2.0 WORKFORCE DEMOGRAPHICS

Understand your workforce demographics, the opportunities and risks they pose to your organisation and plan for the future.

The ageing of the Australian population and workforce poses a challenge to the continued growth of the Australian economy, living standards and government finances. For employers, the risks of an ageing workforce include:

- loss of experienced and skilled workers
- difficulties in replacing these workers
- rising costs related to recruitment and training
- workers’ compensation claim costs.

Participation and engagement of all generations at work is essential for a dynamic and productive workforce, and for excellence in delivery of services to the public. An organisation’s people are vital to its functioning and this is particularly important in knowledge-intensive workplaces.

A mature age workforce, consisting of highly engaged, skilled and experienced people, offers opportunities. The challenge for employers is to manage the risks posed by the ageing workforce and turn the risk into opportunity by maximising participation and performance.

HOW IT IS DONE

Collect and analyse your organisation’s demographic data. Analysis of demographic data reveals the current state of affairs in relation to workforce capability and capacity, and indicates areas of potential risk and where further management is required. This is particularly important in areas requiring specialist skills knowledge and to discern intentions for retirement or phased retirement.

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Understanding the workforce demographics and planning for the future needs to be an ongoing process, not a once-off stocktake.

**Monitor people’s employment experience.** Seek information on the personal experiences of your workers from recruitment to exit, to highlight age variables and identify possible areas for improvement.

**Implement workforce strategies that support age diversity.** The goal of workforce planning is to have the right people, with the right skills, in the right place at the right time. Consider what skills and talents are needed to achieve the organisation’s strategic objectives. Identify work options available to broaden the pool of workers that have the required skills and talents.

**Assess how well your organisation recruits and retains older workers.** Focus on assessing the quality of the human resource system elements that underpin good age diverse employment practice.
RESOURCES

The Australian Public Service Commission’s *Workforce planning guide* explains the importance of continuous business planning to ensure there is sufficient and sustainable capability and capacity to deliver organisation objectives on an ongoing basis.

The Department of Employment’s *Investing in Experience Employment Charter and Tool Kit*.

The Australian Government’s *2010 Intergenerational Report* provides a comprehensive analysis of the challenges facing Australia over the next forty years.

For APS agencies, sources of data include the APS Employment Database (APSED) and data from the State of the Service Series, including the Employee Census and Microagency survey results. The APSC also has an APS wide Entry and Exit survey to assist agencies with their strategic workforce planning needs.