Public Policies for Mid-Life Transitions

by

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The views presented in this paper are the views of the author and do not necessarily represent the policies or views of COTA National Seniors
Executive Summary

In the past 12 months, COTA National Seniors has conducted a national seminar program in Australia for older workers which delivers an education campaign about the changing nature of the labour market. In summary, the seminar program aims both to inform older workers about changing conditions in the labour market and be informed about the present views and experiences of older workers in terms of labour market change.

Over 1,000 mature workers have participated to date. It has emerged from the experience in this program that existing labour market and social policy interventions will need to undergo significant restructuring to cope with the ageing of the workforce. It is also clear that existing institutional arrangements and policy formations are inadequate for many people in mid-life or the pre-retirement age group (approximately 50-64).

COTA National Seniors is undertaking formal quantitative research through an Australian Research Council grant with Deakin University to explore the issues for this group in more depth. This project, Negotiating Transitions to Retirement, links to the broader project involving a large number of academic and organisational players in Australia aiming “to develop a framework and policy matrix for rethinking the future of social policy in Australia, with an emphasis on responding to labour market and household change”¹.

On the one hand, this paper discusses the nature of the project with mature age workers which is methodologically interesting in its own right crossing the boundaries of service delivery, policy development, advocacy and research. But the paper’s principal objective is to discuss four major policy interventions which stem from our ongoing engagement with Australian mature workers:

1. specialised programs for older workers
2. greater social assistance for people in mid-life than has been offered in the past
3. labour market policies which are geared to an ageing workforce
4. changes to social security arrangements to accommodate greater flexibility in the work to retirement transition and the growth in intermittent, part-time, casual and contract work.

¹ Information about the research project Towards a New Social Settlement: Rethinking Social Policy Across the Life Course is available on the website http://www.public-policy.unimelb.edu.au/research/a_new_social_settlement.html.
An education campaign for mature workers about the changing nature of the labour market

Over the past 12 months, COTA National Seniors has conducted a series of workshops around Australia as an education campaign for mature age people about the changing nature of the labour market and portfolio employment.

Over 1,000 people between the ages of 45 and early 60s – average age 54 - have attended the workshops to date (July 2003). The workshops take place in capital cities, regional and outer metropolitan areas and in industrial areas which have undergone profound change in the past 15 years due to the restructuring of the economy.

The project constitutes an interesting piece of “action research” being directed by myself, as a public policy analyst, rather than a service provider. Methodologically, it crosses the boundaries of service delivery, advocacy, primary research and policy development.

The workshops:

- bring together mature age people from diverse backgrounds who are provided with information about the contemporary labour market, how it has changed in recent years and how they might tap into new and emerging forms of employment (including portfolio employment);
- provide a forum for mature age people to respond to the information they are given, outline the barriers they face in finding a job and discuss their needs in terms of employment assistance;
- enable mature age people to network and to speak informally to representatives of seniors’ organisations, employment service providers and Government departments; and
- help link mature age people into relevant services particularly those provided by the Job Network, and information that may improve their job opportunities.

This project is funded by the Federal Government under Welfare Reform in response into the Parliamentary Inquiry into older workers issues conducted over 1999-2000. (House of Representative Standing Committee on Employment, Education and Workplace Relations, 2000)

The Committee recommended:

*the Government fund an education campaign targeting mature age people, especially men, concerning the changing nature of the labour market and the issues associated with portfolio employment, including its possible benefits* (p156).

As a seniors organization, COTA had also come to the conclusion that there is a role for better education and support of mature workers about the changing nature of the labour market, on the basis of our own research.

We observed that many mature age people are retrenched from jobs or occupations that they had held for many years as an outcome of business restructuring. Following retrenchment, many expect that they will readily gain another job of the type they had left because of their

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2 Portfolio employment entails combining part-time, casual or contract jobs to derive an income.
years of experience, loyalty and good performance. They approach job search on the basis of these expectations.

Many are bitterly disappointed by their failure to secure the job they desire. Many people have told us over the years that they have applied for hundreds of jobs without success. This of course is detrimental to both financial and psychological well being. Similar stories also came to the attention of the Parliamentary Committee.

Many mature age people do not realise that the type of jobs they have held in the past - permanent, full-time with highly protected industrial conditions - is a declining portion of total employment opportunities. Many mature age people also do not realise that experience and loyalty may not be the most valued commodities in the new labour market. While some mature age people do understand these changes, they do not always see a connection with their own personal situation or understand the pathway to gaining employment in the new labour market.

In Australia, in the past 20 years part-time employment has grown by 150 per cent compared to 30 per cent growth in full time employment. As the table below shows many mature age people are now working part-time either through choice or because they are unable to find full-time work.

<table>
<thead>
<tr>
<th>Age</th>
<th>% of total population employed</th>
<th>% of employed persons, employed full time</th>
<th>% of employed persons, employed part-time</th>
</tr>
</thead>
<tbody>
<tr>
<td>45-54</td>
<td>76.8</td>
<td>76.6</td>
<td>23.4</td>
</tr>
<tr>
<td>55-59</td>
<td>59.4</td>
<td>72.8</td>
<td>27.2</td>
</tr>
<tr>
<td>60-64</td>
<td>35.7</td>
<td>66.5</td>
<td>33.5</td>
</tr>
<tr>
<td>65 and over</td>
<td>6.5</td>
<td>47.7</td>
<td>52.3</td>
</tr>
</tbody>
</table>

Source: ABS Cat. No. 6203.0, May 2002, Table 16, page 27 and Table 18, page 28

There are both positive and negative attributes of part-time, casual and contract work for mature workers based on the evidence taken in the Parliamentary Inquiry on older workers. Positives include creating an income stream, cushioning against job loss, boosting morale, and creating a pathway to a full time, permanent job. Negatives include the problem of employers wanting casual staff to be on-call, exploitation, low wages, long hours, much time lost travelling from one workplace to another, and difficulty in securing payment on completion of projects.

Part-time, casual and contract work could be a way forward in either making up a package of such jobs, a “portfolio” of jobs, or in forming a stepping stone to full-time employment. And for some mature age people it is the preferred model for employment.

An education campaign through workshops

The concept of an education campaign on the changing nature of the labour market as a series of national workshops was developed by COTA National Seniors and the Federal Department of Employment. There was agreement that an effective education campaign about the changing nature of the labour market should embody:

- face to face contact
interactive opportunities

a strong local component.

These criteria ruled out other possible options such as distribution of generic information leaflets to employment service providers or advertising in newspapers.

Overview of the workshops

- A workshop program was developed which involved a range of speakers and an opportunity for discussion in small groups particularly focussing on the effects of economic and labour market change.

- Speakers included –
  - a representative from DEWR national office discussing an overview of changes in the Australian labour market;
  - a representative of COTA National Seniors discussing issues arising from its research on mature age employment with a particular focus on the underlying causes of age discrimination in employment;
  - Job Network providers discussing services available through the Job Network;
  - Any state government or other employment service provider;
  - A speaker to discuss local labour market conditions, opportunities and growth areas

Key outcomes

A full scale, independent evaluation of the project is currently in train. It consist of 4 sources of information:

- information collected at the time of the workshops from focus groups which were part of the workshop program
- an evaluation form filled out and collected on the day – we had a 75 per cent return of these across the program
- follow up telephone interviews with 20 per cent of the participants
- follow up telephone interviews with service providers.
Overview of participants

<table>
<thead>
<tr>
<th>Survey respondents n=237, April 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Average age</td>
</tr>
<tr>
<td>Average no. of months since last paid work</td>
</tr>
<tr>
<td>Employment status – unemployed and looking for work</td>
</tr>
<tr>
<td>Main source of income – Newstart Allowance</td>
</tr>
<tr>
<td>Reason for leaving last main job Retrenched</td>
</tr>
<tr>
<td>Reason for leaving last main job - temporary job finished</td>
</tr>
</tbody>
</table>

Participants were solicited through advertisements in newspapers, through Job Network agencies and through the COTA National Seniors membership. These proved effective measures in targetting a broad spectrum of mature age people:

- unemployed and looking for work
- not eligible for social welfare payments because of the social security assets test
- partners of people in employment especially precarious employment
- marginally attached to the labour force due to discouragement or other factors.

Major observations

Preliminary results from the evaluation show that 90 per cent of people attending the workshops found the program very or quite useful. This result vastly exceeded our expectations.

Even more surprising has been the impact on people’s outlook and job seeking activities following participation in the workshop. This is coming through the follow up telephone interviews quite strongly. As this was a one day event, we had modest expectations of the ongoing effect of the workshop in terms of participants embracing changes in relation to the labour market.

However, of particular note are:

- changes to job seeking techniques including –
  - use of networks and direct approaches to employers rather than relying on traditional methods such as applying through newspapers or agencies
  - changing the résumé so it is more relevant to employers needs
  - approaching service providers for assistance such as state programs or Job Network providers who came to the workshops.
willingness to pursue alternative options in employment-
- looking for part time, casual and contract work as a stepping stone to full time work
- looking for work in areas of growth such as aged care.

The objectives of both the program itself and the evaluation do not allow us to say whether or not people actually obtained employment from the program.

What made the program successful?

We speculate that the program has been successful for the following reasons:

- it is targetted specifically at mature age people
- it is interactive and allowed time for networking, discussion, feedback and input into policy
- it is affirming of mature age people’s experience and places that experience in the broader context of social and economic change
- it acknowledges the difficulties that many people experience in terms of age discrimination but sets out a range of positive strategies for moving forward in the labour market
- participation is voluntary and its delivery is mediated through COTA National Seniors as the representative body for people aged 50 and over.

The program validates what we increasingly understand around the need for special interventions for many people in mid-life who are dislocated by social and economic change. This is a new and emerging theme for academic study both in Australia and overseas. As Phillipson (2002, p20) notes in the recent Rowntree report for the UK,

*The period of ages 50-65 (for men as well as women) is now marked by complex social and demographic changes. It was suggested on page 9 that this time of life has become more crowded for existing cohorts. Midlife is no longer a plateau in this respect; people may in fact feel they are being pushed in a variety of directions, driven by changes in family life, earlier retirement, the work environment and personal relationships. There is, however, a paradox to this development: more uncertainty, more possibilities, and more potential on the one hand, but less intervention in respect of social and public policy on the other.*

The dearth of social and public policy support is very clear from our exposure to mature age people in the program over the past year:

- many participants told us that the program was the first time that they had any contact with anyone in relation to their situation;
- participants said that they were prepared to embrace change and change ingrained outlooks and attitudes but that they needed support to do so; and
participants wanted follow up from the program and further engagement in a process of improving the position of mature age people in the labour market.

many participants wanted continuing contact with others people they met at the workshop through support groups and networks

The idea that people aged 50-64 are now subject to new and intense pressures is reinforced by the analysis of Dr Martin Sicker (1998, p19). Although writing about the United States, this analysis equally applies to Australia:

_The often dramatic changes taking place in the contemporary employment environment may be seen as manifestations of several fundamental trends that are unfolding simultaneously and interdependently to produce the traumatic effects that the work force is currently experiencing. These trends include the radical restructuring of American business, the phenomenal growth of what has become known as the "contingent" or non-traditional work force, and the unanticipated decline of the "corporate paternalism" that typified the past relationship of many employers to their employees._

_Although the immediate fall-out from these developments affects the workforce as a whole the consequences for many mature and older workers and their families have been especially harsh._

In Australia, Grace Johnston has also explored these themes in her book _Aligning Your Work and Purpose_ (2000, p9)

_We are currently experiencing the breaking down of the structures we have used for much of the past 150 years to package work into jobs and remunerate people for filling roles which enable them to do the jobs. This change is one of the reasons why so many baby boomers are being marginalised……_

Our experience in running the program for mature workers suggests there is a great need for further policy development and research in terms of the effects of social and economic change on this group. Several areas warrant further investigation.

1. **Labour market policy for an ageing population**

The mature workers project suggests a need for a rethink of many aspects of labour market policy in terms of an ageing population and ageing workforce.

In terms of the ageing population and ageing workforce the focus needs to be more about

- improving labour force participation rates rather than reducing unemployment rates
- providing training and skills development which is more aligned to the background and existing skills base of mature age workers
- greater connection to the transitions that many people experience in mid life
In the future, labour market policies will need to take in a broader remit of goals encompassing:

- work to retirement transitions
- attention to genuine lifelong learning options
- innovative welfare and work combinations.
- voluntarism
- negotiated activity and outcomes
- diverse service models and choice
- strong mediation of non government organisations (NGOs) between government and older workers.

2. The case for specialised interventions for older workers

The program suggests that Australia needs specialised interventions for older workers. While these may be similar in many respects to interventions for younger people they will have a different orientation. It may be that we have a range of generalist services to cover all groups but we also need programs which specialise in mature workers. These sorts of programs are discussed in depth in the forthcoming report based on my Churchill Fellowship in Europe and the USA in 2002.

Similarities across all disadvantaged groups in the labour market cover:

- lack of appropriate skills for the new job market
- language and literacy difficulties
- inappropriate or out of date job seeking practices
- experience of discrimination along the lines of gender, disability or race.

At the same time, as we note in our project, disadvantaged older workers are characterised by:

- a long past exposure to particular working environments and/or experience in a particular occupation
- an orientation towards retirement and later life
- experience of older-age discrimination in employment
- changing personal and work-related aspirations

We have noted from our project that many people are unprepared for the sorts of adjustments that they need to make in the new social and economic environment. At the same time there are few or no supports to assist that adjustment.

While everyone is affected by social and economic changes, there are important considerations in terms of the responses that people in mid-life are able to make to these changes including:

- the need to consolidate one’s financial position with a view to retirement and older age in the short-medium term
- greater consideration of risk-taking (eg establishing a new business)
- the sense of less time available to achieve major goals (eg a 4 or 5 year university degree to qualify for a particular occupation)
- the heightened possibility of ill-health and disability.

There is a strong case for the development of specific services for mature age people in the labour market – as part of a public policy framework for an ageing workforce.

This position is at odds with that of Philip Taylor (2002, p27) who argues that …Chronological age is of limited value in determining the employment-related needs of an individual…

The crux of Taylor’s argument clusters around several issues (not all of which are discussed here):

- older workers constitute too heterogeneous a group to warrant specific targeted approaches (p40)
- preventive approaches are likely to be more effective (p41)
- the problems that an older worker experiences may have been ongoing over the life course (p 39).

It goes without saying that there is much diversity within the cohort of people aged 50-64 as there is across any age group. However, there is unquestionably a thread of common issues amongst people in that age group bar those that are exceptionally well insulated from the vicissitudes of social and economic change.

Some of these commonalities we have already touched on, but it is worth reiterating that the case for specialised services and policies is related to the particular consequences of economic and social reform for this age group at this point in time. The argument here is that the mid-life cohort has been more affected by those changes than younger groups and is less equipped to making the necessary adaptations to the new conditions.

It may be the case in the future - say in 10 years time - that as a result of the demographic transition being further advanced and younger cohorts being better prepared for the conditions of an ever-changing economic and employment landscape that such policies and services will not be needed.

Many older workers are disoriented and ill-equipped in the new economy as our interactive seminar series shows. It may be that the problems that they have experienced throughout their life have continued as Philip Taylor proposes but it is most certainly the case that any existing disadvantage is reinforced by age. It is also the fact that many people who were high level professionals and managers as younger workers find themselves on the scrapheap (as they tell us) at the age of 50 plus.

In a small, open economy such as that of Australia, it is likely that human resource practices will be conditioned on an ongoing basis by the exigencies of business competitiveness. Businesses will continuously undergo processes of restructure, merger, downsizing and failure. As a result, the experience of many people throughout their working lives will be one of uncertainty and continuous change.
All workers will need to be well-equipped to cope with this environment. It will be a responsibility of governments to ensure that adjustment is facilitated through highly flexible and responsive education, training and employment assistance programs. Young people need to be acculturated to the notion that employment in the future is likely to be contingent and unstable. They will need to foster a broad range of skills and personal attributes to cope with this environment in order to best avoid the type of problems that have beset many people in the labour market in mid-life over recent years.

An important caveat to this however, is that we need a broader debate about the costs to individuals and to society of increasing workplace insecurity. Important questions are now being raised in Australia about the impact of insecurity on family formation, home buying, and fertility rates.

While preventative approaches to labour market disadvantage are essential, it is likely that many mature age people will still fall through the gaps and be exposed to labour market difficulties. Appropriate and specialised labour market assistance will be needed for this group in areas such as training and education, career transition, job seeking strategies, personal support and counselling.

3. **Greater social assistance for people in mid-life**

This paper argues that there have been many labour force and economic changes affecting people in mid-life. It is unreasonable for governments - and the society as a whole - to expect people to manage these changes without appropriate supports especially when these changes have been imposed on people through many policy driven reforms.

With an Australian Churchill Fellowship for an international study tour in 2002, I sought out examples of programs which were providing high levels of social assistance for people in mid-life. The best example I found was the Pre Retirement Association in England which is a unique organisation in pioneering a range of innovative services for people in mid-life. It was set up in the 1960s by Age Concern (National Council on the Ageing) and undertakes a very wide range of activities including:

- professional training
- business services
- research
- advocacy

The work of the Pre Retirement Association is instructive to Australia (and possibly other countries) at a number of levels:

- the study of mid-life and pre-retirement is treated as a serious academic discipline in its own right. There are no university programs of the kind offered by PRA in Australia. The PRA has an arrangement with the University of Surrey to offer Certificate, Diploma and Masters level courses

- the courses offered to individuals encompass a very wide range of issues including health, finance, work, leisure and caring. In Australia, pre-retirement and retirement planning is

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3 See [www.pra.uk.com](http://www.pra.uk.com)
generally narrowly focussed on financial planning. There are not really any organisations offering multi-disciplinary mid-life planning programs at all on an ongoing basis.

- PRA has established pre retirement and mid life planning as a profession in its own right. With a set of professional standards, code of conduct and commitment to best practice. It is time such a profession was established in Australia.

- PRA works with business in a pro-active and positive way to obtain best practice in terms of older workers. This again would be a most useful innovation in Australia.

There is an urgent need for the development of appropriate, diversified models of social assistance for mature age people in Australia (as possibly there is elsewhere) that take account of the changing and emerging needs of the mid-life cohort.

4. Social security challenges for an ageing workforce and ageing population

Australia’s social security (income support) system at the present time is divided between the system for people of working age and the system for people who are permanently retired. This duality is to be reinforced by the Government’s plan around a single “working age” payment. The process of Welfare Reform over the past few years, has not engaged the interface between the two parts of the system. This discrepancy means that there are consistently short-falls in public policy to deal with:

- the need for people over 50 to preserve assets and savings for later life as these are often used up during spells of unemployment or underemployment

- the increasing desire and of people over the age pension eligibility age (62 for women and 65 for men) to engage in the labour market

- the development of patterns of intermittent, part-time, casual and contract employment for people over the age of 50.

The social security system contains a large number of technical difficulties, which impact on its capacity to deal with these issues. However, there will need to be some conceptual shifts in how the system is to cope with the changing nature of mid-life transitions encompassing various combinations of paid and non-paid activities.

At the present time, most retired Australians receive a means-tested age pension paid direct from taxation revenues through the social welfare system. A universal, contributory superannuation system only commenced in the 1990s and will take at least a generation to fully mature into a system which can pay an adequate retirement income to the majority of Australians. Even so, the trends in the labour market to more precarious employment suggest that many people will continuously struggle to amass sufficient capital in their accounts for a full retirement income. Gender discrepancies will continue to play a significant role.
The age pension system in its own right encompasses a number of rigidities which make it difficult for people to engage in sporadic paid employment. There is an incentive scheme, the Pensions Bonus Scheme, to delay take up of the age pension by remaining in employment for up to 5 years. By remaining in employment, an individual receives part of the pension they otherwise would have received.

However, the scheme does not provide an incentive for people to return to employment once they have claimed an age pension. Given the precarious nature of the contemporary labour market as experienced by many older Australians, it is a scheme which needs to be considerably more flexible.

**Conclusion**

The COTA National Seniors employment project suggests that significant new thinking is required in terms of social and labour market policy in relation to the ageing population and ageing workforce. In addition it is of concern that ongoing processes are still not adequately engaging in these important demographic shifts.

For example the Government’s present proposals for simplification of working age payments locks into out-dated notions of working life and retirement. Nor do the proposals recognise the new experiences of mid-life and the exposure to new forms of risk such as retrenchment, precarious employment and divorce.

It is clear that the Australian social welfare system which substantially took its present form post 1945, remains out-moded for the realities of an ageing population and ageing workforce.

**Attachment – background material presented at International Social Security Association Research Conference – University of Antwerp, 5-7 May 2003**

**Overview of Australia’s ageing population and workforce**

Australia’s population is ageing rapidly due to increased life expectancies and low birth rates. The table below shows the growth rates in the populations of a number of OECD countries. A number of factors need to be considered – some countries already have a much older population than Australia, some have lower life expectancies than Australia and some have
higher birth rates than Australia and have higher immigration. Nevertheless it is apparent that our population will age very rapidly indeed in the next 20 years according to these estimates.

<table>
<thead>
<tr>
<th>Country</th>
<th>Males Growth rate per cent, 65 and over, 2000-2020</th>
<th>Females Growth rate per cent, 65 and over, 2000-2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>26</td>
<td>21</td>
</tr>
<tr>
<td>Germany</td>
<td>34.4</td>
<td>18.3</td>
</tr>
<tr>
<td>Sweden</td>
<td>41.1</td>
<td>26</td>
</tr>
<tr>
<td>France</td>
<td>35.6</td>
<td>27.1</td>
</tr>
<tr>
<td>United States</td>
<td>58.6</td>
<td>47.1</td>
</tr>
<tr>
<td>Netherlands</td>
<td>61.7</td>
<td>43.6</td>
</tr>
<tr>
<td>Japan</td>
<td>55.4</td>
<td>46.5</td>
</tr>
<tr>
<td><strong>Australia</strong></td>
<td><strong>66.7</strong></td>
<td><strong>61.1</strong></td>
</tr>
<tr>
<td>Canada</td>
<td>71</td>
<td>61.8</td>
</tr>
</tbody>
</table>

Source: Jacobzone S, Cambois E, Chaplain E and Robine JM (1998)

This translates into the rapid ageing of the Australian workforce. At the present time, for a population of around 20 million, our workforce increases by around 170,000 per year but for the whole decade of the 2020s, there will be a mere 125,000 new entrants (Access Economics, 2000).

Many employers in Australia and in other countries are only just beginning to understand that the pool of young workers is drying up. However, research conducted in the 1990s shows that age discrimination is endemic in the Australian workforce. One study conducted by Drake International showed that amongst 500 major employers, none would employ a person over the age of 50. (Drake, 1999)

We had thought that discrimination may have been on the wane in the 21st century but older workers attending our seminars on the changing nature of the labour market maintain staunchly that age discrimination continues to be the most significant barrier they face.

Age discrimination legislation has been in place in Australia in State jurisdictions for some years and the Federal Government is currently in the process of establishing national legislation. While state age discrimination legislation has been effective in banning some of the more overt forms of discrimination (such as putting age limits in advertisements), it has had little effect on covert discrimination (decisions about hiring and firing based on age.)

The hostile labour market for older workers means that:

- around 30 per cent of people aged 50 to 64 rely on some form of social welfare payment
around 50 per cent of the population aged 50 to 64 have no paid employment

50 per cent of people becoming eligible for the means tested age pension are already receiving some form of social welfare payment (Lim-Applegate, 2002, p 8).

The table below show the very high dependence on social welfare payments for people in the immediate pre-retirement years.

<table>
<thead>
<tr>
<th>Principal source of income</th>
<th>Age 55-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and Salaries</td>
<td>43.4</td>
</tr>
<tr>
<td>Own unincorporated business</td>
<td>8.9</td>
</tr>
<tr>
<td>Government Pensions and Allowances</td>
<td>33.6</td>
</tr>
<tr>
<td>Other private income</td>
<td>12.1</td>
</tr>
</tbody>
</table>

Source: ABS, 2001, Tables 11 and 21

The effects of economic change on older workers

These outcomes for the population aged 50-64 have been developing over the past 20 years concurrent with significant restructuring of the Australian economy.

In the post war era, Australia was heavily protected by import tariffs and essentially reliant on the export of raw materials and low value-added commodities. There was a very strong public sector involvement in the economy, a heavily regulated labour market and a highly unionized workforce.

Over the last 10-20 years these conditions have been transformed in line with the determination of successive national governments, both centre-left and centre-right, to ensure our international competitiveness. These transformations include:

- floating of the Australian dollar on international currency markets
- tariff reductions
- significant deregulation of the labour market and reduction in unionisation of the workforce
- privatization and reduction in the size of the public sector in the economy
- reform of our taxation system
- significant welfare reform
- extensive micro-economic reform

In addition to these policy reforms, our economy has been subject to the full force of globalisation with many Australian-owned industries progressively being absorbed into multi-national corporations.

These changes have created the conditions for Australia becoming a very open and globalized economy particularly in the last 10 years. As a result, we have enjoyed high levels of economic growth and have weathered both the Asian meltdown of the late 1990s and the effects of the more recent shake-out in the US economy.
However, the overall effect has been profound on the structure of the labour market – and most particularly on older workers. In Australia, both public and private sector companies have targeted older workers to achieve their objectives of smaller and more flexible workforces – and often younger workforces. A very high proportion of early retirement from the Australian workforce is involuntary – not an active choice - rather than voluntary.

**Reasons for early retirement 1997**

<table>
<thead>
<tr>
<th>Males (45-64 years)</th>
<th>Females (45-64)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Involuntary retirement (54%)</td>
<td>Involuntary retirement (33%)</td>
</tr>
<tr>
<td>Voluntary retirement (44%)</td>
<td>Voluntary retirement (54%)</td>
</tr>
<tr>
<td>Family reasons (2%)</td>
<td>Family reasons (15%)</td>
</tr>
</tbody>
</table>

Source: ABS 1998

As a seniors organisation representing people aged 50 and over, it is our experience that the mid-life period of 50-64 is indeed increasingly complex and difficult for many people. Retrenchment, work place changes, divorce, caring responsibilities, extended financial responsibilities for children, and later life child bearing are some of the factors that are coming to bear on the new face of the life course for people over 50.

Consequently our work has undergone a significant shift in recent years. Traditionally we have been primarily concerned with issues relating to nursing homes, aged pensions and health care benefits. In the last 5 to 10 years we have become much more involved in the issues for the pre-retirement years particularly in the area of employment.

**References**


Johnston G (2000) *Aligning your work and purpose*, Information Australia, Melbourne


