



Brotherhood
of St Laurence

Working for an Australia free of poverty

Social inclusion and older people

Associate Professor Gerry Naughtin
Brotherhood of St Laurence
and La Trobe University

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The Brotherhood of St Laurence's Social Inclusion Down Under Symposium was held on the 26th of June 2008 at the University of Melbourne, Parkville, Victoria. It was hosted by Paul Smyth and coordinated by Kristine Philipp. These proceedings are aimed at fostering, informing and stimulating public reflection, discussion, debate, research, and policy initiatives to address one of the central challenges facing contemporary Australian governments, industries and communities.

The following addresses were made to the symposium:

- The Hon Peter Batchelor MP, Minister for Energy and Resources and minister for Community Development
– Opening remarks
- Dr Tony Fitzpatrick, Reader, School of Sociology & Social Policy, Faculty of Social Sciences, Law and Education, The University of Nottingham, UK
– Social inclusion: policy lessons from the UK
- Professor Paul Smyth, General Manager, Research and Policy Centre, Brotherhood of St Laurence
– An Australian response to social inclusion
- Ms Fiona Smith, Chairperson, Victorian Equal Opportunity and Human Rights Commission
– Australians with disabilities and social inclusion: getting on the agenda
- Associate Professor Gerry Naughtin, Senior Manager Ageing Policy, Brotherhood of St Laurence and Faculty of Health sciences, La Trobe University
– Social inclusion and older people
- Dr Zoë Morrison, Coordinator, Australian Centre for the Study of Sexual Assault, Australian Institute of Family Studies
– Social exclusion and gender
- Professor Stephen Sedgwick, Director, Melbourne Institute of Applied Economic and Social Research
– Human capital and asocial inclusion: we are all human capital now!
- Dr Boyd Hunter, Senior Fellow, Centre for Aboriginal Economic Policy, ANU
- Indigenous Social Exclusion: Insights and Challenges for the Concept of Social Inclusion
- Professor Frank Castles, Emeritus Professor of Social and Public Policy at the University of Edinburgh and Adjunct Professor in the Political Science Program, Research School of Social Sciences, Australian National University
– Who's excluded in Australia? Origins and expenditure patterns
- Mr Tony Nicholson, Executive Director, Brotherhood of St Laurence
- The way ahead to an authentically Australian approach to social inclusion

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About the Author

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Introduction

Good Morning

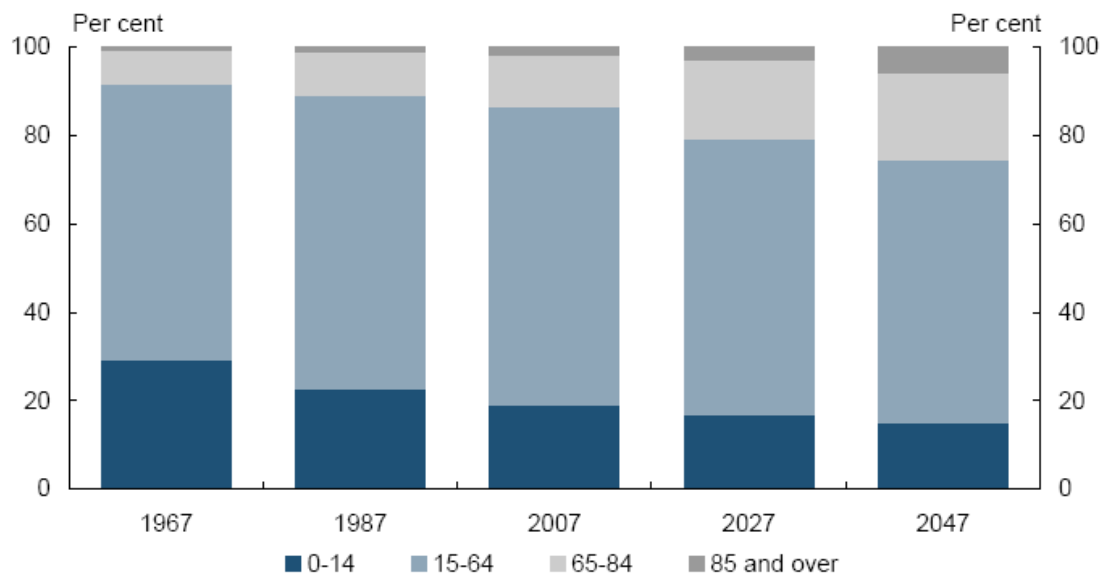
I am pleased to have the opportunity to present to you today on the issue of social inclusion and older people. This specific aspect of social inclusion has received relatively little academic and policy attention in Australia. It is encouraging that this session is focusing on the SOCIAL dimensions of social exclusion.

My task this morning is to explore what a social inclusion approach towards older Australians might involve and propose actions that may assist this issue to be addressed in Australia over the next five years.

An Ageing Society

My starting point is some well trodden demographics.

Table 1: Proportions of Total Australian population in different age groups



Source: Department of Treasury, 2007, Intergenerational Report, Canberra: Commonwealth of Australia, p.x, Chart 3.

Older people represent approximately 13% of the Australian population (2.6 million people) and approximately 18% of the voting population. The numbers of people 65 plus and in particular the numbers 80+ will grow substantially over the next 30 years. This later factor is important given the connection between old age and social exclusion.

Understandings on social inclusion and older people from the UK

In Australia, little academic and policy work has been undertaken on social exclusion amongst older Australians. In examining the conceptual and knowledge base on this issue, we need to learn from the thinking and policy from the UK and Europe. In the UK the examination of social exclusion amongst older people started much later than examinations into other population groups and forms of social exclusion. Work on this subject was commissioned four years after work on other forms of social exclusion inquiry commenced. One of the major contributions to our understanding is the report, *A Sure Start to Later Life: Ending Inequalities for Older People* (2006) produced by the Social Exclusion Unit in the Office of the Deputy Prime Minister. This report reflected the outcomes of four years of applied research and conceptual thinking commissioned by the Social Exclusion Unit in the UK. It recommended strategies under 5 areas.

Individual level

- Take up of entitlements such as pension credits, council tax, housing and attendance allowances
- Building service capacity and making them more responsive to older consumers

Social Relations and participation

- Recognition of the significance of social isolation
- Stronger focus on carer support strategies
- Leisure learning and volunteering strategies

The Home

- Enable older people to remain active and independent as long as possible
- Address homelessness amongst older people
- Expansion of home modifications and adaptations
- Fire safety and accident prevention

Local Area

- Encouraging planning and local strategies on locality regeneration
- Better engagement of older people in neighborhood renewal and crime prevention

Wider Society

- Address age discrimination through strengthening anti-discrimination legislation
- Consider the establishment of an Office on Ageing
- Inter-Departmental collaboration to facilitate joined up policy across central government agencies

This report recommended a series of pilot projects to explore ways of building more inclusive communities through a program called LinkAge +.

I wish to make several observations about these strategies. The issue of pension reform was not dealt within this strategy but as part of a broader process of policy

reform. This highlights the need for population specific as well as community wide strategies. Secondly, many of these strategies reflect policy development already underway in health and social care such as their focus on choice, control and independence in social care and their interest in more individualized service responses. In this sense this report brought a series of policy and program initiatives under way under the social inclusion banner. Beyond the funding of a range of pilots under LinkAge+, there appears to have been little progress on advancing many of the core strategies in the Sure Start for Later Years report.

The following definition of social exclusion among older people has been adopted by the UK Government,

“Exclusion among older people is experienced when a person lacks one or a number of those factors important for a good quality of life. A shorthand definition is an experience characterised by deprivation and the lack of access to social networks, activities and services that results in a poor quality of life”. (Office of the Deputy Prime Minister, 2006)

This definition built on Room’s definition of social inclusion:

not only the relative material deprivation of those in poverty but also the broader processes of isolation, detachment and low participation in social, cultural and political life which accompany it. As a concept it does not seek to diminish the importance of the distributional issues of material resources but strives to focus upon relational issues of inadequate social participation, lack of social integration and lack of power. (Room p85)

The understanding of social exclusion amongst older people recognised adequate levels of income as a necessary though not sufficient means of ensuring access of people to basic human needs. In particular the work of Phillipson and Scarf (2004) stressed the significance of social participation and integration for social inclusion amongst older people. This certainly became a dominant theme in this work.

Most of the thinking on social inclusion is targeted towards the integration of younger people into the labour market. The debate about social inclusion and older people needs to move beyond the discourse that, in Ruth Levitas’s words, posits paid work as the major factor in social integration. Social relationships and networks are key determinants of social integration for those older people not engaged in the workforce and this aspect of social integration needs to be recognised.

Ruth Levitas refers to the Durkheimian conspiracy lurking behind social exclusion that suggests that cohesion is best achieved through integration into occupational roles. Much of social inclusion policy focuses on investments in strategies to improve access to employment. For older people an adequate strategy must not only support people who wish to remain in the workforce but invest in areas of social inclusion not related to employment. Investment in social relationships to address social isolation

and a stronger focus on accessible urban infrastructure need to be key elements of an effective approach to social inclusion amongst older people.

Dimensions of Social Exclusion

- social relationships (contact with family and friends);
- cultural activities (such as going to the cinema or theatre);
- civic activities (such as being a member of a local interest group, undertaking volunteering or voting);
- access to basic services (such as health services and shops);
- Neighbourhood exclusion (feeling safe in your local area);
- financial products (such as a bank account, or long term savings); and
- material consumption (such as being able to afford household utilities and an annual holiday).

Risk Factors

- Social exclusion increases with age with those 80 years and above being more prone to exclusion
- Living alone or having no children
- Poor mental or physical health
- No access to a private car or lack of access to public transport
- Living in rental accommodation
- Low income and/or reliance on welfare
- No access to a telephone

(Office of the Deputy Prime Minister, 2006).

Social Exclusion increases with older age

Increasing age was found to have a particularly strong relationship with exclusion from social relationships, service provision, and material consumption, while younger age groups, in particular those between the ages of 50 to 59, were associated with a greater chance of exclusion from civic engagement. Exclusion from services and material consumption showed a very strong relationship with those aged 80 and over. Almost one in three persons aged over 80 were found to be excluded on basic services compared to only one in twenty of those aged 50-59. This is similar for material exclusion. Exclusion from social relationships also showed a strong association with age, with one in four persons aged 80 and over excluded compared to only nine per cent of those aged 50 to 59. The work of Phillipson and Scarf (2004) identified the multiple and cumulative nature of social exclusion amongst older people. For example, they found that compared to the older population as a whole, those on low income, living alone and suffering from depression are between two and five times more likely to experience multiple exclusion.

A further understanding from this research is that the experience of exclusion in later life can be particularly acute as it is all too rare that people already excluded in mid-life are able to break the cycle of exclusion in later life and it may even worsen. Low

income may be a permanent rather than temporary state for older people. There are few opportunities to break the economic cycle of poverty once they enter retirement.

Four dimensions of social exclusion amongst older people were identified in the UK and this work provides a good base for addressing this issue in Australia. These are:

Age-related characteristics refer to the way in which older people are disproportionately affected by certain kinds of losses or restrictions relating to income, health or reduced social ties. Such changes might take place across all points of the life course but they are likely to feature more prominently in later life given income changes associated with retirement, the impact of chronic disabling conditions, and increased needs among people adjusting to living alone. The adjustment to the death of a life partner has been identified as a critical factor in social exclusion in older age.

Cumulative disadvantage refers to the way that the same birth cohorts may become more unequal over time. For example, limited educational and work opportunities at early points in the life course may have long-term consequences in terms of reduced income in old age or limited awareness about how to access the full range of social and health services.

Community characteristics highlight the way older people, who may have strong attachments to their locality, may also be vulnerable. Typically this concerns changes associated with population turnover, economic decline, urban infrastructure and insecurity within neighbourhoods.

Age-based discrimination refers to the impact of ageism within economic and social policies that contributes to various forms of social exclusion in old age. The debate around ageism has challenged the link with age as a form of dependency, emphasising instead various different forms of positive engagement that can be maintained throughout the latter half of the life course.

(Phillipson and Scharf 2004 and Walker et al 2006)

Importance of family and friendship networks

The other key understanding of social inclusion in older age are the importance of family and friendship networks, the significance of locality and community networks and transport to older people's life satisfaction. Studies from the UK on older people's perceptions and attitudes to money and resources indicate that health is more highly valued than tangible economic resources and that mobility and independence are major concerns (Cook et al 2004; Metz and Underwood 2005). Most older people value having a close family network and extended families over accumulating wealth. Quality of life is strongly valued.

Focus on Prevention

Evidence from a range of sources including the World Health Organisation has emphasised that early intervention in later life and the provision of low level

preventative services or activities play an important role in preventing inequalities in advanced age, enhance quality of life for older people and help them maintain their independence (Clark et al 1998; WHO 1999; and Walker et al 2006). Walker (2006) argues that interventions that adopt a social inclusion approach need to go beyond the traditional service provision model with its focus on the provision of health and community care services. He argues that a two-pronged approach is necessary in combating exclusion in later life and preventing further accumulation of social disadvantages (Walker et al 2006). His work repeats the views of the World Health Organisation that an effective approach to social exclusion and older age requires a more strategic and life course approach to minimising social exclusion and enhancing life outcomes. They argue that an effective strategy should emphasise the use of services to prevent the emergence of social problems much earlier in the life course as opposed to merely treating them after they were formed. (Dewilde 2003; World Health Organisation 1999).

The Way Forward

Recognition

The starting point in my opinion is recognition that a significant number of some older Australians experience significant and multiple social exclusions. Social exclusion amongst older Australians needs to be placed on the national social inclusion agenda and be considered by the Social Inclusion Board. A social inclusion and older people strategy for Australia is required. It must be acknowledged that the Social Inclusion Board has only recently been established and it is early days in the identification of issues and the setting of research and policy priorities. My argument is that our national approach to social inclusion needs to recognise the common and distinctive exclusions experienced by older people and set sail to address such exclusions. Recognition needs to occur in year one of the Social Inclusion Program and not year five as occurred in the UK.

In the UK, social exclusion amongst older people was a late starter in social exclusion debates. It suffered from a lack of research data and under-developed thinking about the applicability of a social inclusion framework to the risks and challenges faced by current and future generations of older people. This late focus on the issue resulted in the social inclusion strategies that did emerge mimicking strategies adopted towards children and struggling to deal with the particular disadvantages faced by older people.

The point here is that *Social inclusion Down Under* needs to give attention to older people at an early stage and ensure that the research and policy development is undertaken to ensure that the Social Inclusion amongst older people is addressed as an integral component of broader social inclusion strategies.

Building our understanding

There is little research and policy work that has been undertaken on social exclusion amongst older people in Australia. The Brotherhood of St Laurence has undertaken

some small research projects in this area. Our work particularly in the Frankston and Mornington Peninsula is involving the development of strategies that proactively address social isolation and seeks to rebuild community, family and friendship networks.

Through our work, we are aware that there are a number of small initiatives around the country seeking to address various aspects of social inclusion and older people. It would be valuable for these initiatives to be collected at a central point and for the lessons of this research and practice to be made more broadly available. This is clearly a major gap in the research and practice data base on this issue which needs to be addressed. Addressing this gap should be a priority for the Social Inclusion Board. Commissioning of applied research and building a more empirically based understanding of the nature of social exclusions is an important priority.

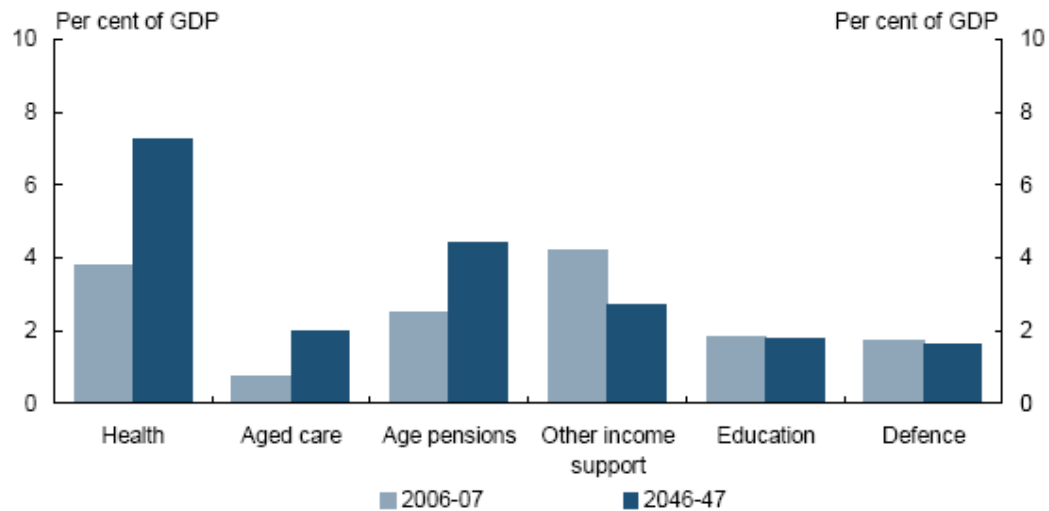
From the Brotherhood's perspective, our work is identifying some areas of social exclusion which we consider need to be addressed in a broader strategy. These include:

- Poverty amongst older people who are renters and spending between 25% to 60% of their disposable income on rent.
- The inadequacy of the aged pension and in particular the single aged pension and the need for a fair and transparent formula for the indexing of the aged pension which responds to the real costs of living.
- Social isolation and loneliness
- Mental health and depression
- Retaining low skilled and blue collar workers longer in the workforce and ensuring adequate retraining for people in their mid and later 50s.
- Poverty due to gambling amongst older people and links between gambling and depression
- The projected impact of climate change on older people on fixed incomes and the need to develop equitable compensation strategies to deal with projected cost increases
- Incentives to allow renters and those on low incomes to undertake home modifications to reduce energy costs.

Developing a strategy

Ageing policy in Australia over the last decade has been dominated by two broad themes – the costs and affordability of an ageing Australian society and the planning of a sustainable health and community care system for older Australians. The Intergenerational Reports 2002 and 2007 have placed a strong emphasis on the fiscal pressures our demography will place upon Government budgets particularly from 2030 onwards.

Table 2: Projections of Australian Government spending by category



Source: Department of Treasury, 2007, Intergenerational Report, Canberra: Commonwealth of Australia, p.14, Chart 9.

This longer term focus has to a certain extent masked the realities of disadvantage amongst older people over the next ten and twenty years. Many older people will experience financial stress and poverty. In particular, as already mentioned, older people who are renters will be highly vulnerable to financial stress.

The Prime Minister recently acknowledged the extent of the housing affordability problems amongst older people when he quoted NATSEM estimates that there are now 112,000 households headed by a person aged over 70 that are in housing stress, compared with 56,000 in 2004.

A 2007 AIHW analysis showed that 6.5% of older rent assistance recipients paid more than 50% of their income in housing costs. The single aged pensioner receives a maximum of \$654 per fortnight with rent assistance, for a couple it's \$1,114. In human terms that's almost 14,000 older people with less than \$165 a week to pay for utilities, transport, health care costs and food. When you think it now costs over \$100 to fill the family car, even the most conservative estimate of these costs indicates that's 14,000 older Australians are not in a position to meet the basic costs of living without some form of family or external support.

Social Inclusion down under has the opportunity to develop a coherent and targeted strategy that addresses disadvantages experienced in older age. Such a strategy needs to be based on a well researched understanding of the nature of disadvantage amongst older Australians and build on international and Australian experience in this area. The point I am wishing to make is that this issue is currently not on the social inclusion agenda but needs to be here. Australia has the opportunity to build on

overseas experience and develop a strategy in which all older Australians age well. A strategy on social inclusion and older people should be one of the elements of a broader social inclusion framework.

Thank you.

Reference list to be advised.

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Gerry Naughtin, Social inclusion and older people