

## **Speech Delivered July 6, 2016 Nations**

### **Author**

### **The Hon Susan Ryan AO, Age Discrimination Commissioner** **“The ageing revolution is not over”**

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Last time I spoke here I called my address “the longevity revolution”, and asked, “crisis or opportunity?”.

I intended that question as a challenge but it seems my challenge has not been met. We are as a community, still floundering on the crisis side of the binary. Our approach is still steeped in the language of “burden” and “deficits”. We are still failing to realise the opportunities that longevity can create for us.

Perhaps I was not catastrophic enough in my warnings... not inspirational enough in my ideas ...because that was back in 2014, and now two years later, not enough has happened.

As today will be my last chance to address the NPC in this role, I won't hold back...the crisis has not yet been averted, the opportunities of the ageing revolution still elude us.

Why do I say this?

Because against powerful and persistent economic and workforce data demonstrating great potential gains from increasing workforce participation of older people, and despite growing evidence of the willingness and capacity of Australians to lead longer working lives, we proceed too slowly to dismantle the barriers.

At the same time, we continue to overlook the capacity and desire of people with disability to make economic contributions. This is our loss, and, more importantly theirs.

Today I will direct my comments mainly to the need to recognise and embrace the economic potential of older workers.

But I will ask you to accept that most of my arguments apply also to the importance of ensuring that capable and motivated people with disability are not, out of ignorance and prejudice, excluded from economic participation.

The demographic revolution – it is here, it has happened, but where is our national response?

The 2015 Intergenerational Report projected the number of Australians aged 65 and over to more than double by 2055, when there will be around 40,000 people aged 100 and over<sup>[1]</sup>.

Some of you will be there.

By 2055, men are expected to live on average to 95.1<sup>[2]</sup> and women to 96.6<sup>[3]</sup>.

Australia is not alone in this regard. Population ageing is global.

In 2015 there were 901 million people aged 60 and over, by 2050, there will be 2.1 billion.<sup>[4]</sup>

It is not surprising that in Australia, as elsewhere, governments are daunted by the prospect of looming fiscal crises, especially with respect to pensions and health services.

It is surprising, and worrying however, that so little has been done to mitigate such crises.

We do know what to do:

Recent studies have demonstrated the huge benefits to the economy from employing more older workers.

One of them, the Grattan Institute, estimated that increasing the mature age (60-69 years) labour force participation rate by 7% would raise GDP in 2022 by \$25 billion. These estimates are echoed in several other major studies.<sup>[5]</sup>

By now, you would think that business must be aware of the costs to them of excluding older people from workplaces.

They must be aware of the business negatives of losing knowledge, experience and skills, of the high costs of recruitment and training, and the loss of productivity all this brings.

Moving on to the federal government and successive Intergenerational reports, what should we make of the predicted federal budget blowouts related to the ageing society?

The National Commission of Audit found that even allowing for a decline in the proportion of people receiving the full pension, a rise in the number of people receiving the part-rate pension will see the proportion of older Australians eligible for the Age Pension remaining at 80 per cent over the next 40 years.<sup>[6]</sup>

So, without change, there is a serious future threat to federal budgets.

Change is both necessary and possible.

The biggest and best change we could make is to extend the working life of most Australians.

Does the community want this? Yes.

Government and business leaders should note that people themselves are increasingly aware of what is facing them as they age.

Far from planning to retire in their 50s, most Australians now want and need to work up to their 70s and beyond.

They understand that age rules for the pension and associated concessions are moving up, but where are the jobs and retraining programs to support the longer wait for the pension?

The gap between 55 and 70 can for some turn into a chasm of poverty and despair.

This gap is of our time; it was not faced by our parents.

Compared with a couple of generations ago we enjoy on average an extra 25 years of life.<sup>[7]</sup> These extra years should produce benefit for communities, for the economy and for older Australians themselves.

The extra years should mean lower welfare and health costs, higher national savings, growing consumption of goods and services, new businesses, higher productivity.

Instead of reaping these longevity rewards we continue to waste human capital, and unnecessarily increase welfare and health costs.

When we are facing average life expectancy for men and women of over 95 years, why do we still tolerate massive age discrimination pushing people in their early 50s out of paid work and on to benefits?

Why do employers while bemoaning skills shortages turn away the skilled and experienced over 50s?

We hear a lot of calls for innovation, enterprise, for new markets, new products, digitalising of everything, robots.... The unstated, or sometimes the stated premise for such desired and desirable developments is that we must look only to the young for them.

Yes, of course the young are and will be a source of innovation. But we should also recognise that creative intelligent individuals, after several decades of work experience, may also find new and better ways of doing things, new and better products, new and bigger markets for innovative goods and services. Seniorpreneurs are a rapidly growing cohort yet we hear little about them and offer little to support them.

We have just endured the longest federal election campaign in living memory. Many social and economic policy proposals for the nation were raised,

dropped, raised again, costed, dropped again, reborn and continually contested.

In all of this, and over all that time, the economic dimensions of the longevity revolution were scarcely addressed.

During the campaign our leaders loved to appear on evening television in the company of cute babies and cheeky toddlers, shaking hands with cheerful youngish working men in hi- vis vests, testing fruit and vegetables at market stalls, and even communing with rats.... This nightly performance is an entertaining aspect of our democratic process... but it would appear that our leaders engaged more with fruit and vegetables than with older Australians.

Two rats got starring roles on evening TV, one scored an introduction to an urbane and courteous prime minister, the other rat actually got adopted and taken home by the charming and caring opposition deputy leader.

Did any older Australians attract such beneficial attention? I didn't see it.

Noting that babies and rats don't vote, and recognising that the over 65s is the fastest growing age cohort in Australia, twice the size of the much discussed youth cohort, is this not a bit strange??

After all, the voices of 3.4 million people aged 65 and over, 22 per cent of enrolled voters, were recorded at the polls on 2 July, compared with just 1.5 million voters aged 18-24, just over 10% of voters.

This lack of political attention to the most rapidly growing age cohort suggests that we urgently need open our minds to older people and especially their place in the world of work.

This world is changing faster than ever before.

We see the explosion in device connectivity; advances in automation, artificial intelligence and robotics; changing employment markets and organisational structures; the rise in entrepreneurship; the shift towards the knowledge economy. All of this means more jobs, but these jobs are for people with the right skills.

And these people could be older workers, newly retrained to fit these jobs, as they could be highly skilled people with disability.

All older workers – and not just those in the auto industry – should be given every opportunity to transition to growth industries.

In addition to the opportunities arising from the digital revolution, the long term structural shift in employment towards services industries continues. Health Care and Social Assistance; Professional, Scientific and Technical Services; Education and Training; and Retail Trade are projected to provide ,over the next five years, more than 600,000 jobs.<sup>[8]</sup>

So, with these ideas and possibilities occupying me, I was very pleased when a little over 18 months ago, on behalf of the Australian Human Rights Commission, I began the Willing to Work National Inquiry into employment discrimination against older Australians and Australians with disability.

I presented the completed report to Attorney-General George Brandis on 2nd May this year, just before the parliament rose for the election.

During the inquiry I met with thousands of people, received hundreds of submissions and travelled around Australia, to regional centres as well as capitals. I commissioned new research to inform what we were told.

I think it is fair to say this exercise has produced the most comprehensive picture we have ever had of older people and paid work in Australia.

The report also documents the workplace barriers to people with disability and provides detailed proposals to overcome these barriers.

When he launched the report in May this year, AttorneyGeneral Brandis welcomed it as a milestone in public policy.

I hope you will agree with the Attorney-General here.

The recommendations, if implemented, will take us a long way towards my major goal, ensuring older people and people with disability are not denied the personal and social benefits – of dignity, independence, a sense of purpose and social connectedness – that work brings.

What did I find in the inquiry?

Employment discrimination against older people is widespread and systemic. Ageism is a barrier at every stage.

Older people are shut out of recruitment. Individuals told the Inquiry of having applied for hundreds of jobs only to be told by recruiters that they were “over qualified”, or “too experienced.” In many cases they received no response at all.

Making it to the interview did not ensure a fair go either. If an older individual did make it to an interview they were typically met by a drop in interest from the interview panel as soon as their age became apparent.

Older people who are in the workplace often experience isolation, age related bullying, and are denied promotion and professional opportunities.

In a restructure older workers are the most vulnerable to being laid off.

Virtually everyone expressed to us the need for flexibility.

To continue to work productively, older workers and people with disability often need some flexibility in hours and days worked and some adjustments.

Despite this need, we heard that individuals had great difficulty in accessing flexible working arrangements and low cost work place adjustments. Some told us that their manager had an attitude of 'full-time or not at all', while others upon making a request for flexibility or adjustment found they started to be nudged into retirement.

We heard of perceptions, pervasive though unfounded, that older workers were less productive, less open to change and new technologies, not worth training, and simply hanging round waiting for retirement.

These negative attitudes force many people out, often in their early 50s. Once out, many never get back. Just think, forty years of life without paid work, it is unthinkable but that is what these people are facing.

What is government doing?

Successive governments have funded programs to address the exclusion of older workers, but through the Inquiry it has become clear that some government policies are actually creating disincentives.

Others fail to connect the workers with the jobs.

Regulated age-cuts offs often reflect the outdated thinking that age 65 is still the preferred retirement age.

But, age pensions soon will start at 67, and probably move to 70. Age cut offs at 65 prevent older workers accessing income protection insurance, and worker's compensation. Without cover, they are usually unemployable.

Wage subsidies, such as the Restart program which provides a wage subsidy for hiring workers over 50, cost the Commonwealth many millions but miss the mark because of poor program design.

The recommendations –

The Willing to Work Report contains 56 recommendations.

Some of the recommendations could be implemented relatively quickly and at little cost. Others will require a longer term approach and require funding. I am not always talking about new funds. Existing allocations currently missing the mark could be transferred to more effective activities.

Doing nothing is not an option.

My recommendations for government include:

Establishing a Minister for Longevity to bring government attention at the highest level to the economic dimensions of age discrimination, and to coordinate whole of government action. This Minister would lead policy to realise the economic potential of older people, and broaden the dialogue about ageing beyond aged care.

The Workplace Gender Equality Agency should be empowered to collect data from private sector employers on age and disability, just as it does now in relation to gender. It would publicly report on progress against voluntary targets set by employers, and support business efforts to eliminate this discrimination.

We also recommend that government undertake well-focused and sustained community education and awareness campaigns to challenge entrenched community attitudes and stereotypes about older workers.

In relation to the Commonwealth as an employer, we recommend that targets in relation to older workers and people with disability be set by each commonwealth department and agency. These targets should be reported annually and their achievement form part of performance assessments.

If there is one area of our recommendations I see as crucial it is those in relation to the long neglected vocational, education and training sector. I propose that VET, especially our TAFE colleges be re invigorated to become the key providers of the much needed retraining and upskilling of middle aged workers. Supported by VET, governments could establish strong retraining pathways, including a boost to mature age apprenticeships.

The car manufacturing worker facing retrenchment, the miner whose job is being phased out, the nurse no longer able to do heavy lifting, all of them need a retraining opportunity and directions to their new job, a job they could do productively until they reach 70, if they wish.

In the last federal Budget the total allocated for employment services, that is, for those outsourced bodies paid to find jobs for the unemployed, was \$1.645 billion. This massive amount is not getting results. This is an area where we don't so much need new money as redirection of existing commitments.

My approach to tackling of age discrimination in the private sector is not so much legislative, but to provide positive examples, showing not only that it can be done, but it is being done and that those businesses doing it are profiting.

There are quite a few businesses out there that do recognise and utilise the diverse skills and abilities of older Australians, and Australians with disability.

I commend you to the associated publication from the inquiry which showcases over 70 examples of employers who are doing this, and reaping business rewards as a result.

Many household names, Bunnings, Accor, Westpac, Telstra, IAG insurance, recognise the value of older workers to their business and have developed strategies to keep these valued older workers contributing.

Crown Resorts has a standout employment program for people with disability.

What works for large companies may not suit small business. In recognition of this, the Inquiry recommends government funded regional advisers, working in conjunction with business Chambers to bring information and advice about employing older people and people with disability to the small businesses themselves, who otherwise get left out of the loop.

The focus of my work over the last five years, including the national inquiry, has been to identify what would be the most productive change to support Australians as we age.

This change is the removal of discrimination in the workplace.

But as this is my last time to address the nation's media on these matters, I will raise a couple of other important issues.

The longevity revolution isn't just about working longer; it is also about protecting the fundamental human rights of the vulnerable.

While older Australians are living longer and healthier lives, it is inevitable that with advanced age comes increasing demand for health services and care.

The growing number of very old Australians results in an increased demand for aged care services.

From a human rights perspective, the rights of frail older people, whatever their circumstances, are best protected by the timely development of a well-trained aged care workforce.

We need to improve not only the size of the aged care workforce, but the quality of the training. And, we must insist on the rigorous application of high standards throughout the sector.

Older Australians have the right to feel safe, protected from violence in their relationships, families and in their homes. Some are not safe. Many forms of elder abuse are inflicted on our older people and we need to take action to stop this scourge.

This action has started and I believe that significant progress will follow the current Australian Law Reform Commission Inquiry into Protecting the Rights of Older Australians from Abuse.

## Conclusion

Today I have concentrated on the challenges of removing workplace discrimination, the continuing theme of my five years as Commissioner.

It has been a task which I might say has suited me well. It has allowed me to continue to pursue that value central to my own life, before, during and beyond my years in parliament: that is, my belief in the right to work.

None of our fellow citizens should be unfairly denied this right.



Protecting the right to work has been my own take on human rights in Australia, and the particular dimension I have sought to contribute to the Human Rights Commission's important work.

Our work at the Commission is varied and each of us brings different perspectives and priorities.

Over the years since 1986 when the Commission was established, around forty individuals have been honoured by a Commissioner appointment. We come from diverse backgrounds, and have brought to our roles different work and life experiences. For over three decades our work has been pursued by – brilliant lawyers, by highly effective leaders from our indigenous and ethnic communities, by excellent academics. Some of our commissioners have achieved extraordinary things while living with profound disability. And I must note the significant number of female commissioners who prior to their appointments, achieved great success in different careers, despite being born female.

For me, to have worked as a Commissioner has been one of the highlights of a very long working life.

My working life has been unexpectedly eventful and rewarding.

I say unexpected because I was born into a modest Australian family, during the second world war, while my father was serving in New Guinea. Apart from being a war baby, which had its own hazards, being born female in 1942 was definitely a career limiting move.!!!

Maybe not in 2016?

Because I know from my own surprising story that Australia did and does provide opportunity to so many of us, I have always wanted to see that opportunity extended to all of us, wherever we come from, whatever our circumstances.

That aspiration, right now, faces many challenges.

But, I believe in Australia and Australians.

If I, despite my unlikely personal story, especially the gender baggage, could land up in Bob Hawke's Cabinet, I have to conclude that Australia has got a lot going for it.

The opportunity to serve as Age Discrimination Commissioner and subsequently Disability Discrimination Commissioner, has been a high point in this fortunate life.

I am immensely grateful to all who made that possible: my Commissioner colleagues, the two distinguished Presidents I served with, and the wonderful Commission staff.

I thank former Attorney-General Robert McClelland and then Attorney-General George Brandis for the confidence they expressed in me.

I want to express my appreciation also for the cooperation and civility afforded me in my commissioner role by Ministers from successive governments over the years, and other members of parliament.

I hope that my focus on the right to work of older Australians and those with disability has been effective.

I leave this job however with a live sense of unfinished business.

My distinguished successors, Dr Kay Patterson AO as Age Discrimination Commissioner and Alistair McEwin as Disability Discrimination Commissioner will have plenty to do and I wish them well.

Finally:

We must as a society move more rapidly to accommodate the big societal changes, the big shifts that have occurred in human existence.

None is bigger than the ageing revolution.

To respond to this, we must remake our sense of human life, its extent and possibilities.

Our Australian way of life has delivered great things to many of us: equality of opportunity, security, wellbeing. Those great things now must be extended to all as they live throughout their extended lifetimes.

This is as big a challenge as we have faced in Australia.

I urge our new Prime Minister and his team to make our successful longevity a top priority.

Thank you

<sup>1</sup> The Treasury, 2015 Intergenerational Report - Overview (2015), p 8. At <http://www.treasury.gov.au/PublicationsAndMedia/Publications/2015/2015-Intergenerational-Report-Overview> (viewed 22 May 2015).

<sup>2</sup> Australian Government, Intergenerational Report 2015: Australia in 2055, Treasury, Canberra, 2015 at p4.

<sup>3</sup> Australian Government, Intergenerational Report 2015: Australia in 2055, Treasury, Canberra, 2015 at p4.

<sup>4</sup> United Nations, World Population Prospects: The 2015 Revision, Key Findings and Advance Tables. Department of Economic and Social Affairs/Population Division.

At [https://esa.un.org/unpd/wpp/Publications/Files/Key\\_Findings\\_WPP\\_2015.pdf](https://esa.un.org/unpd/wpp/Publications/Files/Key_Findings_WPP_2015.pdf) (viewed 23 June 2016).

<sup>5</sup> Grattan Institute (2012) Game-changes: Economic reform priorities for

Australia, p 54. At: [http://grattan.edu.au/wp-content/uploads/2014/04/Game\\_Changers\\_Web.pdf](http://grattan.edu.au/wp-content/uploads/2014/04/Game_Changers_Web.pdf)(viewed 3 December 2015).

<sup>[6]</sup> The Australian Government, National Commission of Audit, 7.1 The Age Pension, 2014. At: <http://www.ncoa.gov.au/report/phase-one/part-b/7-1-age-pension.html> (viewed 23 June 2016).

<sup>[7]</sup> Australian Bureau of Statistics, Australian Historical Population Statistics, 2014 (Cat. No. 3105.0.65.001).

At <http://www.abs.gov.au/AUSSTATS/abs@.nsf/DetailsPage/3105.0.65.0012014?OpenDocument> (viewed 1 July 2016).

<sup>[8]</sup> Department of Employment, 'Industry Employment Projections 2016 Report', March 2016.

At <http://lmip.gov.au/default.aspx?LMIP/EmploymentProjections> (viewed 24 June 2016).

## **Address**

Canberra ACT  
Australia

## Speech to the Press Club September 2014

### Author

**The Hon Susan Ryan AO, Age Discrimination Commissioner**

Check against delivery

### ***National Press Club Address***

#### **Acknowledgements and Introduction**

Before I begin I want to acknowledge the traditional owners of the land on which we meet and to pay my respects to their Elders, past and present.

I thank the National Press Club for inviting me to speak on a subject which, I believe, is correctly described as a revolution.

The outcomes of any revolution are hard to predict before it is over. The outcome of the longevity revolution cannot yet be predicted. It can go one of two ways. The consequences, as Treasury's Intergenerational reports always foreshadow, could be disastrous. Or, it could mark a positive transformation of our lives.

**But we can be certain of this: the dramatic and continuing increase in longevity in Australia, as well as around the world, is a powerful and unavoidable fact of human existence in this century.**

**There is no turning back. We have no reason at all to think it will be over soon, or we, for the convenience of policy makers, will all go back to dying before we reach 65, as our forebears did a century ago.**

**The crisis, if that is what it is, has arrived. No amount of complaining about unsustainable outlays on pensions and health will change the demography.**

**But we can deal with it. We can deal with it a lot more effectively than we have so far.**

**The demographic revolution** demands a further revolution in the way that we work, and in the intergenerational compact that we make with one another.

Demographic change need not be a crisis but an opportunity – a wave we can catch and ride to set Australia up for success now and throughout the rest of the 21<sup>st</sup> century.

#### **Temporary shift or permanent adjustment?**

Much has been said and written about Australia's ageing population. Like most nations around the world, we are in the throes of a marked societal shift

– one which will see Australians in the 55-70 age bracket numbers over 5 million by 2030.<sup>[1]</sup> With the largest generation of the 20<sup>th</sup> century hitting retirement age, and birth rates not at replacement level, the demographic scales are starting to tip.

This is also a global phenomenon. By 2050, for the first time in the history of humanity, there will be more people over 60 years of age globally than there are children.<sup>[2]</sup>

Here in Australia, after leaving the workforce, many individuals will live over 30 years on the age pension and accompanying supports.

The Commonwealth is committed to funding about 80 per cent of all aged care costs.

No wonder Joe Hockey is worried.

Of all currently retired people, about 80 per cent of these draw a full or part pension.<sup>[3]</sup>

Contrast this with the scenario in 1909, the year of the introduction of the age pension when only about 4 per cent of the population lived long enough to receive it. Eligibility age, then, as now, was 65 years.<sup>[4]</sup>

It is not hard to see why for many policy makers and governments, increasing longevity presents as a looming fiscal crisis.

The reality is that the intergenerational compact to which most societies commit – that is, the expectation that the taxes paid by those of working age will subsidize the young and the old – looks set to veer off course, with the size of the assumed workforce shrinking relative to those it is expected to support, and the costs of this support outstripping our capacity to pay.

Recognizing these imbalances, successive governments have nominated the ageing population and concurrent skills shortages as among the most urgent pressures on the nation's economy.

The solution to the fiscal challenge, we have conventionally assumed, is either that taxes must rise or that welfare must fall. This year's federal budget takes up the second option, reducing welfare expenditures, and as well abandoning some taxes.

But it seems this approach won't work.

What should we do about the intergenerational compact?

First, we need to recognize that this compact was designed to fit a model that no longer exists.

Gone are the days when the typical structure of Australian households involved a male breadwinner and female homemaker, with the male spending

his working life in one job before retiring, worn out, at the age of 65, and conveniently dying not too much later. That was the model set up by the Harvester Judgment in 1907.

Now, in 2014, both adults in a household have usually been in paid work at various stages, and may have changed jobs numerous times. What's more, they may be still supporting adult children at home; or caring for grandchildren, or their own frail parents ... or all of those things.

Another change: rather than being experienced as the twilight years, – a quiet demise spent passively in a rocking chair on the verandah or in a nursing home– retirement now means a wide range of things to different people.

With mature Australians holding 40 per cent of the nation's wealth,<sup>[5]</sup> travel, study, investment and community work are firmly on the agenda.

What's more in 2010, over a third of people over 55 were still in the workforce.<sup>[6]</sup> This fact suggests that many older Australians *want* to work for longer. Although we are behind some other OECD countries in this regard, estimates nevertheless suggest that participation of those aged 55 and over will rise by 2.7 per cent by 2024-25<sup>[7]</sup> – partly as a result of the dramatic increase in women's workforce participation in recent decades.

That however is not a big enough increase, and not fast enough.

It is clear we are not dealing with a temporary shift – this is not an aberration which Band-Aid measures like a bit more welfare, a supplement here or a concession there, can fix. Rather, the nature of ageing, and its relationship to the economy, has become a permanent change in the way that our society functions. Rather than inflicting an intolerable burden on the declining proportion of taxpaying workers aged less than 60 years, we can spread the load by a straight forward change: by lengthening the working life of all Australians.

When we do this we will have established the basis for a new intergenerational compact.

This new compact, based on teams of older and younger workers cooperating and contributing together to increase tax revenues will not just avert a crisis; it will set us up to seize the opportunity, to catch that wave.

### **Understanding the business case**

What are the implications for the national economy? Beyond the 2.7 per cent increase in workforce participation already expected, modelling done for the Australian Human Rights Commission by Deloitte Access Economics suggests that a further 3 per cent increase in workforce participation amongst workers aged 55 and over would contribute an extra \$33 billion to the nation's

GDP – or around 1.6 per cent of national income, while an additional 5 per cent would contribute an further \$48 billion.<sup>[8]</sup>

Essentially, this additional increase would mean that participation rates of workers in their 50s and 60s would come close to that of those in their 30s and 40s. This would provide an extraordinary boost to the economy.

This increase is entirely feasible in terms of the health and capacities of our mature citizens.

Such a prospect can only gladden the heart of the beleaguered of Treasurers everywhere.

After all, the longer that mature Australians participate in the workforce, the longer they pay taxes. Their superannuation savings continue to grow, even at 9 and a half percent Superannuation Guarantee. When they do join that 80 per cent of retirees who eventually claim the age pension, it should be later, at a lower rate, and for fewer years.

Ongoing employment means that this significant group are not only building their own savings, but contributing to economic consumption as well, with consumers over 60 spending over \$8 trillion worldwide in 2010, a figure expected to rise to \$15 trillion by 2020.<sup>[9]</sup>

And research recognizes that continued engagement in paid work is a factor in better physical and mental health, and reduces health costs.<sup>[10]</sup>

It makes serious economic sense, as well as common sense, to harness this human capital.

I am not the first person to say this, of course. For some time, business and government leaders across the spectrum have been calling for measures to encourage older Australians to stay in the workforce. The recently announced intention of increasing the pension eligibility age to 70 by 2035 is just one example.

But, as a response to the ageing crisis, this measure by itself falls short. It leaves us still wedged in the wrong mindset – tinkering at the edges, scrabbling round for a few sticks to beat our older citizens with, rather than revolutionizing the way that we structure work.

If we are going to seize the opportunity before us and utilize the human capital at our disposal, then we will change the way that the workforce functions. We will move away from a model that seeks and favors only the youthful, presumed “hungry and high energy” dynamos. The new model should include all skilled and high energy candidates, regardless of how many birthdays they have chalked up.

As well, jobs must offer flexibility.

All employers need to ditch assumptions that job flexibility is an aberration to be reluctantly granted only to women returning from maternity leave, and resented and resisted when sought by older workers. That's the outdated unproductive way.

Progressive and successful companies are already redesigning jobs and hours, and approved places of work.

The CEO of Telstra David Thodey recently declared that every job within this giant corporation, including his, can be considered up for flexible arrangements. Telstra's "All Roles Flex" policy is likely to be taken up by some other major employers.

These constructive changes are culturally dramatic, but not hugely difficult to put into practice. They are absolutely worth making. They will liberate the talents and efforts of hundreds of thousands of older workers to assist in securing the much longed for but elusive productivity gains.

We must stop speaking about an ageing population and a skills shortage as if they are mutually exclusive problems, rather than connected phenomena that rationally handled in concert can provide solutions.

I cannot accept that all of the jobs given to overseas skilled labour, on 457 and other working visas, are beyond the capacity of the vast pool of locals in their 50s and 60s looking for work.

### **Steps to a revolution**

Clearly, we have to root out the remnants of these long outdated expectations, these negative stereotypes.

We should recognize longevity as the solution for, rather than the cause of, the economic, fiscal and social challenges confronting us.

What must we do?

First, we must look at our policy settings – and review legislation which erects barriers to workers as they age. A recent report by the Australian Law Reform Commission identified a range of measures that need to be taken in this regard, including amending superannuation provisions which discourage people from staying in the workforce.

Perhaps now we need to encourage them to work beyond 2025 so they can finally receive a 12 percent Superannuation Guarantee!

We must address the absence of adequate workers compensation provision for those over 65s who are able to find work.<sup>[11]</sup> Insurers generally refuse income protection cover to older workers, leaving them without protection in the event of accident or illness.



While underlying workplace culture and broader stereotypes prevail, however, such regulatory changes will only take us so far. For example, 2009 estimates suggest that 2 million people over the age of 55 were interested in work but could not get a job.<sup>[12]</sup>

Certainly, between 2010 and 2013 there was a 41.2 per cent increase in people in their 50s and 60s receiving the Newstart unemployment benefit, much higher than the overall growth across all demographics.<sup>[13]</sup> In fact, older people are more likely to be unemployed long-term than any other group.<sup>[14]</sup>

Recent Commission research into age stereotypes found that negative assumptions about ageing prevailed amongst people between the ages of 18-54, with those under 35 having the most negative attitudes.<sup>[15]</sup>

So the problem is deeply embedded in social prejudice, and without intervention, will continue to damage the prospects of future generations.

These negative perceptions have real, pervasive and damaging consequences. We know that over 50 per cent of age discrimination complaints made to the Commission relate to employment,<sup>[16]</sup> with the most common example of discriminatory treatment being older workers made redundant before their younger colleagues – a unwelcome reverse, perhaps, of the customary “last on, first off” approach.

Clearly, there is rampant age prejudice out there. To overcome it we need a better understanding of its extent and character.

**That is why I can announce today that the Commission has engaged Roy Morgan to conduct the first ever National Prevalence Survey of age discrimination in the workplace. The results from this unprecedented survey will offer a broad and detailed picture of this kind of discrimination, from the perspective of those who experience it, and of those who inflict it.**

**I do not wish to preempt its results; my guess however, is that it will signal an urgent and massive challenge.**

Far from merely identifying and understanding the problem, the Commission is also working to achieve a shift in the way that mature Australians are portrayed and perceived.

Just last month we launched a new campaign, *The Power of Oldness*, which illustrates the huge gap that exists between the skills, perspective and experience that older Australians offer, and the negative ways in which they are often perceived.

We *have* to dismantle these damaging perceptions. What should we replace them with?

The carrot and stick approach only really works if the goal is actually achievable. Legislative and government-led reform will have limited effect if underlying negative attitudes endure. It is no use raising the pension to age 70, for example, if a significant number of people above the age of 50 cannot retain their jobs. Such a change could have people trying to eke out an existence on Newstart for 20 years, then segueing without pause to the full age pension.

No savings to the budget there.

What's more, there is no benefit to the budget in raising the pension age universally and without exception if a significant number of employees, whether nurses or construction workers, are no longer able to meet the physical requirements of their current roles, and are not offered any other.

Contemplating those physically damaged building workers and nurses led me to my next proposal.

### **A National Plan, a Jobs Checkpoint Plan (for the over 50s)**

We need to rethink how we approach the middle and later years of working life. We need business and political leaders to recognize the value of all our human capital in terms of potential productivity gains. We need employers of all sizes to see this potential. The recently announced \$10,000 Restart grant for employers who hire workers aged over 50 is a tangible and encouraging action along these lines.

We can however be more ambitious than this.

We should be aiming for rates of workforce participation to be the same for those in their 50s and 60s as they currently are for those in their 30s and 40s. I believe we can achieve cultural and workforce change so that someone aged 50 is seen as just as valuable as someone twenty years younger, and can sensibly look to working for twenty years more – whether in their current role or occupation, or another role altogether.

For this to happen, of course, mature aged workers need information and support. They need a timely signal, a reminder **that it is time for a career** **checkup.**

As with health checkups, this should be routine and preventative.

It should be carried out before unemployment has struck.

Certainly, we don't want to see a repeat of the South Australian car manufacturing industry collapse, where middle-aged skilled workers were laid off and left - initially at least - with no advice and no direction as to how they might find new jobs.

What workers in this situation need – and virtually every individual does at some point in their working life – is a structured process by which they can review where they are and plan for their ongoing participation in employment.

### **That is why I am calling today for a National Jobs Checkpoint Plan.**

I am urging a high profile, widely supported, and nationally coordinated approach to helping all people at midlife to check where they are and change direction if they need to. This national approach can be developed by governments, industry and vocational education providers working together.

I see TAFE right at the center of this Plan. TAFE colleges have the required training skills and links with local employers and government programs, but these links need to be strengthened and supported for vocational education everywhere throughout Australia.

Who do I have in mind as beneficiaries of this Plan?

Most of us. Most of us approaching 50, regardless of the sector we are in, or where we live, need to ask ourselves what sort of a job we can expect over the next 20 years. This is especially relevant to workers in declining industries, **such as car manufacturing, or print and TV journalism**, but also to workers who are burned out, or physically unable to continue their current job, or who are just ready for a change.

Initially under this Plan, anyone approaching 50 could attend a local TAFE to get a skills analysis, and basic advice about which sectors are growing and need workers, where the jobs are located in that region, and what skills and credentials are required to secure one.

A well-targeted checkup and redirection at 50 could set a person up for another 20 years work, age pension age rules notwithstanding.

**This is not a crisis management plan, it is a preventative approach** that would have older people recharging and moving smoothly into their next stage of employment.

This is not an add on to the myriad of state and commonwealth vocational training activities, but a better coordinated, better targeted and more widely utilized replacement for them.

Why do I think it will work?

Australia has a growth economy, but it does suffer from skills shortages. Business growth and improved productivity require more skilled workers.

Australian governments want to reduce the size of welfare payments and increase revenue. The **Jobs Checkpoint Plan** supports these objectives.

I am aware that each state and territory offers bits and pieces through TAFE and other providers, and a hotch-potch of labour market programs.

But, from a national perspective, the offerings are patchy and often miss the mark. The public investment does not produce the intended returns.

Individuals who really need this direction often don't know where to find it. Potential employers are put off by red tape.

A nation-wide **jobs checkpoint** approach would prompt individuals to examine their own work options and prompt employers to refresh and increase their own talent pools.

Obviously, a Plan of this nature would require a substantial communications effort and significant investment.

But what I am signaling is a strategy which would produce a large, post age 50, productive workforce.

This ambitious objective requires insightful and committed leadership – from senior government figures and from business leaders as well. All age groups in the community should buy into it, including young people. The Plan would grow jobs for younger workers, and ensure that there were plenty of mentors in the workplace to assist them to flourish.

**Stronger intergenerational cooperation, a new intergenerational compact would be the other valuable outcome.**

Will it happen?

I do not think that it is too much to ask employers to make better use of mature workers.

I don't expect governments to cling to costly but ineffective programs, when they could successfully invest in skills.

I am not calling for acts of charity from business or for more red tape from government. I am calling for business success and a stronger economy.

## **Conclusion**

There is no escaping the challenge.

We are facing the universal condition of humanity. Either we die or we grow old.

Most of us will experience the latter before the former.

Longevity not only changes the composition of the population, but the way in which we live and work.

Far from being an unseemly decline, ageing can be a positive and substantial phase, where people can continue to make valuable and meaningful contributions.

We know that outdated assumptions and stereotypes too often stand in the way, locking millions of older Australians out of the workforce and destroying the quality of their lives.

If we can turn this approach to longevity around, the emerging new reality represents a workforce boost, broad economic opportunity and a more cohesive society.

It is well within our capacity.

Thank you.

Speech to

Facebook comment

Excellent and insightful speech by Susan Ryan, thanks for this opportunity to hear her views, particularly at this uncertain time in our electoral cycle. As a 62 year old person I fully endorse her views and notions in relation to community and political perceptions around older Australians in the 55 plus age group.

Throughout my working career I have held not one but four 'inaugural' positions never before held by women across two States, in both the private and public sectors. I have what by most peoples standards has been not only a diverse working life but also a greatly diverse cultural life. Leaving school early as many of my generation where required, compelled or expected to do, I have needed to remain exceptionally flexible to maintain a productive working life. In order to do this I have informally and formally re-trained a number of times. Through the years I have experienced considerable push back in the workforce as a woman and as I have aged a new strata of discrimination and prejudice has been added to the experience, oh joy.... :) Add to that my sexual orientation and political views (progressive and feminist) and things are starting to look quite complex - its a wonder I'm standing, let alone typing....lol. I have seriously mounting concerns for the economic and social welfare of not only the future of my own generation but for that of the generation that came before me. Older Australians are seriously lacking a voice in public life. It's not that older Australians are not present in public life, on the contrary, it's that those who are present are not necessarily focussed on the issues impacting the plus 55 age group and do not necessarily regard themselves as advocates. Couple that with a very

strong youth centric culture and powerful community prejudices and we have a vast number of Australians who are in serious need of both advocacy and representation as a demographic. Thank you Susan Ryan for the tireless work you have done in your role as Commissioner, and may I second the suggestion from the floor that we might once again see you re-enter public political life.