

TABLE OF CONTENTS

COPING WITH POPULATION AGEING IN AUSTRALIA	6
The scale of the demographic problem	6
Institutional arrangements for supporting the elderly	8
Retirement income	8
Health care	14
Economic effects of population ageing under the existing framework	15
Public finances	15
National saving	17
Overall economic growth	17
Policy implications	18
The retirement decision	18
Age pension	20
Health care	22
Concluding remarks	24
BIBLIOGRAPHY	64

Boxes

1. OECD principles for population ageing reforms
2. User charges for long-term residential care
3. Effective taxation of superannuation benefits

Tables

1. Population growth
2. Features of Australian age pension
3. Coverage of occupational superannuation
4. Features of the Superannuation Guarantee
5. The taxation of superannuation
6. Superannuation benefits paid by type of fund
7. Employee superannuation contributions
8. Superannuation income for persons retiring at different times
9. Assets of pension funds
10. Returns on pension fund portfolios, 1967-90
11. Projections of total health costs under various assumptions
12. Projected public health care costs in 2030, across OECD countries
13. Comparison of disability-free and total life expectancy
14. Fiscal indicators
15. Relative hiring intensities by age group
16. Unemployment rates and the incidence of long-term unemployment
17. Labour force participation rates by educational attainment and age

Figures

1. Ageing Australia
2. Demographic projections, by age sub-group
3. Dependency ratios
4. OECD dependency ratios: an international comparison
5. Labour force participation rates
6. Labour force and employment shares in the total population
7. Share of owner-occupied housing in selected OECD countries
8. Proportion of superannuation assets not preserved
9. Quasi replacement ratios for persons aged 65-75
10. Replacement rates of expenditure in the final working year
11. Age pension outlays
12. Outlays for public pension: an international comparison
13. Health expenditure per person by age by area of expenditure
14. Health expenditure per person by survival status
15. Growth in employment, population and GDP per capita
16. Demographics and dwelling investment
17. Labour force participation rates of persons aged 55 and over
18. Expected number of years in and out of employment
19. Estimates of the average age of retirement
20. Reasons for early retirement