

MY LONGEVITY

What the Budget means for longevity

A longevity article about government budgets may be a bit much among all the commentary relating to the May 2018 Federal Budget. But the Budget brings to front of mind some important issues that impact on each of us.

The trends in Australia are typical of developed countries.

- The proportion of people past midlife is growing faster than that of working people as a whole
- With increasing longevity there is increasing demand for services including health, accommodation and aged care
- Income support (age pension) is putting increasing pressure on funding, as is the rising cost of superannuation support.

Governments are concerned at their ability to support older people in traditional ways, such as through pensions and aged care support. As we age, we become more different from each other not more alike. So the range of services is also having to be broadened to reflect the more diverse impacts of increasing longevity.

It's clear that older people need to remain self-reliant for as long as possible in every possible way if they want to maintain control over their future.

Stick and Carrot

There is a bit of stick and carrot in the government response to this major demographic shift, some of it pre-dating the current Budget.

The stick is in steadily increasing the age of entitlement to the Age Pension, reducing access to the part pension and putting a cap on superannuation contributions and entitlements.

The carrot is in helping and encouraging older people to improve the rest of their lives through:

- Support for remaining longer in paid work
- Drawing down on the value in their home
- Improving aged care support
- Wider access to medical support

These may not always be fair or adequate. However, over the past year or so governments are slowly acknowledging the major social and financial impact of a growing older population.

Saying is one thing, doing is another

Whether or not governments are reacting quickly enough, we can make an informed response for our own future even though we can't be sure of what the future holds.

If we develop a plan and know why, when our circumstances or goals change we can address what will be different and plan a response.

Our plan should include seeking more interdependence with family and friends. This improves the quality and efficiency of our lives. The longer we live, the longer we have for meaningful contributions to our own welfare as well as to others, who can reciprocate.

Much of the public dialogue about longevity focuses on its costs. Some of this is designed to scare you into defensive action, especially financially. Fear comes from ignorance.

Informed older people have much to look forward to. A major website development will occur in July. It will guide you in taking more control over the rest of your life and also prepare you for contact with your advisers in health, finance and law.

As an existing member of our service you will get preferred access. Please encourage others to become members now as they will also benefit once our upgrade is complete.

David Williams