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# Foreword

This Research paper is the first of a series we plan to produce annually, taking a research topic of significant national interest and considering it not just for analytical purposes but for some examples of potential policy implications. The content of these papers are designed to be an input into an area of wide research applicability — in this case, a contribution to the Australian Government’s next Intergenerational Report and the sweeping question of how Australia copes with an ageing population.

The policy issues are carefully chosen to address needs that if not immediate, will necessarily be so tomorrow. The intent is that the paper supports an informed discussion and leads towards policy thought in anticipation of need, rather than in the face of it.

This paper was produced by a team led by Ralph Lattimore, and included Jared Greenville, Andrew Irwin, Tom Nankivell, Hudan Nuch, Peter Varela and Melissa Edwards, with useful inputs from Lindsay Fairhead.

Peter Harris

Chair

November 2013

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# Abbreviations and explanations

Abbreviations

3Ps Population, Participation and Productivity

ABS Australian Bureau of Statistics

AIHW Australian Institute of Health and Welfare

ARIMA Auto-Regressive Integrated Moving Average

CGE Computable General Equilibrium

COAG Council of Australian Governments

CPI Consumer Price Index

DALY Disability-Adjusted Life Year

DSP Disability Support Pension

GVA Gross Value added

GDP Gross Domestic Product

GST Goods and Services Tax

HALE Health-Adjusted Life Expectancy

HILDA Household, Income and Labour Dynamics in Australia survey

IAC Industries Assistance Commission

IC Industry Commission

IGR Intergenerational Report

IHME Institute for Health Metrics and Evaluation

LC Lee-Carter

NAIRU Non-Accelerating Inflation Rate of Unemployment

NLF Not in the Labour Force

MFP Multifactor Productivity

MMRF Monash Multi-Regional Forecasting model

MTAWE Male Total Average Weekly Earnings

NRA National Reform Agenda

NOM Net Overseas Migration

OECD Organisation for Economic Co-operation and Development

PBS Pharmaceutical Benefits Scheme

PC Productivity Commission

PCPOP PC Population model (available from the Commission website)

QALY Quality-Adjusted Life Year

RNNDI Real Net National Disposable Income

TFR Total Fertility Rate

Explanations

|  |  |
| --- | --- |
| Billion | The convention used for a billion is a thousand million (109). |