

Senate Economics Legislation Committee
ANSWERS TO QUESTIONS ON NOTICE
Treasury Portfolio
Budget Estimates, 31 May to 2 June 2005



Question: Bud 78

Topic: Productivity Commission –Older Australians Moving back into the Workforce

Hansard Page: E29

Senator Sherry asked:

Senator SHERRY—Let us take the mature-age people aged 45 to early 60s who are not in the work force for whatever reason. What observation was made by the report in respect of their contribution if they could be convinced to move back into the work force?

Mr Pitkethly—I will have to take that on notice. I do not know exactly what the observation was. I can only respond in the general ways I have tried to.

Answer:

In its report on the *Economic Implications of an Ageing Australia*, the Commission explored this issue by modelling a scenario whereby policy changes are assumed to result in participation for male workers aged 55 years and older increasing by 10 percentage points relative to the baseline scenario over the period to 2044-45. This was estimated to result in an improvement in GDP per capita of 1.4 per cent.

This issue is discussed on pages 132-137 of the report.