

Advisory Panel on the Economic
Potential of Senior Australians

Realising the economic potential of senior Australians

changing face of society



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Realising the economic potential of senior Australians:

changing face of society

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Your invitation

You are invited to be part of this national discussion.

The panel is providing advice to Government on a range of issues related to the economic potential of senior Australians and we need your help.

Send your submissions to:

Mail The Secretariat
 Advisory Panel on the Economic Potential of Senior Australians
 The Treasury
 Langton Crescent
 PARKES ACT 2600

Email epsa.secretariat@treasury.gov.au

Submissions need to be received before **30 October 2011** to be considered.

The Advisory Panel

The Federal Government established the Advisory Panel on the Economic Potential of Senior Australians on 30 March 2011 to examine how Australia can best harness the opportunities that much larger, and more active, communities of older Australians bring. The panel wants to consider how Australia can capitalise on the varied life experiences and intellectual capital of all senior Australians.

The members of the panel are:

- Mr Everalld Compton AM (Chair), retired Chair of National Seniors Australia and Chair of the Consultative Forum on Mature Age Participation
- Professor Gill Lewin, President of the Australian Association of Gerontology, Professor at the Centre for Research on Ageing at Curtin University of Technology, and Research Director at Silver Chain, a provider of community and health services in Western Australia
- Professor Brian Howe AO, former Deputy Prime Minister with ministerial experience in the fields of social security, health, housing and community services, and Professorial Fellow at the Centre for Public Policy, University of Melbourne.



The panel from left to right: Gill Lewin, Everalld Compton and Brian Howe (photo by Dorina Fanning, COTA).

Professor Simon Biggs (University of Melbourne; Senior Manager, Retirement and Ageing, Brotherhood of St Laurence) is acting as advisor to the panel. This report has also benefited from the input of Mr Peter Matwijiw (General Manager, Policy and Research, National Seniors Australia).

Realising the economic potential of senior Australians: changing face of society is the first in a series of reports the panel will release in the second half of 2011. The panel is conducting targeted consultation with relevant experts and peak representative bodies around the country. Meetings have been held in Adelaide, Melbourne and Perth. Further meetings are scheduled for Alice Springs, Armidale, Brisbane, Canberra, Hobart and Sydney.

A range of questions have been identified for consideration.

Interested parties are invited to send their recommendations or submissions to the secretariat. There is no required format for submissions; for example, an email would suffice. Further information on the work of the panel is available on the panel's website, at www.treasury.gov.au/EPsA/.

Terms of Reference

The Government has asked the panel to consider a number of specific policy areas:

- opportunities created by the National Broadband Network for senior Australians to stay connected to their communities
- opportunities for senior Australians to get involved in activities to preserve our environment and help tackle climate change
- priority areas for consideration by the new Commissioner for Age Discrimination to help foster positive attitudes towards senior Australians across the community
- improving workforce participation and investing in the skills of senior Australians to help businesses and community groups tap into an active and engaged talent pool of senior Australians
- opportunities for businesses and community groups to provide a wider range of recreational and preventative health services that meet senior Australians' interests and support healthy and active lifestyles
- creating new avenues to volunteer by supporting the networks and systems that can match the skills and abilities of a growing pool of senior Australians with community needs
- supporting seniors-friendly housing by influencing planning, design and construction decisions to take advantage of the opportunities presented by demographic change
- helping senior Australians make well-informed decisions and plan ahead for life's transitions.

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Our opportunities, our challenges

Australian society is experiencing a major demographic change.

Better health care, education and financial independence mean senior Australians will live longer and be more capable of making the most of their extended lives.

We all need to recognise the opportunities created by this significant change. It is important we all benefit, as much as possible, from these extra years.

This report is the first in a series examining the economic potential of senior Australians.

Key themes that have arisen in consultations to date include:

- participating in the workforce and in the community
- being connected through the use of technology and broadband
- pursuing lifelong learning and personal development
- encouraging an age-friendly society
- expanding opportunities to age well
- planning for seniors' housing needs.

Australia is changing

More opportunities, more choices, more life

Australian society is experiencing major change.

Our population is ageing, with a larger share of Australians in older age groups. Australians, on average, are living much longer lives and choosing to have fewer children.

Australians born in 1950 will live, on average, almost 10 years longer than those born in 1910.

Now 14 per cent of Australia's population is 65 and over, up from 8 per cent in 1970; 3,700 people are aged 100 and over.

Around 23 per cent of Australia's population will be 65 and over by 2050; 50,000 people will be aged 100 and over.

(Australian Government, 2010; ABS, 2010d)

Time to make the most of this opportunity

Australia is undergoing a period of considerable economic, social, demographic and technological change that has implications for us all.

Australia has experienced significant transformations since the 1950s.

During the post-war period men dominated our workforce. Men stayed in full-time paid work for most of their lives. Education was limited and manual work was the norm. One career could last a lifetime.

Most women stayed home in full-time unpaid domestic work. Typically, they raised families and until the 1960s, they had limited control over their fertility.

By the 1980s, more employment opportunities in part-time service industries, rising education levels and a greater acceptance of working mothers saw more women choosing to enter and remain in paid work. Women participated more, with more flexible work options.

As the twentieth century drew to a close, early retirement was a phenomenon in most industrialised nations, including Australia. Older workers were moving out of paid work and facing the transition to a longer retirement.

Industry was restructuring with advances in technology strengthening our services-based economy, and employment in manufacturing in relative decline. Demand for less skilled labour was waning; demand for tech savvy, highly skilled workers was rising rapidly. With this constant transformation, some jobs disappeared, along with some industry sectors (Taylor, 2008).

Now in the 2000s, better health care, education and financial provisions (superannuation had become compulsory in 1992) mean senior Australians are more capable of making the most of their extended lives.

Now we can combine the skills and experience of growing numbers of healthy senior Australians with technology that overcomes barriers of distance and limited mobility.

Individuals are now in the driving seat for a diverse and engaging later life.

Are we capitalising on the opportunities?

Enriching society

The increasing number of older Australians living longer has far reaching and important implications. At the same time as this transformation enriches society, it creates both challenges and opportunities.

The pace and scale of population ageing presents a unique opportunity. To realise the potential of this change, we must ensure seniors continue to engage in our society according to their capability.

Changes in demographics affect our social ties, and the way our society is bound together. As more older people participate in the broader community as workers, carers, volunteers and consumers, their personal ties expand and the ties within our society strengthen.

The challenge for individuals, organisations and society is to realise the opportunities that this demographic change brings.

The expectation of a longer, healthier, more productive middle life also provides the opportunity for people to make informed choices about how they contribute to the workplace, community and society. And how they plan for, and adapt to, life's transitions to update their skills and keep learning, stay connected with family, friends and communities, and maintain their mental and physical wellbeing.

It also provides the opportunity for organisations to:

- work out how they will most benefit from an ageing population
- harness the skills and experience seniors provide
- tailor products and services to capture this growing market
- remove barriers that limit the engagement of seniors.

Recognising this opportunity and working together will benefit us all.

Capturing and realising this economic potential

Will Australian society adapt and capture the opportunities that an ageing population creates? Or will it watch this opportunity slip by?

Will Australia capitalise on the potential of this source of skilled workers and experienced carers? Will it invest in new markets for goods and services for an expanded number of older people?

Who are our seniors?

Describing seniors

There is no agreed definition of 'seniors' or 'older Australians'. The effects of ageing vary from person to person in terms of their capability.

The United Nations (2002) uses 60 as the minimum age for an older person.

The Australian Institute of Health and Welfare (AIHW, 2010) and the OECD (2005) typically define an older person as someone aged 65 or older.

AIHW (2011) defines older Indigenous Australians as 50 years and over.

Former Commissioner responsible for Age Discrimination, Elizabeth Broderick, identifies 45 as the new benchmark for a mature age worker.

What does it mean to be a senior?

Various labels refer to older people.

Perceptions of what is a 'senior' or 'older person' also vary. People do not suddenly become old at a set age. Rather, all people age and are ageing.

Life experiences, health and the ageing process mean everyone ages differently. In fact, perceptions of age tend to change as people themselves age.

Descriptions of older people often generalise and at times, discriminate.

Society's strong focus on youthful appearance should not devalue older people. Older Australians too often are portrayed in ways that diminish the diverse experience and lifestyles they enjoy.

Diversity a key feature

Many people aged 60 and over are in paid work; many are not. Many were born in Australia; many were not. Some are parents, grandparents and great grandparents; others are not. The majority are women. Some are Aboriginal and Torres Strait Islander people; most are not.

Many are carers for grandchildren and people with disabilities. Many provide financial support or help to family members.

Together they drive much of the volunteer workforce in our nation.

Some — fewer than many think — are in nursing homes, with disabilities of varying degrees and chronic illnesses. Many maintain high levels of health and fitness.

Some receive the pension; an increasing number have superannuation. Most own homes; some rent; and, sadly, others are homeless (Gibson, 2010).

Seniors enjoy different life experiences. They all make a valuable contribution to the economy as workers, carers, consumers and members of their communities.

Different life experiences, different backgrounds, all contributing

Different backgrounds and circumstances

Different backgrounds, particularly ethnic and Indigenous connections, also shape our characteristics and life experiences. Australia's population is one of the most diverse in the world. Over 60 different birthplace groups have communities of 10,000 people or more in Australia. More than 1.1 million people aged over 50 were born in non-English speaking countries, comprising almost 20 per cent of Australia's seniors (National Seniors Australia, 2011).

Indigenous Australians comprise 2.5 per cent of the population; this is likely to grow to 3.2 per cent by 2031. Indigenous Australia is not ageing in the same way as non-Indigenous Australia and it still has a relatively young population, due to higher fertility rates and lower life expectancies (AIHW, 2011). Indigenous people have a distinctive demography, similar to low income country populations (Hugo, 2010).

As a group, older Australians are diverse. As individuals, they have different choices open to them and this means they contribute in different ways.

Different experiences of men and women

The proportion of men and women aged 50-64 years is roughly equal (50 per cent in 2006). The proportion of women in the population increases with age (AIHW, 2007).

Women often take on caring roles — for children, partners or parents. Caring responsibilities mean women typically have broken patterns of employment.

Older women generally have had fewer years in paid work than older men. This reduces their financial resources, leaving them less to fall back on in later life or in changed circumstances.

Changing circumstances and unplanned events can present challenges in terms of health, housing and participation in community life, especially for those facing greater financial disadvantage. Often these are single, divorced or widowed women.

Women generally live longer than men

In 2006, in Australia, women comprised:

- 51 per cent of those aged 65-74 years
- 56 per cent of those aged 75-84 years
- 67 per cent of those aged 85 years and over (AIHW, 2007).

That women greatly outnumber men, especially in the oldest age brackets, is an important consideration in providing services and developing policies for an ageing population.

Australia is growing up...

Australians living longer, living better

Australia, like the rest of the world, is ageing.

The number of Australians approaching and already enjoying older age is a cause for celebration.

The demographic change is the result of better nutrition, better public health and medical care, a safer society and better living conditions.

Australians moving into their senior years now are, in general, healthier, better educated and more financially secure than previous generations.

An ageing population affects all of us

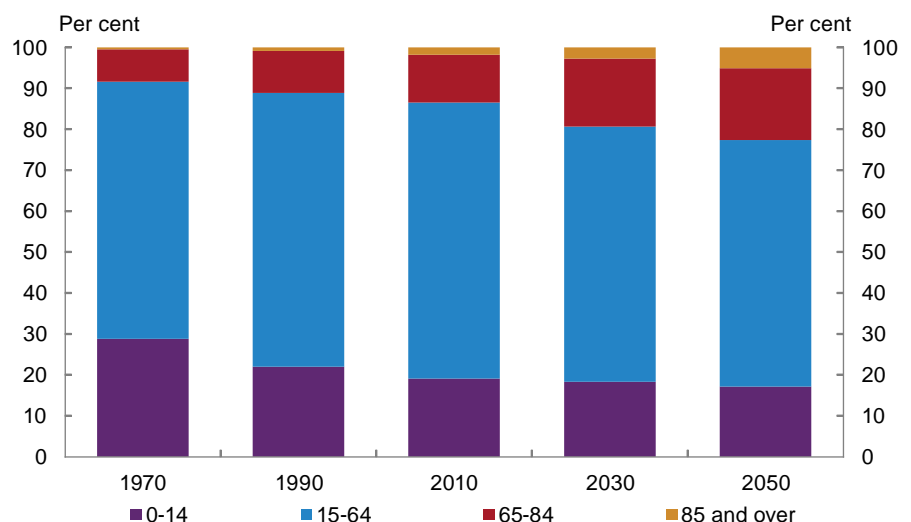
Australian society is transforming. This is a major structural change, with the number of people aged 65 to 84 years more than doubling, and those aged 85 and over more than quadrupling by 2050 (Australian Government, 2010).

Australia's ageing population is a result of declining fertility rates, which started in the 1960s, and increasing life expectancy. The ageing of the population affects communities, families, homes, workplaces and consumer markets.

Population ageing brings enormous opportunity as well as some challenges. Senior Australians have always made a significant contribution to society. And with more people enjoying an extended and active middle life, seniors have more scope to continue contributing in a meaningful and valued way.

Circumstances affect choices about being in paid work, volunteering, caring for parents, grandchildren or partners, and enjoying retirement. Greater choice enables people to realise more of their potential.

Growing proportion of seniors in the population, by age groups



Source: Australian Government, 2010.

...and we are not alone

Across the world, populations are ageing

Population ageing is unprecedented, a process without parallel in the history of humanity. Globally, the population of seniors is growing at a rate of 2.6 per cent per year. This is considerably faster than the population as a whole, which is increasing at 1.2 per cent annually (United Nations, 2009).

Countries are at very different stages of this demographic change, and the pace of change differs greatly.

Some countries in our region such as Japan and China are projected to age very rapidly. This is creating a growing cohort of seniors in the populous Asia Pacific region.

As mature age people make choices about their work, roles and consumption patterns, they will be a catalyst for change. They will constitute a significant yet diverse community, shaping a future direction for recreation and entertainment, education, travel and cutting edge technology.

Seniors number 2 billion

In 2000, the world had 600 million people aged over 60, triple the number in 1950.

In 2009, the number was 700 million.

In 2050, the number is projected to triple to 2 billion.

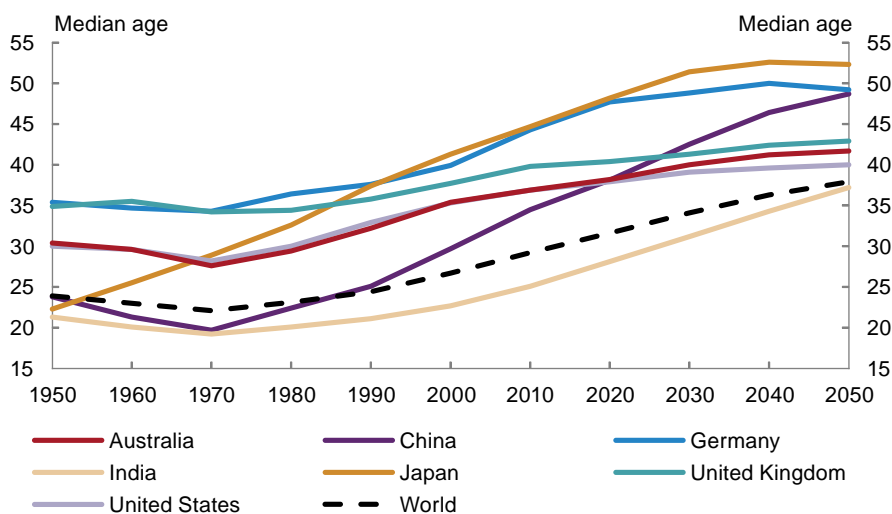
In 2045, the world will have more people over 60 than people under 15.

This is the greatest demographic upheaval in human history.

As long as mortality continues to decline and fertility remains low, the proportion of older people will continue to increase.

(United Nations, 2009)

Median age of selected countries and world, 1950 to 2050



Source: United Nations, 2011.

Redefining the adult life course

Capitalising on our longer life course

Life has many stages. Laslett (1989) characterises these as:

- first age, 0-18 years; a time of immaturity, dependence, socialising and education
- second age, 18-60 years; a time of maturity, independence, responsibility, earning and saving
- third age, 60-85 years; a time of personal fulfilment
- fourth age, 85 and over; a time of increasing dependence and frailty.

With the increasing number of people over 100, do we now need a fifth age?

Our life course is changing

In Australia and the developed world, populations are enjoying longer lives. This remarkable opportunity presents society and individuals with the prospect of an extra span of valuable, quality life in which they can continue to be productive.

The way Australians experience a longer life varies depending on culture, context and life experiences. Even so, most will live longer, with the possibility of an extended productive life in the middle years (Biggs, 2005).

Consequently, Biggs questions the accuracy of terms like 'seniors' and 'older Australians' and 'elderly' because they focus on chronological age rather than capability.

During the first half of the twentieth century, working life dominated the life course. People tended to move directly from work (Laslett's second age) to a period of dependence and frailty (Laslett's 'fourth age').

More recent medical and public health advances, combined with less physically demanding careers, mean that individuals now can expect to enjoy additional decades of healthy active life.

The issue, for many developed economies, is that the period of life spent in productive work began to shrink: by the late 1990s many Australians were choosing to retire in their fifties.

Biggs' extended middle life challenges the notion that individuals should retire from active engagement as they reach their mid fifties. It challenges individuals, organisations and governments to plan for, invest in, and capitalise on these vital, extra middle years. These extra years of productive life should benefit the individual and the nation.

The last ten years has seen people choose to be engaged for longer. But there is still more to be done. Barry Jones articulates it as: how can we rejoice in, and realise, the full potential of these added years of life? (Jones in COTA NSW, 2011b).

Ageing well

Planning to age well

As individuals, it is important we make choices that assist us to realise our potential throughout our life course. While we all face different health, education and financial circumstances, we are also presented with choices in our daily lives. Ageing well does not happen by accident.

Our health choices and circumstances have lifelong consequences. Decisions to develop and maintain good health — physical, social and mental — support healthy ageing. Steps towards good health can make a difference at any age.

Personal development and learning also affects our quality of life. It can be a need, or desire, to develop new skills or undertake further training to stay in the workforce, or to develop further as an individual.

Everyone's financial circumstances are different. Early and flexible financial planning supports greater choice and self management. Our financial position can limit or boost our options, affecting our capacity to enjoy life. It also impacts on our housing options. Without secure housing, older people face uncertain lives.

Unplanned events, such as accidents or the loss of a loved one happen to all of us, affecting us emotionally, and affecting our future. They can influence how much or little we work, where we live, how we remain independent and who can support us. Early discussions with family and friends about how we want to spend our frailer years can help ease the transitions in later life.

Ageing well together

People do not age in isolation. Ageing takes place in the context of family, friends, work colleagues and the community. That is why a supportive and engaging society can promote active and productive ageing.

Technology has a role too. Now technology makes it easier for people to keep in touch with family and friends and participate in community activities and employment.

Choosing to age well

For individuals and society, the choices we make can affect how well we age.

Ageing well means planning ahead for life transitions — planning finances, and making choices about education, work (both paid and unpaid) and housing. It's about making choices to remain fit and healthy, choosing to be connected with family and friends, and being part of the community.

Society needs to remove barriers, embrace all people for their contribution and invest in people throughout their lives.

All of us — individuals, the community, government and industry — are responsible for making the best choices for our future.

Choosing paid work...

The workforce

There are skills shortages in Australia.

Older people represent an important source to meet the demands for skills.

Many experienced and knowledgeable older workers are still seeking to remain actively engaged in the paid workforce.

Work preferences and workplace adaptations

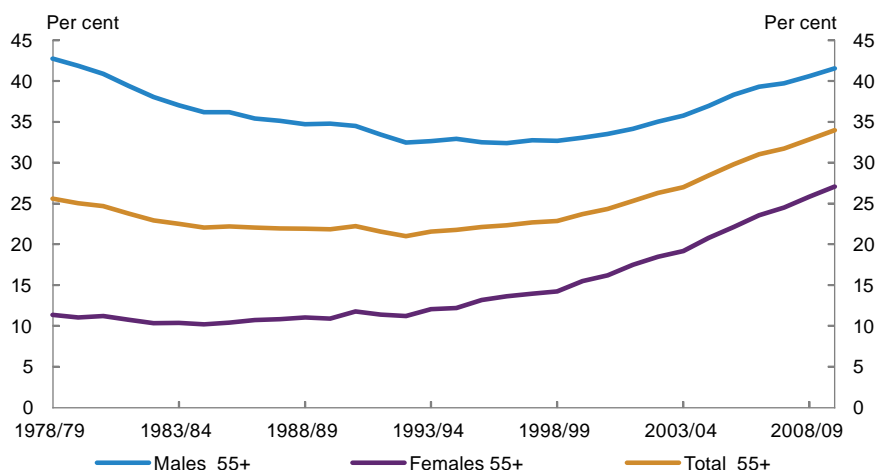
Australia's standard of living is a result of high value economic activity. A key determinant of economic activity is participation in the workforce. Changes in who works, and for how long, can have a big impact on material living standards.

As more seniors choose to work for longer, the percentage of people over 55 in paid work has grown from around 24 per cent to 34 per cent in the last 10 years. The participation rate of women has jumped, reflecting changes in the traditional role of women, their higher education levels and more flexible working options (ABS, 2010).

Individuals and their employers should discuss options and create plans for mutually beneficial changes in the level and/or type of work as they approach mature age.

This preparation may involve an investment in training or re-skilling. Some employers consider investing in the training of older workers will have limited returns, as they may retire soon. However, it cannot be assumed that young workers will stay longer, as they are more likely to have multiple career changes. Investment in older workers, at the right time, may result in many more years of loyal and re-invigorated service.

More senior Australians participate in the paid workforce, 1979 to 2009



Source: ABS, 2011a.

...brings many benefits

For individuals

For some older people, paid work is a financial necessity. For others, it is a choice. Work allows people to continue their careers, pursue their interests and maintain business and social contacts. Those who decide to keep working in mature age benefit not only from ongoing, regular pay, but also boost their savings and income in retirement.

Workers also tend to be healthier. The 2004-05 ABS National Health Survey found older workers had lower rates of heart disease, diabetes, obesity and arthritis than their non-working peers (ABS, 2008b).

Even with a major health condition, 56 per cent of mature age workers still assessed their health as very good or excellent, compared with 31 per cent of those not working, suggesting workers tend to have a more positive frame of mind (ABS, 2008b).

For employers

The retention of older workers can have specific benefits for businesses, limiting staff turnover costs, retaining corporate memory and in-depth knowledge of the company's products, services or processes. Older workers may also be particularly suitable for companies with a customer base that has an older age profile.

Employers implementing age-friendly employment strategies with flexible working conditions and supportive work environments will reap rewards. Over 1 million full-time workers intend to switch to part-time work before retiring (ABS, 2009). For the individual, there can be loss of stability of employment with flexible arrangements like casual, part-time or contract work. Getting the balance right between flexibility and stability is a key factor in success.

For the economy

The Australian economy is facing a skills shortage. Organisations looking for skilled workers need to realise the potential that older people offer. The skills and knowledge of mature age workers present significant opportunity for Australia's economic growth and prosperity.

Premature retirement

Premature retirement that is not a worker's choice, results in a loss for the individual and for the economy.

In effect, an individual's contribution ceases before their capability diminishes.

There are nearly two million older Australians (aged 55 and over) outside the workforce who are willing to work, could be encouraged to work, or are unemployed and looking for work.

Not using the skills and experience of older Australians costs the Australian economy \$10.8 billion a year.

(National Seniors Australia, Productive Ageing Centre, 2009)

Live and learn...

Lifelong learning

Lifelong learning is not the same as traditional schooling. Lifelong learning occurs throughout the different stages of life.

It has two societal impacts:

- education and qualifications have a direct economic impact, increasing the employability of people at all ages
- lifelong learning promotes integration, participation, and wellbeing, which also has an economic impact (UNECE, 2010).

Skilling for work

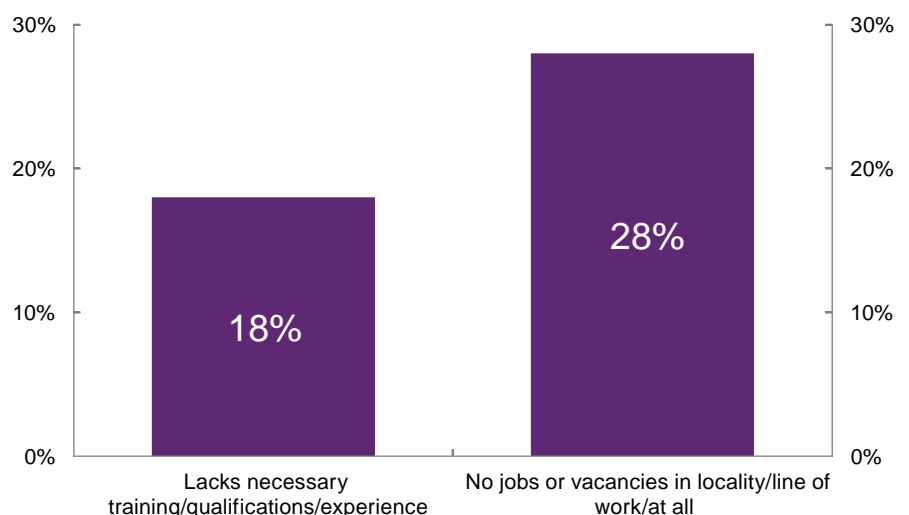
Learning is a lifelong process and an important part of successful ageing. Learning in early life provides necessary foundation skills.

Workers, or those seeking work, may need to look for re-skilling opportunities. Learning and training allow us to continue to adapt to changing demands in the workplace. A challenge for all workers is continuing to adapt and re-skill to suit changing industry demands.

The Australian economy has transformed significantly in recent decades. We have seen a decline in manufacturing jobs and an increase in occupations in the services and information technology sectors. Some older Australians have skills that were well-suited to jobs of the past but may not be as relevant to the jobs of today.

Re-skilling and training provides opportunities for older people to participate in paid employment where they choose to do so.

Main difficulties those aged 50-69 report in looking for a job/more hours



Source: ABS, 2010b.

...and enjoy the rewards

Skilling for life

Learning has benefits beyond the workplace and these benefits are not always well understood. Learning satisfies personal and social purposes, as well as vocational purposes. It provides opportunities for social engagement, and helps us expand our horizons and achieve our potential.

Learning has positive health effects, particularly for older members of the community. Seniors who continue to learn new information and skills as they age have better overall wellbeing than those who do not undertake continued learning (Field, 2009; Commonwealth Government, 2005).

Broadband can build the capacity of the community by increasing learning opportunities beyond the local environment, and extending access to further learning and higher education.

The contributions of seniors in their community help them keep in touch with others and stay mentally and physically active.

INSTEP

The Indigenous Skills Transfer and Exchange Partnership (INSTEP) is a skills exchange, providing volunteers with an opportunity to give back to the community and learn about Indigenous culture and society. Indigenous communities identify projects that will benefit their members, and senior volunteers help in these projects in communities in the Northern Territory, north Queensland and Western Australia.

The National Seniors Community Foundation manages INSTEP. Volunteers come from National Seniors Australia, businesses and the community.

Volunteers pass on skills in education, youth engagement, sports, business, construction and maintenance, health and community wellbeing, accounting and budgeting.

Learning and contributing through community organisations

Older men are much less likely to participate in formal education and training than older women.

Only 6 per cent of men over 50 undertake formal learning compared with 15 per cent of women over 50 (ABS, 2007b).

Learning new information and skills need not occur in formal settings.

Men often participate in community organisations such as sporting groups or volunteer fire services.

Regional Australia is ageing...

Seniors' broadband kiosks

The broadband kiosks for seniors program provides older Australians with access to computers and the internet through free internet kiosks.

Volunteers help with education and training through partnerships with Adult Learning Australia, the Australian Seniors Computer Clubs Association and University of the Third Age (U3A) Online.

About 94,000 older Australians have used the 2,000 Broadband for Seniors kiosks. More than a third had not used a computer before, and almost half had not used the internet.

Age profiles of regions are older

Regional areas are ageing faster than the national average.

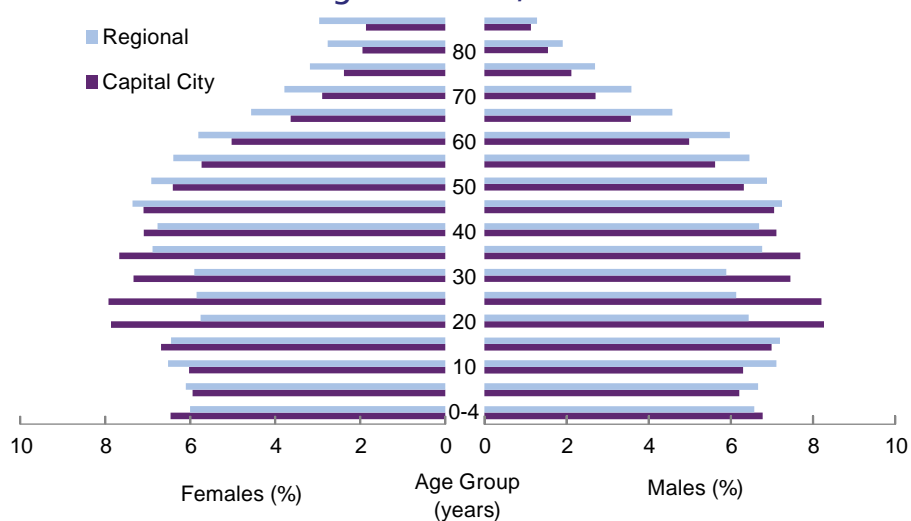
A higher proportion of adults aged over 45 live in regional areas; the need to access education, employment and other facilities may account for the larger proportion of younger and middle aged adults in capital cities (ABS, 2010b).

The older age profiles in many regional communities present challenges and opportunities for the evolution of regional economies.

This affects the growth rate of regional workforces, the types of industries that develop, and the mix of consumer markets that will be required to service a proportionately older regional population.

Regional areas of Australia are ageing, but opportunities for senior Australians to stay connected continue to improve.

Population distribution (per cent) in capital cities and regional areas, 2009



Source: ABS, 2010c

...but we can all stay connected

Technology opens new doors

Telecommunications are changing rapidly, transforming our lives. Advances such as mobile phones, electronic notebooks and the internet all allow greater connectedness.

Of all age groups, the largest increase in use of the internet is by people aged 65-74 years; further, more than half of Australians aged 55 or more, use the internet at least once a day (ABS, 2011a).

As more senior Australians embrace new technology, new doors open and opportunities arise.

Shop, work, play online

Technology makes it possible to do more from home: working, keeping in contact, shopping (including having groceries delivered to your door), researching and participating in forums instantly with people all over the world. Going online also allows seniors to have their say, through blogs and twitter accounts, and to use social media to connect with friends. The online option makes completing forms, such as tax returns and the census, more convenient and user friendly.

The flexibility to access the world from our homes is unparalleled.

Progressively, advanced technology will unlock more and more of the value older Australians have to offer to the community and, indeed, that the community has to offer to older Australians.

Changing the terms of engagement

Enhancements in technology are reducing the constraints of immobility, distance and remoteness.

Decreased mobility need not decrease connectedness. Physical capability and proximity become less important for effective engagement.

Geographic isolation need not limit access to health care, entertainment, work and education. The pace of life by the sea or near the mountains can be notched up a gear just by going online.

Learning to use technology

In the information age, being connected is an essential part of participating in the community.

Seniors' computer clubs are growing in popularity around Australia. They are run by senior volunteers to provide seniors with:

- a central location to access computers and the internet
- help to use computers more effectively
- help to use the internet for hobbies such as digital photography, tracing genealogy and video editing.

Seniors' computer clubs are in all states and territories.

A chance to help others...

Volunteering

Unpaid volunteers contribute significantly to Australian society.

The value of their contribution to the economy was estimated at \$14.6 billion in 2006-07 (ABS, 2009c).

The contribution of unpaid volunteers allows organisations to focus their funds on providing goods and other services to communities.

People aged 65 to 84 years contribute the highest number of volunteer hours, even though they are not the largest group of volunteers (ABS, 2006).

In the future seniors will continue to play a large role in volunteering, with more than 75 per cent of Australians aged 50 and over planning to volunteer during their retirement (APIA, 2011).

Seniors contribute to the community

Seniors are valued for their role in families, in paid employment, as mentors and as stalwarts of the many volunteer and community service organisations.

In 2006, 5.2 million Australians aged 18 and over volunteered through a group or organisation, contributing more than 713 million hours of unpaid work to their communities (ABS, 2008c). People aged 65 to 84 had the highest contribution in terms of volunteer hours — with a median of 2 hours a week — almost twice that of all volunteers (ABS, 2006).

For most volunteers, rewards stem from the personal satisfaction of giving back to the community. The response to the flooding in Queensland highlights the sense of community, characteristic of Australian volunteers. Volunteers enjoy being active, sharing their knowledge, learning new skills and having ongoing social contact through volunteering (ABS, 2006).

Many examples of volunteering in Australia and overseas are inspirational. Two examples that specifically involve seniors are Green Sages in Australia and Experience Corps in the United States.

Green Sages

Green Sages are seniors interested in decreasing the impact of climate change. The Council on the Ageing (COTA) Victoria is developing local community leaders in this initiative. Green Sages facilitate forums to help other seniors discuss and develop innovative ways to cope with the effects of climate change. Green Sages is about older people being informed, making a decision to do something positive about climate change, and taking action.

Experience Corps

Experience Corps members in the United States are seniors who tutor and mentor children in partnership with classroom teachers. Volunteers lead in developing before and after-school programs in music, sports, dance, and academic enrichment. The Experience Corps program boosts student academic performance, helps schools and youth organisations become more successful, and enhances the wellbeing of seniors in the process.

...in many ways

Carers

Carers perform a crucial role, providing enormous benefits to the people they care for, the economy and the community.

Carers come from a variety of backgrounds and ages.

Many older people are carers. Over 1 million carers are 55 and over; half of these carers are 65 years and over (ABS, 2009c).

In 2009, around 2.6 million carers in Australia provided assistance to people needing help due to their age or disability. Nearly 30 per cent are primary carers providing most of the help. Over two thirds of primary carers are women (ABS, 2009c).

The work done by informal carers, if quantified in economic terms, has a value of over \$40 billion a year (Access Economics, 2010).

Grandparents

Grandparenting takes many forms — from occasional contact to daily contact. Sometimes, older relatives assume the role of the parent, becoming guardians for children within their families.

In 2010, grandparents were guardians or main carers of resident children aged 0 to 17 years in 17,000 families (ABS, 2011c).

Grandparents of all ages can play an important role in family life, providing practical, financial and emotional support. Grandparenting, like caring, strengthens the ties within families, communities and society.

The lives of grandparents and children can be improved through reliable information and tailored support services (COTA NSW, 2011a).

Some examples of peer support for grandparents include:

- Grandparents Raising Grandchildren (COTA NSW, 2011a)
- trial of a new version, of the Triple P Positive Parenting program for grandparents (University of Queensland, 2011)
- the MyTime Peer Support program for parents and grandparents, (Parenting Research Centre, 2009).

Gifts and giving

Enormous potential exists for senior Australians to establish philanthropic foundations or contribute to the philanthropic sector.

Philanthropic gifts recognise the role of investments of time, skills and professional knowledge as well as funds to secure lasting progress.

Intergenerational transfers can contribute significantly to shaping the future.

Responding to evolving markets...

Living through a period of prosperity

In 2010, 4.2 million Australians were 60 and over. This is projected to rise to 5.6 million in 2020 and over 10 million in 2050 (Australian Government, 2010).

The emerging cohort of senior Australians will be the wealthiest generation Australia has seen.

This is partly due to the strong growth in asset values, including residential property.

Australians aged 45-64 years comprise around one quarter of the population and hold half the nation's total household wealth (NATSEM, 2007).

The changing face of consumers

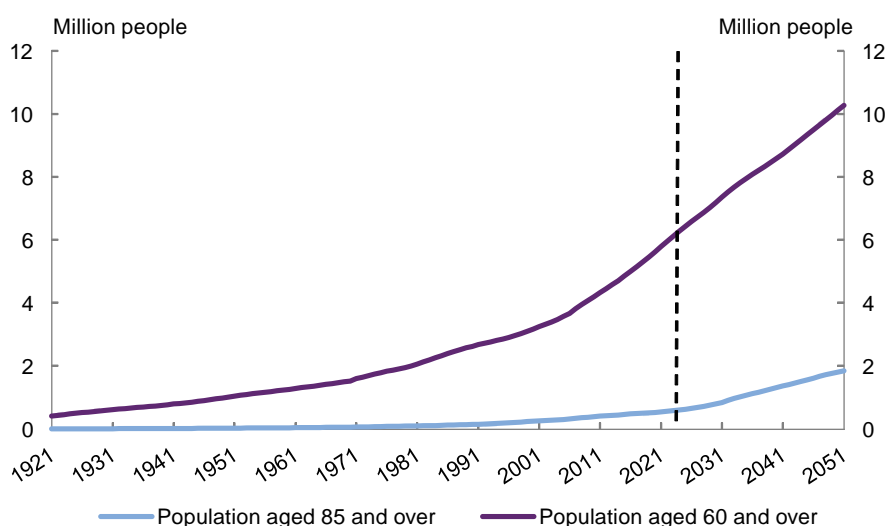
A much larger and wealthier group of senior Australians means the share of expenditure for mature age consumers will rise significantly (NATSEM, 2006). This represents considerable market power and should herald a shift in the attention of marketers toward the higher spending older age groups.

Given this significant demographic change, businesses increasingly will need to shape goods and services to the wants and needs of older consumers, and accommodate the large range of education, wealth, health, cultural backgrounds and family types within and across generations (Gibson, 2010).

This will affect how products are designed, with older consumers likely to want brands that fit, rather than define their personalities (Rawlinson and Kuznetsova, 2009). It will influence how retailers operate, both in store and online, with accessibility for older consumers a key issue, especially in communities where transport is limited.

National broadband coverage will allow seniors to bridge the 'digital divide', meaning they don't miss out on the best deals and can compare prices online.

Australia's expanding market of mature age consumers



Source: ABS, 2011b (actual) and Australian Government, 2010 (projected).

...with age-friendly innovation

An opportunity for innovative design

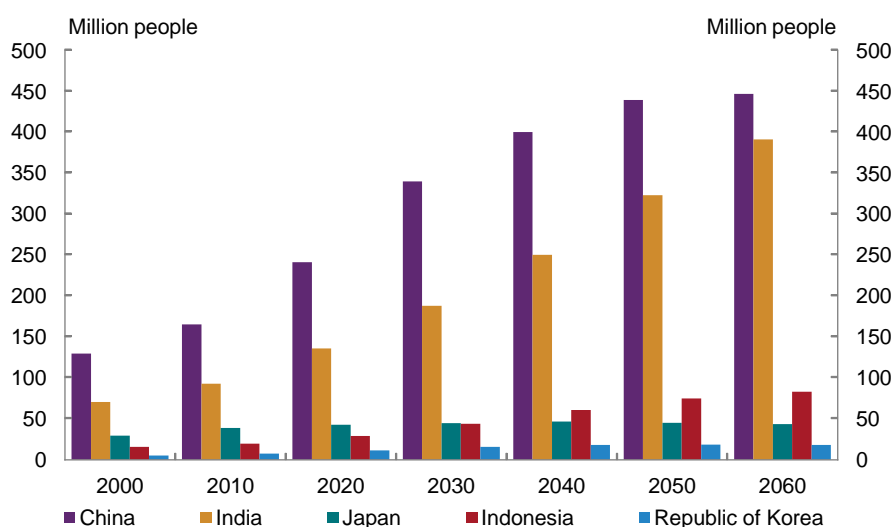
As the global population ages, demand for age-friendly products and services will increase. Medical advances that enable people to live much longer will increase demand for new healthcare products and services to assist people to make the most of their longer years.

More opportunities for tourism, leisure and recreational activities will need to be tailored to a new group of seniors. This presents an enormous opportunity for local companies to profit from developing leading edge, age-friendly products and services for people in later life, both in Australia and in populous ageing markets overseas.

The economic growth of Asia provides an opportunity for Australian firms to export their products and services to increasingly wealthy, ageing Asian neighbours.

And by 2050, a third of the population in developed nations and a fifth of the population in less developed countries will be over 60 (United Nations, 2010).

Population aged over 60, Asian trading partners, 2000 to 2060



Source: United Nations, 2011.

Age-friendly design

Over time, companies have embraced the move to environmentally friendly products, services and practices. Now businesses need to adopt age friendly innovation to take advantage of our changing demography.

The potential for local industry to work in partnership with ageing research centres is untapped. In the United States, some product designers wear 'age empathy suits' to better understand the needs of older people.

Some innovations include specially designed car seats, kitchen appliances, mobile phones, IT design and travel options packaged with seniors in mind.

Eliminating discrimination and exclusion

Discrimination is unacceptable

Age discrimination is the 'invisible' discrimination in our society — a discrimination so widely and unconsciously accepted that we are often completely unaware that our actions support it — a discrimination so universally part of our modern culture, that we often accept it without question (Broderick, 2011).

Age discrimination denies a person an opportunity because of their age, when age is irrelevant to the person's ability to take up that opportunity.

Australian anti-discrimination laws state it is against the law to discriminate on the basis of age. There is no legally defined retirement age.

Discrimination — not a natural part of ageing

Age discrimination is widespread. So widespread we often unconsciously accept it and use it to shape our expectations and attitudes. It is pervasive.

Often its manifestations are the only clues it is happening: the application of unsubstantiated and inaccurate generalisations to estimate behaviours; use of stereotypes to brand all people of particular ages with specific characteristics; and emphasis on youthful appearance.

Age discrimination occurs when we treat someone less favourably because of their age, or treat all people in the same way because of their age. This strips individuals of their unique identities and reinforces the view that life occurs in fixed stages.

Age discrimination diminishes our social diversity, devalues older people and destroys the potential of many to live their lives on their own terms.

Age discrimination and the workplace

Age discrimination pervades the work cycle. Employers discriminate against older people through language to recruit staff that explicitly excludes older people and through practices that implicitly reduce access of older people to staff development and promotion. Consequently, age discrimination has a negative impact on the workforce outcomes of many mature aged Australians.

Failure to invest in older workers results in the loss of many workers, who, in their 50s and 60s, still have a good many years to contribute. This profoundly affects workforce participation.

Reducing discrimination against older workers is an economic imperative, as businesses complain of a skills shortage and mature age workers outnumber those entering the workforce (Ryan in Heffernan, 2011).

Realising our potential

Australians working together

It will benefit everyone if Australians work together to realise the potential that comes from an increased number of older people with an extended life course.

The main messages to date are clear.

Individuals will benefit from:

- working at being fit and healthy throughout their life, and so enabling them to age as well as they can within the constraints of their individual capacity
- recognising the benefits of continued participation in work and in the community, and investing in their ongoing skill development
- actively planning for an extended period of middle life.

Organisations will benefit from:

- developing more flexible work environments to attract and retain the skills, experience and stability of older workers
- capitalising on commercial opportunities to develop products tailored to a diverse and discerning older population, both in Australia and in the Asian region.

The nation will benefit from:

- developing beyond an ageist society to one that celebrates the contribution and capacity of senior Australians
- ensuring in developing policy, underlying assumptions about older Australians recognise the changing demography, health characteristics, capacity and expectations of senior Australians
- investing in individuals throughout their life course to help enable them to realise their potential.

A time to treasure

If longer life means more time being healthy, productive and being able to contribute, then it is indeed a time to treasure.

Consider the issues...

Inviting comment

A wide range of issues, reflecting the broad nature of the terms of reference, has emerged from the panel's consultation with stakeholders in Adelaide, Melbourne and Perth.

The panel has identified a number of key matters that require further deliberation.

The panel invites the public to provide their views on the ways in which Australia can realise the economic potential of senior Australians. In particular, the panel welcomes comments on the questions listed.

Staying connected to communities

A technology revolution is occurring at the same time as the world's population is ageing.

- Q. Are seniors benefiting fully from the technology revolution? What is needed to maximise their engagement in the digital economy?
- Q. How do we ensure all seniors have the necessary skills, knowledge and access to technology?

Preserving our environment

Senior Australians are concerned about, and affected by environmental issues. Importantly, they can, and want to, be part of the solution.

- Q. What can senior Australians do to shape the environment that future generations will inherit? Who should do what?

Fostering positive attitudes towards seniors

Discrimination can close off, or make difficult, the avenues for older Australians to participate in community life, in leisure activities, as consumers and in the workplace.

- Q. How can individuals and organisations promote positive attitudes towards older Australians? What is an appropriate term to describe older people — many consider that the terms 'senior' or 'mature' are not appropriate?
- Q. Do the media have a responsibility to portray all people as individuals without stereotyping?

Improving workforce participation

Australia's skills shortage means the contribution of older people is too valuable to waste. All workers need to be given opportunities to participate in paid work and update their skills over their life course.

- Q. What is needed to encourage employers to recognise the value of older workers and increase their retention and recruitment?

...have your say

Supporting healthy, active lifestyles

It is never too late to adopt healthy lifestyle practices to benefit the mind and body. Opportunities exist for businesses and community groups to expand the products and services targeting the growing number of seniors.

- Q. How do we encourage older Australians to engage in preventative health practices? Is it well understood that it is never too late to adopt a healthy lifestyle?
- Q. What is holding Australian businesses back from developing products and services tailored to the needs of older people?

Creating new ways to volunteer

Senior Australians are able and willing to volunteer in varied and changing ways reflecting their diverse experience and skills.

- Q. How can organisations restructure to make volunteering opportunities for older people more rewarding?

Designing to suit the demographic

As the proportion of older people grows, the need for age-friendly housing and communities increases.

- Q. What mechanisms would facilitate the development and maintenance of age-friendly environments and infrastructure?
- Q. What would encourage the property development and real estate industries to increase housing tailored to the needs of older people?

Planning ahead for life's transitions

Planning ahead for life's changes benefits individuals.

- Q. How do we encourage people to start planning for their later years earlier?
- Q. What are the best ways to facilitate older people's decision making and planning for the future?

Opportunities for all

While, in general, seniors are healthier, better educated and financially more secure than previous generations this is not the case for every individual.

How do we best assist older individuals whose circumstances and life experiences have not given them the opportunity to maximise their participation in, and enjoyment of, their extended life years?

How do we ensure that individuals from culturally and linguistically diverse backgrounds realise their potential?

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