

29 May 2015

Parliamentary Committee
Research Director
Communities, Disability Services and Domestic and Family Violence Prevention Committee
Parliament House
George Street
BRISBANE QLD 4000
Email: CDSDFVPC@parliament.qld.gov.au

Dear Committee members,

Re: The adequacy of existing financial protections for Queensland's seniors

As you are aware, the Queensland Council of Social Service (QCOSS) is Queensland's leading force for social change, working to eliminate poverty and disadvantage.

We have concern for Queensland seniors who experience poverty as they are more likely to experience multiple disadvantage. The common areas of additional disadvantage include mental health, disability, family violence and social isolation.

Older Queenslanders who rely solely on the age pension and other government allowances are significantly impacted by cost-of-living pressures. These cost of living pressures can be exacerbated for:

- Women, as they are less likely to have accumulated sufficient superannuation during their working life and therefore more likely to rely solely on the age pension.ⁱ
- Seniors who do not own their own home. While the majority of people aged 65 and over own their own home in Australia, many low income seniors are renting in the private rental market. These householders can struggle to find appropriate accommodation due to the lack of low-cost housing options available and the significant upfront costs associated with retirement villages and manufactured home communities. Lower cost alternatives such as boarding houses, are often ill-suited to older people as they involve unstable tenure and generally provide poor living conditionsⁱⁱ.

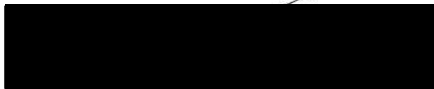
Where financial pressures combine with social isolation, the inability to access essential and other services, being from an indigenous or non-english speaking background or having a disability, vulnerability for seniors is increased. In terms of financial protections, this presents as:

- Seniors, particularly those living in rural, remote or outer suburban areas, and experiencing mobility issues, struggling to undertake daily activities such as grocery shopping, accessing health care, participating in recreational activities or visiting family and friends. Due to social isolation, they may be more susceptible to exploitation through the door-to-door marketing of financial products and other products or services.

- For many seniors, a single event (such as an illness, change in family circumstances or natural disaster) is enough to trigger a cycle of serious financial hardship and chronic poverty. Without free and independent services to assist, seniors who experience a financial setback are forced to turn to short-term solutions in the form of expensive sources of credit, such as credit cards or payday loans, the cost of which only further exacerbates their financial crisis. Without intervention, financial problems become complex and can result in broader community and social problems. Unfortunately, following cuts by the former state government, financial counselling services in Queensland are substantially under-funded and services are unable to meet existing demand, putting many vulnerable seniors at risk.
- Barriers for seniors in navigating multiple complex systems – including various social services they may interact with, as well as commercial markets for essential services such as electricity and telecommunications. Older people, particularly those on low incomes or those living in regional areas, are less likely to use the internet or more likely to use it for a very limited range of tasks. As government services and commercial markets increasingly move to online models of communication and delivery, there is risk that many seniors could be left behind. This means paying more for competitive essential services or being excluded from participation in certain markets.

With projections suggesting that the number of people aged 65 to 84 in Queensland will more than double from 491,000 in 2010 to 1.3 million by 2050ⁱⁱⁱ, it is likely that the number of people in this situation will increase, placing additional pressure on social services and other supports.

Yours sincerely,



Mark Henley
Chief Executive Officer

ⁱ Marie Coleman AO PSM and Helen Hodgson; *WOMEN'S VOICES: Report from consultations on factors influencing women's decisions on work-force attachment, including tax and transfers Including technical analysis and recommendations*; September 2011

ⁱⁱ Bridge, C., et al. 2011. *ibid.*

ⁱⁱⁱ Queensland Government; *Queensland Commission of Audit – Final Report, February 2013 Volume 2*; Queensland Government 2013
<http://www.commissionofaudit.qld.gov.au/reports/coa-final-report-volume-2.pdf>