs (DVA) (6%) (Table 6.2).

Table 6.2: Age Pension and Department of Veterans' Affairs income support recipients, by sex and age, 30 June 2012 (per cent of recipients)

	Age group (years)						
	60–64[a]	**65–69**	**70–74**	**75–79**	**80–84**	**85+**	**Total**
Centrelink Age Pension recipients[a,b]							
Men	. .	12.1	12.0	9.5	7.0	3.7	44.3
Women	1.2	14.6	13.3	10.9	8.2	7.4	55.7
Persons	**1.2**	**26.7**	**25.3**	**20.5**	**15.2**	**11.1**	**100.0**
Persons (number)	*27,626*	*607,793*	*576,275*	*466,179*	*346,738*	*253,604*	*2,278,215*
Per cent of age group population	*2.2*	*59.3*	*77.1*	*81.8*	*78.0*	*59.8*	*70.1[d]*
DVA income support recipients[c]							
Men	5.4	7.4	3.0	2.4	2.4	16.7	37.2
Women	5.6	4.8	4.0	5.5	13.5	29.3	62.8
Persons	**11.1**	**12.3**	**7.0**	**7.9**	**15.9**	**45.9**	**100.0**
Persons (number)	*24,643*	*27,329*	*15,521*	*17,541*	*35,488*	*102,344*	*222,866*
Per cent of age group population	*2.0*	*2.7*	*2.1*	*3.1*	*8.0*	*24.2*	*6.2[d]*
Centrelink Age Pension and DVA income support recipients							
Total as per cent of age group population	**4.2**	**61.9**	**79.1**	**84.9**	**86.0**	**84.0**	**76.3[d]**

(a) Eligibility for the Age Pension at June 2012 was 64.5 years for women and 65 years for men.

(b) Age Pensions administered by the DVA are included in the 'DVA income support' figures.

(c) Includes people receiving a DVA Service Pension, DVA Income Support Supplement, or Age Pension administered by DVA who are aged 60 and over. The small number of people under 60 receiving one of these payments are not included in this table.

(d) Number of recipients aged 65 and over as a proportion of the population in this age group. Consequently, people aged 60–64 years are excluded from these calculations.

Note: Table includes full and part-rate Age Pension recipients (see Table A6.6 for a breakdown of full and part-rate Centrelink Age Pension recipients).

Sources: Centrelink administrative data; unpublished data from the DVA.

At 30 June 2012, 2.3 million Australians received a full or part-rate Age Pension through Centrelink, with three-fifths (59%) of these receiving a full-rate pension (Table A6.6). Around 56% of Centrelink Age Pension recipients were women. A slightly higher proportion of women (61%) than men (57%) received a full-rate pension.

At 30 June 2012, more than 222,000 people aged 60 and over received means-tested income support from the Department of Veterans' Affairs (that is, Age Pension, Service Pension or Income Support Supplement for war widows/widowers) (Table 6.2). The total number of recipients aged 60 and over at 30 June 2012 was 6% lower than at 30 June 2011.

Among DVA income support recipients aged 60 and over, at 30 June 2012, about 63% were women, half of whom (50%) were receiving an Income Support Supplement (unpublished DVA data). In contrast, most male recipients aged 60 and over (97%) were receiving a Service Pension. About 102,300 DVA income support recipients were aged 85 and over.

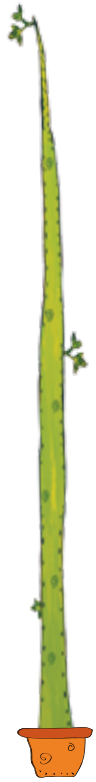
According to the 2009–10 Survey of Income and Housing, government pensions and allowances were the main source of income for 66% of households with a reference person aged 65 or over (ABS 2011d). Households in which people aged 65 and over were living alone were more likely than couple-only households where the reference person was aged 65 or over to have government pensions and allowances as their main source of income (76% compared with 65%). Data from the ABS 2009–10 Household Expenditure survey show that 74% of people whose main source of household income was government pensions and allowances, and who were receiving an Age Pension or DVA Service Pension, owned their own home outright (ABS 2011c). Reflecting this greater wealth, they also had higher levels of net worth than recipients of other government pensions and allowances.

Superannuation

Reforms to superannuation in the 1980s, and particularly the introduction of compulsory superannuation in 1992 requiring employers to pay a proportion of the employee's salary into a superannuation fund, mean that most paid workers now have superannuation coverage (Borowski & Olsberg 2007).

However, because of historically lower levels of female labour force participation, combined with lower rates of superannuation coverage before the 1980s, many older people have never contributed to a superannuation scheme or have done so for a relatively short time. In 2007, 71% of Australians aged 15 and over had superannuation coverage, and the proportion of people with coverage was higher than the proportion without in all groups except those aged 65 and over (ABS 2009b). Among those aged 65–69, 64% of women and 43% of men had no coverage. Among those aged 70 and over, 87% of women and 69% of men had no coverage.

As younger generations who have compulsory superannuation get older, the likelihood of older Australians having contributed to a superannuation scheme increases. According to ABS survey data, in 2010–11, around 64% of people aged 45 and over who were retired from the labour force had made contributions to a superannuation scheme, compared with 56% in 2008–09



(ABS 2009c, 2011h). Among those aged 45 and over, retired men were more likely to have made contributions than women—75% compared with 54% in 2010–11. Furthermore, of those who had contributed, men were more likely to have done so for longer, with 53% having contributed for 20 years or more compared with 28% of women. Reflecting these differences, men (27%) were more likely than women (13%) to report 'superannuation, annuity, and/or allocated pension' as the main source of personal income at retirement (ABS 2011h).

In 2010–11, superannuation funds across Australia paid out nearly $64 billion in benefits, which was divided roughly evenly between lump sum and pension payments (APRA 2012b). The total value of superannuation assets and the average benefit have been increasing over time. However, the average payout at retirement remains modest and, consequently, many older people rely on the Age Pension, particularly women. In the year to 30 June 2011, superannuation contributions increased by 4.8% (to $104.8 billion), total superannuation assets increased by 11.5% (to $1.34 trillion) and total benefits payments increased by 9.1% (to $63.7 billion) (APRA 2012a). Data from the ABS Survey of Income and Housing indicate that, in 2009–10, the average superannuation balance for people aged 60 to 64 was $198,000 for men and $112,600 for women, compared with $136,000 and $63,000 respectively in 2005–06 (ASFA 2011).

The Australian Government provides various tax concessions for superannuation—see Chapter 10.

6

6.7 Services that support older Australians

Although many older Australians are able to live independently, some require assistance. The largest source of assistance for older people with long-term health conditions and disability is informal care provided by relatives and friends. These 'informal carers' may provide help with a range of daily living activities, including core activities (self-care, mobility and communication) and non-core activities (for example, transportation, shopping, meal preparation, household chores and paperwork). Carers and caring are discussed in detail in Chapter 8.

This section focuses on formal aged care services that are funded by the Australian Government, or jointly with state and territory governments. The Australian Government recognises that many older Australians prefer to live independently at home for as long as possible. At the same time, it aims to ensure that frail older people have 'high quality, accessible and affordable care through a safe and secure aged care system' (DoHA 2012a:vi). The Government supports 'ageing in place', that is, providing sufficient assistance to enable older people to remain in their current setting (such as their own homes) for as long as possible as their care needs increase. The need for such assistance generally increases with age. Government-subsidised aged care services are provided on the basis of the functional disability or frailty of recipients, rather than on specific age criteria. However, people aged 70 and over, or 50 and over if the person is Indigenous, are those most likely to make use of aged care services and are therefore used as the 'planning population' to allocate aged care places (SCRGSP 2012).

Although not discussed in detail in this chapter, older Australians are also, of course, users of other government services apart from aged care, and the interaction between the health system and the aged care system is of particular importance (SCRGSP 2012). In 2011–12, people aged 65 and over accounted for 39% of hospitalisations and nearly half (48%) of patient days in public hospitals (see AIHW 2013a). Older people are also high users of palliative care services (see AIHW 2012f). For example, in 2010–11, more than two-thirds (68%) of patients receiving palliative medicine specialist services subsidised through the Medicare Benefits Schedule were aged 65 and over, and older people accounted for nearly three-quarters (74%) of general practice palliative care-related encounters (AIHW 2012f).

Australia's aged care system

The Australian Government is primarily responsible for the funding and regulation of formal aged care services, although all three levels of government are involved (SCRGSP 2013). Aged care services include residential aged care, which provides care and support for older people whose care needs cannot be met at home, as well as services aimed at supporting older people within the community. Community care services include Home and Community Care (HACC), Community Aged Care Packages (CACP), Extended Aged Care at Home (EACH), EACH Dementia (EACHD), and the Department of Veterans' Affairs (DVA) Community Nursing and Veterans' Home Care (VHC) programs. In addition, there are services that cross both the residential and community settings and are delivered in a more flexible way to meet the diverse needs of older Australians, for example, the Transition Care Program (TCP). These programs are described in more detail later in this section.

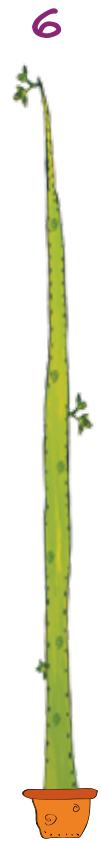
The majority of Australian Government-subsidised aged care services in Australia operate within the legislative framework provided by the *Aged Care Act 1997* and the associated Aged Care Principles (see DoHA 2012a). This framework determines: who can provide and receive care, and their responsibilities; the types of services that are available; and how aged care is funded. Major components of the system operating outside the Act include the HACC program and the National Respite for Carers Program (NRCP).

Note that progressive implementation of the *Living Longer. Living Better* aged care reforms—which began on 1 July 2012—will result in substantial changes to the aged care system (see Box 6.2 and DoHA 2012e, 2012f).

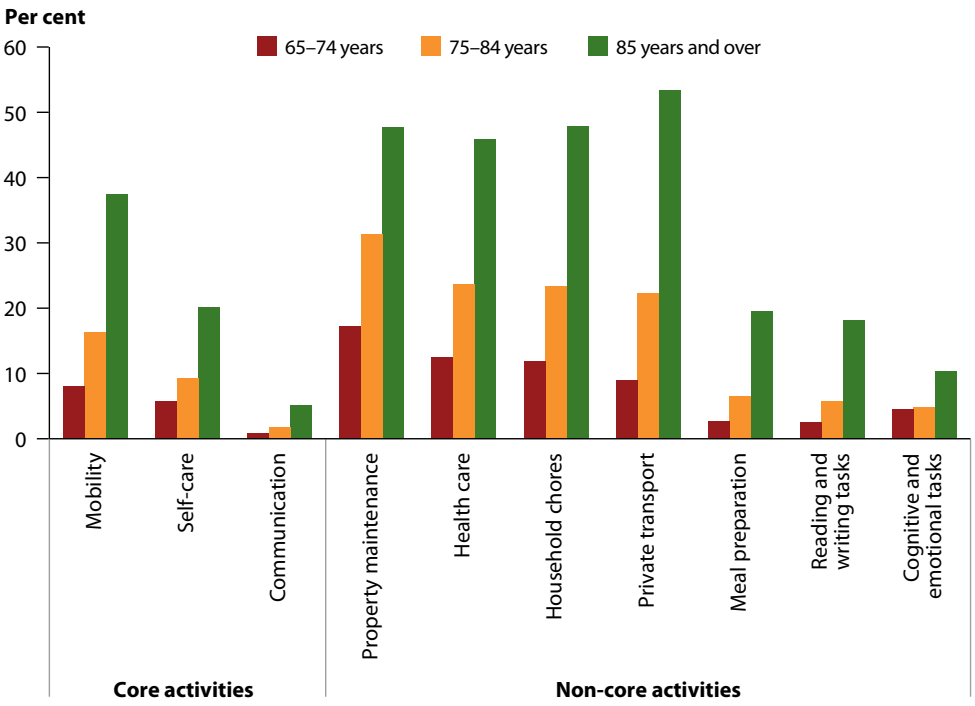
Demand for aged care services

There is currently no direct way to measure demand for formal aged care services. However, information from the ABS 2009 SDAC can be used to give a general indication of potential need for such services.

The 2009 SDAC collected data about the needs for assistance with a range of daily activities of people living in households. In 2009, 40% of older people living in households needed assistance with at least one activity, and this proportion increased with age: about 28% of those aged 65–74 required assistance with at least one activity, increasing to 77% of those aged 85 and over (Table A6.7).



Of the three core activities of daily living (self-care, mobility and communication), mobility was the activity with which older people most commonly required assistance (14% of those aged 65 and over). Considering non-core activities, property maintenance was the area in which assistance was most commonly required, with 1 in 4 (25%) people aged 65 and over, and nearly 1 in 2 (48%) of those aged 85 and over, needing help in this area. Other non-core activities in which older people commonly needed help were health care (20% of people aged 65 and over), household chores (20%) and private transport (18%), with need for assistance in these areas particularly high among those aged 85 and over (Figure 6.3).



Notes

1. Questions about some of the activities (namely, 'Mobility', 'Self-care', 'Communication', 'Health care', and 'Cognitive/emotional tasks') were asked only to people with disability. Those who did not have a disability, as defined in the SDAC, were assumed not to need assistance with those activities.
2. Data for this figure are shown in Table A6.7.

Source: AIHW analysis of ABS 2009 Survey of Disability, Ageing and Carers confidentialised unit record file.

Figure 6.3: Need for assistance with selected activities by older people living in households, by age, 2009 (per cent needing assistance with each activity)

There is currently no nationally agreed measure for monitoring how aged care services are meeting client needs. As a proxy measure, the Australian Government uses data from the SDAC on unmet need—that is, the extent to which demand for services to support older people requiring assistance with daily activities is not met (SCRGSP 2013). In 2009, of people aged 65 and over living in households who reported a need for assistance with at least one daily activity, 30% reported that their need was not fully met (SCRGSP 2013). Note, however, that direct inferences from these data relating to the demand for services should be made with care for a number of reasons, including that these data do not indicate the intensity of care required or the degree of unmet demand for a specific type of service (SCRGSP 2013: Box 13.12).

Accessing aged care services

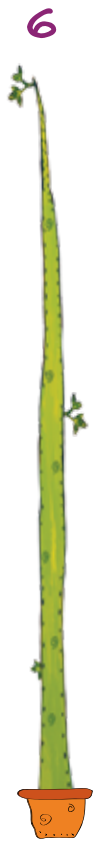
Assessment of care needs is an important step in accessing Australian Government-subsidised aged care services. Assessments are conducted by an Aged Care Assessment Team (ACAT)—or by an Aged Care Assessment Service (ACAS) in Victoria—which operate under the Aged Care Assessment Program (ACAP). An ACAT assessment is used to determine eligibility for admission to government-subsidised residential aged care and residential respite care, as well as for various community and flexible aged care services (such as CACP, EACH and EACHD). ACAT assessments are not required for HACC, NRCP, VHC or DVA Community Nursing; however, ACATs can refer clients to these programs when they are more appropriate for meeting individual needs.

After a detailed assessment that considers physical, psychological, medical, cultural and social needs, ACATs make recommendations for long-term care and support (including an appropriate setting), and an ACAT delegate can give approval for services where it is required. Clients can be reassessed if their care needs change to the extent that a different level or type of care is required.

ACAT recommendations do not always match approvals given by the ACAT delegate. As well, once a type of care is approved, the client's receipt of services is subject to a number of factors, including whether they subsequently apply for the service and the availability of places. The Pathways in Aged Care (PIAC) project (a cohort study carried out by the AIHW and researchers from three universities), which linked 2003–04 ACAP data to data sets showing the use of five main aged care programs, has shown that clients do not always follow the recommendations made by ACATs (AIHW 2011b). For example, in the 6 months after an ACAT assessment, fewer than half (42%) of people who had received a recommendation to live in low-level residential aged care made this transition (AIHW 2011b). However, many of these people accessed other services, with 31% accessing at least one community care program during this time.

In 2010–11, ACATs completed about 172,400 assessments for 153,084 clients aged 65 and over (or 50 and over for Indigenous clients)—62% of whom were women (AIHW analysis of unpublished ACAP data from DoHA). At the time of assessment, most of these older ACAP clients (95%) usually lived in the community.

The number of completed ACAT assessments in 2010–11 was about 23,400 fewer than in 2008–09 (DoHA 2012a). This reduction is likely to be partly due to amendments made to the *Aged Care Act 1997* that came into effect from 1 July 2009. Before this, approvals for some types of subsidised care automatically lapsed after 12 months. The changes have meant that approvals for residential respite care, high-level residential care and some types of community care (such as EACH and EACHD) no longer lapse, resulting in fewer reassessments (DoHA 2012a).

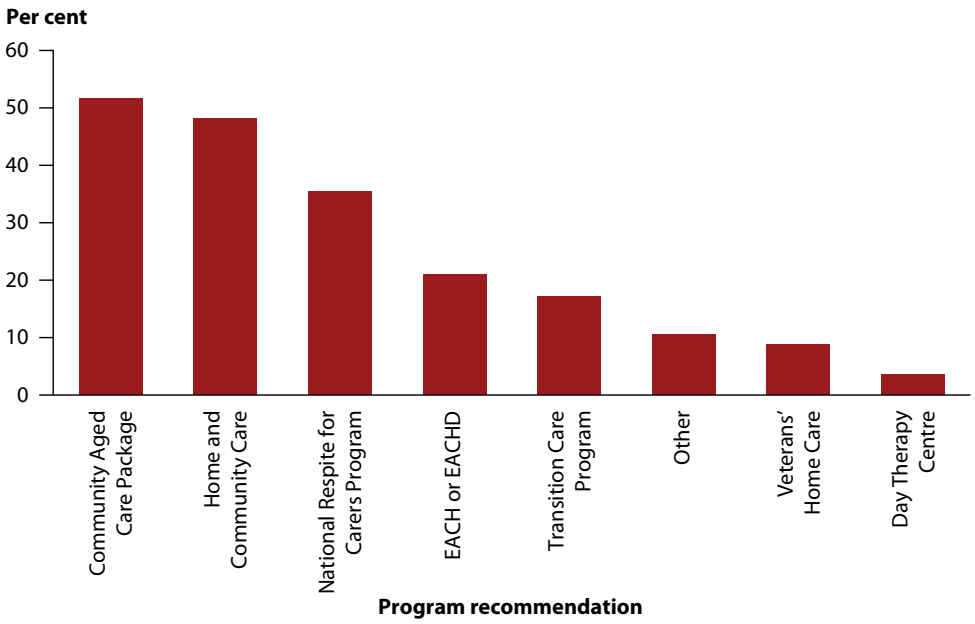


More than half (58%) of ACAT assessments in 2010–11 were performed in a community setting, while 22% were performed in an acute care hospital setting, 14% in other inpatient settings (such as admitted patients in rehabilitation facilities and non-acute hospital wards) and 5% in a residential setting (unpublished ACAP data from DoHA).

Care recommendations

In 2010–11, 56% of older ACAP clients (including Indigenous clients aged 50 and over) received recommendations for long-term care in the community. High-level residential care was recommended for 27% of older clients, and low-level care for 17% (Table A6.8).

Figure 6.4 shows ACAT recommendations for program support among older ACAP clients with a recommendation to live in the community. After assessment, ACATs recommended a CACP for 52% of these clients, HACC for 48% and EACH or EACHD for 21%. More than one-third of clients (36%) were recommended to access the NRCP, and the TCP was recommended for 17% of clients.



Notes

1. Clients aged 65 and over are included, as well as Indigenous clients aged 50 to 64.
2. Clients who were recommended to receive support from multiple programs are counted separately under each applicable program.
3. 'Other' refers to the receipt of any other formal support or assistance provided or delivered by agencies (for example, transport and housing).
4. Data for this figure are shown in Table A6.9.

Source: AIHW analysis of unpublished Aged Care Assessment Program data from DoHA.

Figure 6.4: Older Aged Care Assessment Program clients with a recommendation to live in the community: program support recommended after assessment, 2010–11

Timing to approval and service access

A number of steps are involved in accessing care services, including assessment, finding suitable care providers and making arrangements to receive care. Between 2008–09 and 2010–11, the average elapsed time from referral to first contact of a clinical nature (that is, a non-administrative contact) by an ACAT decreased from 19.7 to 13.4 days (DoHA 2012a). The average elapsed time between referral and approval of an assessment decreased from 29.4 to 21.0 days over this period.

Many factors may affect the elapsed time between the ACAT approval and use of services, including availability, perceptions and concerns about quality of care that influence client choice of preferred service, and willingness to accept placement offers (SCRGSP 2012: Box 13.12). In 2010–11, 23% of people entering high-level residential care did so within 7 days of their ACAT approval, 51% within 1 month and 74% within 3 months (SCRGSP 2012: Table 13A.67). The comparable figures for starting a CACP were 38% within 1 month and 68% within 3 months.

Number of places available

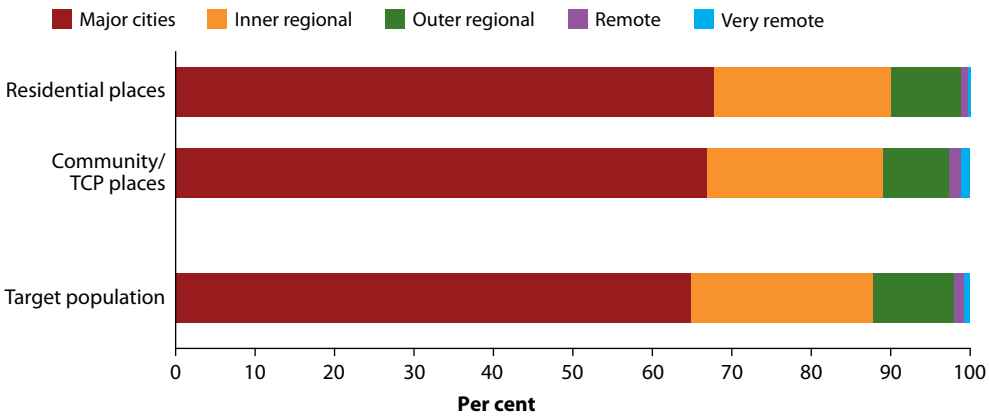
An operational place (or package) is one which is either occupied or available for the provision of aged care to an approved care recipient. At 30 June 2011, 247,379 operational aged care places and packages were available nationwide (Table A6.10). This does not include services provided by HACC, VHC or DVA community nursing, as discrete packages and places for individuals do not exist for these services. Residential care places accounted for three-quarters of operational aged care places at 30 June 2011.

One measure of the supply of aged care places is the number of available aged care places relative to the size of the population most likely to require these services. At 30 June 2011, there were 112.8 aged care places per 1,000 people aged 70 and over (excluding TCP places) (Table A6.11), close to the national target of 113 places (SCRGSP 2013).

Both the number of operational places and the rate of places per 1,000 people aged 70 and over have been increasing over time (Table A6.11). For example, between 2006 and 2011, the number of operational places increased by about 20% (or nearly 42,000 places). The rate of places per 1,000 people aged 70 and over (excluding TCP places) increased from 107.2 to 112.8 over this period.

Location of places

At 30 June 2011, 67% of all operational aged care places were in *Major cities*, 22% were in *Inner regional* areas, 9% were in *Outer regional* areas, and the remaining places were in *Remote* and *Very Remote* areas (2%). The distribution of places across remoteness areas is broadly consistent with the aged care target population (all Australians aged 70 and over, as well as Indigenous Australians aged 50 to 69) (Figure 6.5).



Notes

1. 'Residential places' includes mainstream residential aged care places, as well as places provided under the National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP), Multi-Purpose Service (MPS) Program and the Innovative Care Pool Program in a residential setting. 'Community/TCP places' includes CACP, EACH, EACHD and CDC places, places provided under NATSIFACP, MPS and Innovative Care in a community setting, and Transition Care Program (TCP) places which may be provided in community and/or residential settings.
2. Aged care 'target population' consists of all Australians aged 70 and over, and Indigenous Australians aged 50 to 69. Target population data were sourced from SCRGSP 2012: Table 13A.2.
3. Data for this figure are shown in Table A6.10.

Source: AIHW analysis of unpublished data from the DoHA Ageing and Aged Care data warehouse (October 2012).

Figure 6.5: Distribution of operational aged care places and the aged care target population, by remoteness, 30 June 2011

Community aged care

There is a strong continuing emphasis in Australia on community-based care to help people remain independent and living in the community for as long as possible. There are a number of community aged care programs, each providing different types and levels of assistance. See Table 6.3 for an overview of the main programs. Information on the use of these programs and characteristics of their clients is presented in this section.

Table 6.3: Overview of main national community aged care programs[(a)]

Program	Care level	Brief description
Home and Community Care (HACC)	Low-intensity therapy and support	The HACC program provides basic maintenance, support and care services to people in the community whose independence is at risk. Services include counselling, information and advocacy, domestic assistance, personal care, transport, home maintenance, nursing and allied health care. The target population includes frail older people and their carers, as well as younger people with a disability. For more information, see SCRGSP 2012; Australian Government 2012.
Veterans' Home Care (VHC)	Low-intensity therapy and support	VHC delivers in-home support services to eligible veterans, and war widows and widowers. It provides low-level care services, such as domestic assistance, personal care, respite care, and safety-related home and garden maintenance. For more information, see DVA 2012b.
DVA Community Nursing	Low-intensity therapy and support	The Department of Veterans' Affairs (DVA) Community Nursing program provides services to eligible veterans and war widow/widowers requiring more than 1.5 hours per week of personal care or nursing. For more information, see DVA 2012a.
Community Aged Care Package (CACP)	Low-level packaged care	Packages of low-level care tailored to client needs. Broadly speaking, a CACP is equivalent to low-level care in a residential aged care facility. Services may include domestic assistance, food services, transport services, social support, home and garden maintenance, personal care, counselling, respite care, home modifications, counselling and linen services. For more information, see DoHA 2011b.
Extended Aged Care at Home (EACH)[(b)]	High-level packaged care	Packages of high-level care tailored to client needs. Care provided is similar to that for a CACP but to a higher degree. In addition, nursing, allied health/therapy and aids and equipment may also be provided. For more information, see DoHA 2011b.
Extended Aged Care at Home Dementia (EACHD)[(b)]	High-level packaged care	Similar to EACH packages, but specific to the needs of people with dementia. For more information, see DoHA 2011b.

(a) As a result of the implementation of the *Living Longer. Living Better* reforms, there will be a number of changes to community aged care (see Box 6.2 and DoHA 2012e).

(b) EACH and EACHD are provided under the flexible care arrangements of the *Aged Care Act 1997*, but as both are delivered in the community they are described in this section.

HACC

In terms of client numbers, HACC is the largest source of formal support for older people living in the community. In 2010–11, there were over 719,300 HACC clients aged 65 and over, constituting 77% of the total HACC client population in that year (note that the HACC data reported here may differ from those published elsewhere—see Table A6.12). Two-thirds of older HACC clients were women, and nearly one-third (30%) were aged 85 and over. Domestic assistance was the most common service provided to HACC clients (33%), followed by nursing (21%) and allied health/therapy (20%) (Table A6.13). Home and garden maintenance (18%), transport, (17%) and meals (16%) services were also commonly provided.

Programs administered by the Department of Veterans' Affairs

Eligible veterans, and war widows and widowers can receive assistance from a number of DVA-funded care programs, including the VHC and DVA Community Nursing programs.

VHC is the second-largest program providing community aged care services, offering care to 69,000 clients aged 65 and over in 2011–12 (Table A6.12), just over two-thirds (69%) of whom were aged 85 and over.

The Community Nursing program assisted 31,800 clients aged 65 and over in 2011–12, with about three-quarters of these (77%) aged 85 and over. In 2011–12, 39% of Community Nursing clients aged 65 and over were living alone (unpublished DVA data).

CACP, EACH and EACHD

At 30 June 2011, there were 57,241 mainstream operational aged care packages, the majority (79%) of which were CACP packages (Table A6.10). There were 48,781 clients aged 65 and over receiving aged care packages (96% of all clients), more than two-thirds of whom (70%) were women (Table A6.12).

In response to growing demand for community-based aged care, the number of packages provided by all of the programs has increased substantially (AIHW 2012a). In the year to 30 June 2011 alone, the total number of packages increased by 13%, with particularly large growth in the number of EACH and EACHD packages (46% and 55% respectively), which provide high-level care, compared with 6% for CACP, which provides low-level care.

The AIHW publishes detailed information annually about the use of the CACP, EACH and EACHD programs (see, for example, AIHW 2012a).

Ensuring quality community care

New Community Care Common Standards, developed jointly by the Australian Government and state and territory governments, came into effect on 1 March 2011. The standards apply to HACC, CACP, EACH, EACHD and the NRCP. Around 80% of organisations providing CACP, EACH, EACHD and NRCP services that were reviewed in 2010–11 received an Outcome 1 rating, indicating that they had effective process and systems in place (SCRGSP 2012). A further 13% of services were given an Outcome 2 rating, indicating there were some concerns about the effectiveness of process and systems in place, while there were significant concerns for 7% of services (an Outcome 3 rating).

Flexible aged care

Flexible aged care can be provided in either a residential or community care setting—in ways other than those available through mainstream residential and community care—to meet the needs of recipients. As detailed below, three such programs are the Transition Care Program, Multi-Purpose Service Program and the National Aboriginal and Torres Strait Islander Flexible Aged Care Program. Note that EACH and EACHD packages are provided under the flexible care arrangements of the *Aged Care Act 1997* but, as these are both delivered in the community, they are described together with CACPs in the 'Community aged care' section of this chapter.

Services for people leaving hospital

The Transition Care Program offers short-term care to older people leaving hospital who are assessed as otherwise being eligible for at least low-level residential aged care (AIHW 2012e). It aims to improve recipients' independence and functioning and delay entry into residential aged care. In the six years to 30 June 2011, TCP assisted nearly 52,000 people. More than 60% of recipients left the program with an improved level of functioning, and 54% finally returned to the community. In 2010–11, TCP assisted 18,084 people, an increase from 15,018 in the previous financial year (see AIHW 2012e for more detailed information about TCP).

Services for people in rural and remote areas

The Multi-Purpose Service (MPS) Program delivers a mix of aged care, health and community services in rural and remote communities where separate services would not otherwise be viable (DoHA 2012a). At 30 June 2012, there were 3,337 MPS places provided by 137 service outlets; this was an increase of 3.8% from June 2011. Just over half of these (56%, or 1,872 places) were for high-level residential care, and about one-third (31%) for low-level residential care.

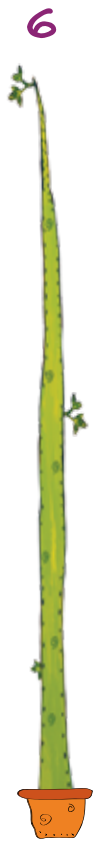
Services for Indigenous Australians

The National Aboriginal and Torres Strait Islander Flexible Aged Care Program (NATSIFACP) provides flexible, culturally appropriate aged care to older Indigenous people close to home and community. At 30 June 2012, 29 services were funded to provide 675 NATSIFACP aged care places, located in mainly rural and remote areas (DoHA 2012a).

Services funded under the program are assessed against a set of culturally appropriate standards that were finalised in July 2011. The first assessments against the framework were completed in 2011–12 and, at 30 June 2012, 26 of the 29 services had been assessed (DoHA 2012a).

Residential aged care

Residential aged care facilities are funded by the Australian Government to provide aged care to older Australians whose care needs are such that they can no longer remain living in the community. These facilities offer accommodation and related services (such as laundry, meals and cleaning), as well as personal care services (such as assistance with the activities of daily living). Nursing care and equipment are available to residents requiring such assistance. Residential aged care is available on a permanent or respite basis.



Service use and resident characteristics

At 30 June 2011, there were 2,760 facilities providing 182,302 Australian Government-subsidised residential aged care places (excluding MPS and NATSIFACP places), representing an increase of 2,632 places (1.4%) over the previous year (AIHW 2012g). Not-for-profit organisations provided 60% of residential aged care services nationally, 30% of providers were private for-profit organisations, and the remaining 10% were government facilities (both local and state).

Nearly all (98%) of those living in residential aged care at 30 June 2011 did so permanently. Information about respite residents is provided later in this chapter. There were 165,032 permanent aged care residents at 30 June 2011, with 96% (158,661 people) aged 65 and over (Table A6.12). Women accounted for 71% of these older residents.

Female residents of all ages were more likely than their male counterparts to be widowed (64% compared with 26%) and they had an older age profile (AIHW 2012g). About 2 in 3 (63%) female residents were aged 85 and over, compared with 43% of male residents.

Nationally, more than one-third (40%) of permanent residents at 30 June 2011 received financial help through subsidised care costs (AIHW 2012g). Financial help became more likely with increasing remoteness; nearly 69% of permanent residents in *Very remote* areas received help, compared with 39% of those in *Major Cities* (see AIHW 2012g).

The average length of stay for permanent residents who left residential care during 2010–11 was 145.7 weeks (AIHW 2012g). Average length of stay has been increasing, and was 11% higher in 2010–11 than in 1988–99 (when it was 131.3 weeks) (AIHW 2012g).

The AIHW publishes detailed information annually about residential aged care services and clients (see, for example, AIHW 2012g).

Use of available places

There has been a substantial increase in the number of residents in Australian Government-subsidised residential aged care over time, with the number of permanent residents increasing by nearly one-quarter (23%, or 31,028 residents) between 2001 and 2011 (Table 6.4). Growth in the number of permanent residents aged 85 and over has been particularly large, increasing by 39% over this period, and residents aged 85 and over account for a larger proportion of all residents (57% at 30 June 2011 compared with 50% at 30 June 2001). The higher number of residents is due to the growth and ageing of the population and corresponding increase in the number of residential places that have been made available.

Although the number of residents has increased, the usage rate (that is, the number of people using residential aged care per 1,000 people in the relevant age group) among older Australians has declined in most age groups from 2001 to 2011 (Table 6.4). This may be at least partly due to greater provision of community aged care places over this period, which has enabled a greater number of older people to continue living in the community.

Table 6.4: Permanent resident numbers and age-specific usage rates, 2001 to 2011[(a)] (selected years)

	2001	2003	2005	2007	2009	2011
Number of permanent residents	134,004	140,297	149,091	153,426	158,885	165,032
Number of permanent residents aged 85+	67,402	71,397	77,285	82,871	88,030	93,841
Permanent residents aged 85+ (per cent)	50.3	50.9	51.8	54.0	55.4	56.9
Usage rate (per 1,000 population) by age group (years)						
<65	0.4	0.4	0.4	0.4	0.3	0.3
65–69	6.2	6.1	6.0	5.9	6.0	5.8
70–74	14.7	13.9	13.6	13.2	12.8	12.8
75–79	35.5	34.2	33.7	33.3	31.5	30.2
80–84	86.7	85.0	83.7	81.2	76.8	74.4
85+	254.1	249.2	245.3	237.0	229.6	225.9

(a) Data are at 30 June of each year.

Source: AIHW 2012g: Tables 6.5 and 6.6.

Care needs of clients in residential care

Information about the care needs of permanent residents in subsidised residential aged care places is available through the Aged Care Funding Instrument (ACFI) (see Box 6.3).

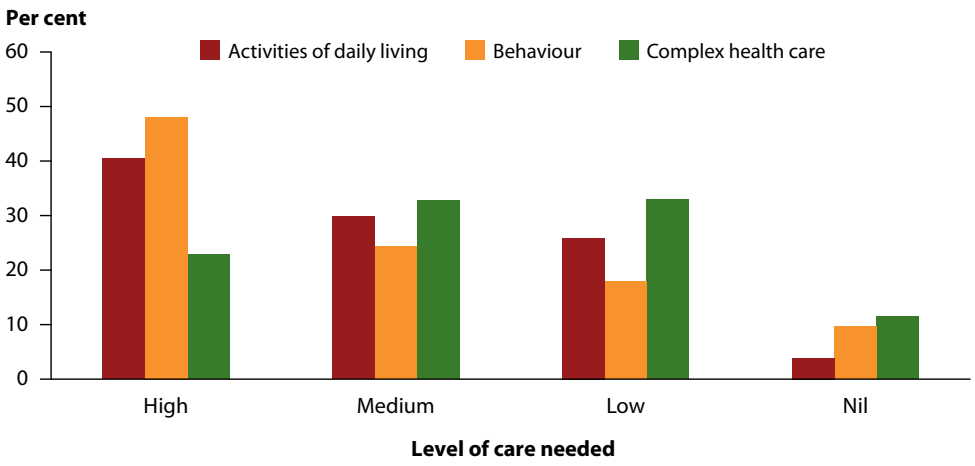
At 30 June 2011, there were 157,777 permanent residents aged 65 and over with an ACFI appraisal. Of these, 40% were classified as requiring high care in the Activities of daily living domain, 48% in the Behaviour characteristics domain, and 23% in the Complex health care domain (Figure 6.6). Around 76% of permanent residents were classified as requiring an overall high level of care.

Box 6.3: Measuring care needs of permanent residents in aged care facilities

Since March 2008, all permanent residents in Australian Government-subsidised aged care facilities have been assessed using the ACFI. The ACFI is a funding tool and therefore attempts to capture information about the care needs that contribute most to the cost of individual care. It includes 12 questions about care needs that fall across three funding domains: Activities of daily living, Behaviour characteristics, and Complex health care needs.

Funding is provided for each domain based on whether the needs of the person were assessed as 'nil', 'low', 'medium' or 'high'. The overall combination of scores is used to classify a resident as 'low care' or 'high care' (see DoHA 2009 for rules used to define low and high care).

For more detailed information, see AIHW 2012g and AIHW 2011a.



Note: Data for this figure are shown in Table A6.14.

Source: AIHW analysis of unpublished data from the DoHA Ageing and Aged Care data warehouse (October 2012).

Figure 6.6: Assessed need for care of permanent aged care residents aged 65 and over, by ACFI funding domain, 30 June 2011

At 30 June 2011, just over half (52%) of all permanent residents with an ACFI appraisal had dementia (AIHW 2012g). Detailed information about the characteristics and care needs of residents with dementia has been published in other AIHW reports (see AIHW 2012d, 2011a). AIHW's *Dementia in Australia* report (2012d) showed that residents with dementia had higher needs in relation to Behaviour characteristics and Activities of daily living, and were more likely than those without dementia to be classified as needing a high level of care overall (87% versus 63% respectively in 2009–10).

Ensuring quality residential aged care

Accreditation of services

The *Aged Care Act 1997* sets out accreditation processes for residential aged care facilities. Accreditation is a requirement for Australian Government funding and is assessed by an independent authority, the Aged Care Standards and Accreditation Agency. The agency assesses aged care facilities against standards in four areas: management systems, staffing and organisational development; health and personal care; resident lifestyle; and physical environment and safe systems.

During 2010–11, 264 facilities were identified as not having met one or more of the 44 Accreditation Standards Outcomes (DoHA 2011a). At 30 June 2011, 94% of accredited facilities (2,592 of 2,768 facilities) were accredited for 3 years.

The agency also undertakes a program of unannounced visits to ensure proper care of residents. During 2010–11, it conducted 5,666 visits, with each facility receiving at least one unannounced visit (DoHA 2011a).

Respite care

Respite care offers support to older people and their carers who may need a break or who require some extra care for a short period—for example, during or while recovering from illness. Care may be provided for a few hours on a one-off or regular basis, for a couple of days, or for a few weeks. Respite can occur in a variety of settings, including homes, centres, residential aged care services and other locations, with care provided by volunteers and/or paid respite workers.

The National Respite for Carers Program provides direct respite care and other forms of support for carers. Direct respite care is provided in a number of settings, including day respite in community settings, in the home and in respite cottages. Indirect respite care, such as domestic assistance, social support and personal care for the care recipient, is also provided. In 2011–12, the NRCP provided 30,900 carers with respite services and delivered more than 5 million hours of respite care (DoHA 2012a). People with dementia are one of the target groups for NRCP services and, in 2011–12, there were around 13,400 care recipients with dementia—92% of these recipients were aged 65 and over (Table A8.25). See Chapter 8 for more information on the NRCP.

Residential respite care provides emergency or planned care in a residential aged care home on a short-term basis. The number of people using residential respite care is relatively small at any one time—about 4,000 people, or 2% of aged care residents, at 30 June 2011 (AIHW 2012g). The number of people receiving residential respite care has increased substantially in recent years, rising by 52% (or 1,365 people) between 30 June 2001 and 30 June 2011. The proportion of these recipients who were aged 85 and over increased from 39% to 50% over the same period (AIHW 2012g).

Residential respite recipients have a relatively short length of stay (3.5 weeks on average in 2010–11). In 2010–11, there were 59,300 admissions to respite care, accounting for about half of all admissions that year, and nearly 41,900 individual recipients (AIHW 2012g). About three-quarters of people admitted to residential respite care were aged 80 and over, and half were subsequently admitted to permanent residential care within the year. The proportion transitioning to permanent care within the year grew quite steadily over the decade to 2010–11, increasing from 42% in 2001–02.

Supporting a diverse older population

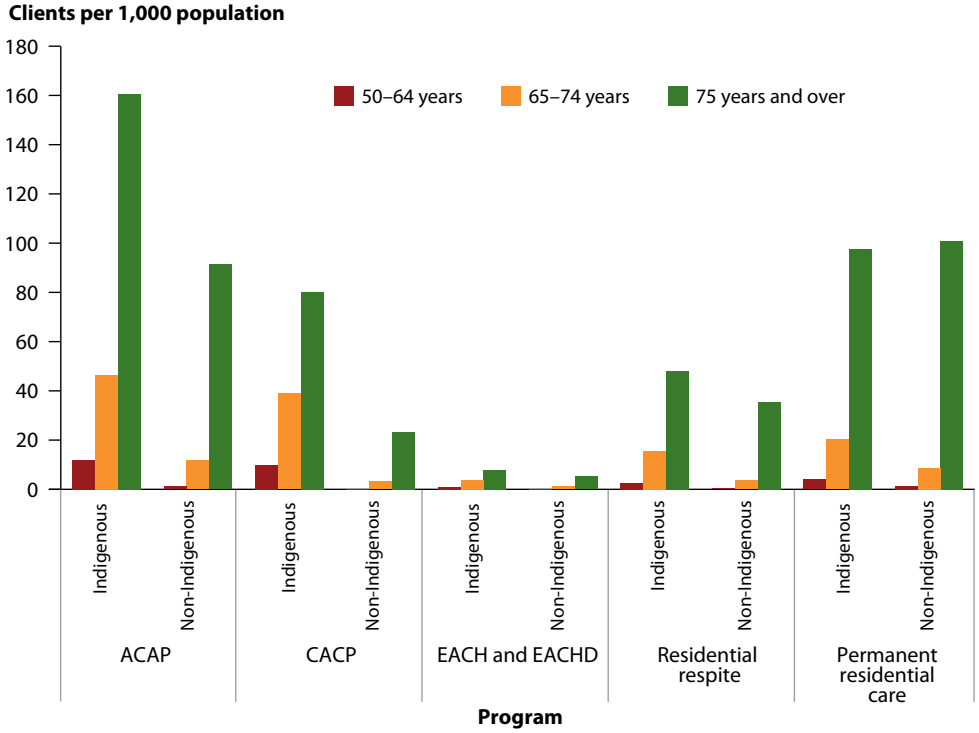
The Australian Government's aged care reforms and initiatives aim to meet the needs of a diverse older population, and reflect growing acknowledgment that some populations are at risk of marginalisation and are likely to require additional support within the aged care system to ensure equitable access and care.

Older Indigenous Australians

The usage rates of aged care services tend to increase with age for both Indigenous and non-Indigenous Australians (Figure 6.7). However, for most services, Indigenous Australians have relatively high usage rates and this is particularly true in the younger age ranges. For example, at 30 June 2011, Indigenous clients aged 65–74 used CACPs at a rate of almost 39 packages per 1,000 population, compared with 3.2 packages per 1,000 population for non-Indigenous clients at the same ages. Among those aged 50–64, the usage rates were 9.8 and 0.2 per 1,000 for Indigenous and non-Indigenous Australians respectively.

Use of the ACAP was notably high in absolute and relative terms among Indigenous Australians. For example, in 2010–11, those aged 65–74 used the program at a rate of 46 per 1,000 population—almost 4 times that of non-Indigenous Australians (12 per 1,000 population).

Note that these data should be interpreted with caution, as the comparison is affected by the different age structures of the two populations and in particular the relatively low proportion of Indigenous people aged 75 and over (see Chapter 1).



Notes

1. These data should be interpreted with caution since the comparison is affected by the different age structures of the two populations. Due to the unreliability of HACC age-specific usage rates for the Indigenous population, these rates are not reported.
2. ACAP data are for 2010–11; residential respite data are for admissions over the year 2010–11; CACP, EACH/EACHD and permanent residential care data are at 30 June 2011.
3. Data for this figure are shown in Table A6.15.

Sources: AIHW analysis of unpublished data from the DoHA Ageing and Aged Care data warehouse (October 2012); AIHW analysis of unpublished Aged Care Assessment Program data from DoHA.

Figure 6.7: Use of selected aged care programs, by Indigenous status and age, 2010–11

Older overseas-born Australians

Of ACAP clients in 2010–11, 32% were born overseas, including 18% in non-main English-speaking countries. At 30 June 2011, about 4 in 10 EACHD (44%) and EACH (37%) clients and 3 in 10 CACP (34%) clients were born overseas. Of the three programs, EACHD also had the greatest proportion of clients born in non-main English-speaking countries (19%), followed by EACH (15%) and CACP (15%) (AIHW 2012a).

More than one-quarter (29%) of permanent residents and one-third (32%) of respite residents in Australian Government-subsidised residential aged care facilities were born overseas. The most common overseas country of birth was the United Kingdom or Ireland, reported by 10% of residents (both permanent and respite) (AIHW 2012a).

People born in non-main English-speaking countries had somewhat higher usage rates of HACC and community aged care packaged programs (CACP, EACH and EACHD) than those born in Australia or main English-speaking overseas countries (Table 6.5). For example, in the 85 and over age group for EACH and EACHD combined, people born in non-main English-speaking countries had a usage rate of 12.7 per 1,000, compared with 10.3 per 1,000 for people born overseas in main English-speaking countries, and 7.4 per 1,000 for Australian-born clients. In contrast, usage rates for the Aged Care Assessment Program and residential aged care were lower among people born in non-main English-speaking countries than for either those born in Australia or in main English-speaking countries.

Table 6.5: Use of selected aged care programs, by country of birth[(a)] and age 2010–11 (clients per 1,000 population)

	Overseas-born								
	Main English-speaking countries[(b)]			Non-main English-speaking countries			Australian-born		
Program	65–74	75–84	85+	65–74	75–84	85+	65–74	75–84	85+
HACC	73.5	266.9	469.7	101.5	296.2	511.1	111.8	322.9	482.5
ACAP	9.7	59.1	168.3	10.7	56.6	147.0	3.1	65.4	164.6
CACP[(c)]	2.3	13.8	43.6	3.3	18.0	49.9	3.9	15.7	39.6
EACH & EACHD[(c)]	1.1	3.6	10.3	1.1	4.6	12.7	1.1	3.5	7.4
Permanent residential care[(c)]	6.3	44.8	232.9	6.6	41.2	191.8	10.2	53.8	233.5

(a) Country of birth population data used for the calculation of rates are based on data provided by the ABS for the year 2010, as data for 2011 were not available at the time of analysis. The data were pro-rated from 2010 by 5-year age groups using 2011 total estimated resident population data.

(b) 'Main English-speaking countries' are the United Kingdom, Ireland, New Zealand, Canada, the United States of America and South Africa.

(c) Data for CACP, EACH & EACHD, and permanent residential aged care are at 30 June 2011.

Sources: AIHW analysis of unpublished data from the DoHA Ageing and Aged Care data warehouse (October 2012); AIHW analysis of unpublished Aged Care Assessment Program data from DoHA; AIHW analysis of the NSW Home and Community Care State Data Repository and the Home and Community Care MDS National Data Repository.

6.8 Where to from here?

While key data gaps and limitations still remain, substantial progress has been made in the collection and reporting of data about older Australians.

Increased sample sizes of older Australians in some ABS population surveys (for example, in the 2009 SDAC) has provided more options to disaggregate data by smaller age groups to at least 85 and over, thus allowing improved reporting about the diversity of needs and circumstances among older people. Data relating to aged care provision and use have also improved considerably. For example, the transition from the Resident Classification Scale to the ACFI in March 2008 has allowed more detailed analyses of client needs in Australian Government-subsidised residential aged care facilities. In addition, linked aged care program data from the PIAC project have provided information, for the first time, about the journeys of people through community, respite and permanent residential care (rather than just their use of individual programs) (see AIHW 2011c). The Department of Health and Ageing (DoHA) has provided funding to extend this project.

Other useful sources of information about older Australians and the ageing process include longitudinal studies such as the Australian Longitudinal Study of Ageing, the Melbourne Longitudinal Studies on Healthy Ageing Program, The Australian Longitudinal Study on Women's Health, and the 45 and Up Study. The 45 and Up Study, which started in 2006, is collecting data from about 270,000 men and women aged 45 and over across New South Wales (about 10% of this age group) over time. This is the largest ageing study undertaken in the southern hemisphere (Sax Institute 2013).

Some other recent data development projects and existing data gaps are described here.

National Aged Care Data Clearinghouse

As part of efforts to improve the availability of quality aged care information and statistics, the AIHW has been funded by DoHA to establish an independent and centralised National Aged Care Data Clearinghouse in 2013. The Data Clearinghouse is a component of the Australian Government's *Living Longer. Living Better* aged care reforms.

The objective of the Data Clearinghouse is to increase the availability, accessibility and coordination of aged care data for the community. It aims to encourage transparency and independence in aged care policy research and evaluation by providing data and information in a timely manner for research, evaluation and analysis, subject to data release protocols.

Through the Data Clearinghouse, aged care data will be provided to a range of stakeholders, including policy makers, researchers and the public.

Client outcomes data

Although considerable effort is being devoted to appraising the quality of care provided to aged care clients in the community and residential care sector, limited data are available for reporting on outcomes for older clients. However, there have been improvements in client outcome data relating to some programs, for example, the TCP (see AIHW 2012e).

Dementia as a National Health Priority

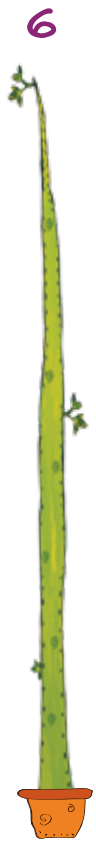
In August 2012, dementia was made the ninth National Health Priority Area (DoHA 2013a). There are significant gaps and limitations in current Australian dementia data, especially for national reporting purposes. The AIHW is working with DoHA to develop recommendations for improving dementia data in Australia.

Socially disadvantaged Australians

There are a number of older Australians who experience access difficulties or even exclusion from services because of a range of factors, including homelessness, incarceration, disability, alcohol and/or drug dependencies, and/or long-term illness. Australians experiencing social disadvantage can require aged care services at an earlier age than the general population, are less likely to have support networks or an informal carer, and may present challenges for service providers (Productivity Commission 2011). There is a substantial data gap relating to identifying socially disadvantaged older Australians and the reason for that disadvantage. Expanding data collection in this area is an important aspect of improving equitable access and care for all older Australians.

Lesbian, gay, bisexual, transgender and intersex older Australians

The ageing experience and use of aged care services by lesbian, gay, bisexual, transgender and intersex (LGBTI) older Australians is another data gap, as existing data collections do not typically include information on gender (rather than sex) or sexual orientation. In December 2012, the Australian Government launched the LGBTI Ageing and Aged Care Strategy as part of the *Living Longer. Living Better* reforms (see DoHA 2012g). Under this strategy, LGBTI people, their families and carers will be a priority for ageing and aged care research. DoHA has committed to improving the data available about this group through a range of measures, including engaging with the AIHW to consider ways to develop more data related to older LGBTI people. Understanding the experiences of LGBTI older Australians within the aged care sector assists in informing policies that ensure that all older Australians, regardless of gender identity or sexual preference, are supported in the coming decades.



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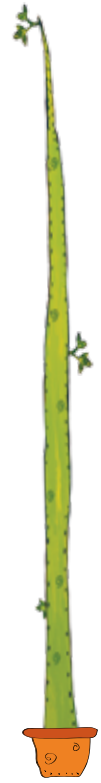

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