

Economic security of older Queenslanders

To progress towards an age-friendly Queensland where seniors can keep working, learning, and building their skills, we need to understand the broader social and economic drivers impacting the decision-making of older Queenslanders regarding work and retirement.

This fact sheet examines the economic security of older Queenslanders through understanding changes over time in their labour force participation, retirement intentions, and economic situation. Where possible the data has been presented by sex to highlight disparities in the economic security of older men and women.

Who do we mean by older Queenslanders?

For this fact sheet, older Queenslanders (or seniors) refers to persons aged 65 years and over, unless specified otherwise in the text and charts.

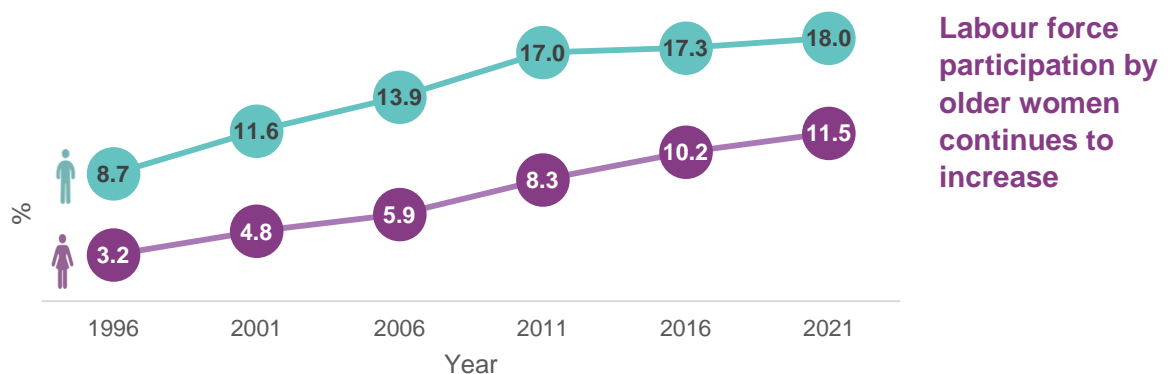
Refer to the glossary (page 10) for definitions of other terms used in the fact sheet.

More older Queenslanders in the labour force

Supporting older Queenslanders to stay in the workforce longer, or re-enter the workforce, is a priority for the Queensland Government. Older workers make an important contribution to Queensland's workforce through sharing their diverse range of skills, experiences and expertise.

At the time of the 2021 Census, around 1 in 7 (14.5%) older Queenslanders aged 65 years and over were in the labour force, up from 7.9% in 2001. Labour force participation increased for both older men and women over this 20-year period, although participation for older men has plateaued somewhat since 2011 (Figure 1).

Figure 1: Labour force participation, older Queenslanders by sex



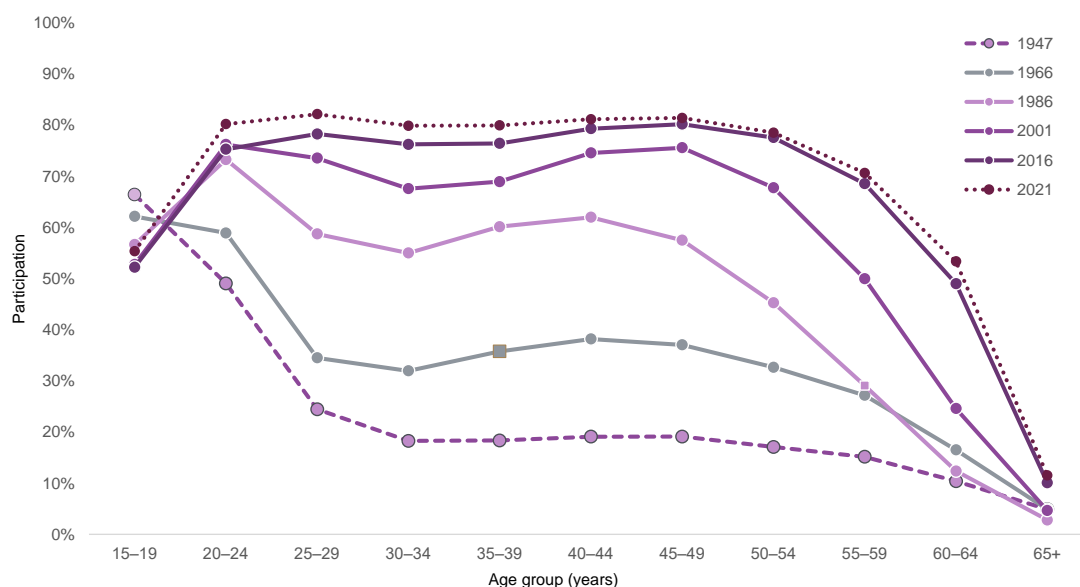
Labour force participation declines steadily with age, although participation by males is higher than females across all older age groups.



Analysis has shown that Australians are increasingly working to older ages. In the 20 years leading up to 2021, the workforce participation rate of older Australians more than doubled¹. Many older Queenslanders choose to continue working beyond the traditional retirement age to retain social connections and continue making an active contribution to their workplace. However, for some older Queenslanders there is economic pressure to remain in the workforce due to insufficient accumulation of wealth and assets to fund a comfortable retirement.

Looking ahead, factors such as insufficient retirement savings, improvements in life expectancy, increase in qualification age for the Age Pension, and policies to support mature-age workers, are expected to drive a continued upwards trend in the labour force participation of older Queenslanders.

Figure 2: Female labour force participation, over time, Queensland



By way of example, Figure 2 shows the labour force participation rates of Queensland women in selected census years from 1947 to 2021. The time period shown covers the impacts of improved education opportunities and changing social and fertility expectations. The impact of changing fertility expectations can be seen in the increasing participation rates among women of child bearing age in every Census subsequent to 1947 shown, and rates in age groups after the child bearing years also increasing.

By 2021, the fertility dip was barely apparent with labour force participation rates relatively stable from ages 20–24 years through to 50–54 years, before falling rapidly with age. The leading edge of ‘Generation X’ was in this 50–54 year old group, while the tail end of the ‘Baby Boomer’ generation were 55–59 years and starting to leave the workforce. These latter patterns, in part, may be driven by reaching the age where either the Age Pension or some form of superannuation becomes accessible. While compulsory employer superannuation was not introduced in Australia until 1 July 1992, the superannuation preservation age is currently 55 to 59 years on a sliding scale for those born before 1 July 1964, and is 60 years for those born later. Similarly, the Age Pension was available at 65 years and 6 months, for people born between 1 July 1952



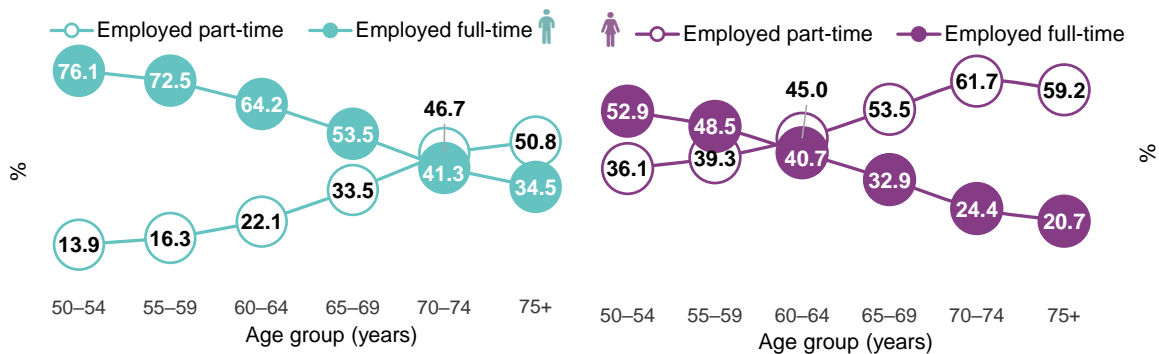
and 31 December 1953, again with a sliding scale to 67 years for people born from 1957 onwards. These sliding age scales may see female labour force participation rates continue to increase as the leading edge of 'Generation X' ages. For more information, see age at retirement intention on page 6.

Older Queenslanders more likely to work part-time

Analysis has shown that the Australians increasingly working to older ages are more likely to be doing so on a part-time basis¹. Census data shows that participation in part-time employment by older Queenslanders in the labour force has increased over the last two decades, from 44.1% in 2001 to 46.1% in 2021.

For those in the labour force in 2021, females were more likely than males to be in part-time employment across all older age groups (Figure 3). Uptake of part-time employment as people age also differed notably by sex, with more than half of males aged 65–69 years in the labour force, still in full-time employment compared with 1 in 3 females in this age cohort. Part-time employment became the more common employment type for males after their 70th birthday.

Figure 3: Older Queenslanders in the labour force by employment status¹, age group and sex, 2021



Part-time employment is used by many older Queenslanders to support a voluntary transition from full-time employment to retirement, as well as enabling balancing of work with other priorities, such as volunteering and caring responsibilities.

For example, older Queenslanders working part-time were more likely than those working full-time to be providing unpaid assistance to a person with a disability, unpaid child care and/or undertaking voluntary work (Figure 4). Across both full-time and part-time employment, women were more likely than men to undertake unpaid assistance to a person with a disability and/or unpaid child care.

¹ Charts do not include unemployed persons, who are also part of the labour force, hence the proportions shown sum to less than 100%.

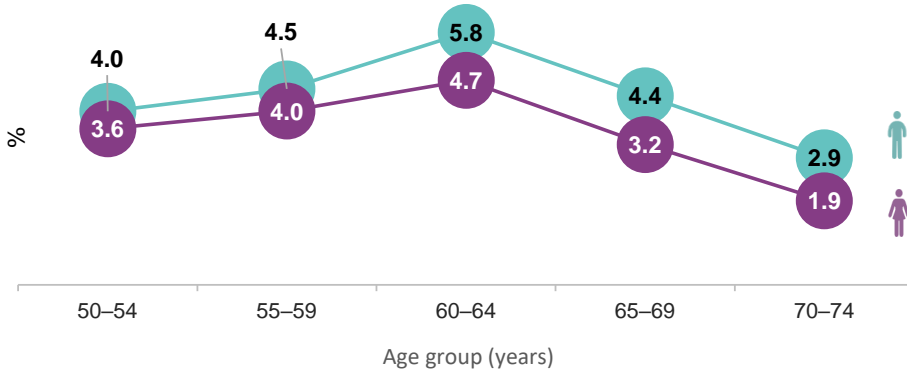


Figure 4: Unpaid assistance, childcare and voluntary work, older Queenslanders by employment status, 2021



At the time of the 2021 Census, the unemployment rate was highest for older Queenslanders aged 60–64 years, before declining notably at age 65 years and over for both males and females (Figure 5). This is largely an artefact of older people leaving the labour force altogether. Across all older age groups, the unemployment rate was higher for males compared with females.

Figure 5: Unemployment rates of older Queenslanders by selected age groups and sex, 2021



Occupation and industry of employment

For those older Queenslanders employed at the time of the 2021 Census, there were clear gender differences in both industry and occupation of employment. This is driven by several factors and has a significant impact on wealth and retirement savings, with female-dominated industries and occupations generally attracting lower wages than male-dominated industries and occupationsⁱⁱ.

Older men were more likely than their female counterparts to be employed in the male-dominated occupational groups of Managers, Technicians and trades workers and Machinery operators and drivers (Figure 6). Comparatively, older women were more commonly employed in the female-dominated occupational groups of Clerical and administrative workers, and Community and personal service workers.

Figure 6: Occupation groups of employed older Queenslanders by sex, 2021



Employed older males were more likely than employed older females to be self-employed (27.3% and 14.5% respectively); this was the case across all occupational groups except for Machinery operators and drivers.

The top three industry groups of employment for older Queenslanders in 2021 also differed by sex, with the top two industries of employment for older women considered female-dominated industries, while all three top industries of employment for older men are considered male-dominated industries (Figure 7).

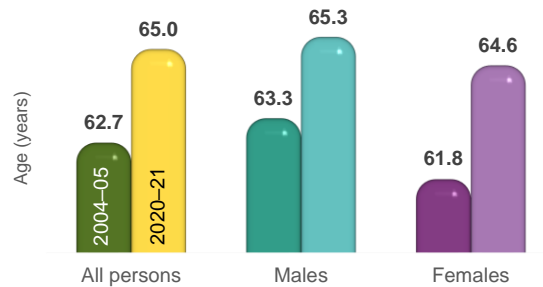
Figure 7: Top 3 industry groups of employed older Queenslanders by sex, 2021



Intended retirement age is increasing

Retirement intentions provide an insight into future trends of labour force participation by older Queenslanders. The decision about whether, and when to retire depends on many factors, including consideration of health and economic circumstances, job availability, working arrangements and family commitments, as well as reaching the eligibility age for an age or service pension¹.

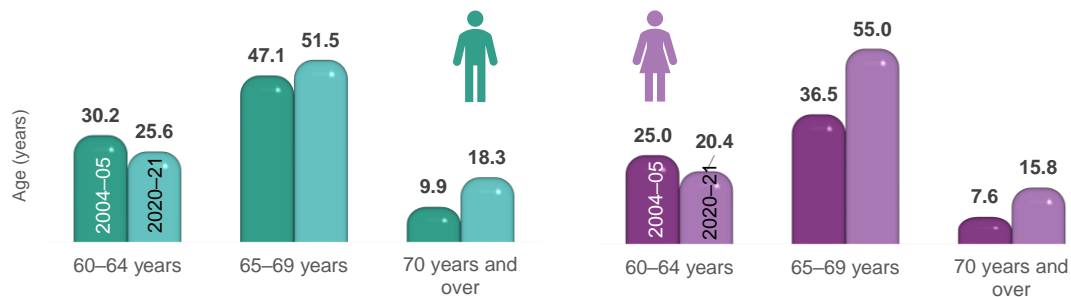
Figure 8: Average age of intended retirement, persons aged 45 years and over in the labour force, 2004–05 and 2020–21



In line with increasing labour force participation of older Queenslanders, there has been an upwards shift in the average age of intended retirement over time, with this shift particularly notable for women (**Error! Reference source not found.**). The large shift in intended average retirement age for women has been driven by an increase in the proportions of women intending to retire between 65–69 years of age (55.0%) and 70 years or older (15.8%) (Figure 9).

Males have also experienced a shift in retirement intentions towards 70 years or older, with the overall proportion of Queenslanders over the age of 45 intending to retire at age 70 years or older almost doubling, from 8.9% in 2004–05 to 17.2% in 2020–21.

Figure 9: Proportion of persons aged 45 years and over in the labour force by sex, 2004–05 and 2020–21 — age of intended retirement



In 2020–21, financial security, and personal health or physical abilities were the most common factors nation-wide influencing decision-making about when to retire.

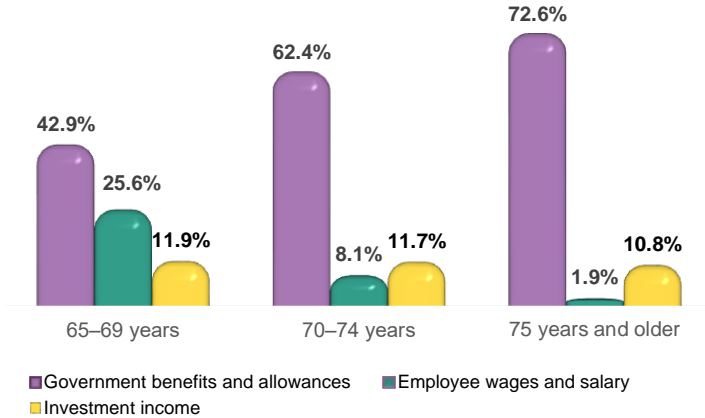
Majority of older Queenslanders rely on government pensions and allowances

In 2021, reliance on government benefits and allowances as the main source of income among older Queenslanders increased with age— almost 3 in 4 people aged 75 years and older compared with fewer than half of those aged 65–69 years (Figure 10).



Investment income as the main income source was relatively stable across age groups. In each age group, women were more likely to be reliant on government benefits and allowances than men. This difference is likely to be driven in part by historical factors around labour force participation and access to superannuation etc. as noted earlier.

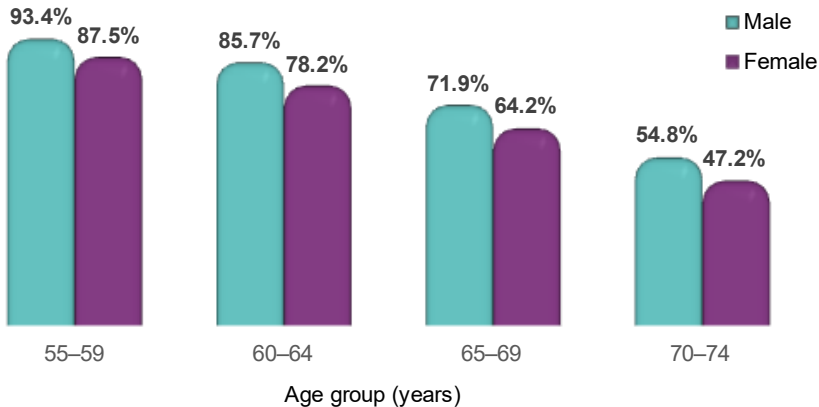
Figure 10: Main source of personal income, Queensland, 2021



Spotlight on superannuation

Taxation data show that around 403,593 older Queenslanders had an active superannuation account in 2020–21 (includes those with non-zero balance and/or active current year contributions). Coverage rates varied with age and sex however, for example, an estimated 71.9% of 65–69 year old males had active accounts, falling to 54.8% among 70–74 year old males (Figure 11).

Figure 11: Proportion of people with active superannuation accounts, Queensland, 2020–21



While the proportion of persons approaching retirement with no superannuation has been trending down, these figures still represent a significant proportion of the population who will likely be relying on government pensions and allowances to fund their retirementⁱⁱⁱ.

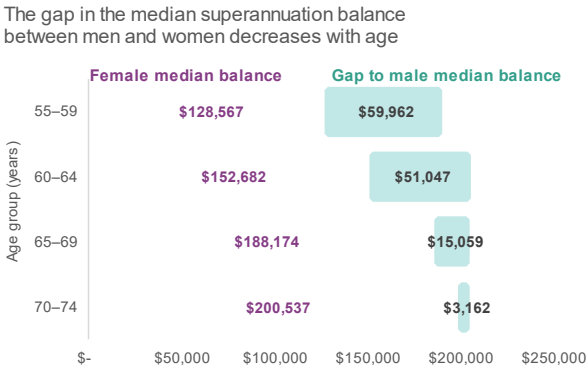


In addition to the gender gap in superannuation coverage, there was also a demonstrable gender gap in the median superannuation balances among older Queenslanders in 2020–21 (Figure 11).

This gap is the result of women’s interrupted participation in the labour force, and industrial and occupational gender segregation resulting in unequal remuneration^{iv}.

Never-the-less, median balances have been growing over time because of continued contributions, both employee and employer, and cumulative investment returns^v.

Figure 12: Median superannuation balance gap, 2020–21



Economic wellbeing is dependent on income, wealth and household spending

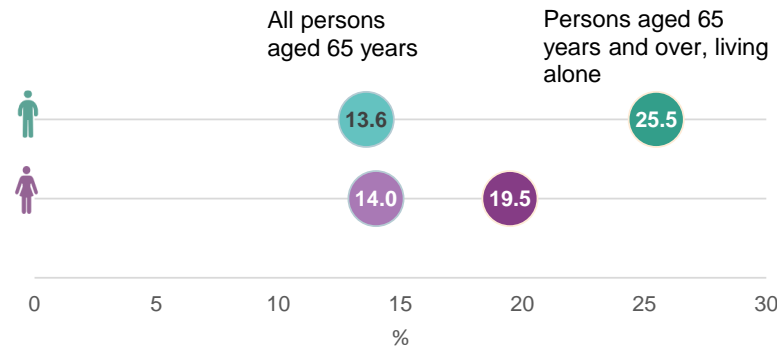
More than 1 in 8 males and females aged 65 years and over were estimated to be living in low economic resource households nationally in 2017–18 (Figure 13).

Who do we mean by low economic resource households?

People with low economic resources (i.e. low consumption possibilities) are those in households in the lowest two quintiles (i.e. 40%) of both equalised disposable household income and equalised household net worth.

However, older males living alone were far more likely than older females to be living in a low economic resource household, representing a notable difference in living circumstances between the sexes.

Figure 13: Proportion of older persons living in low economic resource households by sex, 2017–18





Glossary

Equivalisation is a method of standardising the income of households to take account of household size and composition differences. This enables more meaningful comparisons to be undertaken across different households.

Government benefits and allowances include are income support payments from government to persons under the social security and related government programs. Included are pensions and allowances received by aged, disabled, unemployed and sick persons, carers, families and children, veterans or their survivors, and study allowances for students.

Hours worked (Census) – A person works part-time if they worked less than 35 hours and full-time if they worked 35 hours or more in all jobs during the week prior to Census night.

Labour force includes people who were employed or who were unemployed and actively looking for work.

Data notes

- a) All data in this fact sheet were the most recent at the time of preparation and represent Queensland-specific data unless otherwise specified. Data in this fact sheet may differ from data in other publications due to revisions and different calculation methods.
- b) All charts have been produced by the Queensland Government Statistician's Office.
- c) Retirement calculations exclude persons who did not know the age at which they would retire. Data for intention to retire between 45–59 years not charted due to unreliability of data.
- d) All Census analysis is based on usual resident counts, except 1996 labour force data which was place of enumeration.
- e) Labour force and employment analysis presented in this fact sheet is based on Census data. These estimates are different from those produced from the ABS Labour Force Survey due to differences in purpose, scope, frequency and mode of collection.
- f) All labour force, employment, industry and occupation calculations have been based on exclusion of 'Not stated' from the denominator. Data for 'Employed, away from work' not charted.
- g) For main source of personal income:
 - a. own unincorporated business income not charted due to unreliability of data.
 - b. superannuation data are under-recorded as a main source of income
<https://www.abs.gov.au/census/guide-census-data/census-dictionary/2021/variables-topic/income-and-work/main-source-personal-income-administrative-data-isap>
- h) Superannuation account coverage: Number of individuals is likely to include double counting where a valid Tax File Number was not provided. Only individuals with a non-zero account balance or current year contributions are included.
- i) Superannuation averages and medians include only individuals who had a non-zero value for the field.

Data sources

ABS 4125,0, *Gender Indicators, Australia*, 2020, published 15 December 2020.

ABS, *Retirement and Retirement Intentions*, Australia, various editions.

ABS, *Household Income and Wealth, Australia*, 2019-20, published 28 April 2022.

ABS *Census of Population and Housing: TableBuilder Pro, Australia*, 2011, 2016 and 2021.

ABS, *Census of Population and Housing: Usual Residents Profiles*, 2001 and 1996.

ATO, *Taxation Statistics 2020 –21*, [Individuals statistics | Australian Taxation Office \(ato.gov.au\)](https://www.ato.gov.au/Individuals-statistics), accessed March 2024



End notes

- ⁱ Australian Government Australian Institute of Health and Welfare, *Older Australians*, updated June 2023. <https://www.aihw.gov.au/reports/older-people/older-australians/contents/employment-and-work>.
- ⁱⁱ Australian Government Workplace Gender Equality Agency, *Gender segregation in Australia's workforce*, April 2019. Female-dominated classified as 60% women or more and male-dominated classified as 40% women or less.
- ⁱⁱⁱ Australian Government Department of Social Services, *Pension Review Background Paper*, 2008. <https://www.dss.gov.au/our-responsibilities/seniors/publications-articles/pension-review-background-paper?HTML>
- ^{iv} Australian Government Workplace Gender Equality Agency, *Women's economic security in retirement Insight Paper*, February 2020.
- ^v The Association of Superannuation Funds of Australia Limited, *Superannuation account balances by age and gender*, November 2023.