

Media Release

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OECD report reinforces call to support older Australians

News that one in four older Australians are living in poverty is a distressing reinforcement of concerns raised in the aged care industry.

Aged and Community Services Australia CEO Greg Mundy said the OECD *Pensions at a Glance* report found that almost 27 per cent of Australians aged over 65 have incomes below the OECD poverty threshold – more than double the OECD average.

Out of 30 OECD countries only Ireland, Korea and Mexico have higher poverty rates for older citizens.

The report's lead author, Edward Whitehouse, said the high risk of poverty was due to the relatively low level of the age pension. While he welcomed the Federal Government's planned pension increase, he said Australia had the "fiscal room" to address the problem.

The Minister for Families, Housing, Community Services and Indigenous Affairs, Jenny Macklin, supported the report's findings, blaming the low pension rate on the previous government's inaction.

"Of course we welcome the increased pension rate. But for an estimated 1 million older Australians in residential and community care, of whom about 90 per cent are pensioners, this report reinforces what they already know," Mr Mundy said.

"Their meagre pensions contribute funds to an aged care system which is struggling to make ends meet, just as they are.

"Our ageing population has become a catch cry around the world and yet the funding and systems in place to care for older Australians continue to fail those who need it most.

"We await the National Health and Hospital Reform Commission's report, due to be delivered to the Minister for Ageing next week, as another step towards long-awaited reform in the industry."

Mr Mundy also restated the industry's call for the wide ranging recommendations from the recent Senate inquiry to be adopted by the Government in conjunction with stakeholder discussions.

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