

MEDIA RELEASE

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Federal Government's incentives for older people to work good step forward for every generation

Legislation being introduced by the Federal Government today that provides incentives for older people to keep working while they received the aged pension is an important step towards breaking the barriers locking some older people out of the workforce.

Chief Executive Officer of COTA Australia – the leading advocacy organisation for older Australians - Patricia Sparrow said that the incentive isn't about forcing older people to continue to work, but rather allowing those who do wish to work to do so.

However, she also said much more needs to be done to address systemic ageism which is a major contributor to older Australians leaving the workforce.

"Making the 'work bonus', which allows people to keep working while receiving the aged pension, a permanent feature is great step forward," Ms Sparrow said.

"There's still work to be done on simplifying the system, including better aligning it with the personal tax income system, but we're hopeful that it will allow some older workers who wish to work to get back into the workforce.

"Of course, this won't solve all of the issues facing older workers. We know that systemic ageism is a major reason why many older people who want to work aren't working. This incentive payment is a piece in the puzzle, but there's much more to be done."

Ms Sparrow said COTA's recent State of the Older Nation Report showed that one in ten pensioners say they would like to remain in work and another two in ten say they'd consider returning to the workforce.

"Ageism locks many older people – including those as young as 50 – out of the workforce and forces them into retirement too early," Ms Sparrow said.

"Ensuring older workers who want to continue to work can is important for all of us – it means we can all benefit from the experience of an age diverse workforce and allows older people to continue contributing to the community in the way they want to.

"Not every older person wants to go back to work or continue to work, but there are certainly many who do and it's important that we break down the barriers that are keeping them out of the workforce.

"Older Australians are a resource that bring a wealth of experience and expertise to the workforce. Without harnessing their strengths, we're robbing people of every age.

"Embracing the contributions of older workers paves the way for a more equitable and productive society.

"We're looking forward to seeing this legislation pass swiftly through the parliament so that workers of every age can reap the benefits of getting some older workers who want to work, back into the workforce."

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