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Media release

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POPULATION AGEING - THE SILVER LINING

Healthier, wealthier aged make good news not bad

Ageing baby boomers are healthier and wealthier than their predecessors and should be seen as a resource not a burden, according to a new paper from The Australia Institute.

The Benefits of an Ageing Population, by Dr Judith Healy of the Australian National University, argues that there is a silver lining to the grey clouds of pessimism associated with population ageing.

Releasing the paper today, Institute Director Dr Clive Hamilton said, "An important factor has been overlooked in the debate about ageing. Older people in Australia are now better educated, more prosperous, healthier and better able to maintain independent and productive lives for longer than the poorer, more dependent aged of previous generations.

"Far from depleting society's resources, new generations of older people make substantial contributions to them."

The Institute paper shows the number of Australians aged 65 years and over is expected to triple by 2051 and to reach nearly 25 per cent of the population before beginning to decline as the post-World War II baby boomer generation passes out of the population pyramid.

"The gloomy predictions that this generation is ushering in economic and social ruin is misplaced," the paper says. "They have lived in prosperous times and have greater economic and electoral power and higher expectations than their predecessors."

"They are able to remain in the work force for longer given the right incentives and right jobs, contribute more through taxation and fund more of their own retirement and health and social care. Already, they make an important contribution to social capital in their role as grandparents and in their extensive volunteer work in the community. And they are not the burden on health care costs that is often made out.

"The main reason that they will not be a burden is the access they have enjoyed to education, employment, housing and health care throughout life. A lesson from this is that if we are to avoid greater dependence in old age, we must maintain for future generations the socially equitable policies on which most baby boomers were raised."