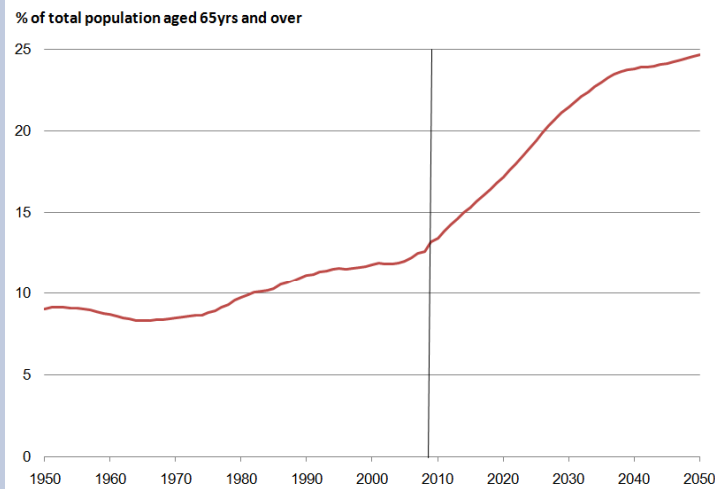




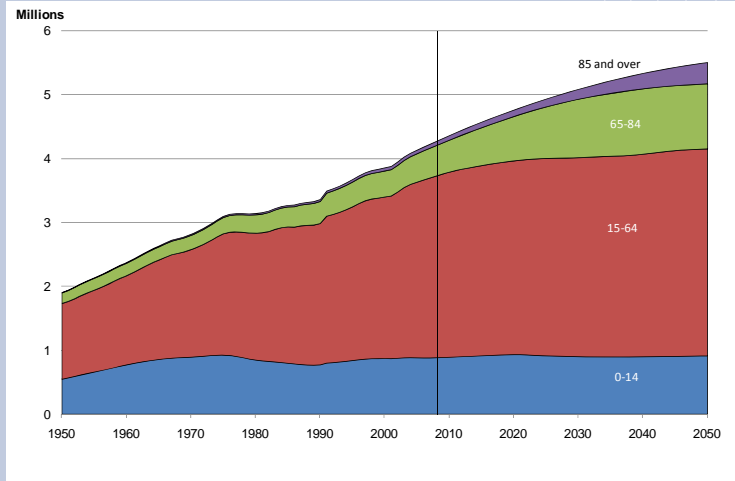
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Baby boomers accelerate population ageing

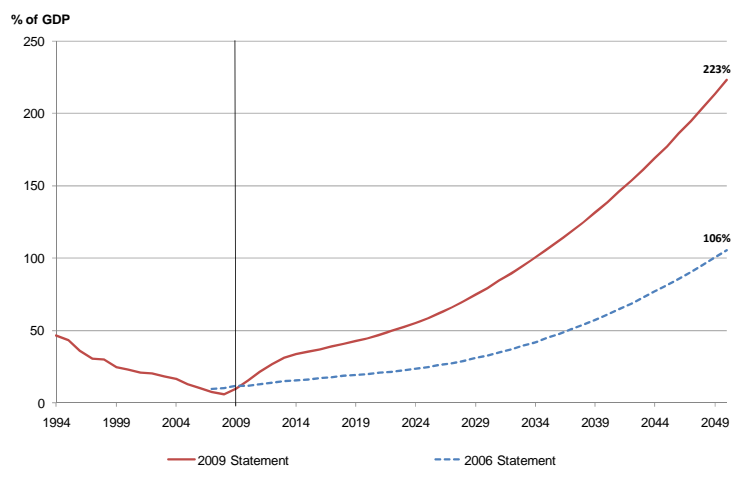


Demographic change



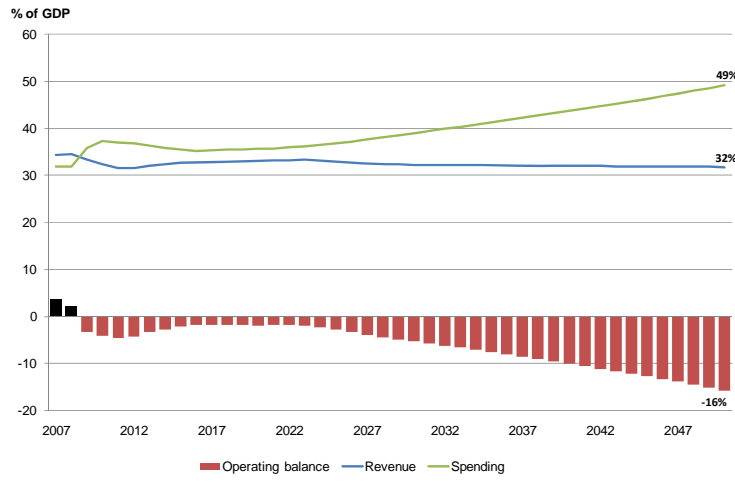
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Net debt – 2006 vs. 2009



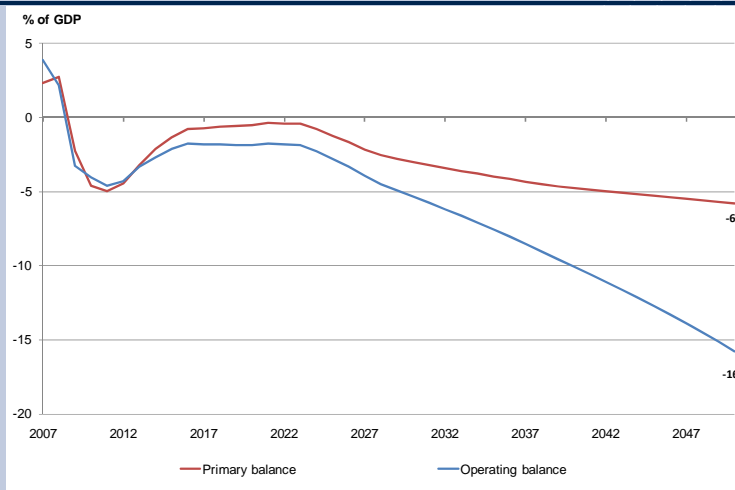
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Historic trends – operating balance



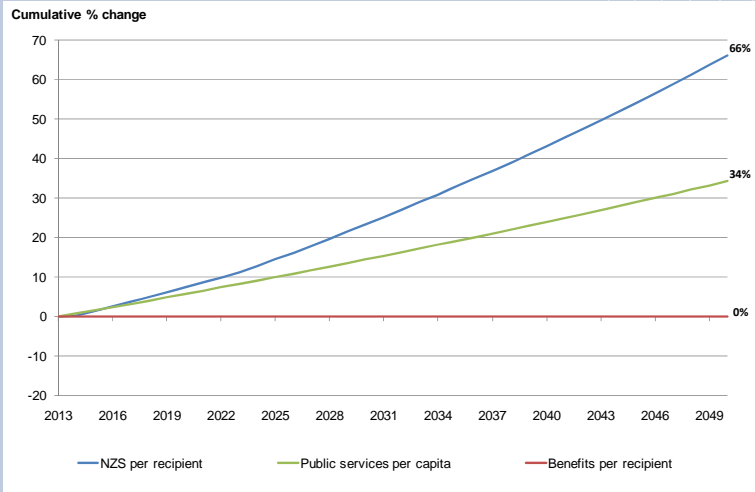
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Historic trends – primary balance

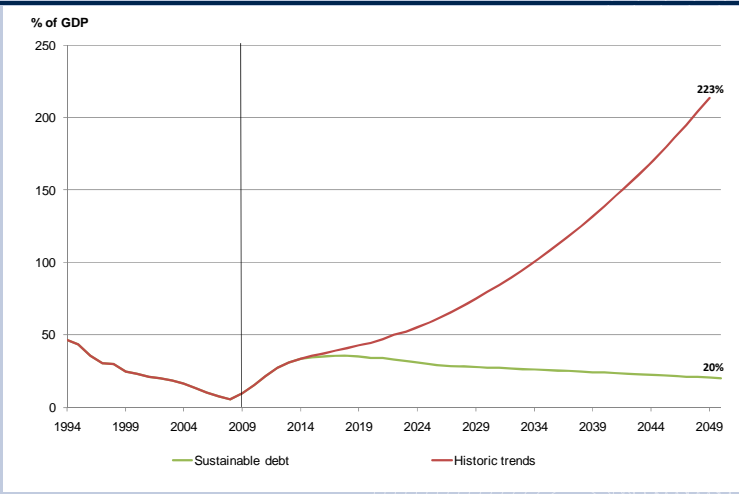


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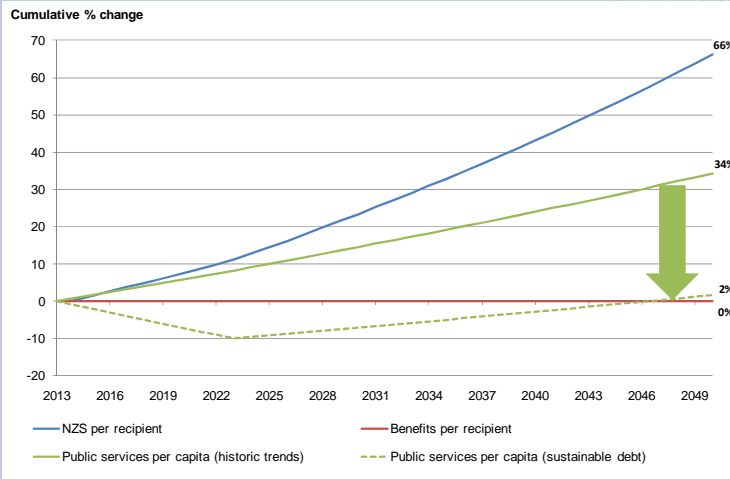
Historic trends – the “basket”



Sustainable debt scenario



Sustainable debt – the “basket”



Options and choices

- **Make early change**
- **Keep debt under control**
- **Focus on outcomes**
- **Focus on growth**
- **Encourage workforce participation**
- **Keep spending under control and focus on public sector productivity**



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