



Te Tari Kaumātua
Office for Seniors

Report

Date: 20 August 2021

Security Level: IN CONFIDENCE

To: Hon Dr Ayesha Verrall, Minister for Seniors

Older People in New Zealand - Data

Purpose of the report

You have asked us to provide you with available data describing the general situation of older New Zealanders across various domains. This report represents a high-level initial response that could form the basis of more specific discussions and advice.

Recommended actions

It is recommended that you:

- 1 **note** the contents of this report
- 2 **agree** to provide any follow-up questions to officials arising from the contents of this report

Agree / Disagree

20/08/2021

Date

Diane Turner
Director
Office for Seniors

Hon Dr Ayesha Verrall
Minister for Seniors

Date

Data about older New Zealanders

- 1 This report draws on many sources for data and statistics related to older New Zealanders, their characteristics and experiences. The information can come from administrative data (such as number of people who received a service), calculated data (such as population estimations) or surveys.
- 2 Unfortunately, there is no “survey of older people”, and the relatively smaller sample sizes of those aged over 65 in some other surveys can mean that there may be a large margin of error in some the results. This is especially true when further dividing data to look at different sub-population groups divided by ethnicity or gender.
- 3 Wherever possible this report uses up to date information. However, for many of the main statistical sources the most recent data is 2018 because of collection delays under COVID-19 lockdown and restrictions last year.

Demographic changes and trends

The older population will continue to grow as a proportion of the total population

- 4 Based on Stats NZ figures there are currently approximately 819,600 older people which is 16% of the total New Zealand population. The over 65 population will continue to grow both in size, and as a proportion of the total New Zealand population. By 2034, the end point of the Better Later Life Strategy, Stats NZ's median estimate suggests 21% of the population will be aged 65 and over (approximately 1.2 million people).
- 5 It is a common misconception that this proportion growth is a result of a “bulge” from the “baby boomer” generation. However, the ageing population structure is driven more by increasing life expectancy and decreasing birth rates. This means that the trend of having more older people making up a greater proportion of the overall population will continue pass the aging of the “baby boomers”. Stats NZ's median projection for 2073 places the percentage of older people at 28%. United Nations population projections extend further, suggesting continued proportion growth to 31% in 2100.
- 6 The endpoint of this trend is not clear. United Nations estimates for Japan, which currently leads the world in population ageing with approximately 28% of its population aged over 65, point to stabilisation around 38% over the overall population from about 2050.
- 7 However, this is in the context of Japan being predicted to continue to have a declining total population because birth rates are below replacement. Many factors could result in significant variation in outcomes for New Zealand.

Population ageing drives sex ratio change

- 8 Differences in life expectancy between genders are predicted to drive a continued modest increase in New Zealand's overall ratio of women to men. Naturally, this is most apparent in older age brackets, with approximately 1.137 women aged over 65 for every man. Stats NZ median projections raise the ratio to 1.160:1 by 2034.

Our older population will be more ethnically diverse than it is now

- 9 Non-European ethnicities currently have higher proportions of people in younger age brackets. This means that over time, as these groups age, the over population of people over 65 will become more ethnically diverse.
- 10 Stats NZ projections (2018 baseline) show that between now and 2034 Māori will grow from 7.2% of the over 65 population to 9.7%. In the same period the proportion of the overall New Zealand older population from other ethnic groups will grow; Asian from approximately 8% to 12%, Pacific peoples from approximately 3% to 4% and Middle Eastern, Latin American and African (MELAA) from 0.5% to 0.9%.

- 11 Perhaps more significantly, these changes represent notable growth of an older demographic *within* each of these communities as well. The figures indicate that there will be a doubling of the number of Asian, Pacific and MELAA older people, and almost a doubling of Māori older people.
- 12 Nonetheless, the age profile of non-European ethnicities will remain substantially younger than that of the European population.

The older population will also become more diverse in terms of gender and sexual identity, but this is hard to measure

- 13 There is limited information about how many people aged over 65 identify as LGBTQIA+. Given the social and legal consequences of identifying in this way in the past, there is also no trend information.
- 14 In 2018 the General Social Survey, administered by Stats NZ, asked for the first time about sexual identity. The results estimated 0.7% of people aged 65 and older identify as gay, lesbian or bisexual, compared to 3% of the total adult population. However, within the 45 to 64-year-old age group, 2.1% identified as gay, lesbian or bisexual, pointing to a trend of increasing numbers of those in later life openly identifying as non-heterosexual.
- 15 Figures about transgender and intersex older people, and those with non-binary gender identities is not readily available. In the 2018 "Counting Ourselves" led by the University of Waikato survey of trans and non-binary people 2% of respondents were aged over 65 and 8% were aged 20-64 years old.
- 16 Stats NZ released its new standard for gender, sex and variations of sex characteristics in April this year. Moving forward this should provide much more high-quality information in future national surveys and the 2023 Census.

Population ageing will affect regions differently

- 17 Large numbers of those aged 65 and older are living outside big cities. By 2033 older people will make up around 30% of 16 territorial authorities such as Thames-Coromandel, Central Otago or South Wairarapa. The over 65 population is not projected to make up large proportions of our larger cities like Auckland, Hamilton, Wellington, Christchurch – all of which will have between around 15% and 23% of their populations in this age group.
- 18 Annex 1 below presents Stats NZ projections of the population percentage aged 65+ by territorial authority, with the urban regions that are projected to remain relatively younger highlighted.

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¹ The Ministry of Health has contributed to elements of this section.

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² MSD's material wellbeing index is made up of 24 items that each give direct information on the day-to-day actual living conditions that households experience. They are about the basics such as food, clothes, accommodation, electricity, transport, keeping warm, maintaining household appliances in working order, and so on, and also about the freedoms households report to purchase and consume non-essentials that are commonly aspired to.

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Employment

Workers aged over 50 will continue to make up around a third of the labour force

- 58 New Zealand has comparatively high rates of labour force participation among those aged 65 and over typically attributed to the universality of NZ Super. Almost half of those aged between 65 and 69 are employed or self-employed.
- 59 Population ageing means relatively fewer younger people (who are currently most of the workforce) available to support the needs of society. In turn an older population points to increasing social needs such as aged care, income support and healthcare.
- 60 Stats NZ reported that in December 2020 those in the labour force aged 50 and over numbered approximately 970,400, or around 33% of the total workforce. By 2033, this will grow to around 1.1 million, a similar overall proportion at around 34%.

Underutilisation rates are lower than other groups...

- 61 Rates of underutilisation (where people do not have a job, but are available to work and actively seeking a job), benefit receipt and underemployment (where people have a part time job, want more hours and can manage more hours) are lower for people over 50 than for people under 50. These rates are all higher for older women, disabled people, Māori and Pacific peoples, but still lower than women, disabled people, Māori and Pacific peoples of other age groups.

...but the impacts of unemployment can be greater...

- 62 The impacts of employment disruption on some older workers are more enduring than for workers of other ages. A Motu study of New Zealand workers displaced following the 2009 financial crisis found that those aged over 50 reported 11-12% reduced employment five years after displacement and 25-30% lower earnings. Workers of other age groups who had been displaced saw employment and earnings largely return to normal over the same five year period.
- 63 Workers aged 50 and over are over-represented among the long-term unemployed relative to their rates of unemployment and representation in the labour force. In the year to June 2020, people aged 50 and over made up approximately 33% of the total labour force, and just under 20% of Jobseeker recipients. However, they made up 41.5% of those who had been receiving Jobseeker benefit for more than one year.

...and the period after 50 is crucial for saving for later life

- 64 Net worth data by age shows significant growth after the age of 50. This suggests that much of the asset accrual (whether through explicit retirement savings, paying off a mortgage or other forms of investment) needed to support people in later life is undertaken in this period.

The COVID-19 lockdown disrupted the employment of a cohort of older workers

- 65 Ministry of Social Development (MSD) data shows there were 58,529 Jobseeker recipients aged 50 and over in March 2021. This is approximately 14,000 additional more than February 2020 – immediately before the first COVID-19 related lockdown.
- 66 Less older recipients have been able to find employment after they lost it. The number of Jobseeker recipients aged 50 and over moving off the benefit and into employment lags compared to workers of other ages. While the number of people moving into employment had increased for all ages in recent months with the initial stages of economic recovery, the “gap” between the rate of younger and older recipients remains unchanged.
- 67 An October 2020 survey of the impacts of COVID-19 on household incomes by the Commission for Financial Capability (CFFC) found that the percentage of those still on reduced incomes compared to February 2020 was highest (at 37%) among households where the main respondent was 55 to 64.

As people age, they seem to expect to “retire” later

- 68 The Office for Seniors’ Attitudes to Ageing Survey³ asked respondents under the age of 75 who had said they were not “retired” when they expected to do so. Preliminary 2021 results showed mean answers as follows:

Age	18 - 34	35 - 49	50 - 64	65 - 74
Mean anticipated retirement age	58.24	63.95	66.91	73.89

³ Results from the 2021 survey are preliminary and still being analysed. A full report will be available soon.

"Retirement" is inequitable for some

- 69 Not-yet-released Retirement Commission research suggests around one third of those working past the age of 65 are doing so out of financial necessity.
- 70 Net worth figures show that the retirement savings of Māori and Pacific peoples are substantially lower than those of other ethnicities, and the retirement savings of women lag those of men. These groups are also less likely than the general population to report receiving income from interest, dividends, rent or other investments.
- 71 Notably, lower rates of employment for Māori men and women under 65, compared to the general population, reverse after age 65. 2018 Census figures showed 32% of Māori men aged 65 and over were employed compared to 29% of all men aged 65 and over and 24% of Māori women compared to 18% of all women aged 65 and over.

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⁴ Figure from MSD Report: Household incomes in New Zealand: Trends in indicators of inequality and hardship 1982 to 2018

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⁵ The public housing register is a list of those who are considered eligible, who may or may not have been placed in housing. Therefore, it is an indicator of the "demand" for social housing but is not necessarily of unmet need in a particular group.

Involve ment in Society

Older people are a bastion of the voluntary and caring sectors...

- 93 Older people volunteer at substantially higher rates than other age groups. Labour market information, last collected in 2018 and based on the four weeks before collection, showed that just over 30% of those aged over 65 were volunteering in some form. This compared to around 25% of those aged 44 to 64, and 16% of those aged 25-44.
- 94 Similarly, in the 2021 Attitudes to Ageing survey saw 37% of those aged 65-74 years old, and 26% of those 75 and over report they are member of a volunteer organisation or group, compared to 19% of the total respondents.
- 95 While it is easy to assume that this was because over 65-year olds may have more time to volunteer time alone does not appear to be the main driver behind volunteering. Amongst over 65-year olds who were employed there was a volunteering rate of 35.5%, compared with just over 25% of those aged 45-64 and 15.5% for those aged 25-44 years old.
- 96 Even when comparing the rates of volunteering for those who worked part time the over 65 age group again had the highest rate at just over 43% (compared to around 33% for 45-64-year olds and just under 23% for 25-44-year olds). It may be that the demands of other life stage events, such as study or parenting for the 25-64 bands used the non-work hours that older people can use to volunteer.
- 97 However, while the *rates* of volunteering amongst over 65-year olds was higher (in other words, the number of individuals who choose to volunteer was higher), the *average number of volunteering hours* per person was similar across all age bands (in the range of eight to ten). It appears that no matter the age band, once someone chooses to be a volunteer, they tend to provide, on average, a similar amount of time to the work.
- 98 This may indicate it is not just available time driving the higher rates of volunteering amongst older people. Rather another belief or personal drive motivates more older people to put their hand up to volunteer.
- 99 The Carers Strategy identifies approximately 430,000 carers in New Zealand who provide care for someone close to them who needs help with everyday living because of a disability, health condition, illness or injury. Around 20% of those carers are over 65 years old, often caring for their mokopuna, grandchildren or partners.

...and are large contributors to civic society.

- 100 People aged over 65 have the highest levels of voter turnout. In the 2020 general election just over 89% of all 65-69-year olds voted. Just under 87% of people aged over 70 which was almost the same as the percentage of 60-64-year olds. These percentages of voter turnout are higher than all the other age groups. This has been the trend for the last three general elections.
- 101 While there is evidence that the more younger people are being elected to local councils and regional council offices, for example the size of the under 40 year old cohort in 2019 was the largest on record, older people have been, and remain strong contributors to civic society. In the 2019 local body elections, just under 30% of elected members were aged 61-70 years old and around 12% were aged 71 and over.

Older people get out and about...

- 102 Older people are maintaining the independence of having a driver's licence. Ministry of Transport data shows in 2001 around 69% of over 65s had a driver's licence. This had increased to 79% by 2016.
- 103 They are users of public transport – on average those aged 65 to 74, who use public transport use it just under four hours a week, and those aged 75 and over around two and a half hours a week. The main reasons for using public transport amongst older people is for shopping and personal business as well as "social visits".
- 104 However public transport is not always easy for older people. Up until 2018 (when the latest data is available) 7% of all respondents said they have a long-term condition or health issue that makes using public transport difficult. Those over 75 were over-represented in this group, making up 25% of it.

.....mostly feel safe, and generally are safe

- 105 Older people feel safe in their communities. In the most recent Ministry of Justice Crime and Victim Survey just under 91% of over 65-year olds reported a sense of feeling safe.
- 106 Though with the more detailed questions asked by Stats NZ the feeling of safety does go down. When asked if they feel safe at home alone, 86% of 65 to 74-year olds said they did and just under 87% of over 75-year olds. When asked if they feel safe walking alone in the neighbourhood after dark around 59% of 65-74-year olds felt safe and 54% of 75 years old and over. However, all these results are in line with the average responses for *all* age groups.
- 107 In terms of being the victim of any kind of offence though there is a difference between older people and the New Zealand average, with older people being less likely to have an offence committed against them. Around 21% of those aged over 65 had been the victim of a crime compared to around 29% of the total over 15-year-old population.

Social Connectedness

Many older people live alone

- 108 Older people are significantly more likely than other age groups to live alone. Stats NZ 2013 family and household projections suggest that in 2021 around 26% of those aged 65 and over are living in a one-person household. For the total population this is just over 9%.

Older people report they are less lonely and less discriminated against than other groups...

- 109 Older people generally report loneliness at lower levels than other age groups (notably younger people, who report the highest rates). According to Stats NZ, in the March 2021 quarter around 14% of those aged 65 and over felt lonely at least some of the time, as compared to around 18% of the total adult population.
- 110 Similarly, older people report experiencing discrimination at lower rates than other age groups. Again, in the March 2021 quarter, just over 11% of those aged 65 and over reported experiencing discrimination in the past 12 months, compared to just under 18% of the total 18 and over population.
- 111 There is a gender gap in both indicators- just over 17% of older women reported feeling lonely at least some of the time, as compared to 11.5% of men. And for discrimination just over 12% of older women said this had happened to them compared to just under 10% of older men. This gender gap is consistent with other age groups.

...and report high rates of membership in social networks

- 112 The 2021 Attitudes to Ageing survey asked people about the social networks they are part of. For those aged 65-74 years old 10% said they were not part of any of the kinds of options given. For those aged 75 and over it was similar at 9%. These were lower than the general respondent rate of 17%.
- 113 The most common social network for over 65-year olds were friends, volunteer groups, church, religious or spiritual group and hobby/interest groups. Across all these categories older peoples' reported participation was higher than that of other ages.

All ages seem to respect older people

- 114 In preliminary results from the 2021 Attitudes to Ageing survey, 81% of all respondents said they agreed or strongly agreed that they had "great respect for older people". These figures did not differ substantially between age groups – ranging from 74% for those aged 18 to 34 to 92% of those aged 65-74. Similarly, only 9% of respondents considered older people to be a net burden on society.
- 115 In the same survey older people were slightly less likely to report sometimes feeling "invisible because of my age" (21% of those aged 65-74 and 19% of those aged 75 and over) compared to the population at 23%. Similarly, older people were less likely to report having experienced a lack of respect due to their age (22% of those aged 65-74 and 15% of those aged 75 and over) compared to the total population (35%).

Middle aged people tie the generations together, but contact between the old and the young is more limited

- 116 Again, the Attitudes to Ageing survey asked about frequency of contact with friends or family of different ages. The lowest level of contact was reported by those aged 18-34 years old with those aged 75 and over (40% reported at least monthly contact). Similarly, 52% of those aged 75 and over reported at least monthly contact with someone aged between 21 and 34.
- 117 However, those aged 35 to 64 reported fairly high levels of contact with all ages (and vice versa). This makes these middle aged people a sort of bridge between the younger and older people in their lives – many likely in dual roles as parents (of younger people) and children (of older people).

Older people are the largest digitally excluded group in New Zealand

- 118 Digital exclusion is multi-dimensional and therefore difficult to measure. However, a variety of measures point to extensive digital exclusion among older people:
 - A 2021 BNA survey conducted found that 33% of those aged 60-69 years old, half of those aged 70-79 years old and 79% of those aged 80 and over did not have an "essential" level of digital skills.
 - Internet connection rates in a 2019 Motu research group study suggested 25% of those over 65, and 35% of those over 75 had no internet connection.
 - The Attitudes to Ageing survey indicates 20% of those aged over 75 (the only cohort surveyed by mail rather than online) did not access the internet at all, and a further 5% accessed it less than weekly. Having no need or interest was the most common reason (42%), followed by lack of knowledge or confidence (35%) and lack of trust (16%).
- 119 Even among older people who do use the internet, some lack confidence. Again in the Attitudes to Ageing survey, for those aged 75 and over who indicated some internet use, 19% described themselves as "not very" or "not at all" confident that they could do all they want to.

120 In 2020, the Citizens' Advice Bureau reported, based on over 4,000 client enquiries, that over 40% of people aged over 60 faced barriers to accessing government information and services online.

121 A better understanding of the reasons for digital exclusion among older people will help clarify if it is a "generational issue" that will reduce with time, or whether it will persist.

Elder abuse is a problem for some

122 Findings published in 2012 and based on analysis of the longitudinal study of ageing suggested that around 10% of older people living in the community experience abuse. Psychological abuse was significantly more common than coercion or physical abuse. This figure is in line with international estimates that 3–10% of older people experience abuse each year. The majority of cases – up to 96% according to a 2017 international meta-analysis published in the Lancet – go unreported.

123 Inbound calls to the New Zealand Elder Abuse Response service typically range between 140 and 160 each month, with increases after awareness campaigns around World Elder Abuse Awareness Day (for example a 120% rise in June 2021) that suggest further promotion could result in greater reporting.

124 The 21 providers that make up the Elder Abuse Response Service manage over 4200 referrals per year from Police, DHBs, health care professionals, Work and Income, Needs Assessment Care Services, banks, accountants, lawyers, and rest homes.

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Employment Discrimination Experimental Analysis

- 147 In line with actions included in the Better Later Life Action Plan, the Office plans to commission research into employment discrimination against older workers in the hiring process. The current evidence base for age-based employment discrimination relies on self-reporting. This research will experimentally test for evidence of discrimination among hiring decision-makers.

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Business of Ageing Report

- 149 Between 2011 and 2017 the Office published updated results from modelling of the contribution that older people make to the New Zealand economy as workers, volunteers, carers and consumers. The results were intended to broaden the conversation about the economic impact of ageing beyond the fiscal costs of increasing NZ Superannuation uptake. We are working with the New Zealand Institute of Economic Research to refresh and update the model used to produce these results and produce an updated report in the latter half of this year.

Ageism

- 150 Ageist attitudes underlie or relate to a range of negative outcomes for older people that the Office seeks to address in various contexts in which this happens, including employment discrimination and elder abuse. Commencing in the latter part of this year, we intend to undertake desk-based research into the causes of ageism and potential responses to shift societal attitudes and behaviour.

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Next Steps

- 152 This report is intended to provide a broad set of background information on New Zealand's older population. As such it is based on information the Office currently holds and publicly available information. With more focused research, we may be able to provide further detail on particular areas. Similarly, should you wish to read further on any area, we can provide source documents and relevant research material.

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