

Demographic profile

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AGE, SEX AND CULTURAL DIVERSITY

In December 2003, the Australian population reached 20 million people. Based on the 2006 Census, by 31 December 2006, it had increased to 20,701,488, 13% of whom were aged 65 years and over and 18% of whom were aged 50–64 years (Table A1.1, ABS 2007b). Throughout this publication, the term 'older people' is used to refer to people aged 65 years and over. In a number of topics the characteristics of other mature-age people (aged 50–64 years) may also be reported where this provides a useful perspective on how future cohorts of older people may be similar or different from current cohorts.

Mature-age and older Australians are a heterogeneous group. Grouping all Australians aged 65 years and over into one category spans an age range of almost 40 years—similar to grouping the population aged 20 to 60 years into one population. The health, family circumstances, physical abilities, economic circumstances and service needs of an average 65 year old are likely to be very different from those of a 90 year old. In addition there is a considerable diversity of backgrounds and a variety of lifestyles, living arrangements, family circumstances and cultural, social and religious practices. Finally, the health status, activity and interaction with social and government systems that contribute to the health and welfare of Australians vary widely. These differences emerge very clearly in many sections of this publication.

Age

Preliminary aggregate data from the 2006 Census reveal that there were 2,687,000 people aged 65 years and over in Australia (Table 1.1). Australians enjoy one of the highest life expectancies in the world. A girl born in the period 2003–2005 can expect to live 83.3 years and a boy born during the same period can expect to live 78.5 years (AIHW 2005b) (see also Topic 16: *Life expectancy and burden of disease*). A significant proportion of people in Australia are now aged 75 years and over (6.2%) (Table 1.1).

Table 1.1: Census-adjusted estimated resident population for Australia, 30 June 2006

		Per cent of	Per cent of
Age (years)	Number	65+ population	total population
Females			
0-49	7,123,277		34.4
50-64	1,811,258		8.7
65-74	720,303	26.8	3.5
75-84	538,658	20.0	2.6
85+	217,654	8.1	1.1
Total females 65+	1,476,615	55.0	7.1
Total females	10,411,150		50.3
Males			
0-49	7,268,011		35.1
50-64	1,811,828		8.8
65-74	688,004	25.6	3.3
75-84	418,158	15.6	2.0
85+	104,337	3.9	0.5
Total males 65+	1,210,499	45.0	5.8
Total males	10,290,338		49.7
Persons			
0-49	14,391,288		69.5
50-64	3,623,086		17.5
65-74	1,408,307	52.4	6.8
75-84	956,816	35.6	4.6
85+	321,991	12.0	1.6
Total persons 65+	2,687,114	100.0	13.0
Total persons	20,701,488		100.0

Source: ABS 2007b.

Just over half (52%) of all older people in 2006 were aged 65–74 years (Table 1.1). About one-third (36%) were aged 75–84 and 12% were aged 85 years and over. On 30 June 2006, there were 2,441 people (460 males and 1,981 females) in Australia aged 100 and over (ABS 2007b).

The preliminary estimate for the older population from the 2006 Census is lower than the 2006 estimated population aged 65 years and over based on the 2001 Census and updated using births, deaths and migrations data (2,734,000) (which is still the basis for estimates of the age structure of the Indigenous population and of populations from different cultural and linguistic backgrounds) (Table 1.2, ABS 2007b). The difference between these two estimates is called the intercensal error and is consistent for each 5 year age group in the older population (1–2%) for both men and women up to age 85 years and over. For this age group the intercensal error is 6% for men and 4% for women.

Sex

Women of all cultural backgrounds in Australia tend to live longer than men do (ABS 2002a: 8-9). Whereas the proportion of men and women aged 50-64 years are similar (50% in 2006), women make up a greater proportion (55%) of older Australians, and their predominance increases with age. In 2006 the proportions of women in the 65-74 years, 75-84 years and the 85 years and over age categories were 51%, 56% and 67% respectively. However, as life expectancy of males is increasing faster than that of women, the predominance of women in older age groups is now decreasing. The proportion of women in the 65–74 years age group peaked at 56% in 1965, the proportion in the age group 75-84 peaked at 64% in 1975, and the proportion in the 85 years and over age group peaked at 73% in 1983. In contrast, although the proportion of women in the 50–64 year age group peaked at 51% in the period just after World War II and again in the early 1970s, generally this has fluctuated between 49% and 50% since 1929 (ABS 2006e).

	Australian	-born	Overseas-l	oorn ^{(a) (b)}	Tot	al			
				English-					
		Non-	Other	speaking					
Age (years) / sex	Indigenous ^(a)	Indigenous	countries	background	Per cent	Number ^(a)			
Per cent of older Australians (65+)									
Females									
65-74	0.2	16.9	5.9	3.6	26.6	728,496			
75-84 ^(c)	0.1	13.7	3.9	2.3	19.9	545,183			
85+	_	6.1	1.1	1.1	8.3	226,993			
Total 65+	0.3	36.6	10.9	7.1	54.9	1,500,672			
Males									
65-74	0.2	15.3	6.2	3.8	25.2	697,645			
75-84 ^(c)	0.1	9.9	3.4	2.1	15.5	424,790			
85+	-	2.8	0.7	0.6	4.1	111,000			
Total 65+	0.2	28.0	10.4	6.5	45.1	1,233,435			
Persons									
65-74	0.4	32.2	12.1	7.5	52.2	1,426,141			
75-84 ^(c)	0.2	23.6	7.3	4.4	35.5	969,973			
85+	_	8.8	1.9	1.7	12.4	337,993			
Total 65+	0.5	64.4	21.3	13.6	100.0				
Total 65+ (number)	14,091	1,766,314	583,181	370,521		2,734,107			

Table 1.2: Estimated resident population aged 65 and over, by cultural diversity, age and sex, 30 June 2006

(a) Limited aggregate population data from the 2006 Australian Census was released during the preparation of this topic. Because the age and sex breakdown for the Indigenous population and for the overseas-born population had not been released, this table presents the estimated resident population at 30 June 2006 based on 2001 Australian Census data. The preliminary age and sex breakdown of the total Australian population based on the 2006 Australian census is presented in Table 1.1.

(b) The cultural diversity classification for overseas-born people is based on country of birth. The English-speaking-background category consists of people whose country of birth was New Zealand, United Kingdom, Ireland, United States of America, Canada, and South Africa. The 'Other countries' category consists of people born overseas in other countries.

(c) Age category for Indigenous Australians is 75+.

Sources: ABS 2004c, 2006d, 2007g.

Aboriginal and Torres Strait Islander peoples

In 2006, Indigenous Australians aged 65 years and over constituted only 0.5% of all older people, much smaller than their representation among the population generally (2.5%) (Table 1.2). This is the result of a much lower life expectancy—approximately 17 years lower than for the total population. The gap in life expectancy between Indigenous and non-Indigenous Australians is smaller at older ages. Life expectancy at age 65 is estimated to be 10.7 years for Indigenous males and 12.0 years for Indigenous females, around 6 years less for men and 8 years less for women than for Australian males and females respectively (AIHW 2005b; Kinfu & Taylor 2002) (see also Topic 42: Older Aboriginal and Torres Strait Islander peoples).

The 14,000 Indigenous people aged 65 years and over represented just 2.8% of the Indigenous population (ABS 2004c). Because of the life expectancy gap between Indigenous and non-Indigenous Australians, and the very low proportion of the Indigenous population who are aged 65 years and over, the 'older Indigenous' population is generally considered to include all those who are aged 50 years and over. In 2006, 11% of Indigenous Australians were aged 50 years and over. Women made up 53% of Indigenous Australians aged 50 years and over, and 55% of those aged 65 years and over (ABS 2004c).

People born overseas

The cultural diversity of the older population has been growing, reflecting the immigration policies of the postwar period. In 2006, 35% (953,702 people) of older people were born overseas, with 39% of these coming from English-speaking countries, and 61% from non-English-speaking countries (see also Topic 43: *Older people from non-English-speaking countries*).

The mix of cultural backgrounds varies from cohort to cohort. The proportion of older overseas-born people from English-speaking countries was highest among the very old (47% for those aged 85 and over but only 38% each for people aged 65–74 years and 75–84 years). In contrast, the proportion of older overseas-born people from non-English-speaking backgrounds was highest among the age groups 65–74 years and 75–84 years (62% each), with the comparable figure for those aged 85 and over being 53%. Among mature-age people (aged 50–64 years) 34% (1,249,231) were born overseas, 40% of whom were born in English-speaking countries (Table A1.2).

For older people born overseas in countries where the main language is not English, the most common countries were Italy, Greece, Germany, the Netherlands and China. However, the proportions of older people born in each country were not consistent across the age groups, reflecting the waves of immigration that occurred at different points in time (Figure 1.1 and Table A1.2). For instance, people from Greece are more strongly represented among the 65–74 year age group than other age groups. The Polish population has one of the older population profiles (4% of people aged 75-84 were born in Poland compared with only 1% in the 65–74 and 50–64 year age groups). In contrast the Vietnamese have a younger age profile with 3% of people aged 50-64 born in Viet Nam compared with smaller proportions of older age groups (1.5% to 1.6%).

This pattern will change over the next two decades as postwar immigrants reach these age groups.

Figure 1.1: Selected countries of birth of overseasborn Australians, by age, 2006



Source: Table A1.2.

THE CHANGING DEMOGRAPHIC PROFILE

2

Population ageing in Australia is a well-recognised demographic change which is projected to have major effects on the future size and composition of the Australian population, and consequently on economic growth and government expenditure. This topic looks at population ageing in Australia and how it compares with the experience in other countries.

Changes in population size and composition are also occurring at the state, regional and local levels, with population ageing a more striking feature of some local areas than others. The geographical distribution and mobility of older Australians (including the 'sea-change' phenomenon) have major implications for government, business, communities and individuals, and have generated much economic and social policy debate around issues such as income support, the provision and funding of health and aged care services, and family and community care.

Population ageing

Australia's total population is projected to increase over the next few decades. However, it is also ageing, meaning that the number and proportion of older people in the population is increasing. In Australia, this is the result of sustained low fertility levels and increasing life expectancy. Population ageing is not a new phenomenon in Australia but has been occurring over most of the twentieth century (except during the high-fertility postwar baby boom).

At 30 June 2006, 2.7 million Australians were aged 65 years and over (Table 2.1), representing 13% of the population. Of these, 52% were aged 65–74 years, 36% were aged 65–74 years and 12% (333,000) were aged 85 years and over (see also Topic 1: *Age, sex and cultural diversity*). Table 2.1 also shows the projected growth in the size of older population in absolute terms from 2006 to 2036. In the 30 years to 2036, the number of people aged 65 years and over is expected to more than double, from 2.7 million to 6.3 million, and will represent 24% of the total population at that time.

Over the next 30 years, the older population will also continue to change in its internal age structure. The number of older Australians aged 85 years and over, among whom the need for services and assistance is greatest, doubled over the past 20 years and is

Table 2.1: Population aged 65 and over, by age and sex, 2006 to 2036

Age (years)/Sex	2006 ^(a)	2016 ^(b)	2026 ^(b)	2036 ^(b)
Females				
65-74	730,000	1,091,000	1,368,000	1,498,000
75-84	547,000	624,000	957,000	1,207,000
85+	225,000	330,000	418,000	653,000
Total females 65+	1,502,000	2,045,000	2,744,000	3,357,000
Total females	10,330,000	11,441,000	12,469,000	13,306,000
Males				
65-74	700,000	1,057,000	1,294,000	1,424,000
75-84	425,000	536,000	849,000	1,057,000
85+	108,000	191,000	272,000	456,000
Total males 65+	1,233,000	1,784,000	2,416,000	2,937,000
Total males	10,225,000	11,368,000	12,405,000	13,230,000
Persons				
65-74	1,430,000	2,147,000	2,663,000	2,922,000
75-84	972,000	1,160,000	1,806,000	2,264,000
85+	333,000	521,000	690,000	1,108,000
Total persons 65+	2,735,000	3,829,000	5,159,000	6,294,000
Total persons	20,555,000	22,808,000	24,873,000	26,536,000

(a) Cencus-adjusted estimateed resident population, 30 June 2006.

(b) Projections based on 2001 Australian census data..

Source: ABS 2006t, 2007b.

projected to increase more rapidly than other age groups: from 333,000 in 2006 to 1.1 million in 2036 (from 1.6% to 4.2% of the total population). People aged 85 years and over are also projected to increase their share of the total older population from 12% of older Australians in 2006 to 18% in 2036. Over this period, the number of centenarians is projected to increase from less than 5,000 to more than 25,000 (ABS 2006t).

International comparison

Population ageing is common to most developed countries and, as in Australia, is caused by sustained low fertility and increasing life expectancy. In 2005, the age structure of Australia's population was similar to that of Canada and the United States of America (Table 2.2). Generally, the European countries and Japan had smaller proportions of children and higher proportions of older people than Australia. In contrast, other countries in Asia tended to have proportionally more children and far fewer older people, generally reflecting considerably higher fertility rates and lower life expectancies at birth than those experienced in Australia.

Geographical distribution

The age structure of the population varies across the different geographical regions of Australia, which has implications for the provision and funding of services for older Australians. When this report was prepared, population distribution estimates were not available from the 2006 Census at regional and local levels, so the basis for the following analysis is the 2001 Census.

In 2001, South Australia had the highest proportion of people aged 65 years and over (14.7%) followed by Tasmania (13.9%), then New South Wales and Victoria (13.1%) (ABS 2003b). Of the population residing in major urban areas, 12.5% were aged 65 years and over. The proportion was larger in other urban areas (14.4%) and in larger rural areas (13.9%), but lower in the rural balance (9.5%).

2005 2010 Fertility Life expectancy at rate^(a) Median age Median age birth^(b) Aged 65+ Aged 65+ Per cent Years Per cent Years **Years** Rate Italy 20.0 42.3 21.1 44.3 1.4 80.6 Japan 19.7 42.9 22.4 44.4 1.4 82.8 Greece 18.2 39.7 18.4 41.5 1.3 78.7 Sweden 17.2 40.1 18.6 41.1 1.7 80.8 France 16.6 39.3 16.940.5 1.9 80.0 United Kingdom 16.0 39.0 16.5 40.3 1.7 79.0 Canada 13.1 38.6 14.2 40.1 1.5 80.7 Australia 14.3 82.0 13.1 36.7 38.2 1.8 United States of America 12.3 12.8 36.1 36.6 2.0 77.9 New Zealand 12.3 35.8 13.2 37.0 2.0 79.8 12.0 38.9 12.4 41.1 82.2 Hong Kong (SAR of China) 1.0 35.1 Korea, Republic of 9.4 11.3 38.0 1.2 78.2 Singapore 8.5 37.5 10.0 40.6 1.3 79.4 China (exc. SARs & Taiwan) 7.6 32.6 8.3 34.9 1.7 72.6 Indonesia 26.5 28.2 2.2 5.5 6.0 68.7 Viet Nam 26.9 5.4 24.9 5.4 2.1 71.9 India 5.3 24.3 5.7 25.6 2.8 64.9 Malaysia 4.6 24.7 5.1 26.3 2.6 74.1 South Africa 4.2 23.5 5.1 23.9 2.6 44.1 Philippines 43 23.6 71.6 3.9 22.2 2.8 Papua New Guinea 2.5 20.7 3.6 57.1 2.4 19.7

Table 2.2: Population age structure, international comparison, 2005 and 2010

(a) Births per woman aged 15–49. ABS projections are medium variant projections for the period 2005–2010.

(b) ABS projections are medium variant projections for the period 2005-2010, for males and females combined.

Source: ABS 2006s: Table 2.

At the more local level, the highest concentrations of people aged 65 years and over were located mainly in the coastal areas in the eastern states of Australia. Of the ten statistical local areas with the highest proportions of older people, nine were coastal locations, mainly in Queensland, but also in New South Wales, Victoria and South Australia. The highest were Queenscliffe (Vic), Victor Harbour (SA) and Bribie Island (Qld) with each having 30% of their population aged 65 years and over.

Ageing in regional areas is affected most by the proportion and age structure of people entering or leaving an area, rather than influences such as fertility and mortality which underlie population ageing in Australia as a whole. A region's population will age if a relatively large number of older people move into an area, perhaps attracted by comparatively lower living costs or by lifestyle opportunities (ABS 2003b). Conversely, a region's population will age if relatively large numbers of young people leave the area (e.g. because of educational and employment opportunities in other locations). About 40% of the population moved residence between the 1996 and 2001 Censuses. Mobility rates were lowest for those aged 65-74 years (20%) and 75-84 years (19%), then increased with age—85–94 years (26%) and 95 years and over (31%), possibly reflecting a tendency of the very old to move closer to family members or into more suitable accommodation as their need for care and support increased.

Retirees and the sea change phenomenon

The movement of significant numbers of people from metropolitan areas and regional cities to coastal areas has become commonly known as the 'sea change phenomenon' and has attracted considerable attention at local and national level (Gurran et al. 2005). In Australia's coastal regions, the largest increase in population between 2000 and 2005 occurred in the Gold Coast–Tweed region, up by an average 14,500 people per year (or 3.3% per year). Mandurah, to the south of Perth, recorded the fastest growth over the same period, with an average growth rate of 5.1% per year. This growth was also faster than any capital city. Hervey Bay experienced the second fastest growth (up 4.3% per year) followed by the Sunshine Coast (3.5% per year) (ABS 2006f). In fact, the rate of growth in many coastal local government areas is equivalent to or higher than that of metropolitan areas.

Although retirees have contributed to the sea change phenomenon, contrary to popular belief they have not been the major drivers of coastal population growth (Gurran et al. 2005). For example, during the year before the 2001 census, 79% of people who moved to 'sea change' areas were less than 50 years old (ABS 2004h). In fact, new residents of high-growth coastal regions have actually had a younger age profile than Australia as a whole and significantly younger than the existing profile of communities affected by the sea change phenomenon. Nevertheless, the spending patterns of retirees moving to the coast, combined with tourism spending, determine many of the jobs and business opportunities that attract workforce age migration (Smith & Doherty 2006).

Of new residents aged 55–64 years (the ages associated with early retirement) in high-growth coastal areas, 44% had come from capital cities, 32% from a large population centre (e.g. Newcastle, Geraldton) and 24% from country areas. The origins of new residents aged 65 years and over, who would mainly have been retirees, were a little more evenly spread—39% had come from a capital city, 34% from a large population centre, and 26% from a country area (ABS 2004h).