



COUNTRY FRAMING REPORT
New Zealand

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The New Zealand Country Report is presented in two parts:

Part 1 covers the New Zealand context; the main issues related to extending working life; an account of relevant research in New Zealand and a general literature review.

Part 2 has data on work force participation trends, comparing New Zealand with other countries. It then outlines government policies relevant to work force participation.

Part 1

The New Zealand Context

New Zealand's population is approximately 4.6 million people. The major ethnic groupings in New Zealand are European (69%), Māori (indigenous peoples, 14.6%), Pasifika (6.9%), and Asian (9.2%) (Statistics New Zealand, 2015). The population is projected to pass the 5 million mark by 2041, and to increase by nearly one million people overall by 2051. New Zealand is moving from a fast growing population to a slower growing and rapidly ageing population. By 2051, 50% of New Zealanders will be 46 years and older, and 25% of the population (1.33 million) will be 65 years and older (currently they make up 14.7% of the population). From 2011 the baby-boomers have begun moving into the 65+ age group and will continue to add at least 100,000 to this age group every five years up to 2037.

In New Zealand, like many other countries facing an ageing population, policies have been implemented to encourage older adults to remain in the workforce, including the removal of a compulsory retirement age, anti-age discrimination in the workplace legislation, and universal superannuation (Davey, 2015a).

New Zealand Superannuation (NZS or pension) is available from age 65 and provides a major incentive for remaining in the workforce, with the married rate equal to 66% of the average net wage. There is no early eligibility option (although unemployment and disability benefits pensions are available as "de facto" early-retirement pensions (Jackson & Walter, 2010)). Workers need not exit the workforce as 65 in order to receive the benefit and the NZS is not income or asset tested. Jackson, Cochrane and McMillan (2013) note that these features encourage workforce participation beyond the age of eligibility and help to explain the high rate of participation by older workers.

New Zealand has the second highest employment rate of older workers aged 55 to 64 in the OECD (OECD, 2015a) and the fourth highest in the 65 to 69 age group (OECD, 2015b). The labour force participation rate for the over 65 age group almost trebled from 1986 to 2006 (Jackson et al., 2013). Given the expected demographic changes over the next few decades, numbers of people aged 65+ in the work force are likely to increase (though possibly at a slower rate) and they will consist of an older group of culturally diverse people.

With these changes to the population will come changes to the make-up of the New Zealand labour force. Due to higher fertility rates Māori and Pacific peoples will become a growing proportion of the working-age sector. The ageing of the large cohort of working baby-boomers will see an inevitable ageing within particular occupations and in the labour force in general. As these people retire, the 15-64 year old group (main working-age population) will shrink (after 2020) and, with smaller cohorts to follow, the labour supply will decline. The age dependency

ratio will reflect the situation with fewer people in the labour force than out of it. The increasing participation in the work force by women will in turn lead to an increasing proportion of older women in paid employment. In general, New Zealand's ageing population will lead to "profound effects on the size and composition of the labour force" (Stephenson & Scobie, 2002, p.5).

The likelihood of labour and skill shortages due to these demographic changes will need to be addressed. Organisations may outsource to fill labour shortages or skill gaps but this is not a long-term solution for wider work force challenges. The rapid development in technology is often cited as an answer to labour shortages, although often new technologies demand new skills. Already many skills are in short supply in New Zealand, and Immigration New Zealand encourages migrants with the right skills sets. However, Davey (2003, p.158) notes that increasing adult immigration to deal with skills shortages may be "neither feasible nor helpful", and can only add to population ageing. In addition, New Zealand, along with other developed nations will be competing for skilled workers (Davey & Cornwall, 2003). The lack of sufficient skilled workers in upcoming cohorts suggests a need more flexibility in the workforce. Thus, Davey and others argue that it is essential that older workers, as a valuable source of labour, are retained to offset the impending decrease in work force numbers. Davey and Cornwall (2003) conclude "that maximizing the potential of older workers is a macro-economic priority" (p.15).

From 1987-2012 the employment rate for New Zealand males aged 60- 64 and 65+ years increased overall by 76% and 71% respectively. Although employment rates for women are lower than men in general, the rate of increase in these age groups has been more rapid with women aged 60-64 nearly 3 times (2.9) more likely to be in employment in 2012 compared to 1987 and those aged 65+ over three and a half (3.6) times more likely (Jackson et al., 2013). Women nearing retirement have had much higher employment rates across their lifetime than previous cohorts (Callister, 2014). Callister notes that both older men and older women are more likely to be working part-time as they age, with more than half employed women in the 65-69 age groups working part-time.

How have the general issues of gender, health and ageing been framed in NZ?

Generally, the literature in New Zealand focuses on the impact of population ageing on social and economic sustainability. Particular emphasis is placed the cost of health and social services as the baby boomers head into retirement and older age. The issue of gender is addressed in terms of workforce participation rates, types of employment, and less around gender based issues/ideas regarding extending working life. For example, there is little research that focuses on unpaid/familial caregiving (often of older family members) of older working women (compared to childcare issues of younger working families) (Alpass et al., 2013). The literature highlights the differential work experiences of older women. They are more likely to be in part time employment as they age and this impacts on wealth and retirement savings. Over the life course women are more likely to be in lower status jobs, earn less, and have more disrupted work histories compared to men. The impact of differential work histories for women (particularly single women and those living alone in later life) and the cohort implications for extending working lives is a recent focus of policy analysis (Callister, 2014).

Recent work by Davey (2015b) has provided an environmental scan of women in their later career years in New Zealand. This report, for the National Advisory Council on the Employment of Women, outlines recent and ongoing work relevant to older women workers done by various agencies including: central/local government and quasi-government agencies; trade unions;

business and professional organisations; voluntary sector organisations; and research groups. A number of these agencies have ongoing programmes of work that are concerned with gender issues and work. For example, the Ministry for Women has a number of priority areas including supporting more women and girls in education and training, using women's skills, growing the economy and encouraging and developing women leaders (Davey, 2015b). The National Advisory Council on the Employment of Women promotes and disseminates information on women's employment in New Zealand. The council also advises and makes recommendations to the Minister for Women on matters related to the employment of women as well as making submissions to public enquiries (Davey, 2015b). Another government ministry (Ministry of Social Development) houses the Older People's Policy Team. This contributes to achieving the goals of New Zealand's Positive Ageing Strategy which includes protection of older people's rights and interests (e.g. ways to reduce barriers to employment amongst older people). A lot of the work around older women in the workforce focuses on particular occupations or sectors (e.g. Miller, 2013; State Services Commission, 2014), financial issues (e.g. Dwyer 2012; Heathrose Ltd, 2012) or equal opportunities/human rights (Hyman, 2015)

In terms of health, much of the literature focuses on challenging assumptions about declining health, i.e. cognition, ability, productivity/employability among older workers. Research suggests that these assumptions are largely unfounded and unsupported and reflect the myths and stereotypes held about older workers rather than documented evidence for such declines. Additionally, the health benefits (e.g. quality of life, feeling of purpose, etc.) of continuing in employment are also discussed to support the idea of extending working lives among older people. The impact on the health of women in particular is not a feature of the recent literature, although there is an interest in how older working carers reconcile work and care, and how this impacts on wellbeing (Alpass et al., 2013). Given that the majority of unpaid work (including caregiving) is done by women - about 63% of women's work in New Zealand is unpaid and 35% of men's work (Statistics New Zealand, 2011), this work tends to be gender focused. Where research has been undertaken on the health of older women workers it has tended to be occupationally specific (Clendon & Walker, 2013a; 2013b; Walker & Clendon, 2013).

What are the main issues?

Age discrimination is a key issue in the New Zealand literature. Women face a double jeopardy; they are likely to experience both gender and age discrimination in relation to recruitment decisions (Handy & Davy, 2007). A recent focus has been on the need for employers to effectively challenge age discrimination and to develop adequate and effective HR policy and practice in order to combat age discrimination in the work force. In addition to New Zealand agencies mentioned earlier that focus on equal employment opportunities for women, Diversity Works NZ is a national organisation that helps "business develop diverse and inclusive workplaces". They have recently focused projects on the management of an ageing workforce, engaging older workers productively and challenging myths about older workers. They also produce an annual survey which tracks diversity issues and programmes (including women's leadership roles) within a range of organisational sectors (<https://diversityworks.nz.org.nz/>).

The demographic data suggest that Asian, Māori and Pacific groups will experience larger growth among their older people (when compared to European older people), yet little consideration is provided around how extending working life may impact on these groups specifically. Collective cultures and older people's role as caregivers within Māori and Pacific

families have rarely been explored (Alpass et al., 2013). Additionally, there is minimal consideration given to meeting the health needs of older people in these ethnic groups to ensure they may continue working past age 65 if they choose to do so. Statistics show that older Māori do not live as long as older non-Māori (similar outcomes for Pacific peoples) yet Māori and Pacific (and Asian populations) have the highest projected increase in their older populations between now and 2051.

The fact that older Māori and Pacific people have poorer health outcomes is not fully acknowledged in the literature on extending working lives despite this having a clear impact on their ability to continue working past the traditional age of retirement. There is little or no discussion in the literature of the culturally specific realities of an ageing population and how extending working lives may unfold for these groups of people.

What research has been undertaken in NZ?

There is little empirical literature around extending working lives among older people (and women in particular) in New Zealand. The Health, Work and Retirement study provides the opportunity for an ongoing longitudinal perspective on older workers' lives. Many of the other studies that have been conducted are primarily online surveys conducted among employers and older workers. Summaries from selected empirical studies, reviews and policy analyses are provided below.

The Health, Work and Retirement Study (HWR)

HWR is a longitudinal study of ageing in New Zealand. This is a population-level study which aims to identify the health, economic, and social factors underpinning successful ageing in New Zealand's community-dwelling older population. The first postal survey was conducted in 2006 with a representative sample of people aged 55 to 70, taken from the New Zealand Electoral Roll. Māori (indigenous New Zealanders) were oversampled. Six more waves of in-depth data have been collected using postal questionnaires and interviews. These investigate quality of life in three broad areas: economic participation (work, employment, retirement); social participation (family support, social capital, participation); and resilience and health (physical, emotional, cognitive). A number of articles and reports document the experiences of older workers.

In the 2006 data wave the great majority of the HWR sample (aged 55-70) was in paid employment (Alpass, 2008). Retirement increased in the mid to late sixties; however 34.9% were still in some form of paid employment in the 65-70 groups. Nearly half of the working participants expected to be retired completely by age 65 and the mean age for intended retirement was 67. Nearly three quarters of those still working said they would like to continue in some form of part-time paid employment even after they "retired". Concern about future finances was often cited as an incentive for continued workforce participation, and women at all ages reported the greatest concern. Some older working participants said they had felt pressure to retire. A significant proportion (25%) reported their jobs as stressful and these participants were more likely to say they would retire earlier. Those who reported being involved and committed to their jobs were more likely to say they would retire later suggesting that organisations can assist in extending the working lives of older adults by enriching the work environment. Looking at self-reported health, mental health was rated lower for retirees and those in not in the work force compared to workers. In addition, mental health increased with age for workers but decreased with age for retirees.

However, self-reported physical health decreased with age for all participants irrespective of work status. These findings provided a baseline for the work and retirement situation of the HWR participants. Subsequent waves have made it possible to track changes in individual's work and retirement experiences and how they influence health and well-being.

Noone and Alpass (2014) reported on the 2010 and 2012 waves of the HWR study. By 2010 approximately 55% of participants aged 48-90³ were in either part or full-time paid employment and 36% had retired, with women retiring earlier than men. Women reported poorer financial expectations for retirement. Older workers and those in better health were happiest at work. Contrary to the findings of previous HWR waves, workers and retirees shared similar levels of mental health, but being in paid employment was associated with better physical health. Caregiving was associated with lower levels of work force participation, however nearly a quarter (24%) of those who provided care every day were also working full-time, suggesting the potential for caregiver burden and work-related stress. Those who reported more positive workplace environments expected to stay working for longer, again suggesting that organisations can play an important role in extending the working lives of older workers.

Looking at actual retirement behaviour from 2010 to 2012, age was the strongest predictor of transition from worker to retiree. Those with poor expectations about their financial future were more likely to stay in paid employment. There were fewer gender disparities in work and retirement behaviours than expected. It is likely that broad categories of male and female may not capture important gender differences. Examining gendered life courses to understand differential exposures to work and family life may be more useful in understanding how these experiences shape men and women's lives from middle age and beyond.

Reaching age 65 (age of NZS pension eligibility) was by far the most common reason for retirement, suggesting that New Zealand's universal superannuation scheme plays an important role in shaping work and retirement behaviour.

Alpass, Spicer, Stevenson and Stephens (2015) report on findings from the 2013 HWR data with a focus on work status preferences of older participants (56 to 77 years). Respondents were asked about their current work status and their preferred work status. The majority of participants reported that these matched. Those who preferred part-time work were less likely to achieve a match with only half achieving this desired status. Retirees and full-time workers were more likely to report that their actual work status matched their preferred status. Mismatched participants were less likely to have tertiary qualifications, were more likely to be non-professionals, reported greater levels of hardship and poorer mental and physical health. Just over half of working respondents expected to retire after the age of 65.

Participants were asked to rate the importance to them of a number of work practices. Those over 65 were more likely to rate reduced work hours as important while those under 65 rated financial incentives as more important. Reconciling work and care was often difficult for older workers. A significant proportion of working carers had taken annual leave, sick leave and leave without pay in order to provide care for a care recipient (Budge, Alpass, Allen, & Stephens, 2016).

Other work from the HWR study has also focused on caregiving and its intersection with work

³ Sample was refreshed in 2010 to include younger and older cohorts.

for older participants. Pond, Alpass and Stephens (2012) found in the 2008 data wave that non-caregivers were more likely to be in full-time work, worked more hours, and had higher economic living standards than other groups, with current caregivers having the lowest economic living standards. Women and Māori were more likely to provide care than men and non-Māori. Respondents providing higher levels of care reported poorer mental health and this was particularly true of Māori and female caregivers (Alpass et al., 2013).

A follow-up study of caregivers in the 2010 and 2012 data waves (Alpass, Keeling, & Pond, 2014) found women again were more likely to be caregivers than men (10.9% and 7.2% respectively) in both waves. No differences on mental health were recorded between male and female caregivers. However, male caregivers reported poorer physical health. Male caregivers tended to be older than their female counterparts and older age was related to poorer health. Just over half of the carers (54.8%) were in some form of paid employment, however they were less likely to be in paid employment than non-carers and more likely to be out of the paid workforce for reasons other than retirement (e.g. unable to work due to health or disability issue, full-time homemaker).

Selected Literature on Older Workers in New Zealand

Bentley et al., (2015) investigated the needs of New Zealand's mature-age workers. In particular, how management/HR practices influenced their retention, productivity and wellbeing. Using an online questionnaire survey of workers aged 55 and over (N = 1238, 33% men and 67% women) they found that their perceived prevalence of age discrimination was relatively low. However, there were some concerns that managers lacked of appreciation by managers of older workers. The most common HR practices in New Zealand were found to be flexible work and performance management. Less common practices were compensation management, manager training and aspects of job design. Recognition and respect for older workers and flexible work options were considered by participants to be the most important HR practices.

Davey (2015a) provides an overview of contextual factors which provide support for the idea that workforce participation by older people should be encouraged. The article outlines the benefits and negatives of extending the working life for individuals. Benefits include enhanced wellbeing, as a result of older people participating in meaningful and appropriate work and increased incomes, therefore improving material wellbeing in later life. Negative components highlighted were the potential detrimental effect on health (especially for those in more stressful or physically demanding jobs), low job satisfaction and ageism. Benefits to the economy and society outlined include contributions to overall economic growth, as demand shifts to products that older people use and consume, and the potential for older workers to act as role models and mentors in their communities and contribute to intergenerational solidarity. Benefits to business include the valuable source of increased productivity among older workers. The downsides to extending working life are discussed, with arguments centred around the need to make way for younger workers. The "lump of labour" theory, which assumes the amount of work available is fixed, is now largely discredited. Also, the contributions older people make to their communities through unpaid work may be threatened by extending working life. Davey argues that extending working life may limit the opportunities to provide intergenerational care and support – seen as particularly relevant to women. Factors influencing retirement decisions are then discussed and include: financial circumstances, working environment, availability of work, policy incentives and social and cultural factors. Davey then considers factors which influence whether older

people are able to achieve the level of workforce participation that they prefer. These include attitudes towards older workers, age discrimination, work place adaptation, education and training, and pension and retirement policies. The importance of workplace flexibility highlights New Zealand legislation providing the “right to request” flexible work arrangements. The reconciliation of work and care responsibilities and their impact on workforce decisions among older people is also covered.

McLeod and Bentley (2015) provide guidance for managers on organisational systems and practices for engaging older workers. The New Zealand Work Research Institute conducted a survey of employees aged 55+ to better understand ageing workforce issues. Negative stereotypes reported by respondents included: older workers are adverse to change; they lack technology skills or are reluctant to embrace technology; are unable to do the job and lack commitment or do not want to progress; and they limit the career opportunities of younger workers.

However, less than 20% of the study participants felt that age discrimination behaviours were an issue in their organisation. Many reported that their organisation appreciated older workers and had positive perceptions of them. Older workers were perceived to be more reliable with a strong work ethic; were loyal and committed to the organisation and their maturity and life skills were particularly valued. Overall, the study found that older workers are generally perceived positively; they were likely to be committed to the organisation and were more engaged with their work than other workers. A number of advantages of employing older workers were identified by study participants - a) the retention of job-related skills, expertise, knowledge and experience; b) the mentoring role older workers can provide with regard to training and coaching of younger workers (intergenerational knowledge transfer and mentoring); c) older workers’ customer service capabilities (as a result of their experience, life skills and maturity) and d) their ability to provide workforce stability, diversity and flexibility.

The Ministry of Social Development (2015) summarises progress on the New Zealand Positive Ageing Strategy (PAS) and provides an update on progress towards its 10 goals as well as identifying opportunities for further work and suggesting topics for discussion. One of the PAS goals is focused on employment opportunities for older adults.

Currently there appears to be a mismatch between the positive contribution of older workers and some negative perceptions of older people in the workplace. A high prevalence of age discrimination appears to occur in the workplace. These issues need to be addressed through proactive workforce planning.

Callister (2014) looks at the employment of older New Zealand women. Using data from the Household Labour Force Survey (HLFS) and the Census of Population and Dwellings data, this report provides a historical overview of employment rates among older women in New Zealand as well as discussion around the definition of ‘older’ person, i.e. 45+ years or 55+ years.

Callister provides an overview of recent New Zealand literature on the employment of older women, highlights potential future trends and makes several conclusions including: a) since the 1990’s there has been strong growth in the employment of older women; b) employment rates for older women are high in New Zealand compared to the OECD; c) part-time work is dominant in this group; and d) older people are integral to the unpaid workforce.

Callister then focusses on an analysis of the demographics, educational attainment and employment rates of older women. In regards to education, there are more older women with no formal qualifications compared to older men. However, these statistics will change over time; younger women are now gaining more formal qualifications thus, when they move towards older age groups. they will be better positioned in the labour market.

Overall, Callister concludes that there needs to be more research on the employment of older women and, in particular, differences in earnings between older men and women as well as an investigation of the costs vs. benefits of retraining or upskilling older workers.

A report by Lonergan Research (2014) provides insight into how the Crown Entity Sector - employers, older and the younger workers - views and behaves towards an ageing workforce. Older workers were more likely to suggest an older age for their retirement, but increasing superannuation (pension) access had little impact on when people expected to retire. Perceptions around expected retirement age were similar for males and females. Older workers preferred a challenging and rewarding role (71%) rather than seeking an easy transition into retirement. Among employers, 69% commented on the negative issues related to employing older workers but only 24% suggested that older workers benefitted their organisation. Just under half (44%) of Crown Entity employers noted a shortage of highly experienced workers in their industry with 33% agreeing that older workers are a relatively untapped resource. Age discrimination was believed to be present in the workforce, with 40% of older workers having experienced it in the past 5 years and 46% (any age) witnessing it. The most common discrimination was thought to be caused by unfounded age related stereotypes.

Koopman-Boyden, Cameron, Davey and Richardson (2014) note that prolonging older people's involvement in the paid workforce is potentially beneficial to individuals, as well as to business, the wider society and the economy. They note that current policy facilitates the extension of paid work and legislation is in place to combat age discrimination and allow flexible working conditions. However, there is the lack of an overall policy approach to workforce ageing as well as other barriers and very limited access to education and training for older people. Recommendations included the development of government policies and business practices aimed at encouraging and facilitating the extension of working lives which are considered vital for older people, social cohesion and economic growth. The authors also recommend a more proactive Government response to the implications of a rapidly ageing workforce. They argue that the policy allowing older people to receive New Zealand Superannuation while still in paid work should be retained. Open discussion is required about any change in the age of eligibility for superannuation as this contributes to extending workforce participation. Government policies and business practices encouraging flexible working conditions for older workers are considered important, as are programmes for training and re-training without age cut-offs. In addition, phased retirement, giving older workers options centred around 'staying on', along with open 'conversations' should be part of good human resource management.

Koopman-Boyden et al. note that although the government can promote policies, legislation and regulation to encourage older people to remain in the work force, organisations must implement initiatives to make workplaces attractive to older workers. Central to achieving this is allowing flexible working arrangements so older people can achieve higher levels of participation in the work force as well as ensure healthy and active ageing. Education and training for older workers issues relate to how responsibility for education and training is shared between government,

employers and the workers themselves, and the special conditions for training older workers. Age discrimination is considered a major barrier to participation in paid work by older people. The authors suggest ways to overcome and challenge discrimination and the role of legislation in New Zealand, i.e. the Human Rights Act.

Jackson, Cochran and McMillan (2013) consider the major challenges New Zealand faces in managing the ageing population. For workers aged 65+, the growth of part-time work has made the greatest contribution to the overall growth in employment (particularly for women). While increasing workforce participation among older people exposes them to a longer period of earning, this does not necessarily equate to greater wealth because of the often part-time nature of the work and generally low pay rates. This especially impacts women.

The New Zealand Institute of Economic Research and the Ministry of Women's Affairs (2013) investigated the economic returns from women's skills over the past 30 and the potential returns over the next 10 to 15 years. Women's earning capacity is higher now and women are more likely to be financially independent, particularly younger women who have higher qualifications. Choices for combining employment and child rearing have changed. Furthermore, the gap between the incomes of men and women has decreased. Young women are obtaining qualifications at a higher rate than men, and women of all ages are now more qualified than men. However, young women who finish their education without qualifications run the risk of being trapped in low income work or unemployment. The report notes that occupational segregation by gender has decreased in most highly skilled occupation but has increased for unskilled occupations.

The Equal Employment Opportunities Trust (2012) reported on older workers. Despite the need, employers seem to be slow in addressing the issues associated with an ageing workforce. Ways of encouraging older workers to continue in employment are discussed and include: adopting an integrated approach, challenging myths and changing attitudes, communicating the business benefits of older workers, providing positive role models, adopting a lifelong learning approach, providing flexible working arrangements, considering adaptations to the workplace, offering health and wellness programmes and adopting an "age-neutral" approach to management. The barriers to older workers being employed include beliefs by older job seekers themselves about employers not wanting older workers, age discrimination issues, negative stereotypes and myths about older workers and subsequent internalisation of these stereotypes by older workers. In addition, other barriers include beliefs that older workers' skills are outdated (as a result of workplace technological change) and that they are difficult to retrain; the move from manufacturing to service based economies requiring different skill sets; qualification that are not relevant or recent, perceived costs of hiring older workers and associated training costs. The limited effectiveness of anti-discrimination legislation around the recruitment of older workers is also noted. The key recommendations for addressing both the challenges and opportunities of an ageing workforce include: recognising that not all older people are the same; ensuring that the business case is made for engaging with an ageing workforce; making sure employers know the age profile of their workforce; leading attitude change; creating a workplace culture that values and respects age and experience, providing diversity training on age, auditing all policies and procedures through an age lens, offering flexible working arrangements, ensuring working environment and conditions are appropriate, ensuring good job design and promoting good health at work and elsewhere.

A report by the Ministry of Social Development (2011) focuses on highlighting the potential of older people's contribution to the New Zealand economy and outlining how this contribution might look over the next four decades. Two key priorities are highlighted: to encourage employment of older workers and to change attitudes about ageing. Two opportunities identified are to increase the number of older people who remain in the workforce and to tap into the growing consumer market. This report argues that flexibility and changing attitudes will be necessary to maximise the potential of older workers.

Recognising the contribution of older New Zealanders is critical, The MSD report argues that New Zealand has the opportunity to develop the full economic potential of older people by creating flexible workplaces, promoting age-friendly infrastructure, introducing active ageing policies, removing barriers to older worker employment and educating employers about the benefits of retaining older workers. The roles of employers, businesses and the government are considered (i.e. ensuring appropriate transport, housing and access to services). In conclusion, this research found that the baby boomer population do not view themselves as "old". The baby boomers will have huge impact on business, government and the voluntary sector in the future and it is important that New Zealand capitalizes on the potential contribution of the baby boomers.

Enright and Scobie (2010) used the Health, Work and Retirement (HWR) study to investigate the influence of health and wealth on the decision to participate in the labour force by New Zealanders aged 55 to 70. For males, participation in full time work declines with age, however 20% of males remained in full-time work until age 70. In contrast, part-time work among males increased with age. For females, the probability of being in part-time work was higher than for males up to 65 years and full-time rates were lower among females compared to males up to 65 years, but showed the same downward trend as males. Health had a significant impact on people deciding to remain in the workforce, however the details of this relationship requires further exploration. One notable finding was that scores on the mental health measures were not related to labour force participation decisions for women. But for males the decision to work was strongly related to both physical and mental health scores.

Davey (2008a) explored the attitudes of employers to ageing workforce issues and what actions and adjustments were being made to meet the challenges. There were two stages to the research; a postal survey of the New Zealand Institute of Management (NZIM) members (almost all were senior managers) (n = 163) and face-to-face interviews with 20 respondents from the postal survey. Many interviewees strongly believed older workers should be encouraged to stay longer in the workforce with benefits in terms of economic and personal wellbeing. Some of the benefits of mixed age workforces include the ability of older workers to mentor younger workers. Employers generally acknowledged the need to educate and train their older workers. However some respondents said older workers may be overlooked for education and training as employers question whether the return on investment is justified. More than half the people interviewed felt that discrimination by employers against older workers was still present. Changes in retirement are outlined including more transitioned plans compared to the past where workers went straight from full time work to not being employed at all.

Davey (2008b), using results from the HWR study and EEO's Work and Age survey, found that "pull" factors, such as health and "wanting to do other things" were influenced retirement decisions. Health was a factor among those still working, although a higher percentage of women

said this was important when compared to men. Women were found to be more likely to consider the health of family member, whether their partner was about to retire, not being able to find work, as well as employers' policy on older workers.

Part 2

Trends in Labour Force Participation by Age and Sex

New Zealand has high rates of workforce participation in the older age groups, which have increased over recent decades (Table 1). This growth applies to both men and women, even though women's rates are lower.

Table 1: Workforce Participation % - Historic, by Age and Sex

MALE	1991	1996	2001	2006
50-54	82	81	82	84
55-59	71	74	76	81
60-64	35	47	60	70
65 PLUS	10	14	17	23
FEMALE				
	1991	1996	2001	2006
50-54	62	68	73	76
55-59	43	53	61	69
60-64	16	27	39	51
65 PLUS	3	5	7	11

The increases in participation rates are especially dramatic for the 60 plus age groups (Table 2)

Table 2: Change in Participation Rates %1992-2014, by Age

	50-54	55-59	60-64	65+
1992	77	65	24	6
2014	87	84	73	21
% CHANGE	13%	29%	204%	250%

These trends are expected to continue so that by 2036 almost one-third of New Zealanders aged 65 plus will still be in the paid workforce to some extent (Table 3).

Table 3: Participation Rates % at age 65 plus - Projections

	2011	2016	2021	2026	2031	2036
MALE	24	30	33	35	35	34
FEMALE	15	21	25	27	28	28

International comparisons

The Price Waterhouse *Golden Age Index* measures how well countries are doing in harnessing

the potential of their older workers (Price Waterhouse Cooper, 2015). The index is a weighted average of seven indicators that reflect the labour market impact of workers aged over 55 in 34 OECD countries. New Zealand ranks second on this index after Iceland. It had the second highest employment rates of 55-64 year olds in 2013 and the third highest for the 65-69 age group, after Iceland and Korea.

Current NZ Government policies which impact on workforce participation

Pension Policies

Not having a contributory retirement income system (until very recently) makes the New Zealand environment different from most OECD countries. New Zealand Superannuation (NZS), available on a flat rate universal basis from age 65, for men and women, provides a moderate replacement income for average-wage earners, amounting to 66% of the 'average ordinary time wage' after tax for couples and 40% for single people. The current level of NZS is sufficient to assure the majority of older people a basic living income. However, expectations of higher living standards in retirement will encourage people to remain in paid work after receiving NZS, especially given higher life expectancy.

A major policy lever to extend workforce participation is raising the age of eligibility for NZS. Raising it from 60 to 65 in the 1990s coincided with a marked increase in workforce participation in this age group (Hurnard, 2005). The present government does not support any further change, averring that the scheme is fiscally sustainable.

KiwiSaver is a voluntary, contributory, work-based initiative, started in 2007, to encourage long-term saving for retirement. KiwiSaver schemes are managed by private sector companies and not guaranteed by Government.

People aged 65 plus can receive NZS while still in paid work, subject to the relevant rate of income tax. This is on the basis of entitlement through a lifetime of contribution and paying taxes. The policy helps to ease the transition to retirement by allowing people to combine NZS with income from part-time work.

Retirement

The New Zealand Human Rights Act (HRA) came into effect in February 1999 and prohibits discrimination on a number of grounds, including age. Its provisions apply to all aspects of employment – recruitment, selection, remuneration, training, promotion, transfers, retirement and termination, and bans compulsory retirement.

Age discrimination

The workplace provides the most common grounds for complaints of age discrimination, which predominantly involve older people. Despite the HRA, its continuing existence in New Zealand is clear from numerous reports (EEO Trust, 2006; OGC, 2013).

Critics of anti-age discrimination legislation believe that it does not change employers' behaviour, but simply leads to more subtle and covert ways of discriminating. Action to combat ageism and stereotypical expectations surrounding age and retirement need to be addressed on a wider societal basis. Legislation is a signal to society that age discrimination is not tolerated, but not the whole solution.

Flexible work

New Zealand has legislation providing the ‘right to request’ flexible work arrangements, but subject to employers’ agreement. The right was initially confined to employees with caring responsibilities, but is now extended to all workers.

Flexible work practices are already widespread in New Zealand. When evaluating the Employment Relations (Flexible Working Arrangements) Amendment Act 2007, it was found that a high proportion of requests were approved and only 56% related to caring responsibilities (Department of Labour, 2011).

Education and Retraining

Opportunities for subsidised life-long learning are very limited in New Zealand and becoming more restrictive with cuts to funding for adult education and tightening of financial support for tertiary education. Recent research has shown calls from the business sector for more workplace-based (re)training; courses to improve technological abilities; and the extension of adult apprenticeship schemes (Davey, 2014).

Incentives to employers

Financial and other incentives to employ older workers, such as exist in Australia, are not in operation in NZ.

Employment laws and conditions

Current employment laws and contracts may accommodate flexible and part-time work, but at employers’ discretion.

Phased retirement

An abrupt break between working full-time and not working at all is becoming less common. In New Zealand, Dixon and Hyslop (2008) showed that most people did not stop working on their 65th birthday but at a wide range of ages. The majority made at least one transition out of employment prior to their final exit. The ability to work while receiving NZS facilitates phased retirement.

Government can create an environment encouraging for older people to remain in paid work through its policies, legislation and regulation, but the ability to retire gradually and with some degree of control on the part of workers will depend on employers’ practices.

Assistance to working carers

While Government is encouraging moves to extend labour force participation and delay retirement, it is also pursuing policies which rely on informal care for dependent older people (“ageing in place”). Middle-aged women are frequently expected to and frequently do take on eldercare responsibilities. Combining paid employment with eldercare is a growing employment issue.

Few employers have provisions to meet the needs of working carers in New Zealand. Many workers “juggle” eldercare responsibilities by using their annual and sick leave (Keeling and Davey, 2008). Flexible working conditions and caring leave, linked to employment contracts,

would benefit working carers, but there are no specific government policies in this area.

Conclusion

Some existing policies in New Zealand provide a positive environment for extending workforce participation, even though this may not have been their original aim. The New Zealand Positive Ageing Strategy, dating from 2001 and now under review, stresses the benefits of prolonging workforce participation: “The choice to work later in life is important in meeting the challenge of positive ageing” (Dalziel, 2001: 10). The Business of Ageing report (MSD, 2011: 3), produced by the Ministry of Social Development, states: “our competitiveness will hinge on building on the skills, knowledge and economic power of our older people.”

There is, however, little focused policy attention to address the implications of workforce ageing. The New Zealand Human Rights Commission (2010) in their *National Conversation about Work* called on the Government to: “urgently adopt a national programmatic approach to managing ageing workforce issues.” The EEO Commissioner (McGregor, 2007: 9) pointed out that there has been a variable response to Objective 9 of the Positive Ageing Strategy, which calls for the “elimination of ageism and the promotion of flexible work options.” She called for “an active integrated programme on ageing workers across the public and private sectors.”

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