



**SUBMISSION TO**

**AUSTRALIAN LAW REFORM COMMISSION PAPER:**

**Grey Areas—Age Barriers to Work in Commonwealth Laws (IP 41)**

Prepared by National Policy Office

July 2012

## ALRC INQUIRY QUESTIONS

ALRC question	COTA Response
<p><b>Question 1.</b> The ALRC has identified as framing principles: participation; independence; self-agency; system stability; system coherence; and fairness. Are there other key principles that should inform the ALRC’s deliberations?</p>	<p>COTA agrees with the identified principles but would like to see discrimination and equity included.</p>
<p><b>Age pension</b></p>	
<p><b>Question 2.</b> As there is a five year difference in qualifying age for a Service Pension under the <i>Veterans’ Entitlement Act 1986</i> (Cwth), should it be increased incrementally in the same manner as for the Age Pension?</p>	<p>There were mixed views on this across the COTAs.</p> <p>Those who were opposed to aligning the Veterans’ qualifying age believed that veterans face significant health challenges as they age and have less chance of being able to work for an extra five years. There was also strong support for the belief that veterans deserved different treatment because they had served their country.</p> <p>Instead of aligning the pension ages this group thought there needed to be more effort put into meeting the health and support needs for veterans.</p> <p>There was more support for gender equity and raising the age for female veterans to the same as for men.</p>
<p><b>Question 3.</b> In what ways, if any, should the means test for the Age Pension be changed to remove barriers to mature age participation in the workforce or other productive work?</p>	<p>The means test needs to treat income from employment differently from other forms of income if it is to encourage workforce participation. The introduction of the Work Bonus has already done this.</p>
<p><b>Question 4.</b> In what ways, if any, should the Pension Bonus Scheme be changed to remove barriers to mature age participation in the workforce?</p>	<p>As no new people can register for this scheme there seems little to be gained in altering it.</p>
<p><b>Question 5.</b> How effective has the Work Bonus been in removing barriers to work for mature age persons? In what ways, if any, could it be improved?</p>	<p>There is not a good understanding of how the Work Bonus operates, particularly with regard to the work bonus credit provisions. It needs to be promoted more widely.</p> <p>The \$250 a fortnight and the maximum Work Bonus credit of \$6500 is possibly too low as it limits the number of hours older people can work and so may make them less attractive to employers.</p>

	<p>The interaction of the Work Bonus credits and the income test free threshold is complicated and can have an adverse effect on workforce participation. The complexity of the work bonus seems to deter people from considering it in their planning.</p> <p>However it does need to be remembered that the age pension is not a universal entitlement and there do need to be limits on income and hours worked if it is to remain a payment for predominantly for people who have left the workforce.</p> <p>COTA believes the Work Bonus provisions should be extended to self employment. Self employment is one means of older workers getting the flexibility and working conditions they need and so is a real employment option for some.</p>
<p><b>Income Tax</b></p>	
<p><b>Question 6.</b> In what ways, if any, can the complexity of the tax-transfer system be minimised to remove barriers to mature age participation in the workforce?</p>	<p>COTA believes more effort needs to be put into providing easy to understand, clear and concise information. There also needs a free information service enabling people to access accurate information based on their individual circumstances.</p> <p>The interaction of the now increased income tax free threshold, income free threshold, taper rates and marginal tax rates need to be examined to see if there are ways to reduce the effective marginal tax rates that people face when they move between the transfer and tax systems.</p>
<p><b>Question 7.</b> In what ways, if any, do the tax exemptions for social security payments affect mature age participation in the workforce?</p>	<p>The tax exemptions probably act as a disincentive to move from income support to paid employment. However the move to substantially increase the tax free threshold for everybody to \$18000 will reduce that disincentive.</p>
<p><b>Question 8.</b> A number of tax offsets are available to encourage mature age participation in the workforce including the Senior Australians Tax Offset, Pensioner Tax Offset, Low Income Tax Offset and the Mature Age Worker Tax Offset.</p> <p>(a) In what ways, if any, might these offsets be improved to encourage participation?</p> <p>(b) The Australia's Future Tax System Review recommended that these tax offsets be removed. What disincentives would this create for mature age participation in the workforce?</p>	<p>COTA supports the long term abolition of these tax offsets but believes the tax free threshold needs to be significantly higher than the \$18000 before they can all be abolished. We don't believe their abolition in those circumstances would be a disincentive to work</p>

<p><b>Question 9.</b> What other changes, if any, should be made to income tax laws to remove barriers to mature age participation in the workforce and other productive work?</p>	<p>The different definition of income between ATO and Social Security Act-causes some confusion.</p>
<p><b>Superannuation</b></p>	
<p><b>Question 10.</b> What changes, if any, should be made to the Superannuation Guarantee scheme, to remove barriers to work for mature age persons?</p>	<p>The abolition of the upper age limit for Superannuation Guarantee contributions should remove one of the more significant barriers to older people wanting to stay in employment. Concerns have been raised that this may reduce employer's willingness to employ older people as they now have to pay the contribution. This is something which will need to be monitored.</p> <p>COTA supports the move to increase the Superannuation Guarantee contributions and does not believe this will have much impact on mature age participation.</p>
<p><b>Question 11.</b> The <i>Superannuation Industry (Supervision) Regulations 1994</i> (Cwth) prescribe age-based restrictions on voluntary contributions. Members cannot:</p> <p>(a) make voluntary contributions from age 65 until age 75 unless they meet a work test; or</p> <p>(b) make voluntary contributions from age 75.</p> <p>What effect do these restrictions have on mature age participation in the workforce?</p> <p>What changes, if any, should be made to these regulations to remove barriers to work for mature age persons?</p>	<p>COTA believes these restrictions act as a disincentive to stay in the workforce. The limits mean older people who want or need to increase their retirement incomes cannot do so or cannot use superannuation which is the most tax effective vehicle for doing so. This could become a bigger issue as we are going to see a significant increase in people getting to 65 and above who still have mortgages and whose superannuation incomes will not be sufficient to support them.</p> <p>This is discriminatory and is a disincentive to continue working. COTA believes these age limits should be abolished and that people should be able to make whatever contribution they wish regardless of age.</p>
<p><b>Question 12.</b> The <i>Superannuation Industry (Supervision) Regulations 1994</i> (Cwth) prescribe age-based restrictions in relation to members splitting contributions with a spouse and making contributions to a spouse's fund. Members cannot:</p> <p>(a) split contributions for a spouse aged 65 and over;</p> <p>(b) split contributions for a retired spouse of preservation age and over;</p> <p>(c) make spouse contributions for a spouse aged 70 and over; or</p> <p>(d) make contributions for a spouse aged 65 but under 70 unless the spouse meets a work test.</p> <p>What effect do these restrictions have on mature age participation in the workforce?</p>	<p>COTA believes the splitting arrangements should be simplified so that people can contribute how they like with no age restriction. If they continue to work then they should be able to continue to contribute to superannuation on the same basis as anyone else in the workforce and not be subjected to discrimination on the basis of age</p>

<p>What changes, if any, should be made to these regulations to remove barriers to work for mature age persons?</p>	
<p><b>Question 13.</b> In what ways, if any, does the age restriction on government co-contributions in the <i>Superannuation (Government Co-contribution for Low Income Earners) Act 2003</i> (Cwth) create barriers to work for mature age persons? What changes should be made to the Act to remove such barriers?</p>	<p>Workers of all ages should be treated the same and so the age limits on the co-contributions should be lifted. COTA believes that this could act as an incentive for some older people on lower incomes to stay in the workforce.</p>
<p><b>Question 14.</b> What effect, if any, does the increased concessional contributions cap for persons aged 50 years and over have on mature age participation in the workforce?</p>	<p>COTA has seen no systematic evidence to suggest that the increased cap had any impact either way on workforce participation. Anecdotal reports have indicated that some people stay longer in the workforce in order to supplement low levels of super. We will need to wait and see if the decision in the 2012 Budget to reduce it back to \$25000 for two years has any impact with regard to people leaving employment.</p>
<p><b>Question 15.</b> What effect, if any, does the ‘bring forward rule’ (in relation to the non-concessional contributions cap) have on mature age participation in the workforce? What changes should be made to this rule to address barriers to such participation?</p>	
<p><b>Question 16.</b> The age settings for access to superannuation benefits are:  (a) 55 years increasing to 60 years for ‘preservation age’—when persons may access superannuation if retired; and  (b) 65 years for unrestricted access to superannuation.  The Australia’s Future Tax System Review recommended that the preservation age be raised to 67 years. In what ways, if any, do existing age settings provide incentives for retirement for mature age persons, rather than continued workforce participation? What changes should be made to address these incentives?</p>	<p>COTA does not support further raising of the preservation age to the age pension age at this time. We believe there is too much age discrimination in the labour market and that we would be consigning people to live on Newstart Allowance and other lower levels of income support for long periods if they lose their jobs. If we can get changes to employer attitudes to older workers that mean people can reasonably expect to be able to get and retain a job up to 67 then there would be a case to revisit the preservation age.</p> <p>It has been argued the preservation age needs to be lower as some people need to use their super to live on because they experience some disability that prevents them continuing to work up to the age equivalent to the qualifying age for the Age Pension. This illustrates the need for older people to have better knowledge and understanding of the current requirements and entitlements of superannuation system.</p>
<p><b>Question 17.</b> In practice, how do the ‘transition to retirement’ rules encourage continued mature age participation in the workforce? What changes, if any, should be made to these rules to encourage continued workforce participation?</p>	<p>It is not at all clear that the transition to retirement rules are encouraging people to stay in the workforce longer than they might have done. There is some evidence that the rules are being manipulated to get significant tax concessions and that there is a churning of salaries through such schemes.</p>

	If they are to be effective in keeping people in the workforce longer there need s to be more stringent tests around decisions to retire/stay working.
<b>Question 18.</b> In practice, do persons of preservation age have sufficient access to the ‘transition to retirement’ rules? If not, what measures could improve such access?	
<b>Question 19.</b> What changes, if any, should be made to the taxation of superannuation benefits to remove barriers to work for mature age persons?	
<b>Question 20.</b> What other changes, if any, should be made to superannuation laws, including tax laws, to remove barriers to mature age participation in the workforce?	COTA believes it is important that we ensure that people who are working are able to continue to contribute to superannuation no matter what age they are and that employers’ superannuation guarantee scheme is available to all people in the workforce regardless of age.
<b>Social Security</b>	
<b>Question 21.</b> A number of social security payments and entitlements may affect mature age persons’ participation in the workforce or other productive work. In practice, how accessible to mature age persons is information about eligibility for such social security payments and entitlements?	<p>General view that there is little understanding of how the system works and how to get that information. Current Centrelink seminars/info re transition to retirement don’t seem to meet the needs of individuals</p> <p>However there is expertise and information available at Centrelink through their Financial Information Services officers although these services appear to have been reduced and it is increasingly difficult to get individual assistance from them. COTA believes this service needs more resourcing and to be promoted more widely.</p> <p>Many older people have no idea as to the full extent of their entitlements and therefore see no reason to enquire further. Unfortunately it is often the case that only those who know what and when to claim are receiving their full entitlements. There is evidence that many people do not claim payments they are entitled to.</p> <p>There needs to be a major cultural shift for Centrelink staff so that they see their job as helping people get all the payments they are entitled to rather than acting as gatekeepers to reduce such claims.</p>
<b>Question 22.</b> Several tools and processes are in place to determine a person’s capacity to work and to recommend the content of a person’s activity test or participation requirements. In what ways, if any, should these tools and processes	COTA believes more weight needs to be given to a person’s age when assessing the level of disadvantage they have in the workforce and how much assistance they may need. Age discrimination means a person’s age may be the most

<p>be changed to assist mature age participation in the workforce?</p>	<p>significant barrier to them getting a job and this needs to be recognised. There needs to be more emphasis on training requirements and the capacity to for people to access that training in a timely way.</p>
<p><b>Question 23.</b> Different activity test and Employment Pathway Plan requirements apply for mature age job seekers. In what ways, if any, should they be changed to assist mature age participation in the workforce?</p>	<p>The relaxation of the job seeking requirement and replacing it with the capacity to do voluntary work instead could be seen to be discouraging older people from trying to re-enter the paid workforce. It is an implicit acknowledgement of age discrimination and that older people will not be able to get a job. This is not the message COTA believes we should have. However changing this requirement should not occur until we have seen improvements in employer attitudes to older people and greater success rates in placing them in employment.</p>
<p><b>Question 24.</b> Do the 2012 changes to the Disability Support Pension present a barrier to mature age participation in the workforce or other productive work? In what ways, if any, should the Disability Support Pension be changed to remove barriers to participation in the workforce or other productive work for mature age persons with disability?</p>	<p>There is a mindset among employers against employing people who have been on a DSP, which is compounded by the mindset of not employing older people.</p>
<p><b>Question 25.</b> In practice, does the 25 hour work, volunteering, study and training limitation for Carer Payment present a barrier to mature age participation in the workforce or other productive work? What changes, if any, should be made to remove barriers to mature age participation in the workforce or other productive work?</p>	<p>COTA has consistently argued that the 25 hour rule is too restrictive and that it severely limits carers' opportunities to participate in the workforce participation or prepare themselves to do so in the future. One suggestion is that there should be more funding for carers particularly for respite so that they can remain/return to the workforce as a well as keep up their caring roles if that is what they choose to do.</p>
<p><b>Question 26.</b> What changes, if any, to Working Credit should be made to remove barriers to mature age participation in the workforce or other productive work?</p>	<p>COTA believes the amount a person can earn before losing Newstart Allowance could be increased for people who have been receiving the payment for longer than 12 months as an incentive to re-enter the workforce. It could be raised to the same level as the Work Bonus and have a credit system similar to the Work Bonus scheme.</p>
<p><b>Question 27.</b> Do the rules concerning the retention of concession cards act as a barrier to mature age participation in the workforce or other productive work? In what ways, if any, could these rules be improved?</p>	<p>The evidence suggests that older people highly value their concession cards and their retention is a major consideration in all aspects of assessing their financial situations. This does act as a disincentive to participate in the paid workforce not only because of the income tests but the fact that some concession cards have restrictions on employment hours e.g. the Seniors Cards requires that people do not work over a certain number of hours per week (although this is largely an honour system).</p> <p>COTA would like to see the rules for concession cards harmonised across Australia with Seniors cards age eligibility linked to the age pension age and a</p>

	relaxation of the hours worked provisions.
<b>Question 28.</b> In practice, how effective is the operation of the ‘employment income nil rate period’ in removing barriers to mature age participation in the workforce or other productive work? In what ways, if any, could this be improved?	COTA sees no need to change these arrangements
<b>Question 29.</b> In what ways, if any, should the eligibility requirements for Austudy, ABSTUDY and Pensioner Education Supplement be changed to address barriers to mature age participation in the workforce or other productive work?	AUSTUDY could be made available for part-time study for older people as an income supplement so they can combine work and study.
<b>Question 30.</b> What other changes, if any, should be made to social security laws and the <i>Guide to Social Security Law</i> to remove barriers to mature age participation in the workforce and other productive work?	Now that the pension age is increasing to 67 years, all social security laws, including eligibility for health care cards and other concessions, should reflect this.
<b>Family Assistance</b>	
<b>Question 31.</b> What changes, if any, should be made to family assistance laws and the <i>Family Assistance Guide</i> to remove barriers to mature age participation in the workforce and other productive work?	
<b>Question 32.</b> When grandparents and mature age carers raise children: (a) does Child Care Benefit meet its objective to provide recipients with incentives to participate in the workforce; and (b) does the Child Care Rebate meet its objectives to provide recipients with incentives for community participation, insofar as this includes work or voluntary work? What changes, if any, should be made?	On the whole the Child Care benefit achieves its aim as much for grandparents as it does for other people caring for children.  Any barrier to community participation should be removed. This is very important for balanced life of grandparents caring for children.
<b>Child Support</b>	
<b>Question 33.</b> What changes, if any, should be made to child support laws and <i>The Guide—CSA’s Online Guide to the Administration of the New Child Support Scheme</i> to remove barriers to mature age participation in the workforce and other productive work?	COTA does not believe the current arrangements are a barrier to mature aged participation.
<b>Employment</b>	
<b>Question 34.</b> In what ways, if any, can the practices of private recruitment agencies be regulated to remove barriers to mature age employees entering or re-entering the workforce?	COTA believes it would be difficult to regulate the private recruitment agencies beyond the provisions against age discrimination in the Age Discrimination Act. COTA believes these provisions should be strengthened, but apply equally to all parties. It is difficult to legislate for hidden practise. Some recruitment agencies have in fact promoted mature age employment to their client firms.



	<p>The Commonwealth Government could lead the way by ensuring agencies they use for recruitment have age friendly practices including age balance on interview panels, just like we now see in regard to gender balance. Many mature age workers are discouraged when being interviewed by personnel many years their junior.</p>
<p><b>Question 35.</b> Should s 65 of the <i>Fair Work Act 2009</i> (Cwth) be amended to include age as a basis upon which an employee may request flexible working arrangements?</p>	<p>COTA supports such an amendment. It should be introduced if we are serious about encouraging older people to remain the in workforce. One of the difficulties would be in setting the age. One possibility would be to set the age at the preservation age for superannuation which in turn would give more people an incentive to access transition to retirement</p> <p>This needs to be seen as part of package of having age friendly workplaces.</p>
<p><b>Question 36.</b> In practice, do mature age employees negotiate individual flexibility arrangements made under s 202 of the <i>Fair Work Act 2009</i> (Cwth)? Are such arrangements a useful and appropriate flexibility mechanism for mature age employees?</p>	<p>COTA has concerns that few older workers have worked in settings where they were expected to negotiate in the past and cannot be expected to have those skills in current work settings.</p>
<p><b>Question 37.</b> In practice, how effective are the general protections provisions under the <i>Fair Work Act 2009</i> (Cth) where a mature age employee, or prospective employee, has been discriminated against on the basis of age?</p>	<p>Age discrimination is very hard to prove and so the provisions are fine in theory but have never really been tested in practice. The same is true for the Age Discrimination Act which should also give people some protections.</p> <p>The provisions of the Fair Work Act are not well known and COTA believes that more needs to be done to inform people about the protections it can offer.</p>
<p><b>Question 38.</b> How does the operation of the modern award system affect mature age employees and in what ways, if any, can modern awards be utilised or amended to account for the needs of mature age employees?</p>	<p>As outlined in Q.36 above COTA has concerns about the emphasis in the modern awards system on personal negotiation. The modern awards system could offer greater flexibility of work conditions for older people by widening the criteria for requesting flexibility to include elder care and possible transition to retirement.</p>
<p><b>Question 39.</b> A number of compulsory retirement ages and licensing or requalification requirements exist in particular industries and professions. In what ways, if any, do these create barriers to mature age participation in the workforce or other productive work? If they do create barriers, should they be changed or are they appropriate?</p>	<p>As a general principle, COTA believes employment should be based on the capacity to do the job. All existing compulsory retirement requirements should be reassessed and the professional bodies involved should have to provide evidence as to why the age restriction should continue rather than using a proven competency assessment.</p>
<p><b>Question 40.</b> In what ways, if any, can strategic plans developed under the Australian Work Health and Safety Strategy 2012–2022 take account of</p>	<p>Overall COTA’s position is that all workers needs should be taken into account when developing occupational health and safety issues.</p>

<p>occupational health and safety issues of particular relevance to mature age workers</p>	<p>Consideration needs to be given to the need to adapt workplaces to make them more suitable for older workers egg providing seats for retail staff at supermarket checkouts makes the workplace healthier for older people and may enable them to continue working.</p>
<p><b>Question 41.</b> Where is it best to include information about occupational health and safety issues relevant to mature age workers?</p>	<p>This information should be provided in the same way to all workers.</p>
<p><b>Question 42.</b> In what ways, if any, do occupational health and safety duties and responsibilities act as a barrier to volunteering for mature age persons</p>	<p>There is some evidence that the increasing OHS responsibilities of volunteers are a deterrent to older people as they feel vulnerable as they don't have past experience that would inform the level of responsibility they are taking on. In addition to education and information there needs to be recognition that many older people feel vulnerable due to the changes in their lives and so may be deterred if they are confronted with responsibilities that appear new to them.</p> <p>There is also some evidence that increasing OHS responsibilities and upper age limits on volunteer insurance are acting as disincentives for organisations to offer volunteering opportunities to older people.</p> <p>Insurance costs and coverage for older volunteers is a real problem. COTA has many examples of people over 80 being told they can't continue to do voluntary work in places they have done so for long periods or being told they wouldn't be considered as a volunteer. It seems there are two reasons for this. Sometimes this was because the cost of insurance is too high and in other cases it was because the insurance cover cut out at a particular age</p> <p>The compliance cost of OHS for volunteers is often high, particularly for small community organisations and this acts as a disincentive for volunteers.</p>
<p><b>Question 43.</b> What measures involving regulation and monitoring, if any, should be introduced to ensure:  (a) employers are responsive to the needs of mature age employees; and  (b) mature age employees are actively involved in developing and implementing such measures?</p>	<p>COTA does not support the introduction of age specific regulation and monitoring but rather than employers should provide workplaces that meet the needs of their workforce of all ages.</p> <p>COTA has argued in the Consultative Forum for Mature Age Participation and in our Submission to the Advisory Panel on the Economic Potential of Senior Australians that there should be a system of support and advice for employers to assist with job and workplace redesign to assist with the retention of mature aged workers.</p>

<p><b>Question 44.</b> What are some examples of employment management best practice aimed at attracting or retaining mature age employees?</p>	<p>Employment best practice would include</p> <ul style="list-style-type: none"> <li>• Flexibility of work including flexibility of hours, ability to take unpaid breaks, capacity to work from home and employee determined distribution of working hours across the year. Bunnings is often cited as one of the best examples of this approach</li> <li>• Having an age balance on interview panels.</li> <li>• Providing intergenerational opportunities for education and mentoring</li> <li>• Creating pools of older workers with relevant skills and expertise from which employers can hire</li> </ul>
<p><b>Question 45.</b> What are the most effective ways of raising awareness and providing education and training to remove barriers to mature age participation in the workforce and other productive work?</p>	<p>COTA believes that there needs to be a broad based community awareness campaign that makes everyone, employers and fellow employees, aware of the value of mature age workers and the experience and stability they can bring to an establishment. The current Positive Images campaign being run by the Age Discrimination Commissioner is an important part of any such strategy.</p> <p>This needs to be followed by a series of industry specific messages as what will be effective in one industry/workplace will not necessarily be effective in another.</p> <p>Education delivered by employers who currently employ mature age workers and value their contribution and education by mature age workers themselves would both be effective.</p> <p>It is important to identify and promote success stories. Bunnings is an excellent example of an employer recognising the skills and expertise of older workers and adapting it to their needs</p>
<p><b>Question 46.</b> What other changes, if any, should be made to the employment law framework to remove barriers to mature age participation in the workforce or other productive work</p>	<p>Theoretically no barriers exist.</p>
<p><b>Workers' Compensation and insurance</b></p>	
<p><b>Question 47.</b> Should volunteers be eligible for workers' compensation at a Commonwealth level or is current state and territory coverage sufficient?</p>	<p>There is some argument for volunteers having access to the rehabilitation elements of workers compensation for injuries they sustain whilst volunteering. However there is not such a case for them accessing the income support element as by nature of being a volunteer they are not being paid and so not forgoing</p>

	income
<p><b>Question 48.</b> In what ways, if any, should retirement provisions in Commonwealth workers' compensation legislation be amended? For example, are any of the following approaches appropriate:</p> <p>(a) removing all age based restrictions;</p> <p>(b) removing all age based restrictions, but imposing benefit period or amount restrictions; or</p> <p>(c) increasing the age at which compensation is no longer payable to age 67, except in certain circumstances?</p>	<p>COTA believes all upper age limits on workers compensation should be abolished.</p> <p>W.A. research shows that the abolition of age limits would lead to only a marginal increase in workers compensation premiums.</p>
<p><b>Question 49.</b> What other changes, if any, should be made to the Commonwealth workers' compensation scheme to remove barriers to mature age participation in the workforce or other productive work?</p>	
<p><b>Question 50.</b> In what ways, if any, do age-based limitations and higher premiums for insurance policies for mature age persons act as a barrier to participation in the workforce or other productive work?</p>	<p>The age limits and age related higher premiums for income protection insurance act as a disincentive to employment and other productive work. Many older people are self employed and so want income protection insurance. Some have had it for years and then suddenly find when they reach a certain age it is simply not available to them</p> <p>The current income protection insurance regime seems to be based on the idea that everybody retires at 65 which is certainly not the case.</p>
<p><b>Question 51.</b> In what ways, if any, should the insurance industry be regulated to address barriers to mature age participation in the workforce or other productive work?</p> <p>For example:</p> <p>(a) Should insurance industry Codes of Practice be amended to encourage or mandate the removal or extension of age-based limitations on insurance policies?</p> <p>(b) Should a regulatory framework be introduced to ensure that age-based limitations on insurance policies are appropriate?</p>	<p>COTA would support option (b) to introduce a regulatory framework. The Insurance Reform Advisory Group reporting to Minister Shorten is looking at some of these issues and COTA recommends that the Inquiry takes account of its work in looking at recommendations around this issue.</p> <p>COTA does not believe that amending the self-regulated Codes of Practice will have the desired effect unless there is some incentive for the insurance industry to behave in some other way. Consumers do not have a great deal of faith in the self regulation model as they have seen little evidence that it provides strong consumer protection.</p> <p>We support some external regulation and believe a framework that requires insurance companies to provide detailed and contestable evidence as to why they should have age limits would be the best approach.</p>

<p><b>Question 52.</b> What other changes, if any, should be made to insurance laws to remove barriers to mature age participation in the workforce or other productive work?</p>	<p>This has been addressed in answers to earlier questions.</p>
<p><b>Migration</b></p>	
<p><b>Question 53.</b> A skilled migration visa under the <i>Migration Regulations 1994</i> (Cth) may only be obtained if the applicant is under 50 years of age. Should the age limit be increased?</p>	<p>COTA believes that the age limit should be removed or at the very least set at the eligibility age for the age pension. We believe that skilled migration should be competence based for occupations where there is clear evidence we have a skill shortage.</p>
<p><b>Question 54.</b> In order to obtain a range of visas under the General Skilled Migration category, applicants must obtain a pass mark in a ‘points test’ where points are allocated according to age, with no points for those aged 45 and over. Should this be amended, and if so, how?</p>	<p>In line with our opposition to ageism and age discrimination COTA believes that age should not be part of the points system at all.</p>
<p><b>Question 55.</b> An applicant over 50 years of age may not apply for a permanent employer-sponsored visa under the <i>Migration Regulations 1994</i> (Cth) from 1 July 2012 unless they are an ‘exempt person’.</p> <p>(a) Should the age limit be increased?</p> <p>(b) What considerations should be taken into account in determining whether a person should be eligible for an age exemption?</p>	<p>COTA believes that age should not be part of this process. As with the Skilled migrant visas COTA believes the criteria should be merit based. Other considerations might include the difficulty in recruiting to a particular employment category, willingness of an individual to locate to a remote area, willingness to remain in a remote location for a minimum term.</p>