



COTA **NEW SOUTH WALES**

MEDIA RELEASE

Friday November 2014

AN EMERGING ELDERLY UNDERCLASS

On Tuesday 18 November Council on the Ageing NSW (COTA NSW) will launch the *50+Report* at State Parliament House. The report analyses the findings of the 2014 state-wide consumer survey conducted by COTA NSW which looked at how and where people in NSW aged 50-plus are living.

“There are some disturbing findings in the report,” says COTA NSW CEO Ian Day. “What emerges most clearly is that old age is a time of multiple transitions. Some people progress through them well. But others struggle.”

“One of the most critical transitions is from paid employment to retirement, which most of our survey respondents made between the ages of 60 and 70. For respondents who were partnered and had experienced stable paid employment, the transition to retirement was likely to be relatively smooth. Almost 80% of respondents in this cohort owned their own home outright and had sufficient retirement income to rate their overall well-being highly.”

“But there are some groups of older people who don’t own their own homes. Only about 60% of respondents who are single/never married own their home, with the rate of home ownership falling to about 50% of respondents who are separated/ divorced. We were shocked to find 25% of our female respondents reporting an income of less than \$25,000 per year.”

“Obviously, people who don’t own their own home tend to be paying rent. Our research suggests that some people who want to retire can’t, presumably because they can’t afford to.”

“We are also concerned by the plight of older people who are unemployed. Figures released by the Department of Human Services revealed nearly 200,000 Australians in their 50s and 60s are on Newstart, which is an increase of 40% from 2010 to 2013.ⁱ We are seeing rates of unemployment among people in their 50s increasing five times faster than unemployment among people in their 20s.ⁱⁱ Newstart puts just \$258 per week in an older person’s pocket. It’s difficult to see how these people will be able to access secure or satisfactory housing, particularly in the years where they wait to get the age pension.”

“In order to stay afloat, these people often end up having to cash out any assets they have: selling their home, their car, everything, just so they can survive until they’re eligible for the age pension.”

“There seems to be an attitude in government that these older people are dole bludgers. But people in this situation typically haven’t made bad life choices. Some have had limited opportunities. Some have had bad luck. Think of the older woman who’s spent a lifetime as a stay-at-home mum who gets divorced, or the older manual labourer who just can’t carry on in a job that requires constant physical exertion.”

“Too often, older people are regarded as a homogenous group, and governments seem content to treat them accordingly. But there are multiple groups of older people who are struggling: they don’t have enough financial security to enjoy housing security, and our research shows this has a major impact on well-being.ⁱⁱⁱ Unless action is taken to stop older people sliding into poverty, we face the very real prospect of seeing the rapid emergence of what can only be described as an elderly underclass. Do we really want to see the Americanisation of Australian old age?”

REPORT LAUNCH DETAILS: Opened by the Hon. John Ajaka. Presentations from Ian Day, CEO, COTA NSW, Lisa Langley, Policy Manager COTA NSW, and Dr Ben Spies Butcher Senior Lecturer in Economy and Society, Macquarie University.

Date: Tuesday 18 November, 2014

Time: 9:30am – 11:15am

Venue: Strangers’ Lounge, NSW Parliament House, Macquarie St

RSVP: www.cotansw.com.au

END CEO, Ian Day, is available for interview: 0417 210 234

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INFORMATION ABOUT THE SURVEY AND THE REPORT

COTA NSW conducted a survey of NSW residents aged 50 years and over during the months of May and June 2014. The survey yielded 2091 individuals respondents. The survey was self-administered and available in both online and hard copy form. The survey produced a fairly representative spread of respondents living in metropolitan and regional areas with 51% of respondents aged 50 years and over living in greater metropolitan Sydney compared with the ABS 2011 figure of 58.6% of people aged 50 years and over. However the geographic region described in this report as Sydney South, which includes an area from Fairfield past Campbelltown and including the Sutherland Shire (SA4 codes 123, 127, 128) was underrepresented, with only 6.0% of respondents compared to 10.2% of people aged 50 years and over (ABS 2011). The majority of survey respondents (63.0%) were in the 60 - 69 year age group. Just over one quarter (28.9%) were aged 70 years and over, while only 6.5% were aged 50 - 59 years. When compared to the ABS breakdown of ages, respondents in the 50-59 age groups were under represented in the sample. Further detail about the methodology used in the survey is available in the *50+ Report*.

ⁱ www.smh.com.au/federal-politics/political-news/unemployment-spike-in-elderly-a-risk-for-pension-changes-20140510-zr8lc.html

ⁱⁱ www.theaustralian.com.au/national-affairs/industrial-relations/baby-boomers-blasted-for-retiring-on-dole-money/story-fn59noo3-1227107725324

ⁱⁱⁱ *50+ Report*, COTA NSW, 2014; p54.