

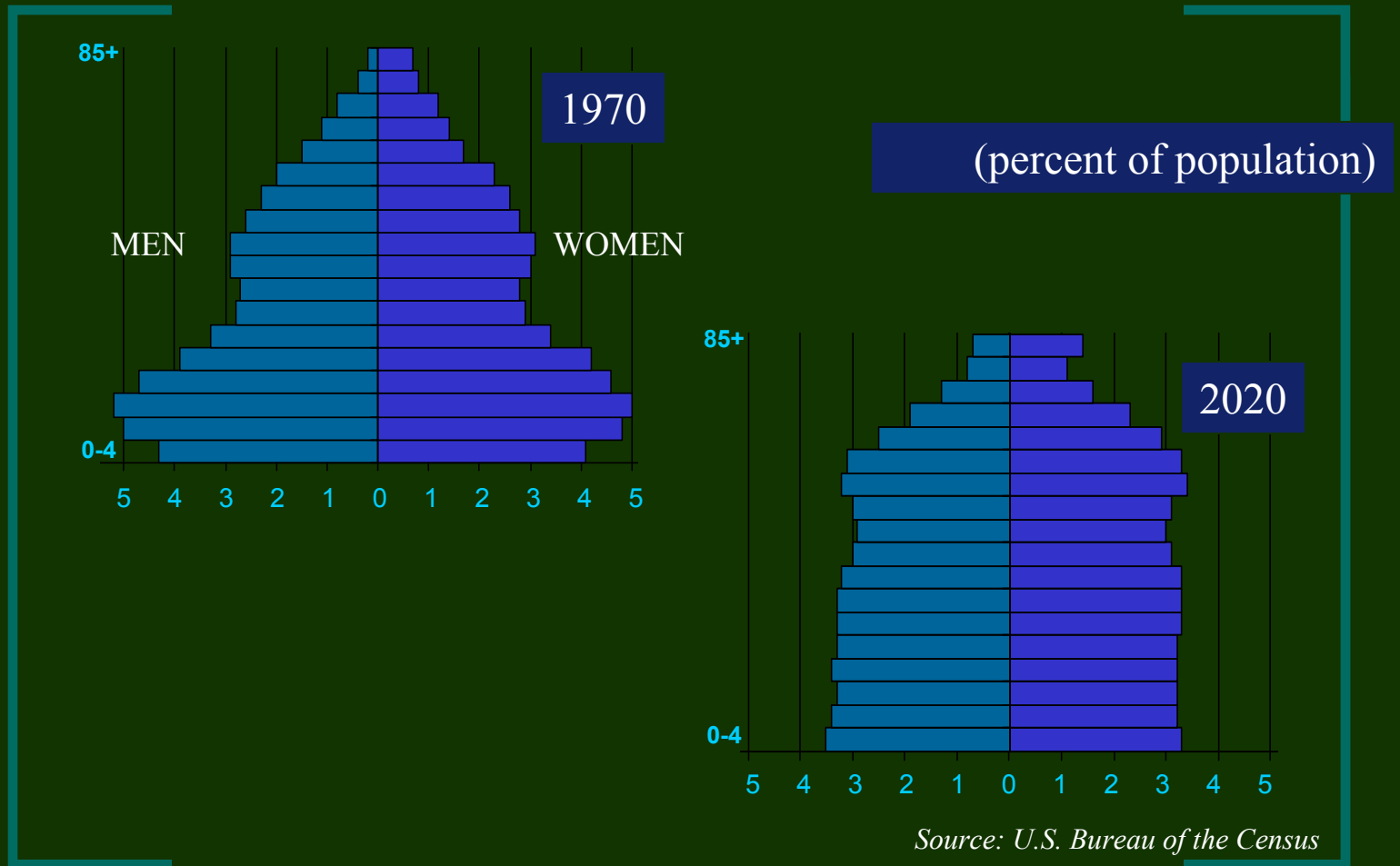
*The New Demographics
of Aging*

*Martha
FARNSWORTH
RICHE
ASSOCIATES*

Why populations are aging

- Life expectancy continues to increase
- Fertility rates are stable or even declining
- So older people make up a larger share of the population

From Pyramids to Pillars



How work forces are changing

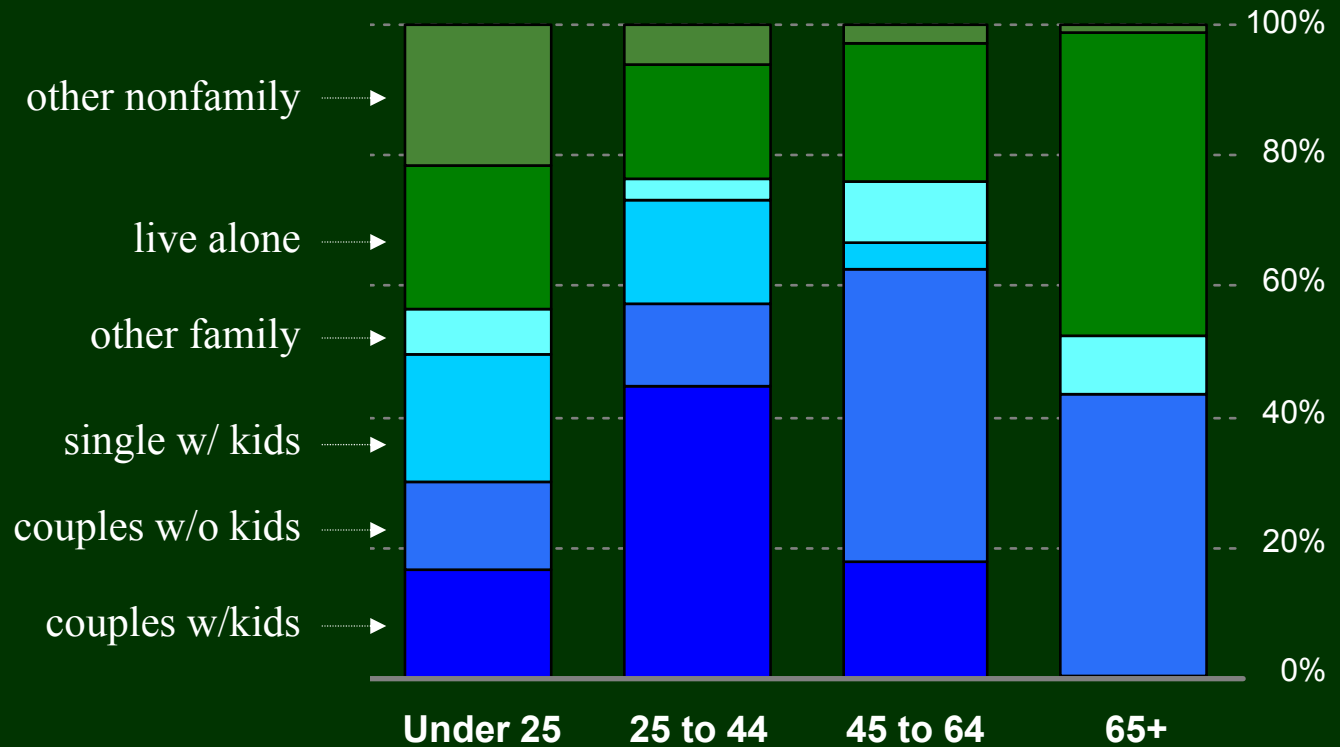
- Older people are a larger share of the work force
- Younger people are becoming attached to the labor force later
- Work-life patterns are less predictable
- Pension plan and other employment changes create uncertainty about retirement income

How the aging are changing

- Healthy life expectancy is increasing
- Educational levels are improving
- Family situations are more diverse

The Life Stage of Households

(households by age of householder, 2000)



Implications for health care

- Less family support available
 - Fewer children per person
 - More “distanced” children
 - More “unpartnered,” especially women
- Make living arrangements a major cost/delivery issue

Implications for work

- Older people have more work-related capabilities
 - Health status
 - Educational attainment
- Fewer jobs require physical strength
- Older people have less work/family conflict

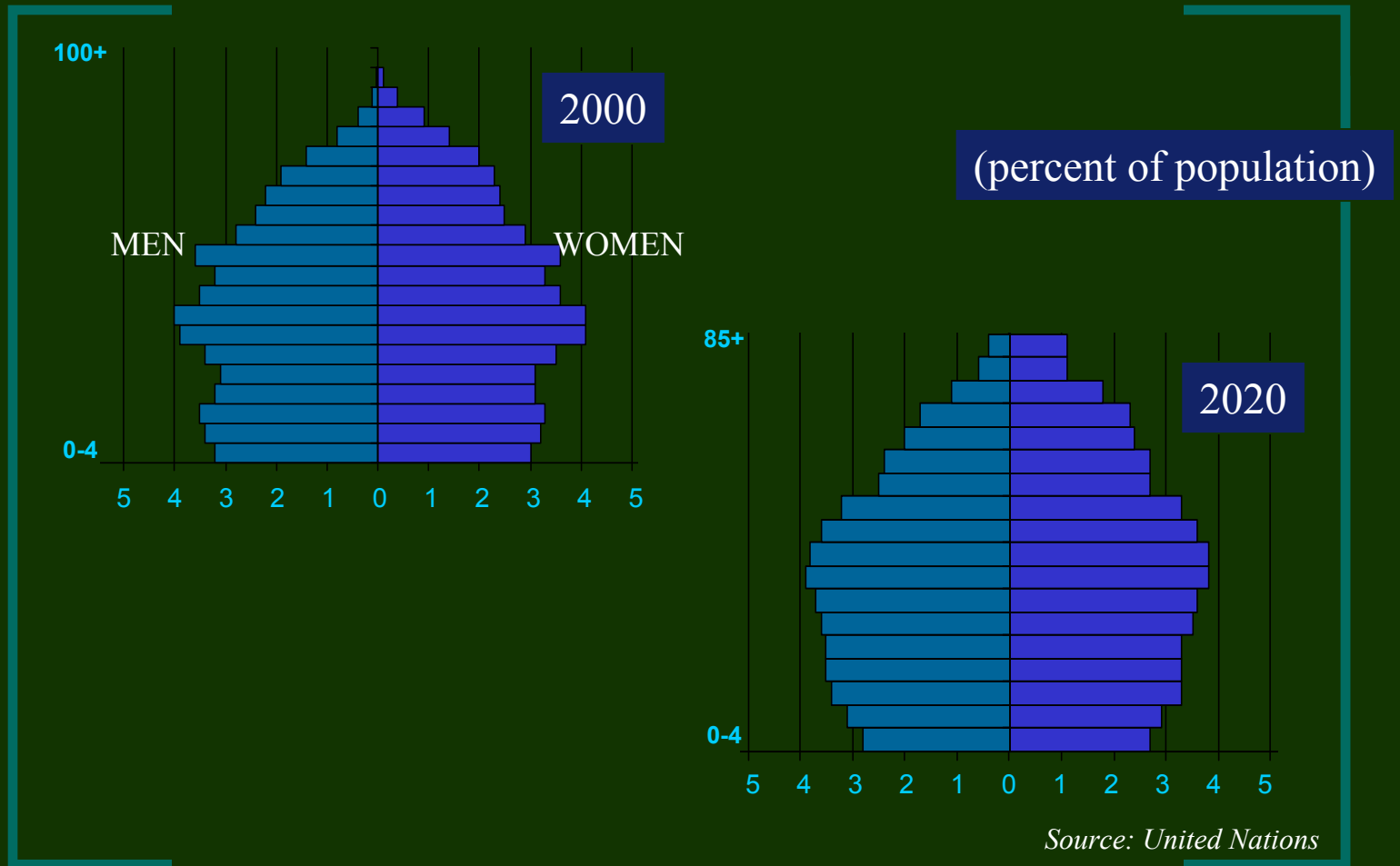
Implications for retirement

- People need to fund themselves for more retirement years, but can have more working years
- Retirement incentives still move older people out of the work force early
- Family situations are more varied

Some questions for the economy

- How much of the potentially productive work force will be employed?
- How can we ensure optimal purchasing power for older people?
- What is effective public policy?
- What is effective for employers?

Pyramids and Pillars, United Kingdom



Pyramids and Pillars, United States

