



Government must look at ways to embrace the opportunities of an ageing population with new economic strategies

Published in The West Australian, 15 November 2017

There's some old advice that suggests we should never talk about sex, politics and religion. I think there's another topic that has somehow been added to that list – getting old. And it's not just around the dinner tables where conversations aren't happening, it doesn't appear to be taking place with policy and decision makers either.

Unless this changes, the opportunities presented by having an ageing population will be lost and instead we'll be forced to manage what's popularly described as an ageing tsunami.

The Productivity Commission has even predicted that Western Australia will find itself in a demographic environment that is entirely unfamiliar to us.

As every politician knows, the numbers don't lie and here's what they're telling us – by 2060, 1 in 4 West Australians will be aged over 65.

At the same time, there will also be very high growth rates among our 'oldest old' with 25 people, aged 100 or older for every 100 children aged under one.

By 2100, the total number of dependents will increase from 49 per 100 people of working age to 79.5 per 100 people. This will put a lot of pressure on government revenue, with fewer people working and paying taxes and more people relying on the pension.

A snapshot shows that the highest proportion of people over 65 are in the Town of Claremont and the City of Mandurah, where they make up more than 20% of the residents. The highest densities of people aged 65 plus are in the Town of Claremont and City of Subiaco, with more than 400 people aged over 65 per square kilometre. The most significant growth in the number and proportion of people aged over 65 are in Peel and Joondalup.

Interestingly, most older people in Perth and Peel 'age in place', and when they do move, it's usually within their local area. So as outer suburban locations become more established, their populations will age.

This could be a significant issue because urban design, transport systems and access to services in these locations tend to be less suitable for retirees.

And the distance from major employment centres creates a barrier for older people who would like to remain in the workforce

This doesn't have to be a bad news story. There are lots of opportunities to be embraced by having an older population. As one woman at a Committee for Perth event, where we presented the findings of our ageing population report proudly said, "I'm over 65 and I'm not old." She rightly received a round of applause. We are living longer and we're also healthier.

Traditionally, strategies for managing an ageing population focus on two goals, minimising the economic impacts and harnessing the economic benefits of an ageing population. Most policies have focused on minimising the impacts. But there are positive alternatives, we just need to innovate, adapt, take advantage of new technology, cut red tape, engage with the private sector and maximise public sector efficiencies.

Strategies that could be implemented include introducing tax and financial incentives to encourage older people to remain in the workforce, providing financial incentives for employers to retain older workers, developing new and innovative businesses associated with healthcare products and services, encouraging entrepreneurship among older Australians, increasing and recognising volunteering and philanthropy among older Australians, reducing the cost of public service delivery and the availability of the aged pension.

As individuals we need to be realistic about the retirement we can afford and the care we are prepared to pay for. With the greatest demographic shift upon us, the government cannot provide all that we want.

Now is the time to have the conversations about what we need.

Marion Fulker is the chief executive of the Committee for Perth.