

**Employment of Older Workers**  
**Retirement Commissioner's 2007 Review of**  
**Retirement Income Policy**

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## 1. Introduction

The New Zealand Superannuation and Retirement Income Act 2001 requires the Retirement Commissioner to conduct a review of retirement income policies before the end of 2007.

The Terms of Reference request:

- Commentary on any current policy settings which may be acting as a barrier to the continued employment of older people
- Identification of any areas of policy development needed to enhance employment opportunities for older people

This paper examines the definitional difficulties surrounding older workers, and international and domestic demographic trends including the current and projected status of older workers in New Zealand. Current barriers to participation of older people in paid employment are examined with reference to current policy settings and the paper concludes with an identification of recommended new areas of policy development and review.

The Human Rights Framework (Appendix 1) has been used as an analytical tool where appropriate to consider current policy setting barriers and in the identification of policy development opportunities. This framework includes consideration of participation by those most affected by decisions such as employers and older workers, empowerment of individuals and communities, accountability for policy-making, the balancing of competing rights where tension exists and the application of international human rights instruments and conventions, such as ILO conventions and policies.

## 2. Definitions of older worker and working age in current policy development

Several definitional difficulties surround the employment of the older worker in current policy development. These are what *is* an older worker and traditional notions of “working age”.

The international literature shows that the term older worker can apply to anyone aged from 40 years, while the OECD (2000) definition of an older worker is 55 years and upwards. Most international and local research defines the age band that has been used to collect data in the particular study but it is important to note that older worker research often compares and contrasts data across different age cohorts.

The following difficulties arise from either the open-ended nature of the term “older worker” or imprecision and variability in its use;

- It is sometimes used to span more than thirty years in the workplace and such usage does not acknowledge the difference in aspirations and experiences of different cohorts and generations.
- Policy developed for older workers aged 45 may in fact be quite unsuited to those aged 55 years let alone those aged 65 plus because of changed circumstances in health, financial security, wellbeing, physical stamina, employability and motivation.

- Older workers are not a homogenous group, and vary greatly by education, employment experience, geography, life course, attitude, culture and values, as well as gender, ethnicity, health as well as age.
- Using chronological age may be a poor starting point in determining employment-related needs and send inappropriate messages to employers and employees (Taylor, 2002).

Government studies and public and private research use different age groups when they refer to “older workers”. This inhibits a coordinated approach to policy development and hinders public understanding.

A one-size-fits-all approach for older workers aged 45 onwards is not appropriate in the New Zealand context, because the issues around work for different age bands are not necessarily the same and because employment aspirations change as people age.

For example, New Zealand research has shown that retirement intentions can change as workers approach the age of eligibility at 65 years for New Zealand Superannuation as a result of both “push” and “pull” factors (McGregor and Gray, 2003). Some of those who previously said they would quit the labour market realise they cannot afford to do so, while others want to stay working because it improves their sense of self-worth and community attachment.

This trend has recently been confirmed by American research (Mermin, Johnson and Murphy, 2006) which showed that more than half the respondents in their fifties said they would now have to be working later in their sixties.

There is a need for consistent understanding in New Zealand policy settings about definitions relating to older workers. Statistics NZ defines labour force participation as those aged 15 years and over. It states, “this definition is the most appropriate for the New Zealand labour market, as New Zealand does not have a compulsory retirement age, and many workers stay in the labour force beyond the age of 65. Using this definition also means that the measure will reflect changes in labour market demographics, in particular the increasing number of employees working beyond 65 years” (Household Labour Force Survey, June, 2007).

Statistics NZ goes on to say that several alternative definitions of labour force participation rates are in use by other organisations. There is also a difference in the ages used for household statistics in New Zealand as the household labour force status is derived by looking at the labour force status of members in the household aged between 18 and 64 years.

*There is a need for policy development to acknowledge generational and age cohort difference for older workers when designing labour market policy in New Zealand. The use of five year age bands from 40 onwards is appropriate. The age group from 65 years may be the cohort most in need of new thinking about recruitment, retention and labour market participation which require a modern definition of what constitutes working age. Standardised definitions*

*would improve policy development and disaggregated data analysis is essential given the need to examine differences by gender and ethnicity.*

### **3. Demographic trends and the changing status of older workers.**

The workforce is ageing across both the rich world and developing nations. In 1950 8.2% of the world's population was 60 plus. In 2050 21.1% of the world's population will be 60 plus.

The Organisation for Economic Co-operation and Development (OECD) estimates that between 2025 and 2030, 12 million people a year will be exiting the global workforce (OECD, 2006). By 2012, nearly 20% of the total United States workforce will be aged 55 years or older, up from just under 13% in 2000. Within the European Union the number of workers aged between 50 and 64 will increase by 25% over the next two decades, while those aged 20-29 will decrease by 20%. Japan with almost 20% of its population over 65 years, has the highest share of older people in the world.

In common with other similar OECD countries New Zealand is experiencing permanent structural demographic change resulting from low fertility rates, increased longevity and the large baby boomer cohort moving into their sixties. By 2031 the percentage of people in the 65 plus age group will have grown to around 22% of the New Zealand population (currently 12%), according to Statistics New Zealand's population estimates.

The Department of Labour recently highlighted that more older New Zealanders are in work than ever before and that workers aged 55 and over now comprise one in six of the total labour force (DOL, 2007). This places New Zealand near the top of the OECD for rates of workplace participation among older people.

While 40.7% (370,900 people) are in the labour market of the working age population of 910,400 aged 55 years and over, nearly sixty percent (59.3% or 539,000 people) are not in the labour force. These participation figures compare with the national annual average participation rate of 68.4%.

Realistically, only some of those not in the labour force probably those aged between 55-70 years, represent a potential pool of mature workers if they want to, and are able to, participate in paid employment. Work needs to be done to identify the potential pool and what incentives and levers would make people want to stay as a positive choice, bearing in mind the strong attachment older New Zealanders have to autonomous choices about retirement decisions.

Prominent ILO researcher Alan Walker (2002) states in his strategy for active ageing that it is time to focus on the key issue which is the economic activity rate, and specifically, underemployment among older people.

More detailed analysis of age bands shows those aged 55-64 years and the 65 years plus age groups have significantly different labour market participation outcomes. While 27.9% of the working age population aged 55-

64 years is not in the labour force, this increases to 86.8% for the working age population aged 65 years and over. In the over 65s, the group between 65-69 years have more than double the participation rate of those aged 70-74 years and more than ten times the rate of those aged 75 years and above.

Figures produced by Statistics New Zealand show that New Zealand compares favourably with Australia in labour force participation rates for the 65 plus age group (Household Labour Force Survey, 2006) with men at 19.5% compared to 13.8% in Australia.

This begs the question of what has led to the improved labour force participation of older workers in New Zealand. An international comparison of best practice on integrating older people into the labour market that compared 10 OECD countries including New Zealand said of this country; “the successful integration of ageing workers into the labour market is less a result of a targeted policy or strategy than a side effect of the general economic upswing” (Barth, Heimer and Pfeiffer, 2007).

New Zealand’s structural demographic change has been accompanied by increased labour and skills shortages. The skills deficit was identified as the main constraint on business expansion by New Zealand businesses in the March 2007 quarter (Department of Labour, 2007b). Forty-one percent of business had difficulty finding skilled staff in the May quarter in 2007 compared with 29% in the December quarter 2006.

Business New Zealand predicts skills shortages will be a pervasive feature of the labour market for decades to come (Business New Zealand, 2005). A possible retirement exodus of baby boomers combined with non-replacement that exacerbates labour and skills shortages, will have a detrimental effect on New Zealand’s economy.

The macroeconomic costs of an ageing workforce generally emphasise two variables; labour productivity and the employment to population ratio (Guest, 2005). New Zealand, like other OECD countries, is paying some policy attention to aspects of labour force participation rates of older workers.

However, there could be better alignment of supply-side and demand-side considerations as these policy frameworks mature. It would be wasteful if older workers seeking jobs or wanting to stay at work were unable to do so because of overt discrimination or covert barriers. It would be similarly inefficient if the benefits of older workers were increasingly recognised by employers but older workers were not willing to participate (ibid, 2005).

The issue of retirement income cannot easily be separated from the issue of the employment of older workers both economically and socially. The two should be dove-tailed in policy development. Whether government policies are aimed at increased participation in the labour force by older workers, or at incentivising retirement, these will have a direct effect on government expenditure and either broaden or narrow the Government’s revenue base accordingly (Wilson and Rodway, 2006).

*Demographic change means that New Zealand cannot leave to market forces or to chance the need for greater participation in paid employment by the catchment of older workers who are not in work. Policy development will need to reconcile the right of older New Zealanders to make autonomous and well informed decisions about retirement, and the nation's need to address labour and skills deficits in order to maintain economic growth and social progress.*

#### **4. Current policy settings that may be acting as a barrier to continued employment of older workers.**

The assessment of current policy settings takes account of:

- 4.1 national goals and strategies,
- 4.2 the legislative framework,
- 4.3 the current state of international and domestic research,
- 4.4 employers' attitudes
- 4.5 employees' attitudes and trade union activity,
- 4.6 government departments and the policy development process,
- 4.7 the influence of public agencies, NGOs and civil society.

##### **4.1 National goals and strategies**

The Government's high level goals impact on older workers in a number of ways. The purpose of the goals is to provide a clear frame of reference to guide public sector policy and those with relevance to older workers include growing "an inclusive, innovative economy for the benefit of all", "improving New Zealanders' skills" and "reducing inequalities in employment". The economic goal promotes developing an economy that adapts to change, provides opportunities and increases employment, and while reducing inequalities, increases incomes for all New Zealanders.

The Positive Ageing Strategy launched in 2001 is further evidence of the Government's commitment to older people and Goal 9 addresses the "elimination of ageism and the promotion of flexible work options." The strategy established 10 positive ageing goals with related key actions, as a framework for integrating policies and programmes across the government sector at central, regional and local level. The strategy allows government departments, territorial authorities and others to self-identify a range of actions and initiatives that will be undertaken in a year.

A major achievement of the Positive Ageing Strategy has been its extension to over 30 local authorities by 2007. The strategy was given impetus by the release on August 30, 2007, of the Positive Ageing Indicators' Report produced every six years from census data which provides a snapshot of older people across a number of aspects of life.

Reviewing the self-identified commitments since 2001 it would appear that of the goals, with the exception of the rural goal which has struggled to gain agency commitment, Goal 9 relating to the employment of older workers, has had a lower and more variable response from the public sector, regional and local authorities and other agencies who participate. This may reflect both the voluntary nature of the Positive Ageing Strategy that works through agency self-identification, the absence of a mandate for accountabilities, and the fact

that older worker employment has taken some time to be recognised widely as a critical issue.

In a 10 country comparison of best practice (Barth, Heimer and Pfeiffer, 2006) it was stated that the Positive Ageing Strategy reflected New Zealand's view of itself as a liberal society with a highly developed sense of responsibility for caring for its older members. "However, this is not tied to any systematic policy programme to promote active ageing. The strategy creates the framework and defines fields of action without implementing concrete measures," the comparative review said.

*The Positive Ageing Strategy is now six years old and when it was introduced the employment of older workers was not as critical an issue as it is today given both labour shortages and skills deficits in New Zealand. The strategy reflects a benign, voluntary approach to implementation and was not intended to, and does not have, a primary focus on the private sector that employs the majority of New Zealanders. There is a need for an active integrated programme on ageing workers across the public and private sectors which:*

- *aims to monitor and make transparent older worker participation rates,*
- *encourages them to remain in paid employment,*
- *ensures workplaces can cope so that employers and employee needs are met,*
- *helps older workers find jobs in the first place if they are not currently in paid employment,*
- *provides successful transition from work to retirement,*
- *reconciles work aspirations and retirement expectations both socially and financially.*

#### **4.2 The legislative framework**

Laws promoting equal employment opportunities and banning age discrimination are acknowledged as an important means of accelerating the pace of change in policy, practice and behaviour. New Zealand has had age discrimination legislation for some time which has clearly influenced attitudes to compulsory retirement. The Human Rights Act 1993 and the Employment Relations Act 2000 both explicitly list age as a prohibited ground of discrimination and employment is specified as a prohibited area of public life. Both a ground and an area and no exemption are required for discrimination complaints.

Since the 1990s it has been unlawful to retire an employee compulsorily because of the employee's age. The 2001 amendment to the Human Rights Act saw that prohibition extend to the public sector from January 2002. Other forms of discrimination with particular relevance to age and employment are discriminatory advertising, specifically situations vacant material.

Unlawful discrimination occurs when a person is treated differently from another person in the same or similar circumstance and discrimination can be either direct or indirect. Direct discrimination includes not been given an employment opportunity, being treated less favourably and being subject to a detriment. For example, missing out on a job simply because of age, not

being chosen for a training opportunity because of maturity or not receiving financial rewards that others in similar circumstances receive because of age could all constitute discrimination.

The legislation is, though, predicated on individual complaint and the mediation of complaints in the first instance as opposed to an inquisitorial or adversarial system. This makes it harder to address systemic ageism. If parties cannot agree at mediation and the Human Rights Commission has been unable to resolve their complaint, cases can be taken to the Human Rights Review Tribunal. At the tribunal, complainants may be represented by the Office of the Human Rights Proceedings (OHRP), an independent part of the Commission, or the complainants can pursue a case privately.

How successful has the addition of age as a prohibited ground of discrimination been in combating ageism in New Zealand workplaces? On the positive side, it had an immediate and powerful effect in eliminating age from employment advertising including situations vacant advertisements and on Internet sites carrying job vacancies (ILO, 2007; McGregor, 2005) However, legislation by itself has not eliminated age-related employment discrimination as seen by recent figures (Appendix 2).

To some extent it has sent employment ageism underground. Research shows some mature job-seekers blame the recruitment industry as the gatekeepers for difficult-to-prove but none-the-less pervasive ageism (McGregor and Gray, 2001). More recent research confirmed the prejudice of some recruitment agencies. Recruiters were more negative than employers towards applicants for nursing, human resource management and sales positions (Wilson, Parker and Kan, 2007).

The courts appear to be upholding the rights of employees such as airline pilots when discriminatory policies have prevented people from continuing employment beyond a certain age such as 60 years, (David McAllister v Air New Zealand, 2006), although Air New Zealand is currently appealing this case.

A pending case involving a tenancy adjudicator complaining of age discrimination because of the compulsory retirement age of 70 may lead to legislative change to the Residential Tenancies Act 1986. The judicial retirement age, a statutory exception to compulsory retirement, was extended to 70 years from 68 years in 2007. This move recognised a potential loss of valuable knowledge and experience to the judiciary and brings New Zealand into line with comparative overseas jurisdictions.

Further litigation can be anticipated around compulsory retirement ages contained in specific legislation which are exceptions to the discrimination provisions of the New Zealand Bill of Rights Act and human rights legislation. Older New Zealanders wanting to continue to work beyond statutorily imposed retirement ages may in future challenge the notion that compulsion to quit the labour market is a justifiable limitation on their rights to freedom of discrimination.

As these cases emerge it would be unfortunate if age discrimination was considered by the courts as a less invidious form of discrimination than other forms of discrimination such as race and gender. This would allow mandatory forms of retirement to continue in some specific areas where retention of experience, competence and capability should be paramount considerations.

Statutory legislation promoting equal employment opportunities in New Zealand, which by definition encompasses older workers, is confined to the public sector only through the “good employer” provisions of the State Sector Act (1988) for the core public service and the Crown Entities Act 2004 which extended the concept of the “good employer” to about 100 Crown Entities.

While older workers are not a specific target group in the legislation the “good employer” provisions require a personnel policy that complies with the principles of being a good employer and its availability to all staff plus the reporting in annual reports of the extent to which state sector organisations comply with the policy. The “impartial selection of suitably qualified persons for appointment” is part of being a “good employer”.

The dichotomy between the public and private sectors has meant that the public sector has traditionally taken a leadership role in the promotion and protection of equal employment opportunities in New Zealand workplaces in relation to women’s progress, the participation of Māori and Pacific and in the employment of disabled people (Human Rights Commission, June 2004). What happens in the public sector can then have an osmotic effect on positive workplace cultures in the private sector despite the absence of a positive duty in legislation to be a “good employer”.

The demographics of the public service provide impetus to ensuring older workers are retained, recruited and treated well while at work. Research on older workers in the New Zealand public service in 2004 showed that it had a higher proportion of older workers than the general labour force, that one department had almost four out of 10 people over 55 years and the department with the lowest number of older workers had seen its proportion double over 8 years. In the next ten years the proportion of older workers was expected to be 24%. (Facing an Ageing Workforce: Information for Public service HR Managers, 2004).

Significantly, most departments did not have specific policies on managing an ageing workforce. For example three out of four departments did not consider the issue in their succession plans (ibid ).

*The United States Government Accountability Office (2007) recommended making the US federal government a model employer for the nation in how it recruits and retains older workers. A similar modelling exercise is worth pursuing in New Zealand and could be proactively led by the State Services Commission as part of its EEO to 2010 policy development.*

*Given the likely increasing influence of age discrimination legislation on changing policy, practice and to some extent behaviour and attitudes, the availability of regular case law digests on age discrimination and more regular published data about inquiries and complaints to the Employment Relations Service and the Human Rights Commission would usefully inform employers, employees, trade unions, researchers and policy makers. It could be an important element of an integrated older workers strategy.*

### **4.3. Current state of research and information**

Effective policy around improved labour market participation and outcomes of older workers is developed in part from robust research that has been tested, peer reviewed and critiqued. Business and industry, trade unions, policy analysts, older workers themselves and society in general have an interest in research that is effectively communicated beyond academic journals into the public domain. This section of the paper considers the scope and impact of older worker research. Work undertaken by core government departments in research and policy development is also considered here and in more depth in section 4.6.

A significant amount of research, much of it identifying barriers to the employment of older workers, has been undertaken in New Zealand in the past 10 years, largely in parallel and sometimes ahead of international research. This has improved the visibility of older workers as an issue and contributed to dialogue and debate about solutions among an informed group of stakeholders. The “barriers” research undertaken recently includes reference to :

- Discriminatory attitudes by employers and co-workers (McGregor, 2001; Wilson, Parker and Kan, 2007)
- Discrimination by the recruitment industry (Wilson, Parker and Kan, 2007)
- Caring responsibilities (DOL, 2007)
- Lack of flexible work options (EEO Trust, 2006)
- Low or outdated skills (DOL, 2007)
- Low self esteem and lack of confidence (McGregor and Gray, 2001)
- Lack of information specific to mature workers (DOL, 2006)
- Absence of career guidance for older workers (DOL, 2006)
- Poor health (Davey, 2006)
- Family circumstances and partner’s employment circumstances (EEO Trust, 2006)
- Lack of specific age-adjusted training and learning opportunities for older workers (Davey, 2006)
- Stereotypes about the decline in physical health, cognitive functioning, job performance and productivity of older workers (Alpass and Mortimer, 2007).

The “barriers” research has been accompanied by more practical guides to managing and enhancing the performance of older workers. Various research and policy groups that foster research in this area include the New Zealand Institute of Research for Ageing (NZIRA) and the Institute of Policy Studies. A comprehensive, web-based resource, *Maximising the Potential of Older*

*Workers* (Davey, 2007) is regularly updated by the NZiRA and usefully summarises international and domestic research.

International human resource organisations, such as Hudson (2004;2006), also release regular benchmarks into the public domain often comparing New Zealand and Australia. Multinational companies like IBM (2006) are regular voices on the speaker's circuit in New Zealand and elsewhere promoting employment policies involving older workers. Global labour supply companies such as Adecco (2006) and Manpower (2007) have committed to business case strategies relating to older workers and Manpower is aggressively advertising its commitment to recruiting older workers in New Zealand.

In summary older workers have moved from being the Cinderella of work-based research to a more central topic in the last ten years. Research material available in New Zealand has generally raised the visibility of older workers as an issue. However, the totality of the research has not necessarily been used consistently and systematically to leverage change in attitudes and practices among employers, employees and trade unionists.

This is despite initiatives such as:

- early information from the New Zealand Employers' Federation (now Business New Zealand) in 1998 at the time of legislative change around age discrimination and retirement
- widely publicised research among older worker members of New Zealand's largest union, the Engineering, Printing and Manufacturing Union (EPMU) in 2001,
- the New Zealand Institute of Research for Ageing (NZiRA) formulating an eight-point action plan to raise awareness in the business community about the challenges of demographic change,
- the Human Resources Institute of New Zealand ensuring that guidance for recruiters and employers was developed for web-site use
- The EEO Trust's 2006 Work and Age Survey of older workers aged between 45 years and 64 years where 30% of on-line respondents said they had experienced or witnessed work difficulties related to age.

The New Zealand experience in this regard is not unique. According to the United States Government Accountability Office (GAO, 2007) the United States continues to see barriers for older workers and employers wanting to recruit and retain older workers, although work has been done to highlight the benefits of older workers staying in work past the traditional retirement age. GAO states that "many employers are still unaware of the need to engage older workers and meet their workforce needs, and few have implemented programmes to engage or retain older workers. Similarly, many workers are not adequately preparing for retirement."

*The question of why there has been less traction in New Zealand than other countries around the employment of older workers in practice perhaps reflects the absence of a national integrated and coordinated campaign. There is a useful coordination of government officials sharing information through the interdepartmental network on policy development affecting older people run*

*by the Office for Senior Citizens in the Ministry of Social Development. However, there is no central archive or clearing house for older worker research material. The NZiRA is a possible clearing house mechanism for research on ageing workers and a platform for regular annual research symposia, given its longstanding interest in the area*

#### **4.4. Employers' attitudes**

New Zealand is generally well researched about the employment of older workers. However, while labour force participation of older New Zealanders is on the policy agenda, there remains significant, negative stereotyping of older workers by some employers which suggests a need for policy impetus around employers' attitudes.

Some employers, or at least their human resources managers, are getting the message. A 2007 survey of human resources managers from large New Zealand businesses representing a combined workforce of 15,000 workers showed 83% of workplaces surveyed believed the ageing workforce is highly important to future staffing (McGregor, S. 2007). Leaders of business and employers organisations were actively engaged in the Employment of the Older Worker Summit held in 2006.

However, neither knowledge of the impending demographic imperatives nor business leadership necessarily translates into active recruitment and retention of mature workers, particularly when entrenched stereotypes about age abound in the workplace. The Hudson report in 2004 asked the question, "Does New Zealand business have its head in the sand about the potential effects of the ageing workforce on the economic and social landscape? It would appear so." (p.3). It is a moot point whether much has changed in 2007.

By comparison, Australia is identified as a country with a more comprehensive approach to the employment and retirement of older workers (Taylor, P, 2002). Well resourced social marketing campaigns involving television advertising are being used to "speak to" business, industry and the public about the business benefits of employing mature job-seekers. As mature job seekers who are unemployed are more likely to experience difficulty obtaining employment, several state governments in Australia have developed programmes specifically targeting this group (Encel and Studencki, 2004).

Perhaps the best example of business leadership in older worker issues is the Employers Forum on Age in the United Kingdom, even though the UK has been slower to embrace age discrimination legislation. The Employers Forum on Age is an NGO that seeks to convince companies of the benefits of mixed-age workforces and provides business with concrete assistance. Established in 1996 by leading businesses in association with Age Concern, it has 240 members employing 14 per cent of the British workforce. The Employers Forum influences policy and legislative decision-making. Its various advisory services to members include workshops, master classes, training seminars,

PR and poster campaigns as well as best-practice documentation of age diversity management.

Business New Zealand's CEO Mr Phil O'Reilly made the following points in discussion at the Employment of the Older Worker Summit in 2006:

- policy settings of older workers needed to be “New Zealandified” and not just replicate overseas models,
- the possibilities of flexible work not the drawbacks need to be emphasised,
- solutions around flexible work for older people needed to be realistic for business,
- a more co-operative approach between the Government and business was needed,
- Government needed to think about how it could lessen negative fiscal impacts on small and medium business that could not necessarily afford to invest in the training of older workers,
- There was a need for exemplars through case studies and role models.

The need for government to pay more attention to business needs to retain older workers in New Zealand has been consistently promoted (McGregor, 2005).

#### **4.5 Employees' attitudes and trade union activity**

Cultural change is also essential among employees. Research shows that mature workers themselves share many of the ageist stereotypes about older workers with their employers, reflecting the deep seated nature of societal beliefs. The EEO Trust's “Work and Age Survey” in 2006 showed that respondents between the ages of 45-64 years felt older workers were reliable, had good customer service and communication skills, were committed to their careers and had initiative. They were less favourable about their technology ability.

Similar views were evident in a survey of over 2137 workers aged 55 years and over who were members of the New Zealand Engineering, Printing and Manufacturing Union (EPMU). Respondents agreed with employers that older workers were more likely to resist change and older workers were more likely to have problems with technology. The workers surveyed also agreed with employers that older employees were more reliable, loyal and committed to their jobs. This shows that social conditioning that aims to reduce stereotypical thinking cannot be confined to employers alone. It needs to cover the workplace to include older employees, younger workers, supervisors, managers and employers.

Workers will also have to embrace new attitudes about their employability and their skill base if they either want to, or need to, continue working beyond the usual retirement age. The relative dearth of career and employment information targeted at older workers and mature job seekers has been identified by recent research (Department of Labour, 2006). This matches overseas experience. According to a progress report of the OECD Career Guidance Policy Review, OECD countries have not yet addressed the

potential role of guidance services in helping older workers to remain integrated in the labour market (ILO, 2003).

A number of barriers are evident in relation to life-course training for older workers. These include the absence of self-motivation and personal initiative, other self imposed barriers such as resistance to moving outside a personal comfort zone, fear of highly-technical computer jargon, different styles and pace of learning. Employers' perceptions of the high cost of training and limited time for return on investment are also factors (Wooden, 2001).

A New Zealand survey showed there was a divergence between the views of older workers and employers on training. More employers said older workers were more likely to be both difficult to train and to be less willing to train. Older workers, however, felt they were often by-passed in selection for technology training (McGregor, 2001).

The role of organised labour in prompting attitude change amongst employees is critical, with particular significance in the areas of the re-organisation of work, on-the-job training and skills development, and increasingly health and safety issues that are relevant to older workers in particular occupations.

The New Zealand Council of Trade Unions (CTU) is involved in a number of tripartite projects and processes with employers and the government that are looking at better work outcomes for individuals and families. Many of these include older workers as part of the general worker cohort such as flexible work and work life balance. While these projects do not specifically focus on older workers, CTU secretary Carol Beaumont has championed older workers within existing work/life balance activities. She was involved in the Employment of the Older Worker Summit and is an advisory committee member of the resultant business pilot project.

*While there has been a slow recognition of ageing workers by informed stakeholders, this has not been accompanied by a changing national view. Change is needed in the New Zealand mindset about both the value and retention of older workers and the benefits, opportunities and challenges of mature job-seekers. As well as addressing stereotypical assumptions about older workers the change in public attitudes must also embrace new thinking by individual employees about their specific needs, retention and how to stay employable.*

*A national campaign to help change the national mindset about work at older ages, which incorporates a discussion about what "old" is to help change the culture of early retirement has been suggested for the United States and Australia. Similarly the need for a seismic shift in public attitudes exists in New Zealand.*

*While older workers are included as one of many groups making up the workforce in tri-partite relationships working on issues such as productivity and flexible work, they are not a separate focus. This reduces the potential for*

*consensus building about specific older worker initiatives by the social partners. The UK Employers Forum on Age provides an impetus to the “business” of older workers and deserves to be considered in the New Zealand context.*

#### **4.6 Government departments, and the policy development process**

At least three major government departments are predominantly involved in helping to develop policy around labour market participation of older workers.

Treasury research (Stephenson and Scobie, 2002) examined the economics of population ageing around the time the OECD commented on New Zealand’s “soft” approach to interventions for those not working who were over 55 and receiving a benefit.

The Government introduced a more active policy, Jobs Jolt, for people aged 55 plus which resulted in the removal of the work-test exemption for unemployment beneficiaries aged 55-59 years.

The “Mature Focused Case Management” process was targeted at those aged between 45 and 59 years and provides specialised Work and Income case managers and work brokers to help older job seekers find work. It also helps employers hire older workers (Research New Zealand, 2006). The Minister of Social Development recently announced that from September 2007 there would be no work test exemptions on the basis of age.

However, as Human Rights Commission experience shows, many mature job-seekers, particularly men aged 55 plus who have been made redundant from professional or technical jobs as a consequence of restructuring, are currently hidden from official statistics because they are not necessarily registered as Work and Income clients. Some delay registration while they test the market themselves, often depleting financial assets as they search for work.

The Department of Labour (DOL) produces regular statistical data, research papers and reports and undertakes programme activity relating to the employment of older workers within its current work programme. Projects such as the Work/Life Balance programme and its quality flexible work component, upskilling the workforce, and work relating to carers, many of whom are older people, are all related to the employment of older workers.

Specific research into mature people not in the work force and the potential role of career information and guidance, data looking at the trends and patterns over the past 15 years involving older workers (up to 64 years) and occupational trends was undertaken in 2007.

Other DOL work around low pay and labour market policies also captures data around older workers and other age groups. A paper detailing this work and other strands of activity is attached as Appendix 3.

In the 2007-08 year joint research between DOL and the Ministry of Social Development called *Turning 65: reflecting back-Employment experiences and plans for the future*, will be undertaken to investigate how and why mature workers make particular decisions about workforce participation and withdrawal, the barriers that prohibit their involvement in paid work and what assistance could enhance their ongoing employment. The Treasury and the Retirement Commission supported the bid for research funds for the project.

The Ministry of Social Development (MSD) convened in 2005 a workshop for researchers, *Research on Ageing Forum: Future Priorities and Capabilities* attended by more than 60 academics, public servants and NGO representatives.

The forum identified work, wealth and transitions as a key priority for future research on ageing. A significant finding from the forum was the need to improve co-ordination amongst the research community in general, even though there was not necessarily agreement about how this should be done.

It was acknowledged that university research on ageing in particular was concentrated on a number of individuals whose expertise could easily be lost. Issues such as better methods of engaging with funding bodies, how practitioners can use research that is produced, the policy thirst for relevant and quality research and the fact that research often sits quietly in many different government spaces, were all canvassed as issues that needed to be addressed.

The MSD established the Older People's Policy team in November 2004 to contribute to "whole-of-government" policy development in a number of areas, including employment, that contribute to positive ageing and the wellbeing of older New Zealanders. While ways to reduce barriers to employment amongst older workers is listed as an area of policy advice to government no recent research papers have been produced or are planned in 2007/08.

The Ministry has, however, undertaken internal survey work around the employment of mature workers within this large government department. The MSD is also involved as a partner organisation in the business pilot project that was one of the results of the Employment of the Older Worker Summit in 2006 held by the Retirement and EEO Commissioners.

*An overview of how major government departments engage in older worker policy development shows that older workers are often considered to be one of the groups that could be influenced by, or involved in, current workplace trends and patterns, rather than being a specific focus. Policy making in this area is at present largely reactive with somewhat predictable research outcomes. While an interdepartmental policy network meets on issues for older people, it focuses on sharing information rather than coordination of research on work and retirement income issues. The absence of proactive coordination identified by the MSD Forum impacts negatively on New Zealand's policy development around the employment of older workers.*

*An active integrated employment of the older worker strategy would allow for leading edge research, provide coordination of the research community, allow government departments access to, and connection with, data sources and university and NGO researchers. It would also open up opportunities for broader cross-sectional and longitudinal research that could draw on older worker experience, address regional and community needs and explore connections with the practitioner and NGO communities.*

#### **4.7 The influence of public agencies, NGOs and civil society**

Public agencies, NGOs and civil society are often effective catalysts for policy change. They have had an intermittent influence on employment of the older worker policy development in recent years. It is perhaps axiomatic that those involved in pushing the public debate around employment of older people grow older themselves.

The Canterbury Development Corporation, led by John Patterson, was influential in prompting public debate and early research around older worker issues. The CDC was part of a network of community-based mature employment support agencies in areas such as Invercargill, Palmerston North and Whangarei as well as Christchurch.

These agencies raised the community profile of mature workers and to that extent contributed to placing older workers on the policy agenda. Changes in government policy saw reduced government funding for these agencies replaced by the national provision of the Mature Focused Case Management Process through the Ministry of Social Development's Work and Income.

Other community initiatives that raise the profile of age issues, such as employment, are linked to the efforts of volunteers coordinated by the Office for Senior Citizens. The Volunteer Community Co-ordinators is a nationwide network who bring together a wide range of individuals and organisations in their geographic areas and feedback into policy advice. They also promote the Positive Ageing Strategy. Associated groups such as New Plymouth's Positive Ageing Trust, provide a regular forum for debate that links to regional development.

Given that the most acute and relevant thinking about older workers and retirement transition comes from older workers and retirees themselves it is vital that policy development formalises ways it can include the voices and views of older New Zealanders who are still working, who are about to retire and who are volunteers.

While community-based initiatives influence public debate and impinge on policy development, employment issues have not necessarily been a major focus of public advocacy for the two major age-related NGOs, Age Concern and Greypower. Both organisations have been influential politically in changing other government policies in relation to age such as the licensing regime for older drivers and in the health services areas. The lesser emphasis on work may reflect the fact that many of their members are the already

retired who are enjoying their status and are less interested in the idea of returning to paid employment or being re-hired.

However, in the EEO Trust's 2006 Work and Age Survey while the majority of retired respondents had jumped straight from fulltime work to retirement, by contrast the majority of respondents who were still working saw the ideal transition to retirement as part time work before exiting the labour market.

A number of agencies have taken an advocacy or education role in attempting to stimulate public thinking about employment of older worker issues through public speaking, media exposure and communication strategies. These include the Retirement Commissioner, the EEO Commissioner, and the not-for-profit organisation, the EEO Trust.

The Retirement Commissioner has undertaken significant outreach to a wide variety of civil society organisations in the past few years in acknowledgement that the issue of retirement income is interrelated with the issue of retention of older workers and transition from work issues.

The EEO Commissioner has promoted older workers as role models through the book, *Lifeswork*, that profiles a number of older New Zealanders who are self employed, employers and employees in a variety of occupations. The Human Rights Commission (HRC) has focused on older workers as a disadvantaged group in its work programme and mature job-seekers and older workers feature in the 2006-07 and 2007-08 Statements of Intent and the 2006-07 Annual Report. Enquiries to the HRC about age discrimination reveal that men aged 55 years and upwards who lose a job are a particularly vulnerable group.

The not-for-profit organisation, the EEO Trust, received wide publicity for its online survey of older workers aged between 45-64 published in 2006 and the sheer number of respondents (6000 plus) affirm the salience of this topic to those most affected, older New Zealanders. Material such as the EEO Trust survey, which revealed that 30% of respondents had experienced or witnessed difficulties at work as a direct consequence of age, has the advantage of topicality as a snapshot of contemporary opinion and is easily disseminated to the public.

The Retirement Commissioner and the EEO Commissioner organised the Employment of the Older Worker Summit in 2006 to provide impetus to the issue. The summit was attended by Business New Zealand, the CTU, the Auckland Chamber of Commerce, the Canterbury Employers Chamber of Commerce, the EEO Trust, the Department of Labour, the Ministry of Social Development and older worker representatives.

An outcome of the summit is a business pilot project involving a number of public sector and private sector companies that aims to address specific self-identified business-related concerns and will result in the development of best practice guidelines.

New Zealand does not have a broad-church NGO such as the AARP in the United States which has 38 million members and has a priority goal to ensure that people have the opportunity to continue to work as long as they deserve. AARP offers prestigious awards to the top 50 companies through its annual best Employers for Workers over 50 programme.

While the paper has focused on the need to retain larger number of older New Zealanders in paid work, it is acknowledged that many community organisations would be affected by any reduction in the number and commitment of volunteers whose non-paid work supports the social infrastructure. Equally large numbers of older New Zealanders with family caring responsibilities and elderly dependants are not in a position to remain in or re-enter the labour market, and there would be significant social and fiscal impacts if they did. The low value currently ascribed to non-paid work undertaken by older New Zealanders and its poor visibility should be acknowledged in a review of policy settings.

*In general, community agencies, NGOs and civil society currently have ad hoc and intermittent influence only on policy development around the employment of older workers. Mature job-seekers in particular feel that they are powerless, with no voice and nowhere to express their views.*

*Mechanisms for grassroots input that would enrich both the process and substance of policy and increase the impact of outcomes should be considered.*

*Existing NGOs dealing with age such as Age Concern and Greypower, may in future have members who wish employment issues to be a greater priority for advocacy. The EEO Trust's highly popular annual Work and Life awards could develop a category of "best employer for workers over 50".*

## **5. Identification of any areas of policy development needed to enhance employment opportunities for older people.**

A broad view of the current policy development and other initiatives shows that there are a variety of agencies working in the area of employment of older people in New Zealand and that this activity produces much quality work. If all the summary points listed in this paper so far were individually implemented it can be anticipated that they would produce better outcomes.

What is missing, though, is coordination against a common, easily identified set of priorities that links employment of older people to retirement income policies in an integrated and comprehensive manner.

New Zealand needs a new approach to policy development that helps reconcile personal autonomy in retirement and employment decision-making, and the nation's need to address labour shortages and skills deficits to maintain economic and social progress. The vision of an integrated policy development framework could be to ensure the employment rate for older workers is the same as that for prime working age people, for example.

Researchers generally identify Australia and Finland as exemplars for national strategies (Taylor, 2002; Barth, Heimer and Pfeiffer, 2007) with Great Britain receiving honourable mention for its *New Deal 50 Plus*, the Netherlands for *Taskforce Ouderen en Arbeid* and Japan for its integrated approach (Barth, Heimer and Pfeiffer, 2007).

The idea of an integrated, comprehensive approach to a policy framework for the employment of older workers should itself be a subject of policy development. While several other countries have adapted national programmatic approaches, a mechanism that coordinates and integrates policy development may be equally as useful and cost-effective in the New Zealand context.

All of the individual suggestions mentioned in the first part of the paper, could be incorporated into an integrated comprehensive approach. In summary, the introduction of an integrated policy development framework on older workers would allow for:

- Better coordination of existing government department research, a commitment to leading edge research and evaluation of how research findings are made available to the public
- The designation of a research clearing house on older worker issues and a platform for public dissemination of data, results and analysis
- Re-envisioning of the Positive Ageing Strategy as a lever for best practice implementation of the employment of older workers, and an evaluation of the strategy's relevance to the private sector as well as central and local government
- Consideration of how best to resource and promote a national campaign to change the mindset about older workers and reduce societal stereotypes
- Exploration of what information individuals will need to reconcile their retirement aspirations and intentions with the individual and national benefits and fiscal impacts of working longer
- Incorporation of the voices and experiences of mature job-seekers and of older people in the development of policy that impacts on them.
- Consultation between the social partners-the Government, employers and trade unions- on ways of working that provide a specific focus on ageing workers and acknowledgment that employers ultimately have to be convinced that retention is good for business
- Consideration of business incentives to encourage small and medium enterprises and other companies to consider retention and transition strategies where the absence of these will mean earlier exit from the labour market of 65 year olds

- Encouragement of trade unions and employees to commit to life-course training that enables older workers to remain skills-relevant in a technological age
- Impetus for NGOs and other public agencies to be involved with and relate to policy development and advocacy around the re-organisation of work, health and safety issues, on the job training and employers needs

All of the other suggestions noted in this paper such as the need:

- to clarify definitions,
- to have active rather than reactive policy development,
- to provide regular data on better inquiries, complaints and case law,
- to consider the possibilities of an Employers Forum and an 'EEO award' for employers with older workers,

would all fit neatly within a coordinated approach.

An integrated policy development framework makes good economic sense and emphasises the coincidence of interests between the Government, employers, employees, other major institutions and the public which as Walker (2002) notes, is very rare indeed.

It will reduce the potential for intergenerational conflict, help create a more inclusive society financially and socially and powerfully connects to the New Zealand ideal of a "fair go for everyone".

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## Appendix 1 - The Human Rights Framework

A human rights framework for the development and delivery of legislation, policy and practice incorporates the following six elements:

1. **identification of all relevant human rights involved**, and a balancing of rights, where necessary, to maximise respect for all rights and right-holders;
2. **the linking of decision-making at every level to human rights norms** at the international level as set out in the various human rights covenants and treaties;
3. **accountability** for actions and decisions, which allows individuals and groups to complain about decisions that affect them adversely;
4. **empowerment** of individuals and groups by allowing them to use rights as leverage for action and to legitimise their voice in decision-making;
5. an emphasis on the **participation** of individuals and groups in decision-making; and
6. **non-discrimination** among individuals and groups through equal enjoyment of rights and obligations by all.

The following statistics relate to matters of unlawful discrimination under the Human Rights Act 1993 (“the HRA”) on the ground of age in the areas of employment and pre-employment. This means they are classified as either Part 1A or Part 2 under the Act.

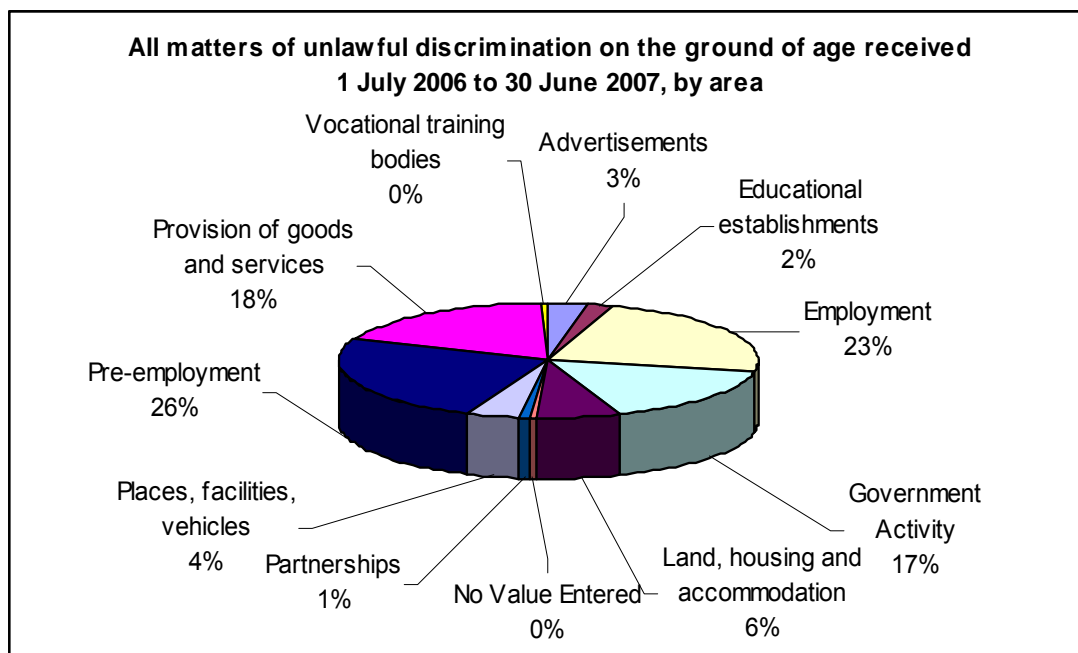
There are some limitations on this data and these have been detailed as necessary.

### Age discrimination

Between 1 July 2006 and 30 June 2007 the Commission received 1665 complaints and enquiries with an element of unlawful discrimination. 197 of these included the ground of age.

Of those 197 matters, 105 related to the area of either employment (50) or pre-employment (55).

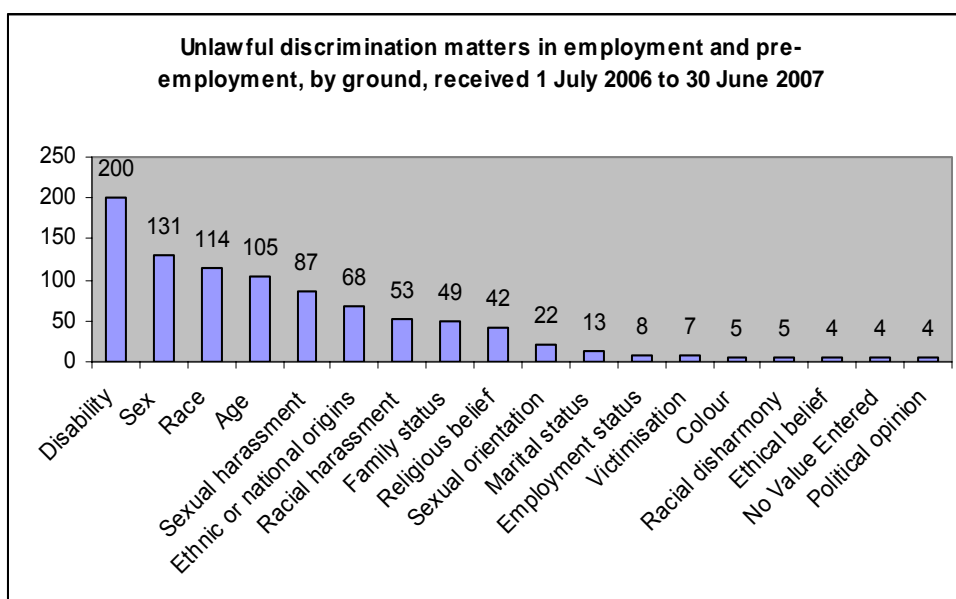
A comparison of discrimination matters in pre-employment and employment, in relation to all other areas of age discrimination, shows:



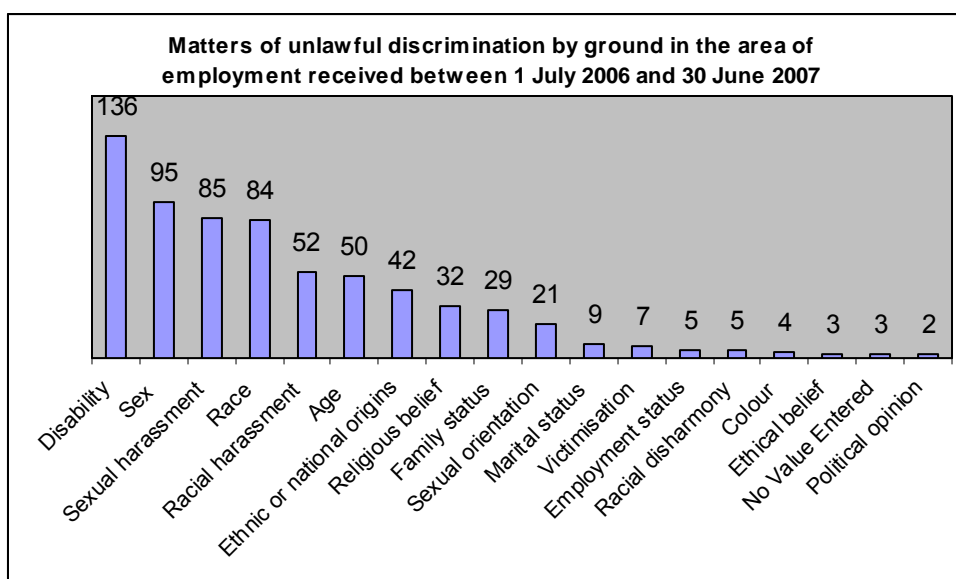
## Discrimination in employment and pre-employment

Between 1 July 2006 and 30 June 2007, the Commission received 792 matters relating to unlawful discrimination in either employment (570) or pre-employment (222). Further analysis of these matters shows that 55 people were registering their concern on a matter, 146 people were requesting resources or information, and 591 people were seeking intervention (or making a complaint).

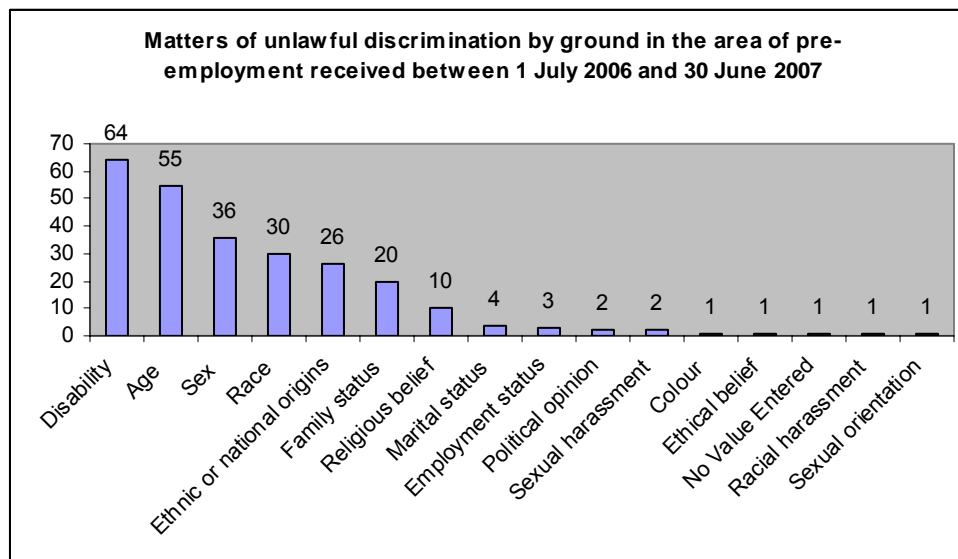
The following graph shows what grounds of unlawful discrimination were received in both employment and pre-employment:



The following graph shows what grounds of unlawful discrimination were received in employment matters alone:



Please note that not all matters have an associated area and some matters may have two or more areas. Therefore the number of areas will not correspond to the total number of matters we have received. The following graph shows what grounds were related to matters of unlawful discrimination in pre-employment alone:



Please note that the total number of grounds will not equal the number of matters that we have received. This is because any one matter can be made on one or more grounds.

### Demographic data

A paper on demographic data collection, and its capabilities, went to the May 2007 Commission meeting. Our proposal to start actively collecting demographic data from parties, commences in the 2<sup>nd</sup> quarter. The amount of data we do have is not representative of all approaches we have received and would give an inaccurate and distorted picture so we haven't provided it.



**A-----**  
**-----ppendix 2 - Department of Labour Work and**  
**Research Related to Mature Workers**

**Department of Labour projects related to mature workers**

Policy Projects	Description and milestones	Project lead	Time frame
<b>Work Life Balance Programme:</b>	<p>Advice to Minister of Labour on preliminary results of research and related consultation on the Carers Strategy</p> <p>Further consideration of workplace policies to support working carers</p>	Workplace Practices Policy Team, DOL	<p>Preliminary policy proposals scoped 31 March 2007</p> <p>December 2007</p> <p>2008</p>
<b>Work Life Balance Programme: Quality Flexible Work</b>	<p>Quality flexible work offers some distinct benefits for mature workers, and their employers. For example, quality flexible work is one way of retaining mature workers in the labour market, particularly those with health and/or injury problems or caring responsibilities, and those who would prefer to transition to working hours that would enable them to spend more time on personal interests.</p> <p><i>Project milestones:</i></p> <ul style="list-style-type: none"> <li>Promotion of existing rights to flexible working</li> </ul>	Workplace Practices Policy Team, DOL	Report to Select Committee June 2007

<sup>1</sup> Not Government policy. Private Members bill introduced by Sue Kedgley of the Green Party.

	<p>arrangements and best practice</p> <p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>▪ Analysis of submissions received during consultation</li> </ul> <p><b>February 2007</b></p> <ul style="list-style-type: none"> <li>▪ Policy options scoped and advice prepared for Minister</li> </ul> <p><b>February 2007</b></p> <ul style="list-style-type: none"> <li>▪ Report to Transport and Industrial Relations Committee on Employment Relations (Flexible Working Hours) Amendment Bill.<sup>1</sup></li> </ul>		14 June 2007
<b>Up-skilling the Workforce</b>	<p>DOL is progressing the three year plan of action which includes the establishment of up to 15 Up-skilling partnerships e.g. between firms, providers and others. These partnerships focus on approaches to workplace literacy programmes and the benefits of them to individuals, workplaces, businesses and the community. It is possible that an older worker focus could be incorporated into one or more of the Up-skilling partnerships. General work in this area will also have an impact on older workers.</p> <p>DOL has had tentative discussions with the Retirement Commission in relation to the Financial Literacy project and will be discussing further linkages between that project and the Up-skilling work.</p>	Employment and Skills Policy, DOL	Through 2007 and to 2009
<b>Choices for Living, Caring and Working: Carers of adults</b>	<p>The Choices for Living, Caring and Working includes a work-stream on improving the choices of the one in five New Zealanders who are caring for adults of all ages, including older people, those with ill health and those with a disability. Carers of</p>	Work-stream led by the MSD. Input from Employment and Skills, DOL	Through 2007

	adults are increasingly mature adults themselves. This includes the development of a Carers Strategy.		
<b>Futures Project</b>	The Department is currently developing the work programme for the Labour Market Futures team. One of the first work areas for this team will be a project focused on ageing (labour market impacts of an ageing population, and older workers in the labour market). While any work would look at the range of factors impacting on the labour market – particular focus would be given to the Department’s portfolio areas, e.g. employment relations, workplace practices and skills.		Through 2007

There are several other DOL work-streams and external projects where DOL has input, where older people may be captured as part of the impact of that work and/or where an older worker perspective could be incorporated. Some examples are:

- Active Labour Market Policies (DOL)  
(promoting smoother transitions for people affected by change in the labour market due to economic transformation)
- Better Tertiary and Trade Training Decision Making (Career Services)  
Improvement of tertiary and trade training education and career information. This project is focussed on young people but any improvements in the base information available will also assist older job seekers or older people facing transitions.
- Low Pay work (DOL)  
(consideration of current and possible interventions that might improve the low pay status of some workers)

**Department of Labour research related to mature workers**

Research Project	Project Description	Project lead	Time frame
<b>45 plus: Choices in the Labour Market</b>	Research into mature non-participants and the potential role of career information and guidance in assisting that	Employment and Skills Policy, DOL	Released March 2007

	group.		
<b>Older People in Work: Trends and Patterns 1991 -2005</b>	<p>Using Household Labour Force Survey data this report examines the changes in the level and composition of employment for those aged 50 to 64 over the past 15 years, (1991 to 2005).</p> <p>The report looks at which parts of the labour market are experiencing the most growth in the older workforce, some of the work conditions being experienced in this group, and how this differs from the rest of the population. In particular, it looks at:</p> <ul style="list-style-type: none"> <li>▪ Changes in the labour force participation rates among older persons;</li> <li>▪ Changes in the employment characteristics of older workers (such as industry, occupation and hours worked).</li> </ul>	Labour Market Analysis, DOL	Released March 2007
<b>Occupational Trends</b>	<p>Some occupations may be gaining fewer older workers, (or to put it another way, they appear to have high net outflows of older workers) which perhaps raises questions about discrimination and how to make older people more valued, productive etc.</p> <p>When the 2006 census results are available in full, we intend to do some further investigations into occupational trends in older workers. This will be a useful starting point for further research such as why some occupations are becoming more/less attractive to older workers.</p>		
<b>Ageing Workforces and Ageing Occupations:</b>	Workforce Ageing Workforces and Ageing Occupations: Research and Evaluation commissioned the Labour Market Dynamics Group at Massey University to review	Workforce Research and Evaluation, DOL	Released March 2007

	<p>New Zealand and international research, and write a discussion paper that identified emerging issues and knowledge gaps for ageing workforces and ageing occupations.</p> <p>This discussion paper aimed to outline the changing nature of work and its relationship to demographic changes; identify the extent that workforce ageing in New Zealand, and particular occupations where ageing is a significant phenomenon; identify emerging issues in research and policy; and identify knowledge gaps in relation to workforce ageing and ageing occupations.</p>		
<b>Labour Market Futures</b>	<p><b>Scenario Modelling:</b> The disaggregated Labour Status Scenario model (DLSSM) is spreadsheet based model that can be used to develop scenarios of future labour supply, employment and hours worked by age, sex and qualification attainment. Essentially the model accounts for different probabilities of being in the labour force based on age, sex and qualification.</p> <p>The output includes a full set of labour force scenarios – labour force by age by gender by employment status including participation rates and unemployment rates. The economic implications of the forecast scenario are also produced using a growth accounting approach</p>		
<b>CDRP Bid: Turning 65 – reflecting Back: Employment Experiences and Plans for the</b>	<p>The objectives of this research are to:</p> <ul style="list-style-type: none"> <li>• Better understand recent work histories and retirement plans of New Zealanders at the age of eligibility for</li> </ul>	MSD and DOL	Funding has been approved in the current CDRP

<p><b>Future</b></p>	<p>New Zealand Superannuation</p> <ul style="list-style-type: none"> <li>▪ Identify the drivers for continued involvement in work, and for particular retirement approaches</li> <li>▪ Examine employment and retirement pathways for different groups in the survey</li> <li>▪ Explore how employment and retirement services and supports have met the needs of the survey cohort over the last 10 years, and identify the supports required by New Zealanders now and into the future, whether continuing in employment or transitioning to retirement.</li> </ul> <p>The research will look at the work history and characteristics of a cohort at 65 years (the age of eligibility for New Zealand Superannuation), asking these people to describe their involvement in work over the past 10 years; awareness and use of retirement and employment related services or supports, and how effective these were; and, their reasons for.</p>		<p>funding round.</p> <p>The research will be conducted over the 07-08 year with final reporting expected late in 2008.</p>
<p><b>LEED Research: <i>Transitions to retirement project</i></b></p>	<p>The transitions to retirement project would study the transitions between employment and other identifiable LEED states around the date at which individuals become eligible to receive New Zealand Superannuation (NZS). The labour market states that can be identified include “LEED Employed” (i.e. receiving employment PAYE earnings), “LEED Non-employed” (likely to be primarily receiving working-age taxable benefits), and “LEED Non-observed” (a combination of labour force non-participants, and self-employed without PAYE income sources).</p> <p>The project would describe and analyse individuals’ transition decisions around the date at which they become NZS-eligible, focusing on whether there are distinct versus</p>	<p>Labour Market Futures and Research, DOL</p>	<p>To be completed in 2007</p>

	smooth changes. For example, to what extent do employed workers leave employment and “retire”, versus reduce their employment from full- to part-time (either at the same firm or by changing firms), versus exhibit no change in their LEED state? Also, (how) are these decisions related to observed characteristics such as employment and earnings history, gender, marital status etc? Information on the rate of NZS received can be used to distinguish single from married recipients.		
<b>LEED Research: <i>Tenure and Turnover</i></b>	Little information exists on job tenure and worker turnover in New Zealand. This research will compare alternative measures of tenure and investigate the distribution of tenure in the labour market. Age, gender, region and industry variations and seasonal patterns will be examined.	Labour Market Futures and Research, DOL	Completed by June 2007
<b>LEED Research: <i>Employment and earnings outcomes of displaced workers</i></b>	The LEED data allow firm re-organisations and closures to be identified by tracking groups of employees across firms. This study would look at the impact of closures on the future employment, earnings and benefit receipt of the affected and unaffected employees. This project will provide information on labour market adjustment costs and the ease and speed with which displaced workers are re-employed	Labour Market Futures and Research, DOL	Completed by June 2007
<b>Labour Market Outcomes for Older Workers</b>	An annual monitoring report on older workers with a focus on recent trends such as: labour force status, wage growth, industry employment and skill levels in employment.	Labour Market Analysis, DOL	Released June 2007

### Labour Market Knowledge

<b>Mature Workers Focus Group (a recent example)</b>	DOL co-ordinated a focus group in Christchurch with participation from DOL, training providers, industry associations, local government, EDAs, some employers, recruitment agencies, MSD and Office of Senior Citizens. The group gave valuable “coal face” information and is willing to stay connected to discuss how it could be active at the regional level in supporting solutions to issues for older workers in practical ways.	Labour Market Knowledge Manager, DOL	January 2007
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### In addition, a number of other activities are directly related to older workers.

ACTIVITY	MILESTONES	TIMEFRAME	PERSONNEL	MANDATE
Positive Ageing Strategy – Annual Report	Provide report against DOL’s contribution to the Annual Plan for the previous year.	Departmental contribution due in April each year.	Workforce	August 2000 - Cabinet directed all Chief Executives to identify projects from their work plans for a Positive Ageing action plan.
Positive Ageing Strategy – Annual Plan	Provide new actions for the coming year to meet the objectives of the Strategy.	Departmental contribution due in May each year.	Workforce	The Positive Ageing Strategy was launched in April 2001. The Strategy now sits alongside the Families Young and Old theme but continues to be reported on separately to Cabinet each year.

ACTIVITY	MILESTONES	TIMEFRAME	PERSONNEL	MANDATE
Positive Ageing Strategy – review of actions	Develop DOL view of appropriate actions under the relevant goals.	MSD to meet with individual agencies by the end of June,	Workforce/ Workplace	Initiated by Office for Senior Citizens to review whether any of the actions have been met and/or

		Work on review July to Dec 07, Report to Cabinet early 08 prior to 08/09 Plan.		need to be amended/deleted/added to. Plan is to report to Minister with results of the review and recommendations.
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ACTIVITY	MILESTONES	TIMEFRAME	PERSONNEL	MANDATE
Families Young and Old – positive ageing sub-theme			Workplace	One of three government goals for ET 2005-2015. Workplace is leading DOL's contribution to FYO
QPLUG partnership projects on quality flexible work - proposal to have one partnership project with a particular focus on older workers	None scheduled – activity dependent on identifying and approaching potential organization and agreement by that organization to participate	Discussions with potential organizations expected to happen in July	Workplace	Agreement by social partners and DOL

ACTIVITY	MILESTONES	TIMEFRAME	PERSONNEL	MANDATE
Retirement Income Policy review	Data collection & synthesis Report development Consultation and feedback Final Report	August Sept/Oct  November December	Workforce	Review required under s.84 of the NZ Superannuation and Retirement Income Act 2001. DOL asked for information and involvement.

ACTIVITY	MILESTONES	TIMEFRAME	PERSONNEL	MANDATE
Interdepartmental Network on Older Workers (led by	Regular update from agencies and guest	Meets every 6 weeks or so	Workforce	Invitation to attend

Office for Senior Citizens)	speaker Notes distributed internally within DOL			
Occasional requests to provide comment and input into papers and reports on older people e.g. Positive Ageing Indicators Report (prototype for regular report on the status of older people) in May 2007				

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