

OpEd for Daily Telegraph

By Sally Loane, CEO of the Financial Services Council

One of the positives to come from the Intergenerational Report is that women's participation in the workforce will increase. What a rich seam of wonderful employees on which to draw.

More women working, and this includes mature age women, will help grow GDP by some \$25 billion, according to the Report. And the good news is that this modern army of Rosie the Riveters will not only help the economy by working longer, they'll be able to better fund their own retirements as they'll have more savings going into superannuation.

The clear message from the 2015 Intergenerational Report released by the Federal Treasurer on Thursday is that all of us will all be working longer.

We will be living longer too, and this will be coupled with us enjoying many more 'active years' than any other generation. Retirement at 60 – unless because of poor health or caring responsibilities – is beginning to seem slightly anachronistic. Our research shows that people do want to work longer if they're fit and able. Most of us have friends and family who are sailing past 60 and still working – and importantly, enjoying it.

The message from the IGR is that we all need to make a commitment to Australia's future prosperity by continuing to contribute to productivity. Each additional year we work beyond retirement age adds \$200 billion to retirement savings. And there are flow on effects to economy through taxes, and higher levels of consumer spending.

Australia has always embraced a youth culture, and nowhere more so than in the workplace. Businesses and workplaces need to change quite quickly to lead a cultural shift to valuing older workers. The next step is to focus on training and upskilling to create new opportunities for older workers.

Attitudes towards work and towards older workers, and particularly women, need to be aligned with the 21st Century. It is no longer acceptable to dismiss the value of older workers. In fact the workplace can benefit greatly from the knowledge and diversity they bring.

Eventually of course, even the most energetic amongst will have to – and want to – retire. And we should be able to do so in comfort. This is where superannuation comes in. The objective of super was, is and must remain, the structure designed to deliver a sustainable and comfortable retirement for Australians and reduce reliance on the age pension.

A key priority for the FSC is to design a national retirement outcomes policy which utilises many levers to ensure that we can retire in a more comfortable, stable and secure way than did previous generations.

The entire economy will benefit if our retirees are able to sustain and enjoy higher levels of consumption.

And we have a responsibility to design a national retirement outcomes policy that removes dependency on the public purse.

The government needs to carefully assess the generosity of the age pension to ensure that those who need it still get it and those who can afford to pay for their retirement, do so.

The last thing we need is for our children to bear the cost of our prosperity.

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