



Human Capital Management
& Payroll Software/Services

Experience Counts

Why Age-Inclusive Workforces gives Australian Businesses a Strategic Edge

Whitepaper

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For years, Australia's workforce has been undergoing a quiet transformation. Between 1991 and 2021, the share of workers aged 55 and over, more than doubled, from 9% to 19%¹. What was once a long-term demographic trend, has now accelerated into a pressing workforce reality. In the wake of the pandemic, a notable number of older Australians have returned to the labour market. Approximately 40% of new entrants since 2019 are over 55, with Sydney experiencing even higher figures².

This "un-retirement" movement has caught many organisations by surprise. While HR teams scramble to fill skills gaps and navigate widespread labour shortages, a critical question arises - are businesses truly capitalising on the value of mature-age talent?

The Untapped Potential of Older Workers

Experience & Reliability

Mature-age employees bring more than longevity. They offer industry experience, established networks, and a professional reliability that is hard to replicate.

Employment Barriers

Older jobseekers remain unemployed for longer than any other age group, averaging 86 weeks without work compared to 37 weeks for those aged 15–24.

Missed Opportunities

Around 221,000 Australians aged 55 and over who expressed a desire to work in early 2023 were not actively job hunting, often because they felt employers would not consider them⁴.

This disconnect presents a dual risk: organisations miss out on experienced talent, while older Australians are denied the opportunity to remain engaged in the workforce.

Still, where businesses embrace age diversity, the benefits are measurable. Studies have shown that age-diverse teams are more effective at problem-solving and tend to be more innovative⁵. Retention is also stronger, older employees are less likely to switch jobs frequently, which reduces hiring and onboarding costs⁶. But despite this, progress remains slow. While older workers represent approximately a fifth of the workforce, they account for just 4% of employment growth in the most recent year⁷.

Rethinking the Workplace: Inclusion Beyond Compliance

So, what does it take to truly engage mature-age employees? It starts with a mindset shift, away from viewing age as a limitation and toward recognising it as a strategic asset. Australian businesses such as Westpac, Bunnings, and Qantas are beginning to lead the way, not with token gestures, but through considered, organisation-wide approaches.



Career Refresh

At Bunnings, older team members are actively supported to take on new roles through "career refresh" programs that offer structured retraining⁸.

Career Planning

Westpac has implemented a dedicated program to help employees over 50 plan their next career chapter, resulting in a 15% lift in retention⁹.

Future Focus

These are not isolated efforts, they reflect a broader recognition that age-inclusive strategies can deliver cultural and commercial returns.

What ties these initiatives together is a commitment to treating older workers not as legacy staff, but as integral contributors to future success.

Designing Support That Reflects Real-Life Needs

One of the most effective levers for engaging older workers is flexibility, not only in hours, but in how careers evolve. The rise of remote and hybrid work has been a notable change for both employers and employees. It is no coincidence that the post-COVID return of older Australians to the workforce has coincided with an expansion of flexible work options².

Unilever's four-day work week trial in Australia is a case in point. The program, which allowed staff to work 80% of their hours at 100% of their pay, delivered strong outcomes across the board, but was particularly valued by mature-age employees, who reported improved work-life balance and higher job satisfaction¹⁰.

These kinds of arrangements do more than support wellbeing; they create room for older workers to remain engaged while managing other responsibilities, such as caring for ageing parents or managing chronic health conditions.

Similarly, offering phased retirement or mentoring roles can extend careers and improve knowledge transfer. At Qantas, long-serving engineers and pilots are supported to step into instructor or training roles as they near retirement, helping preserve operational continuity while recognising the value of experience¹¹.

Making Age Inclusion part of the Culture

Embedding age inclusivity requires more than good policy, it calls for culture change. This means designing roles, leadership pipelines, and teams that reflect the reality of a multigenerational workforce.

Structured Mentoring

At Qantas, structured mentoring programs pair senior staff with apprentices and junior team members. These partnerships have helped accelerate onboarding, reduce skill gaps, and strengthen safety culture across the business¹².

Recognition Programs

Recognition also plays a role. Programs like Qantas' "ThankQ" and eXcel Awards celebrate outstanding contributions across all career stages, reinforcing the message that excellence isn't limited to any age bracket¹³.

Dignified Transitions

In 2020, Qantas offered early retirement options to long-haul pilots approaching 65, the mandatory retirement age. This is backed by transition support and career counselling⁷. This kind of structured exit strategy helps protect dignity while preserving business continuity.

Turning Strategy into Advantage

The broader case for age inclusion is no longer speculative; it is supported by data. Older employees are more dependable, with lower absenteeism and turnover rates⁶. They bring stability to workforces, and their accumulated experience helps businesses anticipate challenges, particularly in sectors facing technical or operational risks.

The macroeconomic argument is just as compelling. With over 439,000 job vacancies recorded across Australia in early 2023¹⁴, retaining experienced workers is a practical workforce strategy. Mature-age staff can also fill interim roles and function as bridges during periods of organisational change.

More importantly, organisations that actively support older workers are sending a strong message to their teams, their customers and the wider market, that experience matters. According to employer

branding research, businesses like Qantas that embrace inclusivity, consistently rank among Australia's most desirable employers¹⁵.

A Call to Action for HR

The ageing of Australia's workforce is not a temporary blip; it is a long-term shift. HR leaders who ignore this reality risk being left behind.

A diagram consisting of three blue horizontal bars of varying lengths, arranged in a descending staircase pattern from left to right. Each bar is associated with a heading and a description of an action step.

Adopt Inclusive Policies

Support longer working lives with policies that recognise the value of experience.

Tailor Roles

Create flexible positions that reflect the diverse needs of older employees.

Integrate Age Diversity

Make age inclusion a core part of business planning and strategy.

When older workers thrive, organisations do too. And in a labour market where skills are in short supply and experience is at a premium, there are few strategies more forward-thinking than making age inclusion a priority.

Unlock the power of experience. Age-inclusive workforces are not just fair they are a strategic advantage. Frontier Software helps you design HR and payroll systems that support multigenerational teams, foster retention, and future-proof your workforce. Visit www.frontiersoftware.com to learn more.

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About Frontier Software

Frontier Software is a leading software and services organisation specialising in digital transformation for payroll and HR solutions. With over 40 years of industry experience, our comprehensive solutions are trusted by businesses across the globe. Our expert team is dedicated to helping organisations streamline their payroll and HR processes, ensuring compliance, accuracy, and efficiency.

Looking to enhance your payroll and HR processes?

We can help you optimise your existing Frontier Software solution or create a completely new system tailored to your business needs.

“Commitment to customer service is our number one priority.”

Michael Howard, Founder

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