Sizing Ageing in Western Australia FACTBase Bulletin 56

To ‘size’ and spatially examine ageing in Western Australia through providing an outline of the age structure of the population, ageing trends and the impact on the ratio of working population to dependent population.
Global Ageing

Living longer has been one of the great achievements of human kind, with a dramatic rise in age expectancy over the past century. This brings new opportunities for individuals and society as much as it impacts on future economic outputs.

Ageing is a global trend with all OECD member countries experiencing an increase in adults aged over 65 as a proportion of the population, with Japan leading this phenomenon.
Nationwide Ageing

In 2016, Australia had 49 dependents for every 100 people of working age.

In addition, for every 100 adults of working age there were 20.6 adults aged over 65 and 28.2 children under 15.

This differs substantially from 1901, where there were 57.9 children under 15 for every 100 working adults and 6.6 people aged 65 or over.
Western Australia’s Ageing

Ageing in Western Australia is occurring at a similar pace to the nation.

In 2016, 50% of Western Australians were of working age.
Future Ageing Projections

Looking forward, Australia’s ageing trend is predicted to continue and is likely to lead Australia “into a demographic environment entirely unfamiliar to us*.”

The total number of ‘dependents’ in Australia per 100 people of working age is projected to increase from 49 in 2012 to 79.5 in 2100.

* Productivity Commission 2013
Economic Impacts of Ageing

**People:** a reduced working age population means decreased access to labour and a fall in hours worked per capita.

**Participation:** in Australia, labour participation rates are expected to fall 5% from 2012-2060.

**Productivity:** a shift towards labour intensive industries including health and aged care, which tend to have lower than average productivity growth, is expected to decrease GDP.

**Consumption and Savings:** the types of products consumed by adults over 65 are more focussed on leisure and health care with many ‘asset rich, cash poor’ older Australians.

**Public Social Expenditure:** health care requirements for an ageing society are predicted to place major pressures on Australian governments’ budgets.
The Geography of Ageing in Perth and Peel

There are geographical difference in the age structure of populations across Perth and Peel. This creates differences in the ageing experience depending on location.

Numeric and Structural Ageing in Perth and Peel 2001-2011

Source: Atkins and Tonts, 2016.
Populations in all local authorities in Perth and Peel aged structurally and numerically from 2011-2016.

The highest proportions of older people per total and working age populations in 2016 were within established local authorities. The Town of Claremont and the City of Mandurah had more than 20% of their populations aged over 65.

Growth in the number and proportion of people aged over 65 between 2011 and 2016 occurred in outer and peripheral local authorities in the Peel region and north-west sub-region.
Ageing in Place

Research has determined that most older people in Perth and Peel ‘age in place’ and, when they do move, they are most likely to remain within their local area. Therefore as peripheral suburban locations become more established, so their populations will age. This is a significant issue moving forward because urban design, transport systems and access to services in peripheral locations tend to be less suitable for older Australians.
Strategies for an Ageing Population

Strategies for ageing populations are focused towards two primary aims:

1. To minimise the economic impacts of an ageing population.

2. To realise potential economic benefits of an ageing population.

Most policies within Australia have had a focus on reducing the negative economic impacts of population ageing rather than seizing economic opportunities associated with this trend.

Key strategies that have been used elsewhere to mitigate the economic impacts of ageing include increasing labour force participation among over 65s and all working age Australians, most notably females.
Strategies for an Ageing Population

Moving forward, there will need to be increased emphasis on maximising economic and societal benefits associated with living longer.

Key strategies aimed at realising the potential benefits of an ageing population include:

- Developing new and innovative businesses associated with health care products and services.
- Encouraging entrepreneurship among older Australians.
- Increasing and recognising volunteering and philanthropy among older Australians.
In Conclusion

It is clear that Australia and Western Australia are experiencing a global trend, with an increasingly ageing population. In order to ensure our future prosperity we must:

- Have strategies in place today to minimise the projected negative impacts of ageing on the economy.
- Learn from societies ageing at a faster pace than our own.
- Ensure infrastructure and services enable older people access to necessary services.
- Innovate, adapt, maximise public sector efficiencies and take advantage of new technologies.
- Enable older people to remain active and valued members of the workforce and community.