COTA
For older Australians

2025–26 Federal Budget
Pre-Budget submission

Prepared by

COTA Australia

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About COTA Australia

COTA Australia is the leading national peak body supporting and advocating for older Australians since 1958. COTA (Council on the Ageing) Australia promotes the rights interests and good futures of older Australians over 50.

Our broad agenda is focussed on challenging ageism, respecting diversity, and empowering people to live their best life as we age.

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Introduction

The Australian Government should take clear action in the Federal Budget to address the issues facing older Australians. Action required includes:

1. **Improving Cost of Living**
    - ✓ funding a seniors' dental scheme,
    - ✓ providing direct financial support to older people,
    - ✓ improving housing affordability,
    - ✓ reducing health expenses; and
    - ✓ improving financial outcomes at and during retirement.
2. **Tackling Ageism**
    - ✓ developing a national ageism strategy, and
    - ✓ reducing older worker age discrimination.
3. **Strengthening Protections**
    - ✓ preventing elder abuse,
    - ✓ improving consumer protections for scams,
    - ✓ seniors living arrangements and in banking and
    - ✓ strengthening and harmonising laws.
4. **Increasing access to health and aged care services**
    - ✓ funding more Support at Home packages,
    - ✓ developing and implementing a generalist information and navigation service,
    - ✓ improving aged care co-contributions and
    - ✓ implementing a hospital at home scheme.

Our submission mirrors the budget structure and outlines these actions under the relevant Department.

Attorney General

Prevent elder abuse

Over 1 in 6 older Australians will experience elder abuse each year. Perpetrators are often family members, mostly adult children, but can also be friends, neighbours, and acquaintances. Over 60 percent of older people don't seek help when they are abused.

Elder abuse can have serious physical and mental health, financial, and social consequences for older people. This can include physical injuries, premature mortality, depression, cognitive decline, financial devastation, and inappropriate placement in nursing homes. Elder abuse undermines dignity and autonomy. Abuse and living in fear can inhibit a person's ability to make choices about their own lives.

Commitment to, and implementation of, the new National Elder Abuse (Prevention) Plan is critical in addressing this societal scourge. One specific area that requires more focus is violence against older women who experience all forms of violence, including elder abuse, intimate partner, family and domestic violence. New evidence is showing that women who have been the victim of domestic violence in the past have a higher risk factor of experiencing elder abuse.[1]

National Cabinet's $4.75 billion investment into domestic and family violence prevention initiatives is welcome and much needed and will have an important and strong focus on younger women and families – with immediate effect and hopefully in thwarting their likelihood of later experiencing elder abuse. To complement that, action is needed to support the current generation of older women, with funding that responds to their specific safety, legal and housing needs.

For example, the Government approach to addressing gender-based violence has a National Plan to End Violence against Women and Children with an action to ensure that children and young people are safe in all settings and are effectively supported by systems and services. Family violence initiatives listed on the Department of Health and Aged Care website make references to child sexual abuse and safer families but do not mention any initiatives specifically for older women.

Recommendation 1: Under the National Elder Abuse Plan 2024-34, fund a specialist service for older women experiencing or at risk of family violence including elder abuse.

Communications

Improve Digital Access for Seniors

Digital access is a vital cornerstone of connection and interaction for all Australians. The Australian Digital Inclusion Index shows that people 55 years and older have low digital inclusion scores compared to the national average. People aged 75 years of age and older have the lowest digital inclusion score of 48.5 (24.6 points below the national average). People aged 65-74 years have a digital inclusion score of 61.1 (12.1 points below the national average.[2]

As Government increases its digital service offering, it must ensure that people who are not digitally confident don't receive second-class service delivery or are excluded from opportunities other Australians enjoy. Easy and affordable access to digital services is critical for older Australians to become more confident and able to participate in a digital society. For those older Australians on low fixed incomes this is a challenge. Developing a wholesale product for seniors would ensure that those with low fixed incomes could improve their

[1] See Our Watch (2022) Preventing intimate partner violence against older women
[2] See https://www.digitalinclusionindex.org.au/interactive-data-dashboards/

digital connection. By directing the National Broadband Network to develop a low cost 'seniors default plan' (like plans available in the energy industry) and requiring all retailers to offer it to people over 65 years of age, we can improve the digital connections of older Australians.

Recommendation 2: Require the National Broadband Network to develop a low cost 'seniors default plan' which all internet retailers must then offer to Age Pensioners and seniors' cardholders.

Employment and Workplace Relations

Systemic ageism forces people out of the workforce and into retirement earlier than they choose to, often with insufficient superannuation and assets and forcing older people to rely on government support.

This results in the Australian economy and society missing out on the skills, abilities and productivity of older people - an untapped talent pool. For older people to thrive and contribute to the labour market, Australia needs to dismantle remaining barriers related to health, care, training, discrimination, and work conditions and to ensure that employers have the right strategies to recruit, deploy, and retain them.[3]

The Australian Human Resources Institute has found that prevailing age discrimination against older workers by employers contradicts the real-life experience of working with them. Many employers surveyed, report no difference between older and younger workers in terms of job performance, concentration, ability to adapt to change, energy levels and creativity. Advantages of older workers were found to be coping with stress, attendance, reliability, awareness, commitment and loyalty. Advantages of younger workers include their physical capability, ambition and proficiency in using technology.[4]

Putting measures in place to address workplace discrimination will improve business productivity and reduce the strain on our retirement schemes.

Women are increasingly working for longer and driving the growth of the ageing workforce. But older women face specific challenges, often juggling work with caring responsibilities for grandchildren and older spouses or relatives. There is a need for workplaces and policymakers to broaden their understanding of caregivers beyond parents of young children.[5]

Government has a role to enable and promote age inclusive workforces where organisations foster a culture that values diversity, while prioritising flexibility for everyone. In some workplaces, age inclusivity has been encouraged through initiatives such as grandparent

[3] CEPAR (2021) Tapping into Australia's ageing workforce: Insights from recent research (CEPAR Research Brief)
[4] Australian Human Resources Institute (2023) Employing and Retaining Older Workers
[5] Baird, M, Hamilton, M, and Williams, A (2024) The Multigenerational Workforce (Palgrave Macmillan)

leave, elder care leave and hybrid casual/part-time arrangements that let part-time workers increase their hours at will.[6]

Recommendations 3: Government leads alignment and consistency of State and Territory best practice in the labour laws and regulation to remove ageism and discrimination faced by older workers in labour laws. This would include:

- **Promoting the Career** Transition **Assistance Program via Centrelink communications to mature age applicants of Jobseeker (irrespective of when they commence receiving payments).**
- **Building a mature age** employee**/employer match into government job boards.**

Health and Aged Care

Fund a Seniors Dental Benefit Scheme

Oral health is essential to good health and quality of life. Many older, more vulnerable Australians are getting sick because they're locked out of accessing quality dental services. COTA's State of the Older Nation report showed that 34% of older people reported being unable to access dental services - the highest of all health services they couldn't access.

The prohibitive cost of private dental care and long waiting times for public dental services mean that many Australians aren't seeing a dentist when they need to. This is dangerous particularly for older Australians who are more suspectable to chronic diseases such as dental decay, gum disease and oral cancer. Timely access to dental care can be instrumental in preventing the escalation of health issues. These issues not only affect physical health but also impact nutrition, social connectedness, and quality of life.

A Seniors Dental Benefit Scheme through Medicare, regulated under the Dental Benefits Act, would enable older people who currently have little or no access to oral/dental health services to maintain better oral health and, in doing so, support their broader physical and mental health outcomes.

Recent research found that 73% of all Australians support the introduction of a Seniors Dental Benefits Scheme and 79% believe dental care should be covered by Medicare (Essential Research, 2024). Yet 37% of Australians aged 55+ have delaying or completely put off going to the dentist in the past year due to cost. This increases to 44% of older people on lower income and 57% of Australians aged 55+ who say they are financially struggling.

Recommendation 4: Introduce a Seniors Dental Benefits Scheme, through Medicare

[6] ibid

Reduce general practice out-of-pocket expenses

Over 1 in 4 older Australians report difficulty accessing their GP due to affordability issues (SOTON 2023). Older people report to COTA that their local availability of no-gap Medicare bulk billed appointments has decreased, resulting in increasing numbers of older people delaying or no longer visiting primary health services to maintain health and wellbeing.

More could be done to reduce the out-of-pocket costs in general practice. This could include further increases to the bulkbilling incentive, direct payments to practices who offer pensioners bulk-billing services or lowering the Medicare safety net.

Recommendation 5: Institute a range of measures to reduce out-of-pocket costs in general practice.

Automate Pharmaceutical Benefits Scheme (PBS) Safety Net pricing

When Australians reach the PBS Safety Net Threshold, Australians can apply for a PBS Safety Net card that reduces their cost of medicines to nothing (for pensioners and other concession card holders) and down from $31.60 to $7.70 for other general patients. The current application for the PBS Safety Net card is manual, requiring a pharmacy to manually print out a record of what a person has spent on PBS medicines. Automating this process with Services Australia or streamlining the application by prepopulating this information via My Health Record, would ensure that older people are accessing this reduced cost of medicines sooner, and more easily. Such a solution would also increase the competition between pharmacists by not relying on a single pharmacist to manually collate your PBS Safety Net records.

Recommendation 6: Automate the application of PBS Safety Net pricing threshold.

Fund More Support at Home Packages to reduce waiting times

The time to wait for aged care support at home continues to be more than a year from application until service commencement, a long way from the Government target of 3 months. Whilst we acknowledge recent investment in Support at Home packages and investment in supporting more people to stay independent at home, three months is still too long to wait.

Older Australians need timely support to leave hospitals, to rehabilitate after a medical incident, or to secure the support that means they can remain in their home following the death of a loved one. Funding for home support must ensure that people don't wait longer than 30 days for the services they are assessed as needing.

Recommendation 7: Fund more Support at Home packages so that older people don't wait longer than 30 days for the vital support they need.

Trial Hospital-at Home Scheme

Older Australians continue to have the right to access all forms of healthcare, including in hospital services. The impact of not being able to access affordable and timely health care in the community results in some older people being admitted to a hospital rather than receiving the care they need within the community. Some older people are left with no choice other than to remain a long stay patient in a hospital while waiting for a nursing home bed. If home medical services were available, these patients may never have had to be admitted to hospital or could have been discharged from hospital to their home and supported via hospital-in-the-home type programs.

Hospital in the Home (HITH) care has the potential to offer significant cost savings for the health system and improve patient care. International evidence (including Australia) indicates that Hospital at home programs reduce the cost of care by more than 30 percent.[7] Implementation of HITH programs is often prevented by the medical practitioner concerns about patient safety and legal risk. The private health insurance industry is also reluctant to support and provide coverage for this type of care.[8]

Trialling a geriatrician-led, multi-disciplinary team that is targeted to support people avoid hospital should be developed to identify non-nursing home solutions for these long-stay patients. Part of this trial should consider how home support packages may be expedited for individuals that would otherwise become long term hospital patients waiting for nursing home beds.

Recommendation 8: Trial a geriatrician-led, multi-disciplinary teams' admissions avoidance hospital-at-home scheme.

Generalist Aged Care Information and Navigation Service

COTA Australia welcomes the continuation of the Care Finders program and the valuable role it plays in supporting people with complex needs to find aged care services. However, many older people do not meet the criteria of complex needs and receive no support to navigate the aged care services they need. Evidence from Care Finder services highlight this plight:

- COTA Victoria reported that around 30% of Care Finders (clients) had not previously engaged with the Aged Care system at all and needed help at the earliest stages of the care journey. The other 70% had already progressed some way through the system including assessment but needed support to progress to active participation in an Aged Care service".

[7] Commonwealth Fund (2024) "Hospital at Home" Programs Improve Outcomes, Lower Costs but Face Resistance from Providers and Payers
[8] Kara, J (2024) Why home is better than hospital (Australian Financial Review)

- COTA Tasmania reports that they receive a large volume of enquiries from people who need assistance to navigate the aged care system but who are not in the target population for Care Finder. This includes older people, family members, carers of older people, and referrers. They observe that callers are often overwhelmed, frustrated, and confused about the system, and it is common to hear that people are inclined to "give up" in their attempts to access aged care services.

A generalist aged care information and navigation service is needed by 1 July 2025 to support older people and their families and carers to ensure they understand and are accessing the care and support they need. With all of the reforms being implemented, access to this level of support has never been more important. This service should leverage connections into other systems that support ageing in the community beyond funded aged care services and include any future programs currently delivered for older people under Commonwealth Home Support Programme (CHSP) Sector Support and Development programs.

Recommendation 9: Develop and implement a generalist aged care information and navigation service

Fair and Accessible Aged Care Co-Contributions

Much needed reform of aged care is now underway including significant changes to the financial contributions made by older Australians. While there is broad and general support for this approach older people have raised understandable and legitimate concerns with COTA Australia about the co-contributions structure of the future Support at Home program, in particular the impact of user contributions when a person needs support showering to remain at home safely.

The Rules to support the implementation of the Act are still being written. These rules must ensure that hardship measures protect people who cannot afford to pay for such a service. In addition, careful monitoring of the impact of user contributions on how services are taken up by older people, and the fairness of the prices being charged for those services, must occur from 1 July 2025 and form part of the legislated review in 2028.

This has been included in the budget submission as changes to the contributions scheme will have a budgetary impact.

Recommendation 10: Ensure that co-contributions are not a barrier to accessing aged care by moving showering to clinical care, monitoring that prices are fair and that hardship measures are effective.

Prime Minister and Cabinet

Strategy for Ageing Australia

It has been over two decades since Australia announced a comprehensive strategy that outlined its vision for older Australians.[8] Leadership and political will is required to develop policies that empower and harness the skills, knowledge, and economic contributions of older people for the benefit of everyone.

The 2023 Intergenerational Report[9] identified:

- the share of the population aged 65 and over increased is expected to reach 23.4 per cent of the population.[10]
- the number of years a person is projected to spend in ill-health has increased to 9.6 years for men and 11.3 years for women.[11]
- from 2022–23 to 2062–63, real total health spending on those aged over 65 years is expected to increase around six-fold, and for those aged over 85 years it is expected to increase around nine-fold.[12][13]

Past attempts at ageing strategies by previous governments have not been sustained, in part due to the lack of a whole of government accountability and reporting framework. An Office for Ageing, to support the Assistant Minister for Ageing, should be tasked with developing a Strategy for an Ageing Australia and coordinating a whole of Government response.

A 10-year strategy must:

- identify actions for Government, Businesses & civil society;
- be co-designed with older people;
- ensure it reflects the diversity of older Australia, be gender informed and intersectional;
- be supported by action plans;
- consider measures in age discrimination, elder abuse, housing/homelessness, retirement incomes (including financial services), promote age diverse workforces, aged care, health (including healthy ageing) and digital confidence/participation;
- commission research/understanding of where ageist laws, policies and practices exists; the cost and prevalence of ageism; and the 'missing' older women who are forced to retire early, with less;
- fund evidence based anti-ageism actions that reduce prevalence in specific areas, identify and promote strategies and policies that tackle ageism and age discrimination; and raise the greater visibility of ageism in the community; and

- ensure the Federal Government leads by example as an employer / service deliverer of choice for older people, including anti-ageism training for public service; promoting the APS as an employer of choice for older workers; creating an Older Persons Service Officer role within Services Australia and ensuring older people are included in Digital identity solutions, starting with ensuring S/T Photo ID cards can be used for Government identity verification services.

The Tasmanian Government has shown leadership in acknowledging the demographics, challenges and possibilities of their ageing population and recently launched 'A Respectful, Age-Friendly Island: Older Tasmanian' Action Plan 2025-2029.

Issues that impact older people sit across both State and Federal responsibilities. A national strategy and action plan would ensure that federal issues are addressed with older people able to fully contribute to society and be properly supported.

Increase women's financial literacy across the life course

Research into financial literacy rates indicate that financial literacy rates for women are lower than men and sharply decline after ages 55-64.[9] Because of the economic disadvantage many women face throughout their life, and the cumulative benefits to retirement outcomes generated by compounding interest within superannuation, programs that improve financial literacy amongst women to improve the retirement outcomes of older women are needed. Women who never married, are not in the labour market, have a high school degree or less, or are a migrant from a non-English speaking background have poorer financial literacy levels than other women and should be priority populations in any programs. There are examples of community organisations partnering with financial services organisations to provide financial literacy support to older women. Uniting WA collaborates with the Financial Wellbeing Collective to provide support for women who find themselves in financial difficulty. The free service, jointly funded by the Commonwealth and State Governments, enables people in need of financial support of a financial counsellor or financial coach.[10] However, there is not a nationally coordinated approach to financial literacy for older women across the country.

Recommendation 11: Introduce programs that improve financial literacy amongst older women across the life course.

[9] Melbourne Institute (2023) The Household, Income and Labour Dynamics in Australia Survey: Selected Findings from Waves 1 to 21 (University of Melbourne). Also, Allianz (2023) Playing with a squared ball: the financial literacy gender gap

[10] See https://unitingwa.org.au/news-and-resources/media-releases/financial-literacy-gap-impacts-older-women/

Social Services

Energy cost relief for pensioners and Commonwealth Seniors Health Cardholders

Energy bill relief is critical to ensure that older Australians are no longer forced to make difficult choices between essential needs such as food, healthcare, and maintaining a safe and liveable home.

In COTA's State of the Older Nation Survey report, one in in five (18%) older people have overdue bills due to payment difficulties, and overdue electricity or gas bills are most common (11% have these overdue). The rates of Older Australians having overdue electricity or gas bills has increased wave on wave as Australia now battles an energy crisis – and these people often have multiple overdue bills rather than just one. Among those who had payment difficulties, the average number of bills overdue was 3.5 and 14% were worried about their risk of homelessness in the next 12 months (compared to 3% of those without overdue bills).

COTA Australia believes government and industry responses to cost-of-living pressures must prioritise older Australians, ensuring access to affordable and reliable energy. The rising costs of energy disproportionately impact older people,[11] particularly those on fixed incomes or pensions and more particularly if they have chronic and/or complex health conditions which can be adversely affected by temperature extremes, stress and financial circumstances.

Recommendation 12: Energy costs relief for pensioners and Commonwealth Seniors Health Cardholders by increasing the pensioner energy supplement by $20/fortnight & discount energy supply charge by 50%.

Increase and review Commonwealth Rent Assistance

Over 1 in 5 (22%) of older Australians are renting. For many people who rent on a fixed income like pensioners and low fixed income retirees, the cost of rent pushes them into poverty.

Over 40% of all renters aged over 65 years have less than $5,000 in savings; with 62% of single older females (over 65 years) who rent, 54% of renting single older men and 30% of renting older couples living below the poverty line (50% median household disposable income after housing costs) (Grattan Institute 2024)

In the two years from September 2022 to September 2024, the weekly maximum rate of Commonwealth Rent Assistance has increased by $35.03 while the average national weekly

[11] Gordon, R, Harada, T, Spotswood, F (2022) The body politics of successful ageing in the nexus of health, well-being and energy consumption practices (Social Sciences and Medicine, Vol 294)

median rent increased by $150. The Commonwealth Rent Assistance maximum rent threshold must be immediately increased by 60%.

Rent Assistance was last reviewed by both the Harmer and Henry Reviews in 2009 however little implementation of these recommendations have occurred since. Reviewing the role of Government demand-side supports, such as the design and eligibility of Rent Assistance is critical and should be implemented to ensure a stable government housing supports for generations renting today and those to come.

Recommendation 13: Increase Commonwealth Rent Assistance (CRA) maximum rent threshold by 60% and review demand side housing assistance initiatives

Innovative housing solutions for older women

The cumulative effect of economic disadvantage throughout their lives (e.g. gender pay inequities, working in lower wage feminised workforces, career breaks to look after children and ageing relatives), means that for many women housing insecurity in later years is more challenging to address.

Women are less likely to be able to save for a deposit on a home, and those who do manage it take longer to save for a deposit than their male peers. Women are therefore less likely to own a home to support them in retirement.

Many older women can have inadequate resources to afford home ownership but be ineligible for public and community housing. Women are disproportionately represented in the 'missing middle' due to gender disparities in wages, workforce participation and superannuation.

The number of single older women experiencing homelessness, many for the first time, has increased over the past three years.

Some state governments have begun to explore potential housing outcomes for older women. However, there is no coordinated national, cross-jurisdictional approach to developing innovative housing solutions.

As no one model will work for the more than 400,000 older women at risk of homelessness in Australia a range of models should be trialled and investment increased in those evaluated as effective.

Recommendation 14: Create a fund to support Testing of innovative housing solutions for older women at risk of homelessness.

Treasury

Increase supply of community and public housing

There are more than 180,000 people waiting for community and public housing in Australia. Over 70,000 are “greatest needs” households which includes those experiencing homelessness or at high risk of homelessness at the time of application.

More older people (55years or older) are accessing homelessness services in the three years to June 2024 than ever before.

The overall supply of community and public housing has marginally increased in the past decade. On average, about 0.4 percent annually.

Recommendation 15: Increase supply of community and public housing by 15,000 dwellings by 2028.

Increase low-income superannuation tax offsets

Currently, low-income workers with an adjusted taxable income of less than $37,000 per year may be eligible for an ATO payment into their super fund of up to $500 a year through the Low-Income Super Tax Offset (LISTO). Indexation of both the maximum contribution amount of $500 and the eligibility definition of $37,000 has not kept pace with wages and recent taxation changes. Around 1.2 million low-income Australians (60% of whom are women) are not getting the tax benefit originally intended to ensure that super members don't pay more tax on their super contributions than they pay on their take-home pay. Increases to the maximum contribution and the definition of LISTO eligibility adjusted taxable income is required to ensure that lower income super members get a fair outcome.

Recommendation 16: Lift the Low-Income Super Tax Offset (LISTO) so 1.2 million workers on lower incomes get a fairer super tax cut.

Support victims of online fraud and scams

Older Australians are increasingly at risk of online fraud and scams. While recent data shows an overall decrease in the financial losses due to scams the ACCC found that people over 65 were the only age group to experience an increase in reported losses. In 2023, those losses increased by 13.3% to $120 million. More needs to be done to prevent scams from occurring and educating older people so they can protect themselves as much as possible.

In our work on digital literacy, older people report they are more comfortable sharing their experiences and learning from their peers. Trialling peer-led training and support services for victims of online fraud and scams will help reduce the incidents of, and number of scams amongst older victims.

Recommendation 17: ACCC to trial a peer-led training and support service for victims of online fraud and scams

Future of Banking

The current Federal Government has signalled it will ban debit card fees, mandate that some businesses accept cash and phase out cheques.

For some older Australians guaranteeing the acceptance of cash by key businesses will ensure they can continue banking the way they have their entire lives. This is particularly important for customers who have traditionally only used over the counter services and are not confident in using ATM machines. For others, banning debit card fees removes fees paid by the consumer and equalises the costs they pay when using cash or debit cards. Firm commitments from all parties to continuing these measures are sought to provide a stable and orderly transition towards the future of banking in Australia.

Recommendation 18: Treasury to implement a future of banking approach by mandating cash, banning debit card fees, orderly transition out of cheques