

Cost of living pushes many working seniors to delay retirement by at least three years

Financial strain is the biggest reason seniors are working longer, but ageism and workplace flexibility are the biggest barriers.

Sydney, July 2026 – Cost of living tensions are delaying retirement plans for more than 2 in 5 (43%) of workers over 50, with new data revealing that seven in ten (69%) of those delaying retirement expect to work for at least three extra years.

The [*Ageing in the Workforce Report 2026*](#), commissioned by Australian Seniors, surveyed over 5,000 Australians over the age of 50 to uncover how seniors are navigating today's workforce. The latest report, which follows the original 2021 study, explored how factors like the current economic situation, return-to-office debate and the rise of AI and job security concerns are impacting career progression and retirement transition.

Cost-of-living derails retirement plans

Overall, financial pressure was the top reason seniors are working longer than their ideal retirement age, nearly three in five (59%) are concerned their superannuation and savings will not be enough for retirement. The main causes of financial worry included rising everyday living costs (63%) and insufficient savings (50%). The data tells a similar story for retirees considering returning to the workforce, with more than three in four (77%) citing money as their top motivation – a sharp increase from 2021 (50%).

What seniors think of the 'return-to-office' debate

As the 'return-to-office debate' continues nationwide, the findings suggest flexibility is a powerful tool for retaining senior talent. While over half (55%) of seniors are now working mostly or fully from the office, flexibility remains a critical incentive. More than a quarter (27%) say that having flexible work options makes them more likely to work longer, and for this group, the extension is significant, with seven in 10 (70%) expecting it will add at least three years to their working life. The most desired arrangements are the ability to reduce hours or days (41%) and flexible start and finish times (41%).

Keiran Hathorn, Director at employment agency Big Wave Digital, shared his take on the return to office debate and what it means for seniors transitioning into retirement.

"The findings highlight the importance of flexibility for older Australians, particularly as many are choosing or needing to work longer. In the recruitment market, I've seen a noticeable shift back towards on-site and hybrid work, driven largely by economic pressures and employers wanting greater visibility of their teams. However, flexibility remains critical for retaining

experienced workers. At Big Wave Digital, all of our staff are over 50 and work remotely, including team members aged 65 and 82. Their performance demonstrates that productivity is driven by trust, experience, and outcomes, not where someone is sitting.”

Ageism contributes to what many describe as "career paralysis" as seniors struggle to navigate the job market

The report also revealed how seniors are navigating the job market, uncovering a trend of “career-paralysis” caused by prevalent ageism. Alarming, more than seven in ten (72%) of those still working feel it is too risky to change jobs at their age.

While the findings suggest that perceived instances of ageism in the workplace have dropped from three in five (60%) in 2021 to two in five (39%) in 2026, the lived experience tells a different story. For instance, the report found that more than two in five (47%) feel they have been turned down for a job because of their age, while a similar proportion (19%) admit to trying to appear younger at work or when applying for jobs.

Marlene Krasovitsky, Anti-ageism advocate and campaigner, weighed in on the report findings. “Awareness of ageism and its impacts has grown over recent years, however one-third of survey participants believe that ageism has gotten worse in the past 5 years. Women experience ageism differently to men. Ageism intersects with sexism and women are more likely than men to be perceived as having outdated skills or difficulty with technology. To build age-inclusive workplaces, employers can examine recruitment processes and access to training to ensure they are not excluding older people, while employees can push back against ageist assumptions and be age-proud.”

Seniors' verdict on AI

The report also uncovered seniors' honest opinion of AI, revealing most view it as both an opportunity and a threat. While more than half (52%) are interested in using AI tools for tasks like improving their resumes, there is significant concern about being left behind. Close to two in five (39%) are worried AI could replace parts of their job, and this anxiety is compounded by stereotypes, with more than one in three (34%) having experienced or observed unfair assumptions that older workers are less willing to adapt to AI.

Marlene Krasovitsky explained what the AI and job security debate means for older workers.

“It is deeply troubling that a third of older people have experienced unfair assumptions that they are less willing to adapt to or learn new AI technologies, which is a cruel irony as these are the people that have moved from carbon paper to AI across their working lives. This places them in real jeopardy of being left behind. Older people are stereotyped as less capable and adaptable, but these workplace assumptions are a subset of the general stereotypes we have.

They are pervasive, unquestioned and lead to discrimination, yet only a third of people feel comfortable raising concerns about ageism in the workplace.”

Keiran Hathorn also shared his perspective on how AI is reshaping the job landscape for older workers. “AI is creating a genuine opportunity for older workers. In my experience, age has very little to do with someone's ability to adopt new technology. The real differentiator is attitude. Those willing to learn and adapt can use AI to extend their productivity and career longevity. Age is not the barrier, mindset is.”

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About Australian Seniors

Australian Seniors launched in 1998 to meet the needs of the often-ignored over 50s market. Since then, we've helped countless Australians protect the most important things in life – whether it's their family's future, valuable assets, or even their long-planned retirement. We strive to be different through the diverse offering of our life, funeral, car, home & contents, landlords, pet, health and travel insurance products by carefully selecting underwriters that share our vision of providing insurance that's simple, easy to understand, and cost-effective. That's why our policies have helped everyone from hard-working over 50s to self-funded retirees take control of the things that matter most.

About the Ageing in the Workforce Report 2026

The Ageing in the Workforce Report 2026 explores the evolving experience of older Australians in the workforce in 2026, examining the barriers, pressures and opportunities shaping work later in life. It looks at how ageism continues to affect recruitment, day-to-day workplace experiences and career progression, while also exploring how shifts in technology, workplace flexibility, return-to-office expectations and AI are changing the nature of work for older Australians. The report further examines the financial and personal realities driving many to work longer than planned, the role work plays in identity and purpose, and the ways older Australians are adapting, reinventing themselves, and trying to stay in control of their careers in a changing job market.

This report is based on research commissioned by Australian Seniors and conducted by MYMAVINS between 3 and 23 March 2026. The study was carried out via a quantitative online survey of 5,008 Australians over 50 who are either still part of the workforce or have already retired. The sample is broadly representative of Australia's senior population in terms of age, gender, wealth, and state or territory.