

# Ageing Workforce in the New Zealand Crown Entity Sector Survey Report 2014

Prepared for the New Zealand Human Rights Commission  
in partnership with

The Office for Senior Citizens & OCG Consulting



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## Introduction

New Zealand's aging population creates a macro-economic imperative for people to participate in the labour force for longer. As people are living longer, and younger people are entering the workforce later, pressure on those supporting the upper and lower ends of the age demographic is increasing.

In 2012, fifty percent of the New Zealand labour force was older than 42 years of age, compared to 36 years in 1991 and 39 years in 2001 (Mortimer & Alpass 2007.).

The population of New Zealand aged 65+ (600,000 in 2012) will increase to 1.2 million in 2036 and 1.5 million in 2061. The proportion of the total population aged 65+ (14% in 2012) will increase to 23% in 2036 and 26% in 2061 (Statistics New Zealand, 2012). There will be an increasing need for welfare benefits, pensions and public healthcare for New Zealand's older citizens.

In the future greater participation of older workers will be needed as New Zealand responds to growing skill and labour shortages. Overall, an older labour force is inevitable. Many older workers want to participate in the workforce. In one study, around a third of New Zealanders who weren't in paid work at 65 said they would like to be employed (McPherson, 2012).

New Zealanders need to change their attitudes as to how long a person is expected to work, and how long they remain capable and productive workers. Ageism exists, particularly among the young (Boock, 2012) and mature age workers looking for jobs are out of work twice as long as younger job-seekers (Zillman, 2013). Personal barriers for mature age workers include feeling too old to compete with younger job seekers (EEO Trust, 2009).

In September 2014, one in five (20.8%) people aged 65+ were participating in the labour market (Statistic New Zealand, 2014). The labour force participation rate for older New Zealanders is increasing in line with the projections contained in the 2013 Business of Ageing Update Report. From a participation rate of 19% in 2011, it is projected that the labour force participation rate of older New Zealanders will reach 25% by 2016 and 30% by the mid-2020s. By 2026 it is projected that 11% of New Zealand's total workforce will be aged 65 or over, compared to 5% in 2011 (Ministry of Social Development, 2013).

The Global Financial Crisis has exacerbated the situation with many retired, or those nearing retirement, losing superannuation savings requiring them to participate in the workforce for longer so as to have sufficient funds to see them through retirement (Westfield Wright Pty, 2012). The growing trend of having families at a later age also puts additional pressure on people to save up for a sufficient retirement fund. Many people still have financial commitments to their children when they near or reach retirement age forcing them to continue to work to support the family. As well, the rising cost of housing means that more and more people are getting to pension age and still have a mortgage.

Whilst these are compelling economic and social arguments for the need to keep workers in the labour force for longer, they are primarily macroeconomic in nature, and hence the domain of government. At the end of the day, it is individual firms, and the workers they employ who make the decision to hire or not to hire an older worker.

The impetus for this report is to understand views and behaviours towards an aging workforce in the Crown Entity Sector. This report therefore focuses on the views of three core groups:

1. Employers
2. Older workers themselves
3. The younger workforce

The information gathered from this report will be compared with the [results from similar research](#) undertaken by OCG Consulting for the private sector in July 2013.

## Methodology

This report draws on a combination of both primary and secondary information. Whilst there is no shortage of relevant information in the public domain, the key published information sources for this report include:

- Ageism exists in New Zealand too. Boock, R. 2012
- The death of loyalty, 2012, Human Capital Magazine, pages 31-32, 48, Issue 10.7
- Ageing workforces and ageing occupations: A discussion paper, Department of Labour, 2012
- Coming of Age: The Impact of an Ageing Workforce on New Zealand Business. OCG Consulting, 2013
- Where is your next worker?, Deloitte Touche Tohmatsu, 2011
- Household Labour Force Survey: September 2014 quarter, Statistics New Zealand, Wellington, November 2014
- Older workers: Challenging Myths and Managing Realities, EEO Trust NZ, 2012.
- Older workers choosing work over retirement, Fleming, G. 2011, The New Zealand Herald, 6 March 2013
- 2013 Business of Ageing Update Report, Ministry of Social Development, Wellington, October 2013
- National Population Projections: 2011 (base) – 2061, Statistics New Zealand, Wellington, July 2012.
- Westfield Wright Pty 2012, Attitudes to older workers, Nicholas Wright, Sydney
- Working In Retirement: A 21st Century Phenomenon, National Study of Changing Workforce, 2010

References to these papers are made throughout this report. Gaps in the publically available information were explored using primary research.

The New Zealand Human Rights Commission in partnership with The Office for Senior Citizens and OCG Consulting engaged Lonergan Research to conduct an online survey amongst employers and employees of the Crown Entity sector, including both older and younger workers.

All employer respondents identified themselves as being in a senior management position or are specialists (such as internal consultants with an appreciation and understanding of the entity as a holistic enterprise) in various Crown entities.

A total of 385 surveys were completed amongst eligible employer respondents.

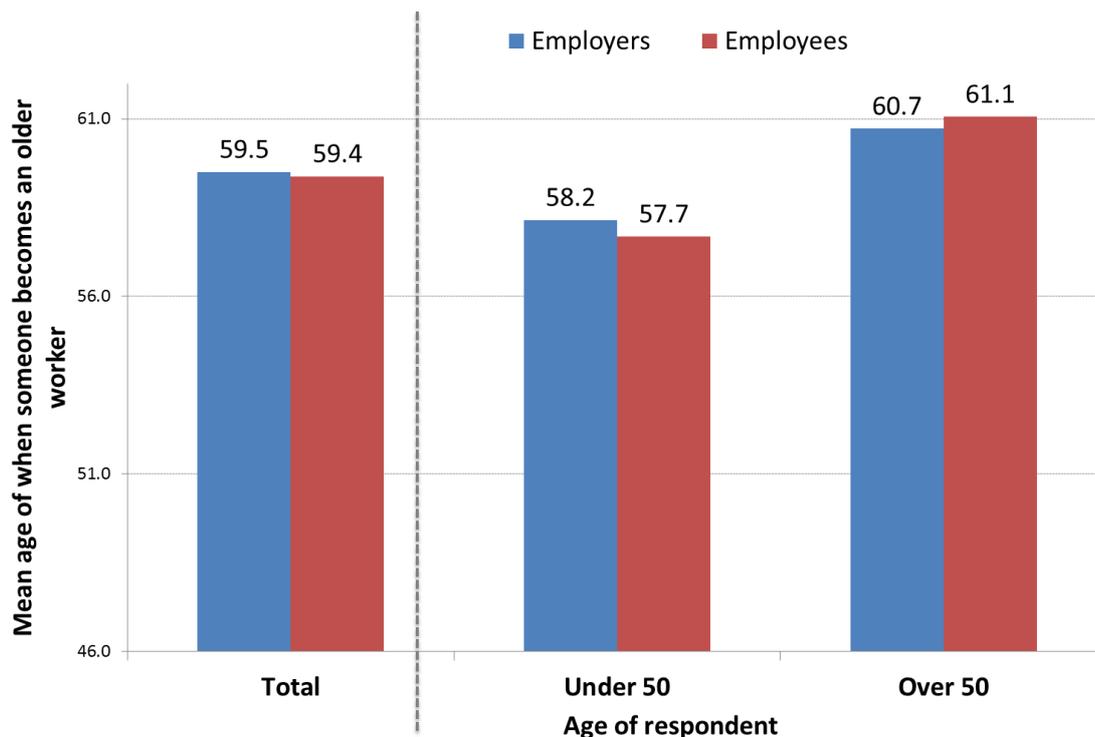
A total of 2631 eligible respondents completed the employee's survey from the various Crown entities representing those who are currently in the workforce.

Fieldwork commenced on Monday, 29 September and was completed on Monday, 27 October 2014.

## Defining an 'Older Worker'

Employers and employees are aligned on when they think you can consider someone as an older worker. Generally, it is perceived to be around the age of 59 years. There is little variation across industry sectors, although perceptions change slightly with age. As people get older, perceptions as to when someone is classed an older worker increases by about 2.5 years.

For the purposes of this survey older workers were defined as being aged 50 and above, a little younger than the average perceptions of the participants of the survey.



At what age do you consider someone becomes an older worker? Employer Survey: n = 385, Employee Survey: n = 2631

The perception of an older worker by those working in the Crown Entity sector is slightly higher than those working in the private sector.

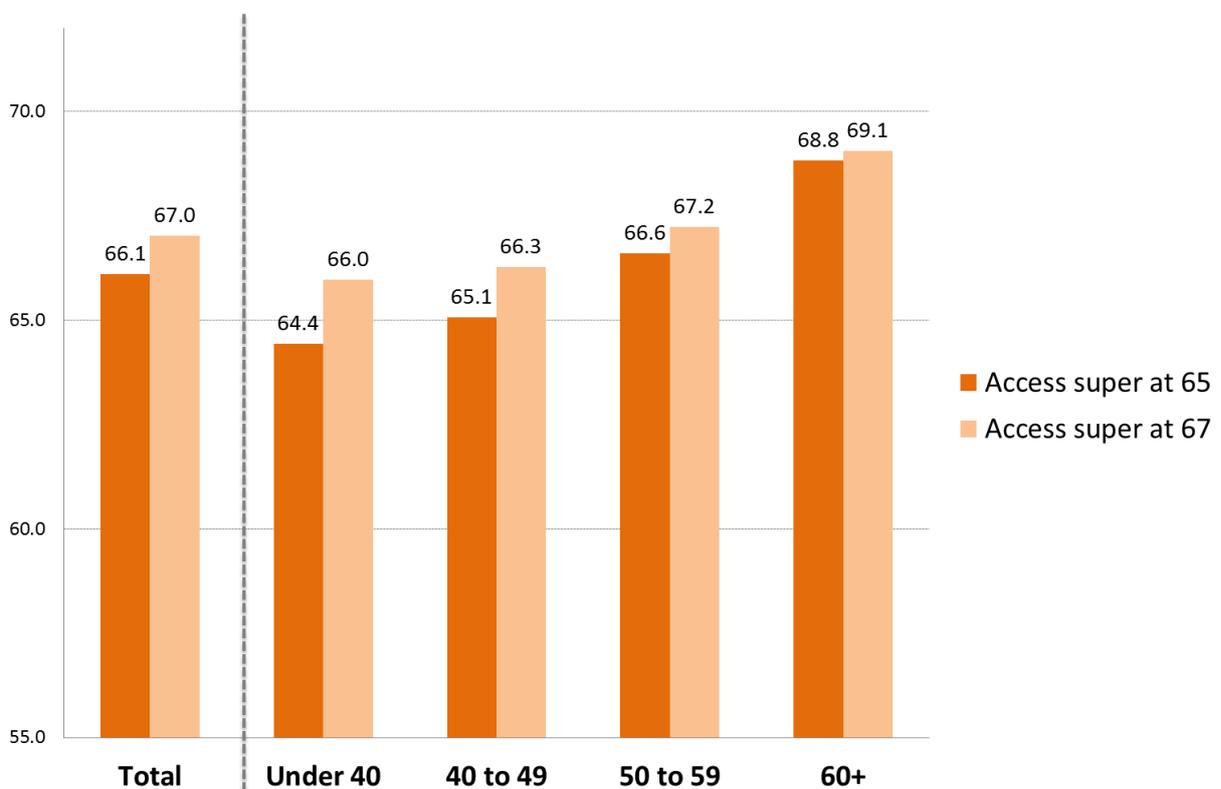
	Total	< 50 years	Over 50 years
Private Sector Employers <sup>1</sup>	57.8	57.7	58.1
Private Sector Employees <sup>1</sup>	57	55.2	58.8
Crown Entity Sector Employers	59.5	58.2	60.7
Crown Entity Sector Employees	59.4	57.7	61.1

Source: OCG Consulting, 2013

## Older Workers and Retirement

Similarly, the estimated retirement age gets pushed back as people age, with younger workers (perhaps somewhat optimistically) planning to retire at a younger age than their older counterparts.

Delaying access to superannuation funds from 65 to 67 has little or no impact on when people expect to retire. Retirement age perceptions are similar for males and females.



Assuming there are jobs available, at what age are you likely to retire? Employee Survey: n= 2631  
 Currently the age at which you can access New Zealand Superannuation is 65. If this was to increase to 67 years, still assuming there are jobs available, at what age are you likely to retire? Employee Survey: n = 2631

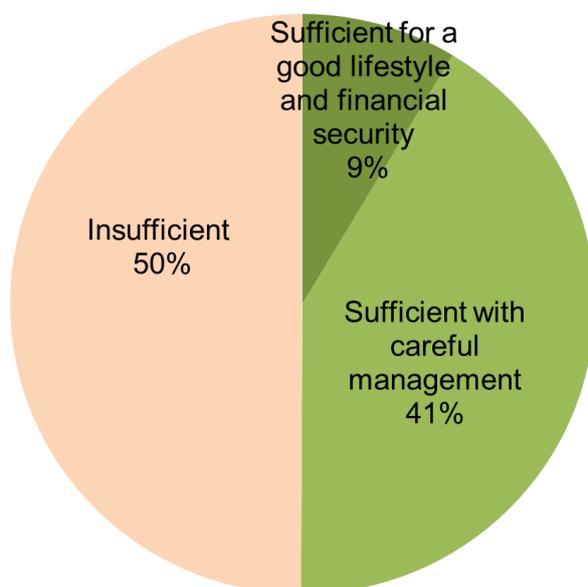
Both the private and Crown Entity sectors have similar perceptions of ages workers are likely to retire.

	Total	Under 40	40 to 49	50 to 59	Over 60
Private Sector Employees accessing super at 65 <sup>1</sup>	67.1	63.5	66.8	67.9	70.9
Private Sector Employees accessing super at 67 <sup>1</sup>	67.6	65.1	67.5	68.1	70.6
Crown Entity Sector Employees accessing super at 65	66.1	64.4	65.1	66.6	68.8
Crown Entity Sector Employees accessing super at 67	67	66	66.3	67.2	69.1

Source: OCG Consulting, 2013

Amongst the older workers who remain in the workforce, financial necessity is a primary driver. The majority of older employees (72%) disagree with the statement "I don't need the money I choose to work for other reasons" (17% agree, 12% neutral). This is comparable with the private sector where two in three (67%) disagree with the statement "I don't need the money I choose to work for other reasons" (21% agree, 12% neutral).

This is aligned to the perceived adequacy of retirement savings. As life expectancy increases, not to outlive their retirement savings, people will need a larger nest egg (Deloitte Touche Tohmatsu, 2011). Half (50%) of Crown Entity workers aged 50+ do not feel confident they have enough savings to carry them through retirement.



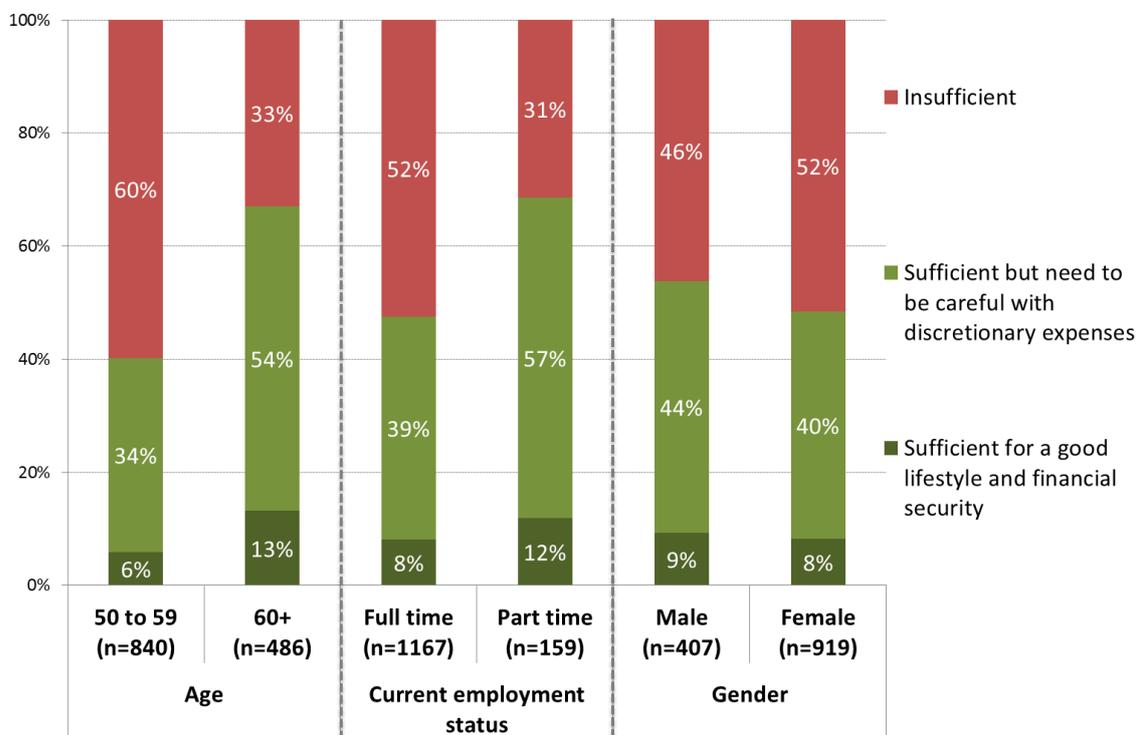
*If you were forced to retire tomorrow, including private superannuation, accessing New Zealand Superannuation and KiwiSaver balances and any other assets you have accumulated, how sufficient are your retirement savings? Employee Survey: Older workers n = 1326*

Crown Entity employees are more likely to believe they have sufficient retirement savings than private sector employees.

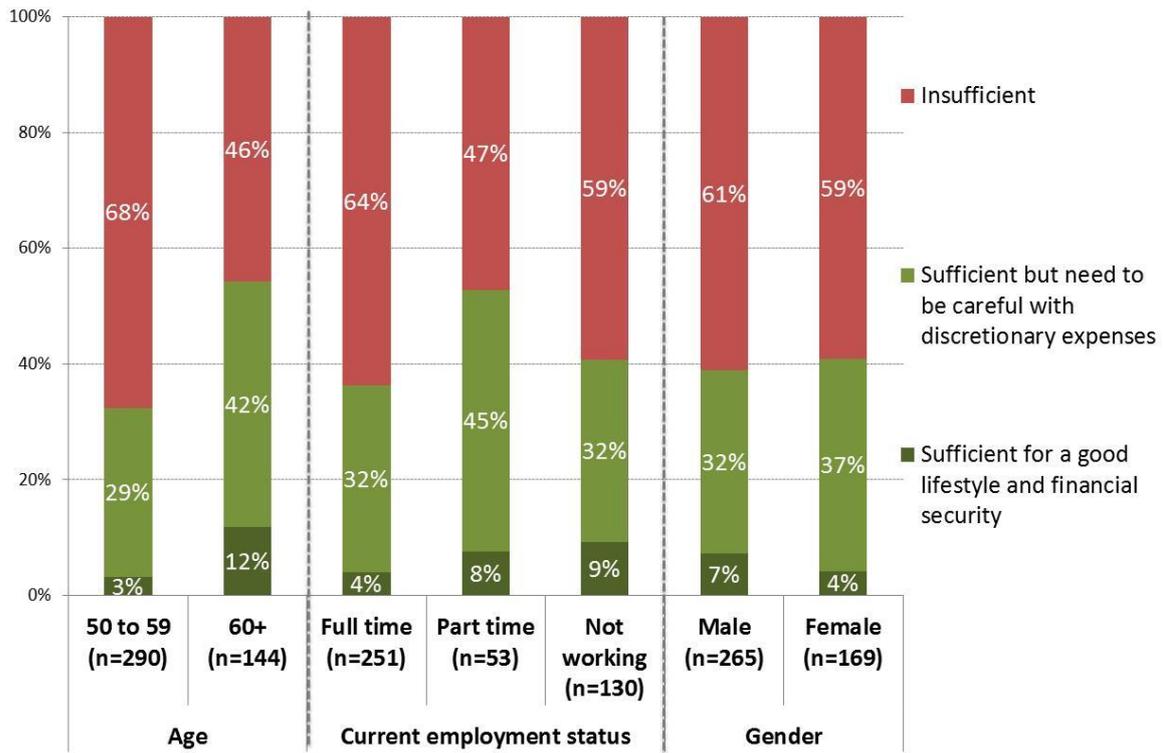
	Sufficient	Sufficient with careful management	Insufficient
Private Sector Employee <sup>1</sup>	6%	34%	60%
Crown Entity Sector Employees	9%	41%	50%

Source: OCG Consulting, 2013

Six out of ten (60%) employees aged 50-59 feel that, if forced to retire, they would have insufficient funds. This situation, improves for the over 60s but still a third of them (33%) believe that they have insufficient funds to retire. Only 6% of 50-59 year olds and 13% of those over 60 think that they could comfortably retire at the present moment.



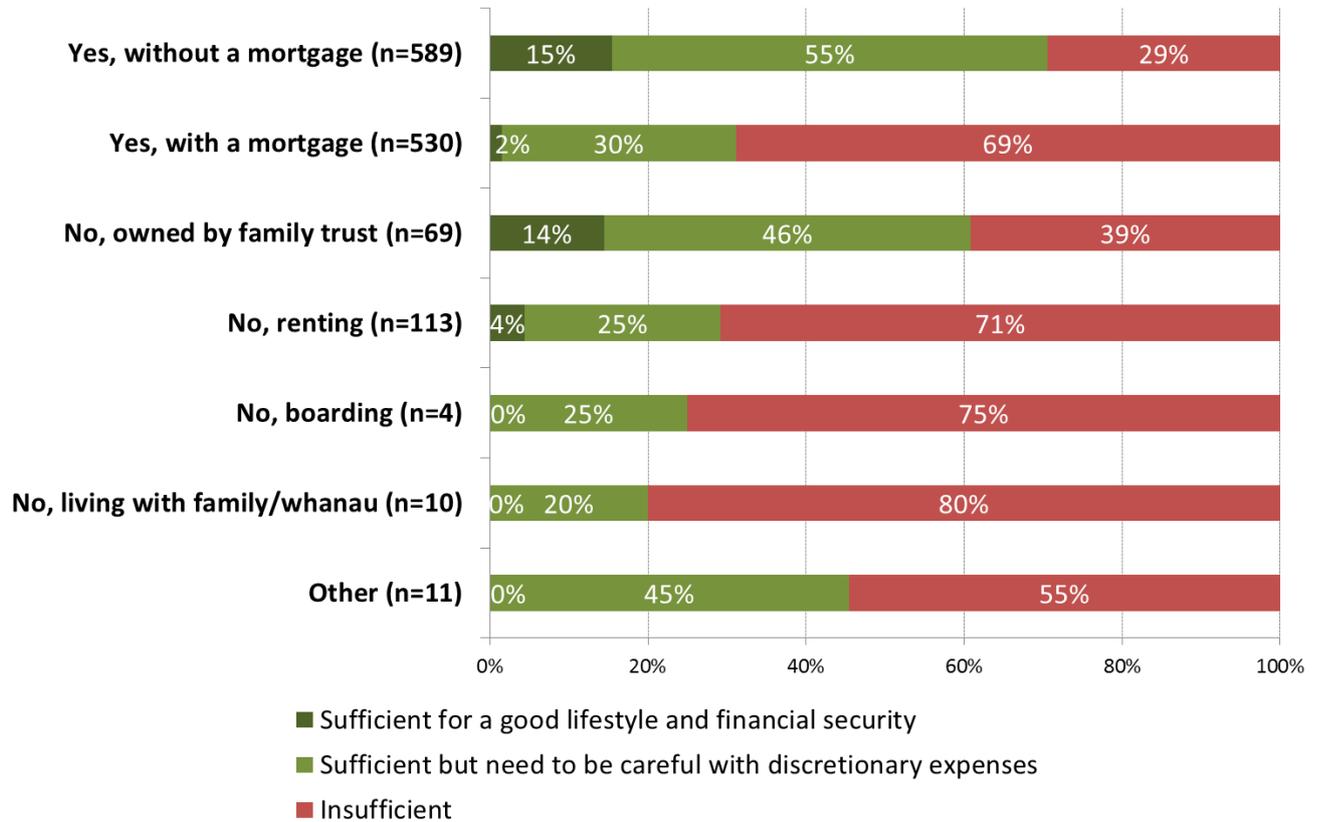
Older employees in the private sector (see chart below) are more likely to perceive that they have insufficient funds than their Crown Entity counterparts.



Source: OCG Consulting, 2013

## Home ownership and retirement fund

Crown Entity employees who own their dwelling without a mortgage or live in a property under their family trust are more than twice as likely to feel that they would have sufficient retirement funds compared to those who have mortgages, board or rent.



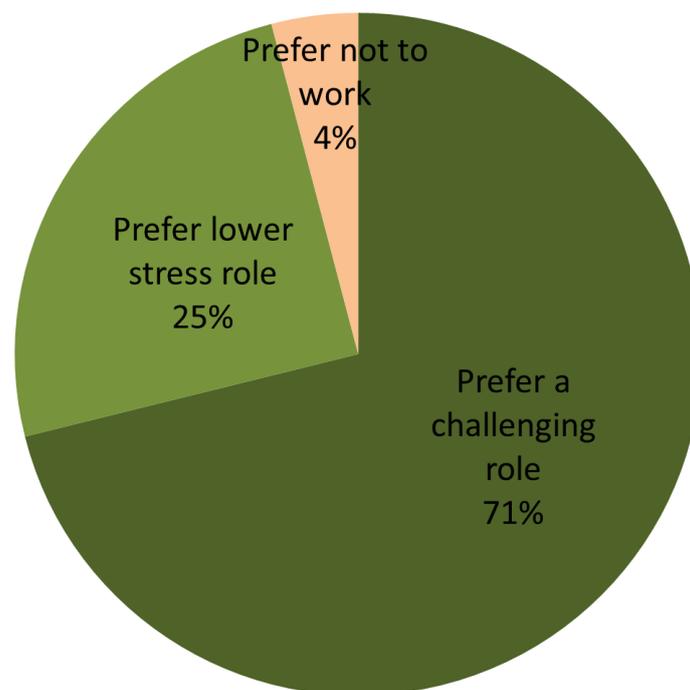
*If you were forced to retire tomorrow, including private superannuation, accessing New Zealand Superannuation and KiwiSaver balances and any other assets you have accumulated, how sufficient are your retirement savings? Employee Survey: Older workers house ownership n=1326*

It's evident that the majority of older workers need to continue to work well after the age of 60 but are they still motivated and what kind of work are they looking for?

Consistent with the findings from an article published by Fleming (2011), our survey found that older workers remain motivated and seek challenges in their work.

A large majority (68%) of Crown Entity employees over 50 disagree that they are losing interest in their careers and is consistent even for employees who are over 60 year olds (66%). This sentiment is reflected in private sector employees where the majority (76%) of over 50s and 71% of over 60s disagree that they are losing interest in their jobs.

Older workers are not seeking an easy transition into retirement, with 71% preferring a challenging and rewarding role, in which they are prepared to work hard.



*How would you describe your current attitude towards working? Employee Survey: Older workers n = 1326*

The majority of employees (81%) in the private sector also want roles which challenge them with only 18% seeking lower stress roles and 1% preferring not to work.

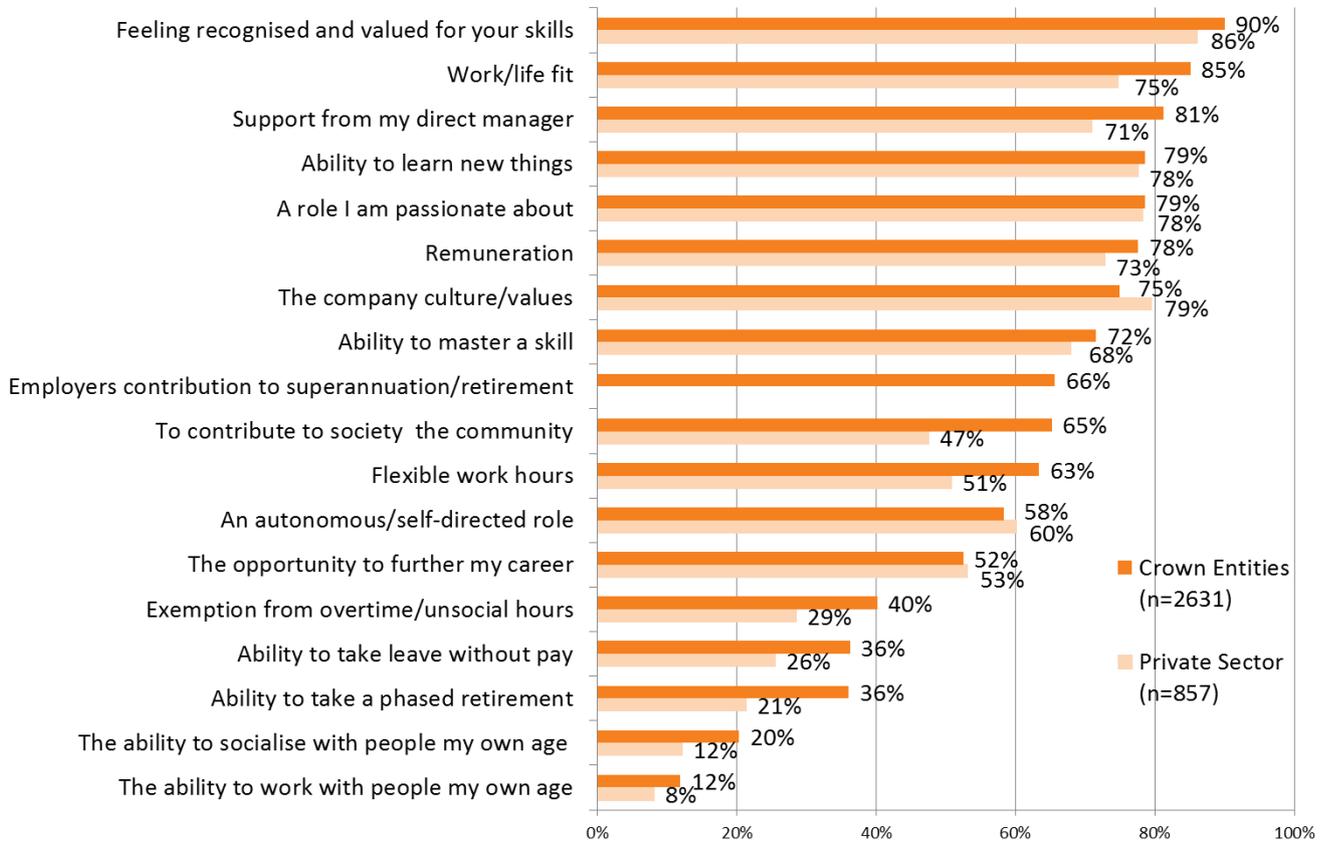
When older workers in Crown Entities are segmented along the need to and desire to work, 39% have both a financial need to work and prefer a more challenging role. Almost one in five (18%) have no financial need for work, and prefer a less challenging role. The drivers to attract and retain these segments differ significantly, as will the types of role they succeed in.

		Financial need to work	
		No need	Have need
Career orientation	Prefer challenging role	32%	39%
	Prefer less challenging role	18%	11%

There is a sense of greater financial security amongst workers within Crown Entities than those in the private sector. Within the private sector, more workers (51%) have the financial need to work who prefer challenging roles than those in the Crown Entity sector (39%). Conversely, more workers in the Crown Entity sector have no financial need and seeking less challenging roles (18%) when compared to those in the private sector (10%).

### What Older Workers Seek in a Role

The key elements Crown Entity workers are seeking in a role include feeling recognised and valued, work/life fit, support from their direct manager, the ability to learn new things and being in a role that they are passionate about.



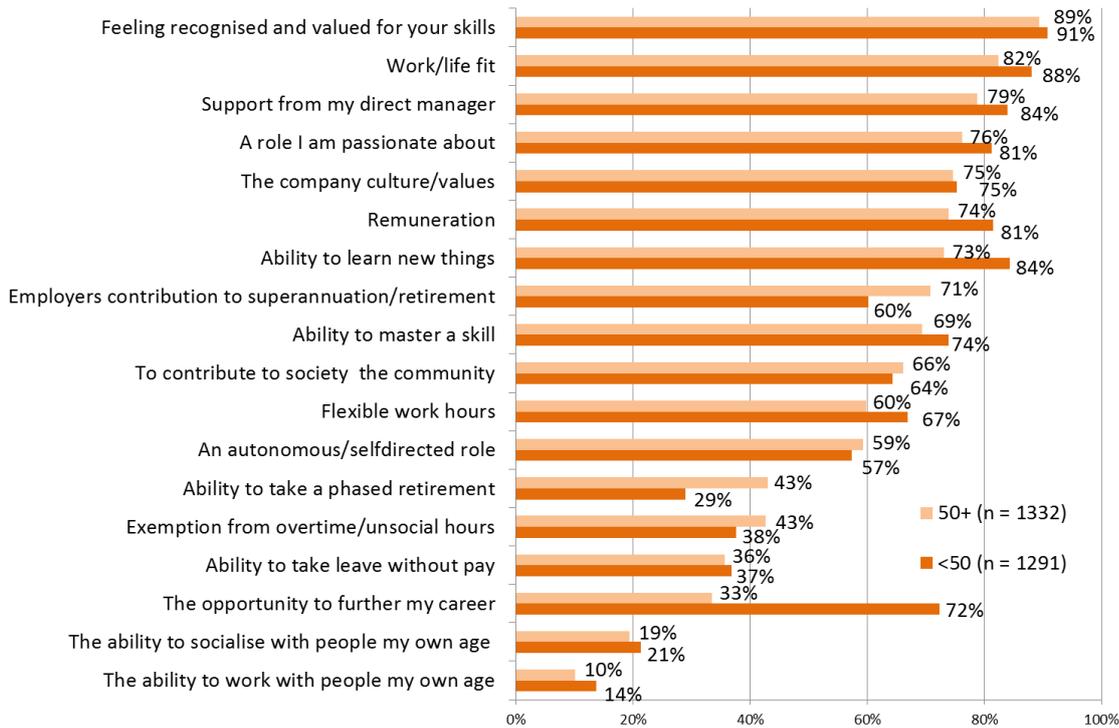
How important are each of the following to you in a job role? Employee Survey n= 2631, Client Survey (OCG, 2013) n=864 (5 point scale, top 2 box (extremely – very important) shown)

Note: Private sector employees in the OCG (2013) report were not asked about employer contribution to superannuation/retirement.

Although these sentiments are reflected in the sentiments of employees from the NZ private sector there are some slight differences between the two.

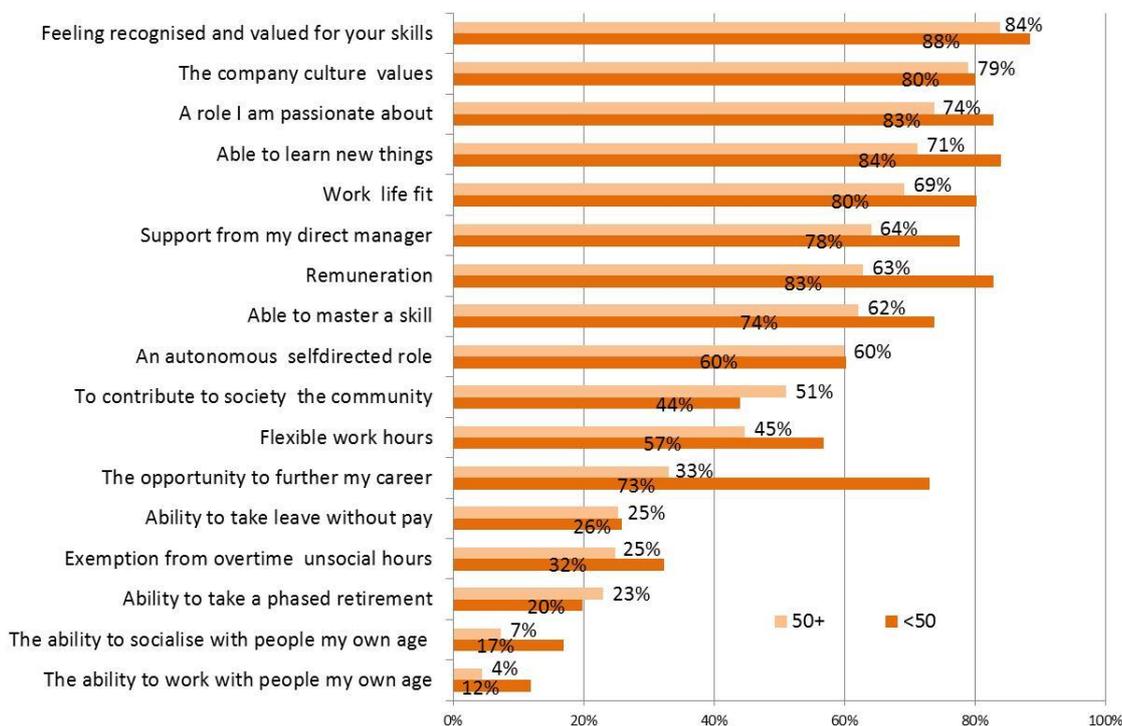
Private sector workers are more likely to seek a role which provides feeling of recognition and value, good company culture and values, passion about that role, good work life fit, the ability to learn new things and good work life balance.

Older worker in Crown Entities are seeking similar elements in a role to younger workers. The only stark difference is that older workers are far less likely to feel a need to further their career than younger workers.



How important are each of the following to you in a job role? Employee Survey n=1332, 1291 (5 point scale, top 2 box (extremely – very important) shown)

Both Crown Entities and the NZ private sectors have workers with similar sentiments when it comes to the important elements of a role.

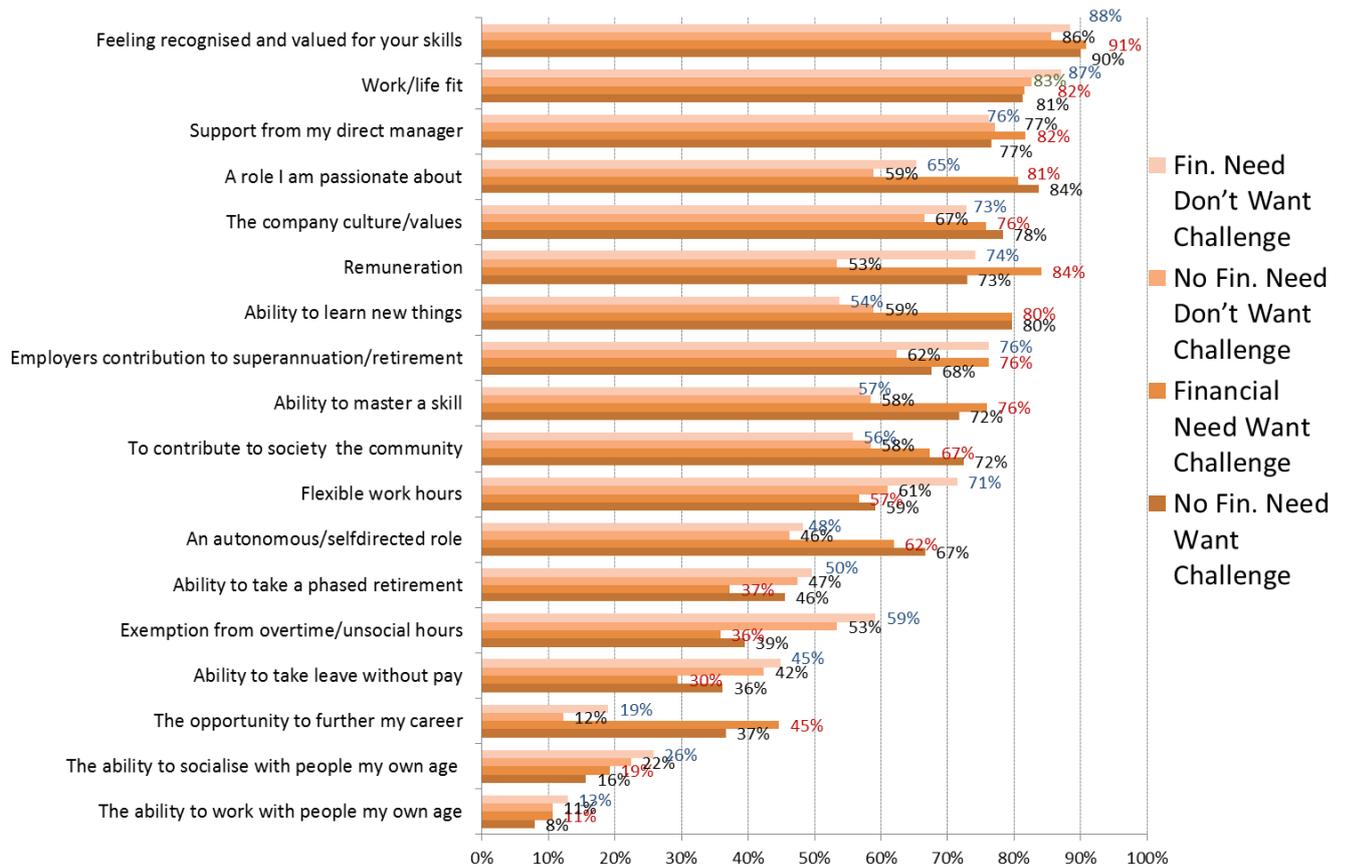


How important are each of the following to you in a job role? Candidate survey n=430, 427 (5 point scale, top 2 box (extremely – very important) shown) (OCG, 2013)

By segment, there are some different drivers emerging.

- Those seeking a challenge (regardless of their financial needs) are more likely than other segments to be driven by being in a role they are passionate about, have the ability to learn new things and to master a new skill.
- Those with financial needs (regardless of whether or not they are seeking a challenge) are more likely than other segments to be driven by remuneration and employer contribution to superannuation/retirement.

The top drivers in selecting an appropriate job role are shown below.



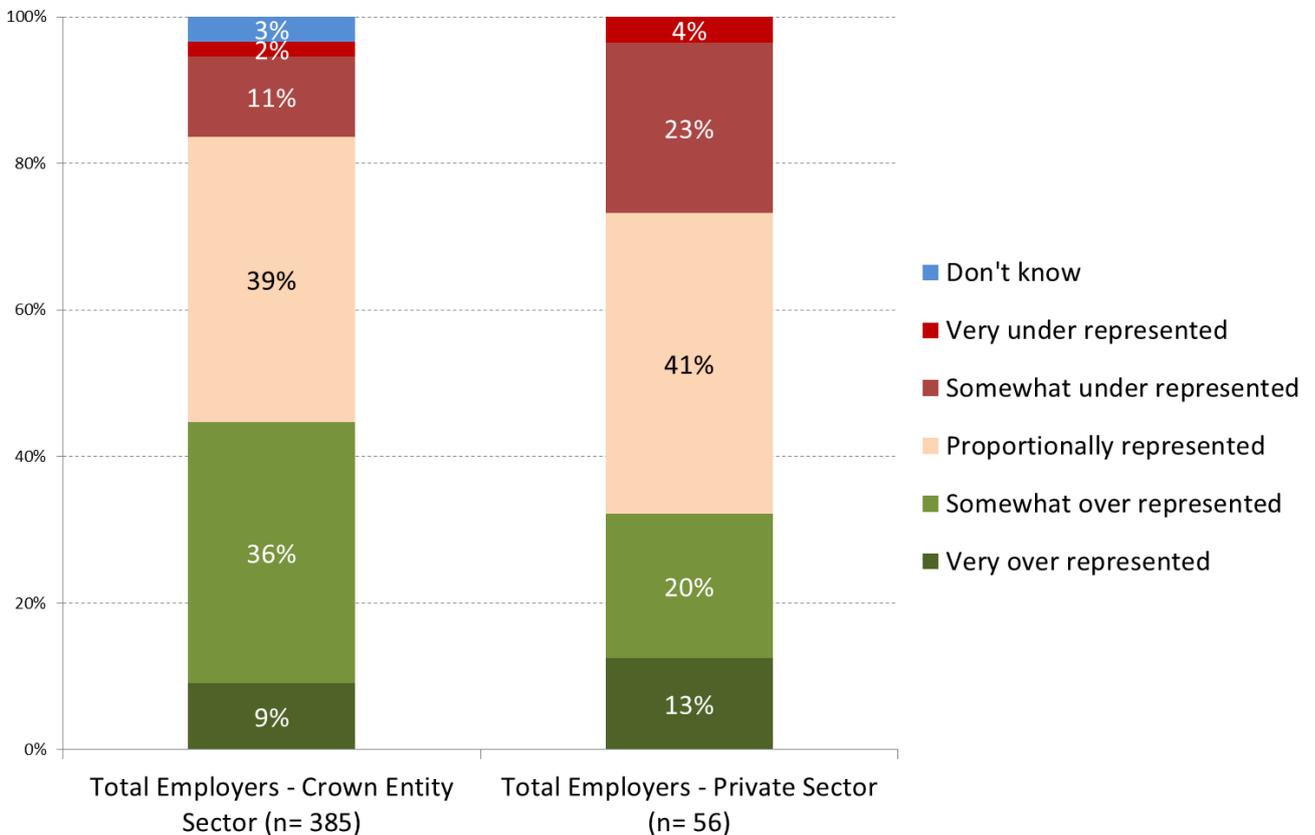
How important are each of the following to you in a job role? Employee Survey n=428, 515, 236, 147 (5 point scale, top 2 box (extremely – very important) shown)

By segment, employees in the private sector have similar drivers to those who work in Crown Entities. Some notable exceptions include the following:

- Employees in Crown Entities seek having work/life fit as one of their top drivers for a role regardless of financial needs or whether they are seeking a challenging role. In the private sector, work/life fit are priorities for those who are not looking for challenging roles.
- Self-directed/autonomous roles are important for employees in the private sector for those who have financial need and don't want a challenging role. This is not the case for those in Crown Entities with similar financial status and work desires.

## Representation of older workers

Nearly all employers claim to have an intergenerational workforce (97%). Across Crown Entity sector, there is a higher proportion of Crown Entities who have an overrepresentation of older workers. Employers in District Health Boards (61%) and Crown Research Institutes (61%) identified a higher proportion of older workers within their sectors. Two in five (39%) employers think that older workers are proportionately represented.



*Thinking about your organisation. Would you say that older workers (aged 50+) are?* Employee Survey n=385, Client Survey n=56 (OGC, 2013)

In comparison, the private sector has an equal number of firms who have an overrepresentation and an underrepresentation of older workers. About half of employers think that older workers are proportionately represented.

## How Older Workers Impact an Organisation

When Crown Entity employers are asked to comment (unprompted) on the key issues related to hiring older workers, 24% of responses included some benefits older workers bring to their organisation, whereas 69% included negative issues older workers bring to their organisation.

Employers perceive older workers as more experienced and more reliable, yet more resistant to change, less computer literate and more prone to health issues.

Positive responses			Negative responses		
	Crown Entity	Private		Crown Entity	Private
Better / more experience / knowledge	19%	16%	Less adaptable/resistant to change/less flexible	23%	23%
<b>Net: more reliable / productive</b>	<b>7%</b>	<b>11%</b>	Less computer literate/tech savvy	15%	9%
(More reliable / productive)	(3%)	(5%)	<b>Net: Have more health issues / injuries</b>	<b>12%</b>	<b>9%</b>
(Less sick leave/holiday)	(1%)	(2%)	Potential loss of knowledge	12%	-
(Better work ethic / hard-working)	(1%)	(4%)	<b>Net: Need special treatment / OH&amp;S / less hours</b>	<b>11%</b>	<b>9%</b>
(More stable / loyal)	(3%)	(9%)	Physical decline	8%	5%
Able to train others / mentor	4%	9%	Less energy/fatigue/slower	6%	7%
Integrate well / easy to manage	2%	4%	Restricting promotion of younger staff	5%	-
More drive/energy	1%	2%	Not integrate well with younger workers	4%	4%
Contribute a lot	1%	-	Less vibrant /creative	3%	-
Less staff turnover	<1%	2%	Less motivated/ambitious	3%	7%
			Less productive	3%	-
Other positive	2%	9%	Need to retrain	2%	4%
			Higher salaries	1%	4%
			Other negative	6%	6%

What do you think are the key issues from having older workers in your organisation? Client survey (OCG, 2013) n=56, Employer Survey n=385

The private sector employers identified very similar issues towards hiring of older workers. The top three positive and negative issues mirrored those identified by Crown Entity employers.

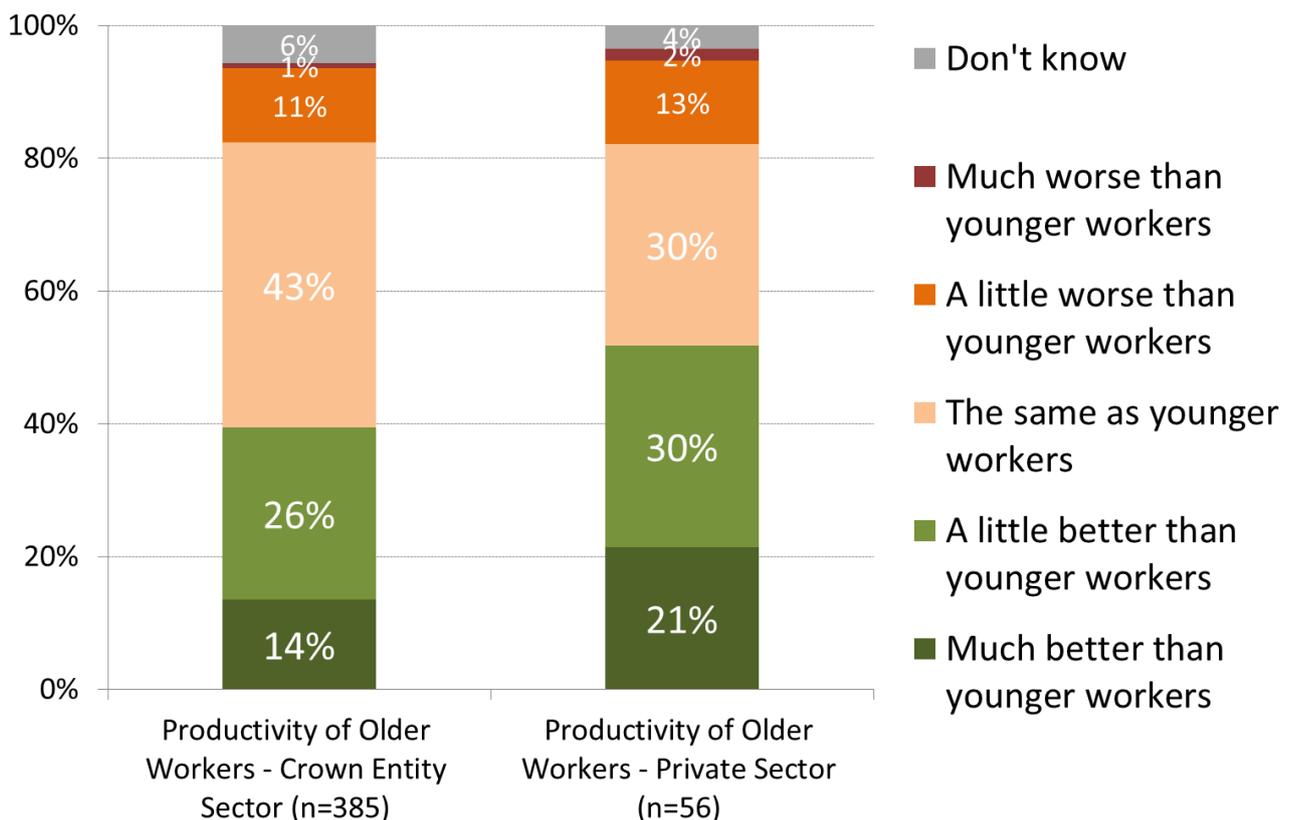
The difference of note is that Crown Entity employers are more concerned about the potential loss of knowledge should older staff leave and the restriction of promotion for younger staff if older staff remain.

According to Zillman (2013) many employers are concerned that older workers leaving the workforce will leave a skill gap – an issue Zilman asserts employers often overlook. Employers in Crown Entities are focused on the adaptability and health of older workers than the loss of knowledge and skill of older workers.

### Productivity

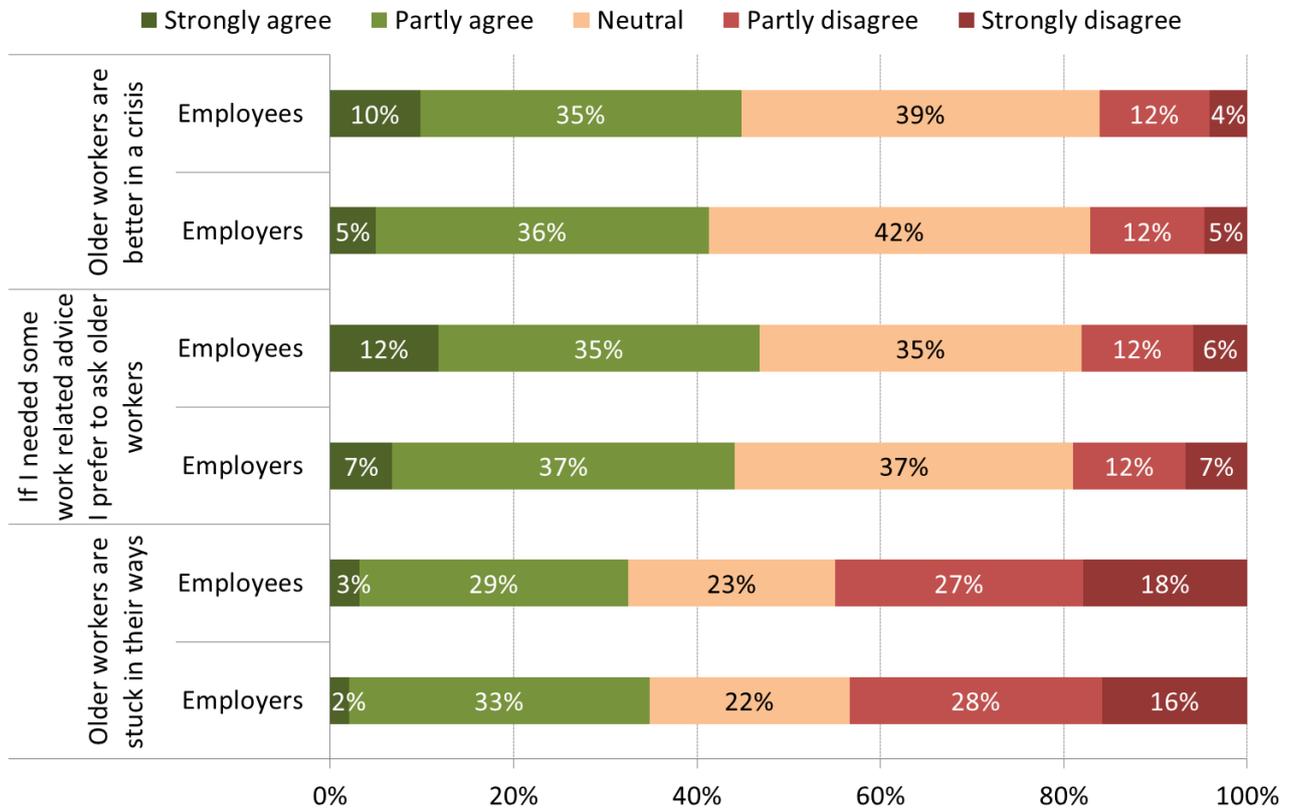
Employers within the Crown Entity sector generally view older workers as being more productive than their younger counterparts. This trend was the strongest amongst employers who are themselves older workers, with 51% of employers aged over 50 believing older workers are more productive (cf. 25% of employers aged 50 and under).

Although employers within the Crown Entity sector believe that older workers are more productive, the one in three (36%) think that older workers are just as likely to make critical mistakes or “stuff things up” as younger workers. (cf. 24% who agree that older workers are less likely to make mistakes).



How do you rate the productivity of older workers aged 50+? Client survey (OCG, 2013) n=56, Employer Survey n=385

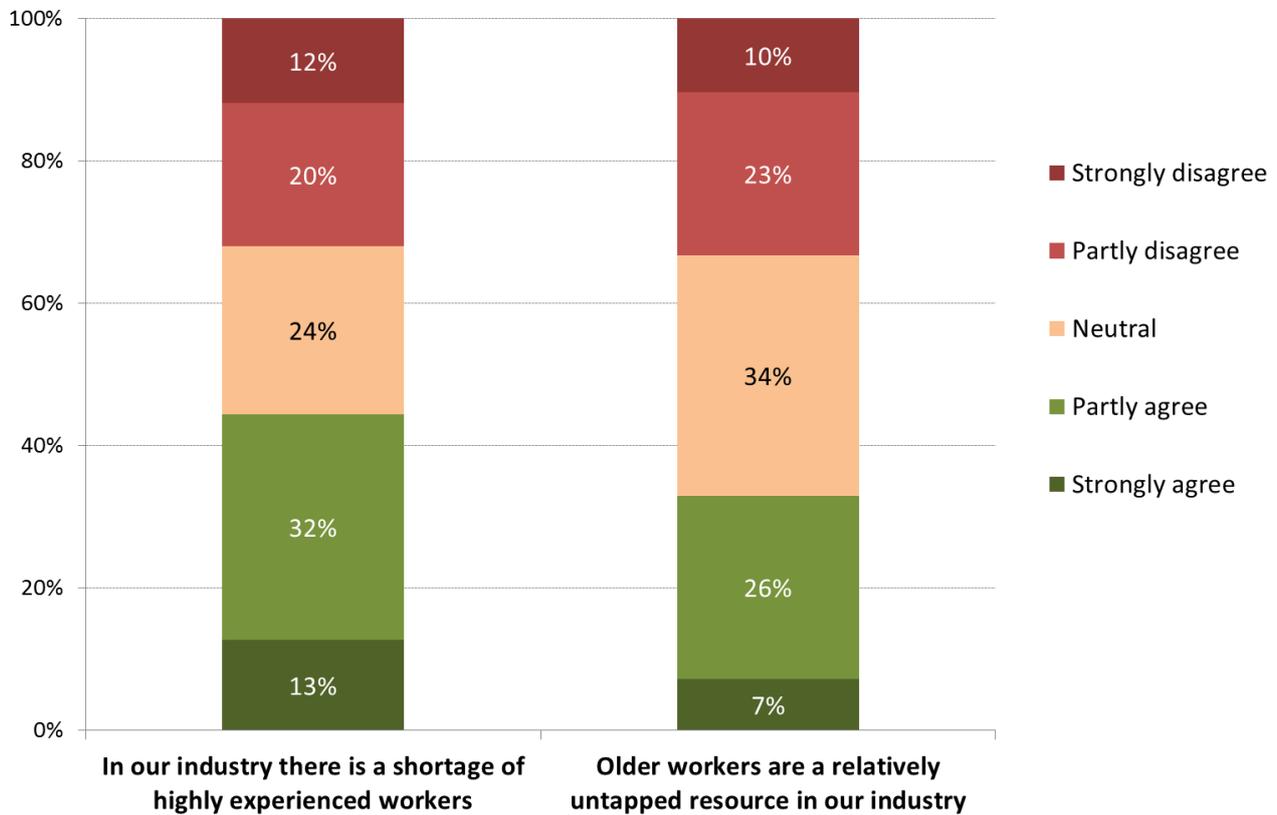
Both Crown Entity employers and the workforce believe that older workers are better in a crisis and make better mentors than their younger counterparts. However, they both also believe that older workers are more set in their ways than younger workers.



Thinking about older workers aged 50 and above. Do you agree or disagree with the following statements? Employers and Employee n=385, 2631

Within the private sector, employers and employees have similar perceptions to their Crown Entity counterparts when it comes to older workers. Both sectors think that older workers are better in crises and make better mentors.

There is also a real benefit to be gained from employing older workers. Within the Crown Entity sector 44% of employers note that there is a shortage of highly experienced workers in their industry. Similarly, one in three (33%) agree that older workers are a relatively untapped resource in their industry.



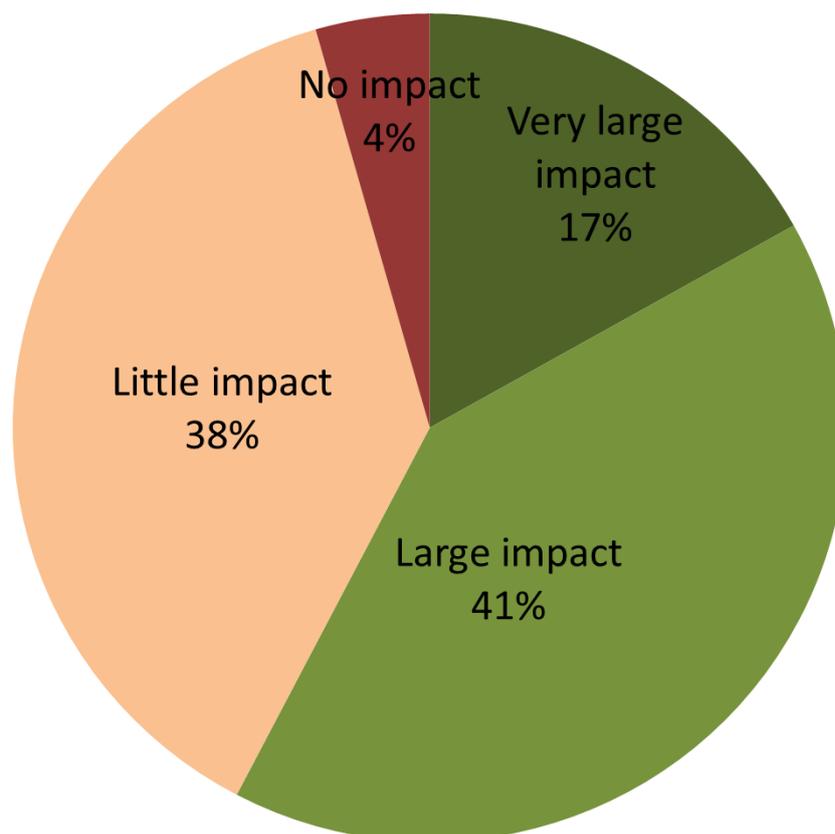
Thinking about older workers aged 50 and above. Do you agree or disagree with the following statements? Employer Survey n=385

The sentiment that older workers provide a solution to their skill needs is similarly reflected by the attitudes of the private sector employers. Most (59%) employers within the private sector note that there is a shortage of highly experienced workers in their industry. They also agree (48%) that older workers are a relatively untapped resource in their industry

## Do Employers Foresee an Aging Workforce crisis?

Although there are compelling arguments to prepare for an aging workforce at a national level, private sector employers generally consider the best interests of their organisations above altruistic national goals. Likewise managers in Crown Entities are primarily concerned with the entity or unit under their management. Organisations are taking notice of this shifting demographic and do foresee an impact at an enterprise level.

Almost all (96%) of employers consider that an aging workforce will have some impact on their organisation, however opinion is divided as to the size of this impact. Just over half (58%) believe an aging workforce will have a very large or large impact, with little or no impact for 42%.

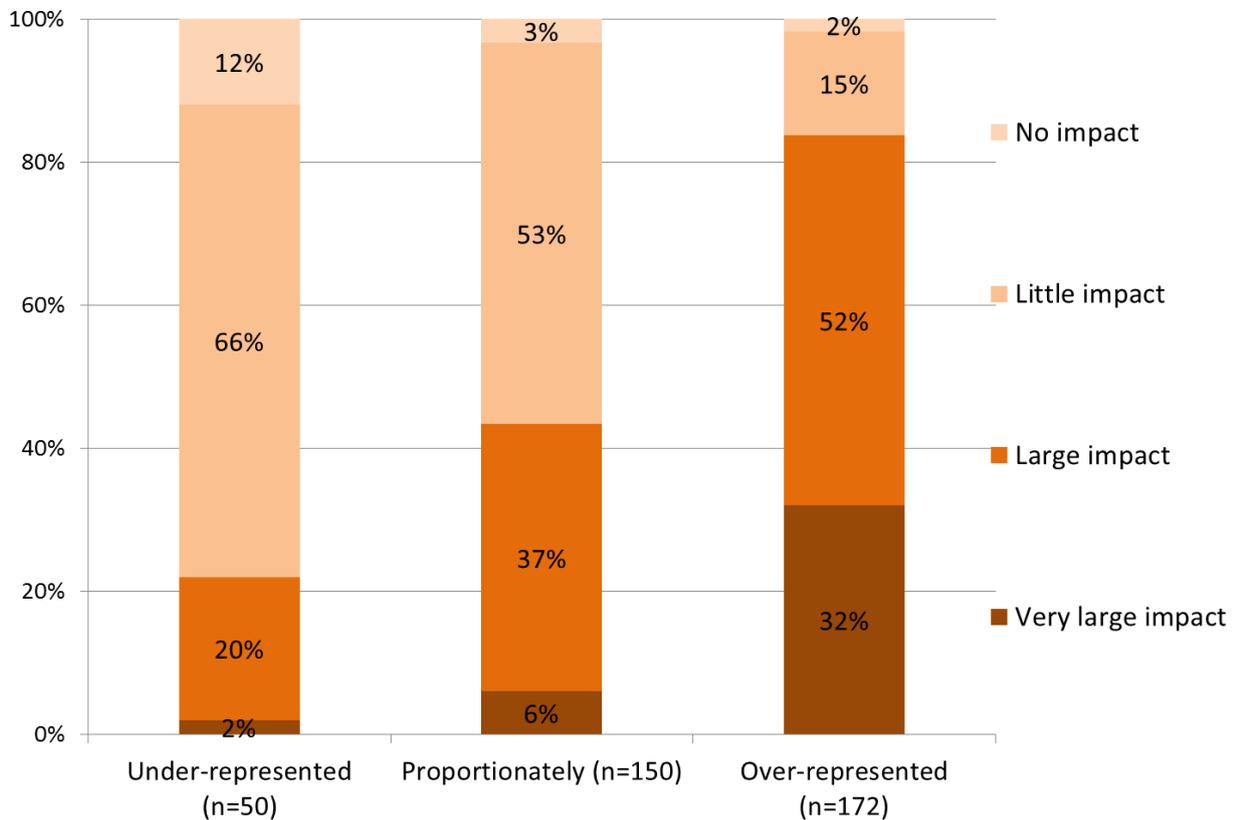


*To what extent will an aging workforce impact your organisation over the next decade?* Employer Survey n=385

There is a strong correlation between organisation size and the perceived impact of an aging workforce. Amongst Crown Entities with less than 400 employees, more than two out of five (45%) believe an aging workforce will have a very large or large impact, cf. 66% of larger entities (400+ employees).

Nine out of ten (91%) private sector employers also consider that an ageing workforce will have an impact on their organisation.

Four out of five employers (84%) in Crown Entities with an over-representation of older workers feel an aging workforce will have a large to very large impact on their workforce, so do 22% of employers with an under-representation of older workers.



*To what extent will an aging workforce impact your organisation over the next decade? Employer Survey n=385*

This is very similar to those in the private sector where 72% of employers with over representation of older workers believe that an ageing workforce will have a large impact on their workforce.

## Hiring older workers

Why aren't firms hiring more older workers? The key reason according to employers within Crown Entities is that their salary expectations are too high. This has also been noted in other literature (e.g. Westfield Wright Pty 2012).

This view is not held universally by employers. Only 13% of Crown Entity employers agree that older workers have 'higher salary expectations, hiring them is not good value for our business', implying that this barrier is held by a significant number of employers. It should be noted that more than half (55%) of employers disagree with this sentiment.

However this view seems to be shared by workers within Crown Entities with only one in four (26%) workers willing to accept a pay cut for the right role. This is irrespective of whether they are older or younger workers.

This attitude changes if the worker is actively looking for another job. The majority (55%) of those who are actively seeking another role are more willing to take a pay cut for the right role. Again this is irrespective of the age of the worker.

Another key reason for firms not hiring older workers is that they are not applying for the roles advertised. Note that there are 15% of employers who think that there are no barriers to hiring older workers.



*What are the barriers to your organisation hiring more older workers aged 50+? Employer survey n=385*

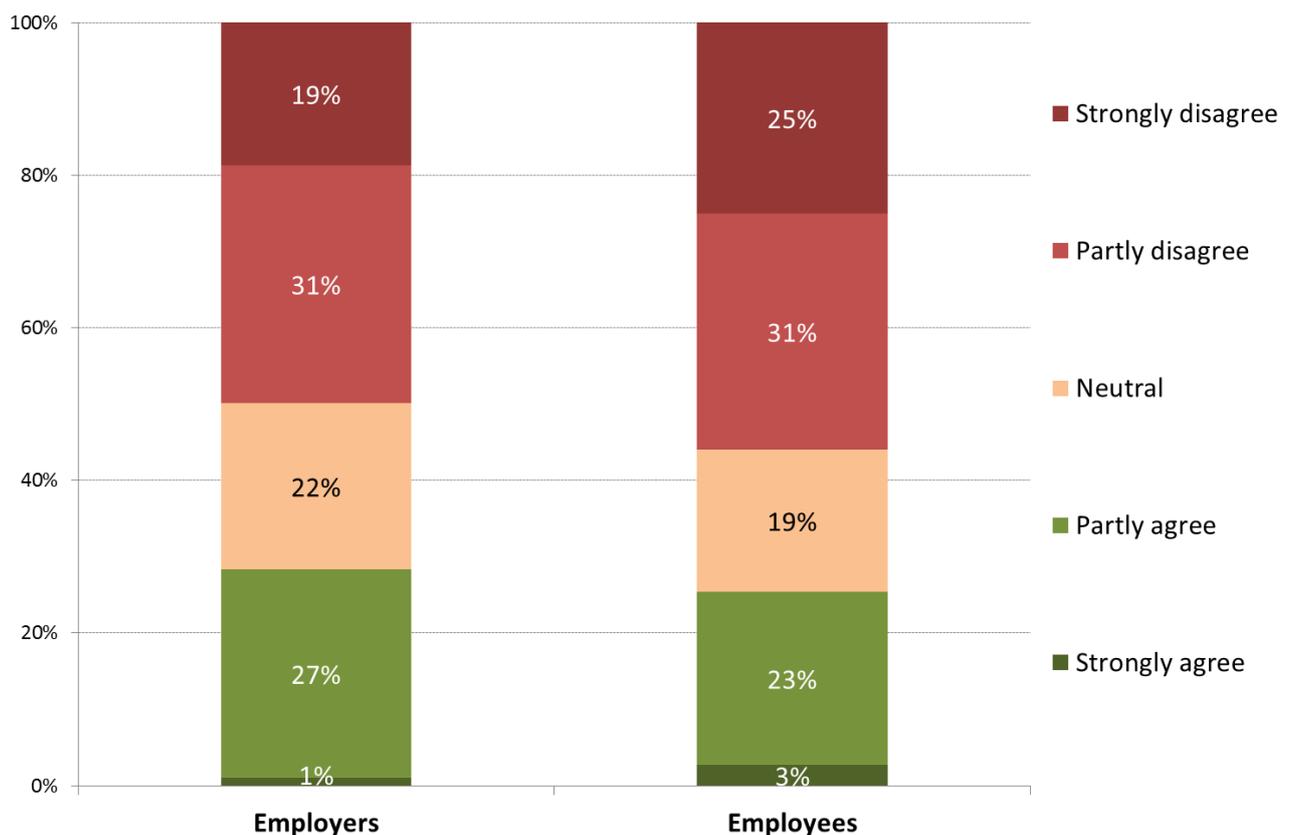
### Private Sector comparison

Key reasons for not hiring more older workers within the private sector are similar to those identified by those in the Crown Entity sector. The top three reasons for the private sector not hiring more older workers are that older workers don't apply for roles available, their salary expectations are too high and the roles within the organisations are more suited for less experienced applicants.

One key difference between the private and Crown Entity sectors is the attitude of older workers in accepting pay cuts for the right role. Older workers (over 50 years) in the private sector are more willing to accept a pay cut for the right role (53%; cf. 39% of workers under 50 years old). In comparison, older workers and younger workers alike in Crown Entities are less willing to take pay cuts for the right roles (29%; cf. 24% of workers under 50 years old)

A survey conducted by the EEO Trust (McPherson, 2012) suggests that older workers inability to come to grips with new technology is an issue for some employers.

Our survey shows that this is an issue for some employers, however this view is not held universally. In fact, the majority of both the workforce and employers disagree with the statement "When it comes to technology, older workers just don't get it". With just under three in ten (28%) employers holding this stereotype, however, it is a significant issue likely to impact many older workers.



*Do you agree or disagree with the following statements? When it comes to technology, older workers just don't get it. Employer and Employee survey n=385, 2631*

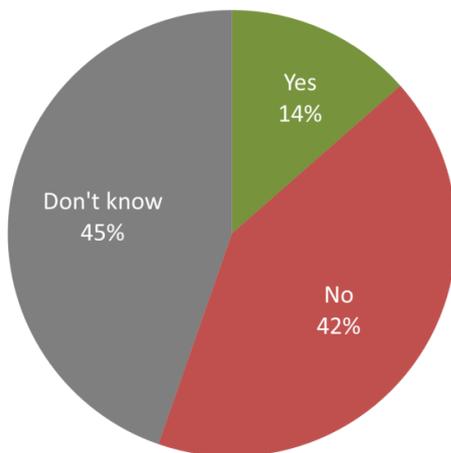
Employers and employees in the private sector both have the same attitude about older workers and technology (34% of employers and 27% of employees agree with old workers not getting technology).

### Attracting an Older Workforce

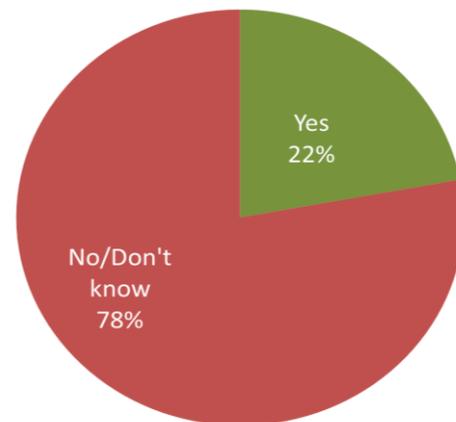
Despite the productivity benefits employers note that older workers bring, and the diversity advantage available, few organisations have structures in place to reap these dividends.

Just 14% of employers have specific planning strategies around aging workforce participation. Just one in five employers plan to implement or increase their workforce aging strategies over the next decade.

Specific planning strategies on ageing workforce (n=385)



Plan to implement/increase workforce ageing strategies (n=385)



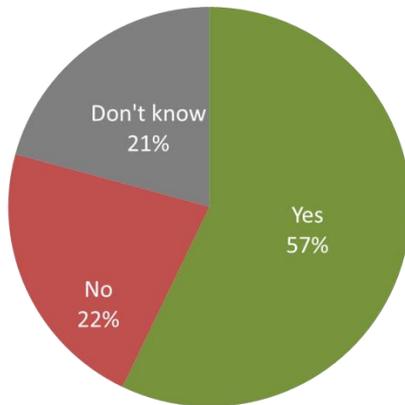
*Does your organisation have specific planning strategies around ageing workforce participation / utilisation?*

*Are you planning to implement / increase your focus on workforce ageing strategies over the next decade? Employer survey n=385*

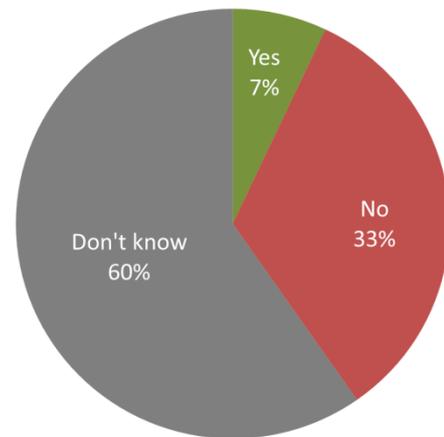
The number of employers in the NZ private sector who have ageing workforce strategies is similar to their Crown Entity counterpart (18%; cf. Crown entity 14%). A similar number of private sector employers are planning or increasing workforce ageing strategies (29%; cf. Crown Entities 22%)

Most (57%) Crown Entity employees think it should be mandatory to have specific aging workforce planning strategies in place. There is a disconnect between the strategies being put in place by employers, and what is being noticed by employees. Despite 14% of employers claiming to have strategies in place, only 7% of employees are aware of any strategies their employer has implemented.

**Should it be mandatory for organisations to have specific ageing workforce planning strategies? (n=2631)**



**Planning strategies around ageing workforce (n=2631)**

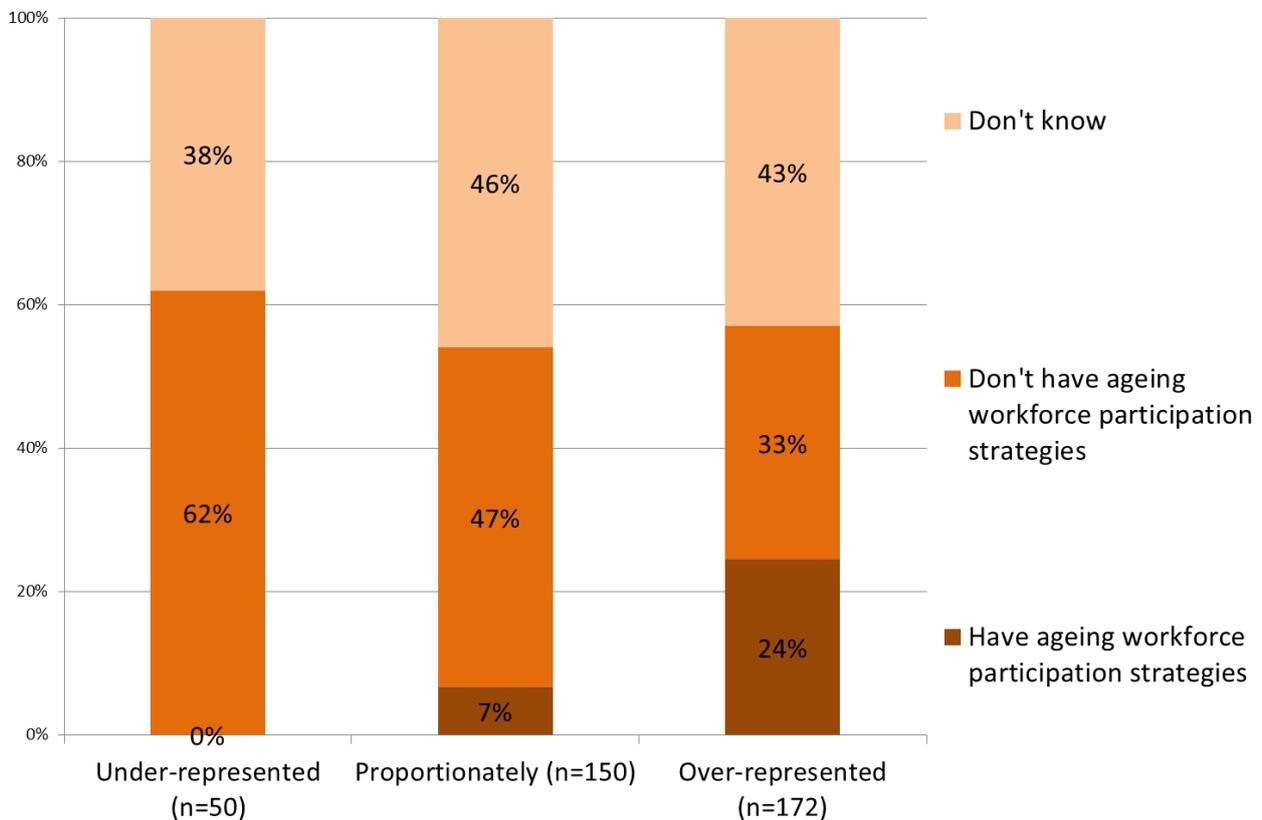


*Do you think it should be mandatory for organisations to have specific planning strategies around ageing workforce participation / utilisation? Employee survey n=2631*

*Does your organisation currently have any specific planning strategies around ageing workforce participation / utilisation? Employee survey n=2631*

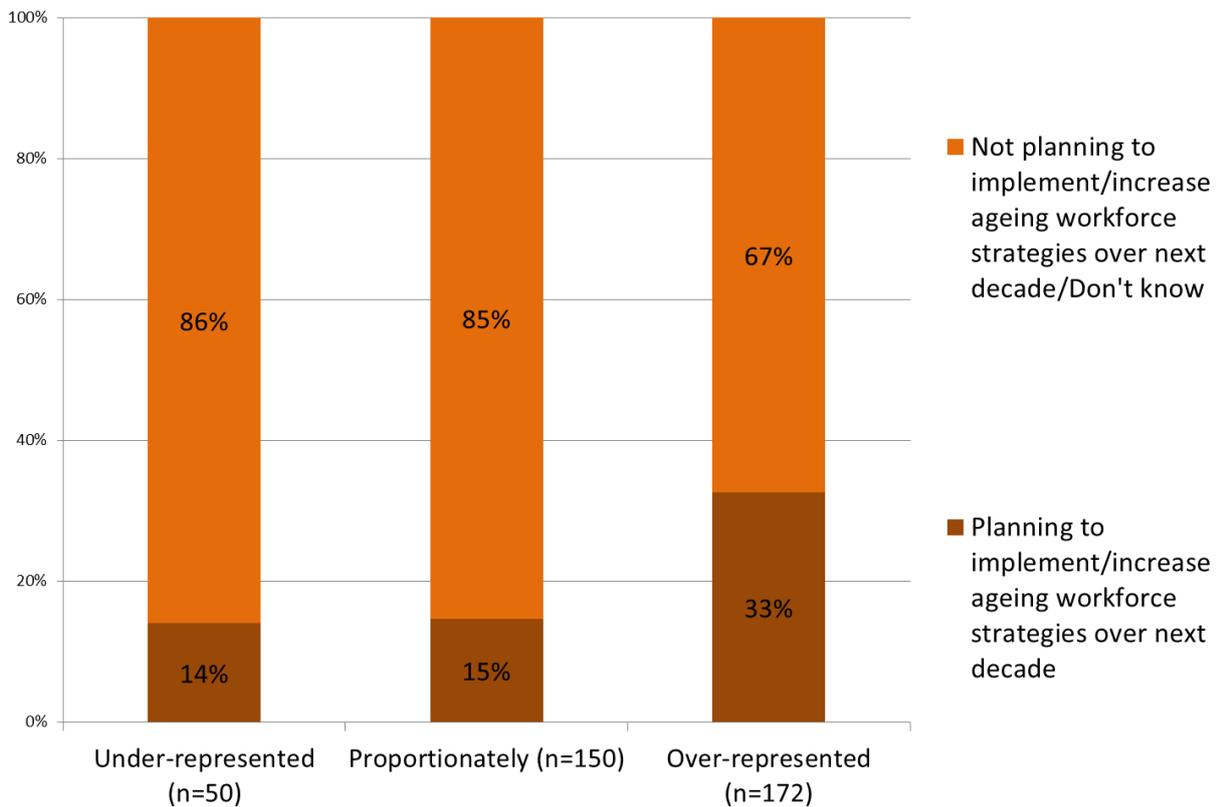
The majority (56%) of private sector employees similarly believe that organisations should have mandatory age specific planning strategies. Only 5% of private sector employees are aware of any strategies their employer may have implemented. It seems that those in the private sector are more aware of the company strategies than their Crown Entity counterparts (66%; cf. 40% for Crown Entities).

Crown Entities with an over-representation of older workers are more likely to have aging workforce participation strategies (24% cf. 0% under-represented). This is very similar with the private sector companies with over representation of older workers (39% cf. 7% under-represented)



Does your organisation have specific planning strategies around ageing workforce participation / utilisation? Employer Survey n=385

Similarly, companies with an over-representation of older workers are more likely to be planning to implement or increase ageing workforce participation strategies over the next decade.



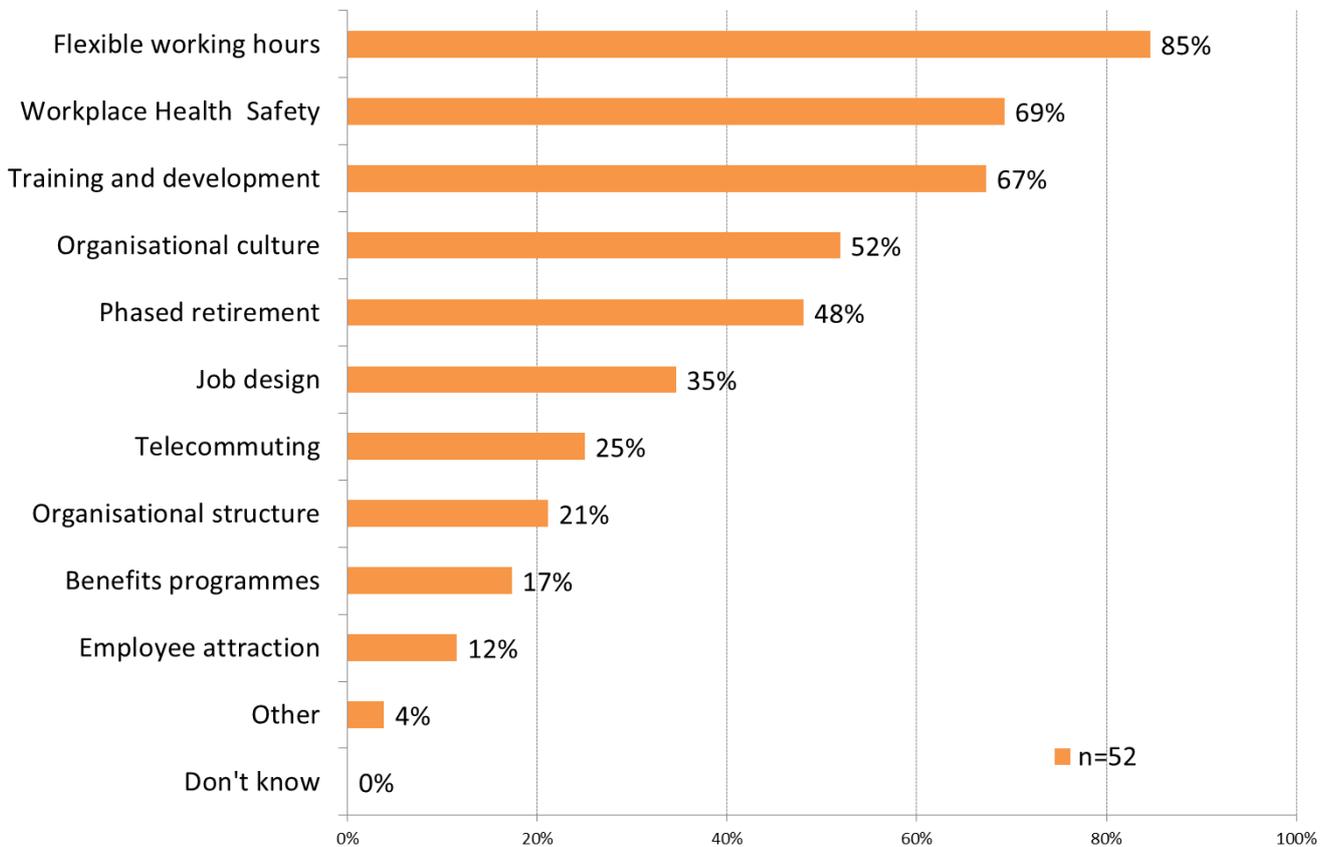
*Are you planning to implement / increase your focus on workforce ageing strategies over the next decade?*

Employer survey n=385

Private sector organisations with an over-representation of older workers are far more likely to plan to implement ageing workforce strategies when compared with their Crown Entity counterparts (67%; cf. Crown Entities 33%).

Of Crown Entities with strategies in place, the main strategies being implemented for ageing workforces are flexible working hours, workplace health and safety programs, training and development, changes to the organisation's culture towards older workers and phased retirement.

Of those companies in the private sector which have ageing workforce strategies in place, workplace health and safety, flexible working hours and job design were the top three strategies implemented.



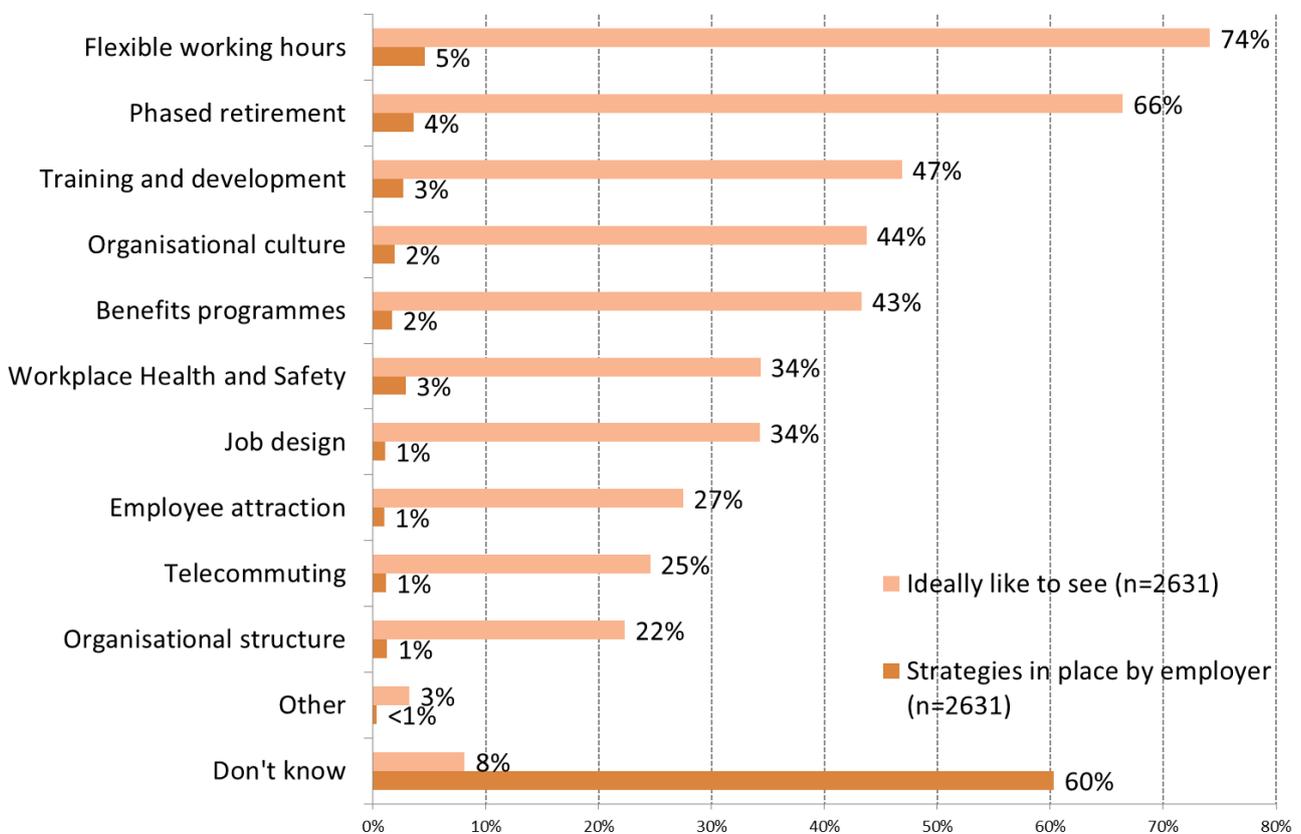
What ageing workforce planning strategies do you have? (Prompted) Employer Survey with strategies in place n=52

There is a large disconnect between strategies employees would ideally like to see their employer implementing, and those they are currently aware of. As can be seen on page 27, only 7% of employees are aware that their employers have planning strategies around the ageing workforce. Furthermore, almost two thirds (60%) of employees don't know whether their employer is implementing any specific strategies around ageing workforce participation and utilisation.

The majority of employees are eager to have flexible working hours (74%) and phased retirement (66%) for older workers.

There is a mismatch between both strategies believed to be in place by employees and employers:

- Flexible working hours are believed to be in place by 5% of employees, compared to 11% of employers
- Workplace health and safety practices are believed to be in place by 3% of employees, compared to 9% of employers



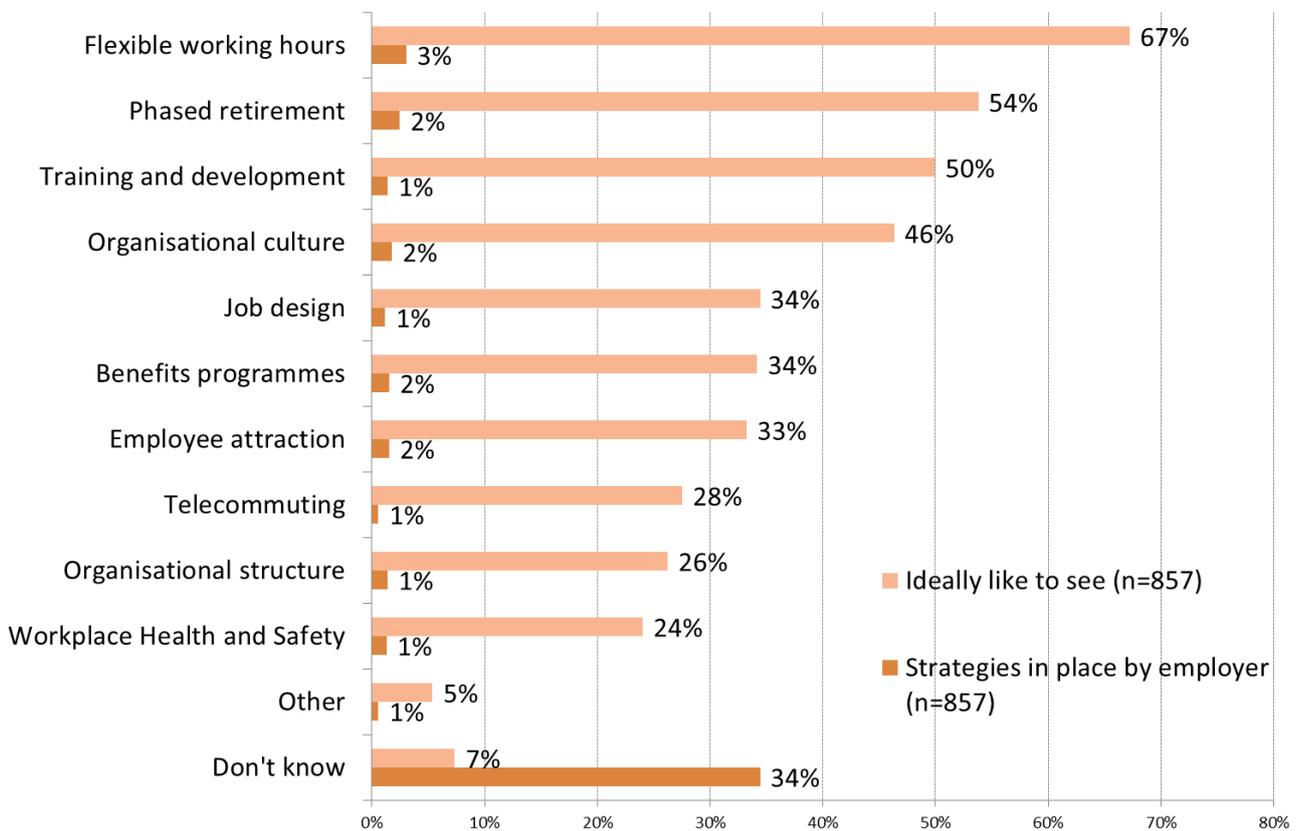
Regardless of what you currently have, what ageing workforce planning strategies would you ideally like to see in your organisation? (Prompted) Employee survey n=2631

Does your organisation currently have any specific planning strategies around ageing workforce participation / utilisation? Employee survey n=2631

Although it may not be noticed by workers, most employers are implementing strategies to change organisational culture to accommodate for the ageing workforce. Only 5% of Crown Entity employers think that older workers are not a good fit in their organisation (cf. 78% disagree). This change in culture of Crown Entities is reflected in employee attitude towards older workers where only 15% agree there is less benefit in training older workers as they are near the end of their career (cf. 70% disagree).

Private sector comparison

Both the private and Crown Entity sectors have employees wanting flexible work hours and phased retirement; and few can see their employers giving it to them. Private sector employees are less likely than Crown Entity employees to want flexible work hours and phased retirement, but are more likely to want training and development, employee attraction programs, telecommuting, and organisational structure improvements.



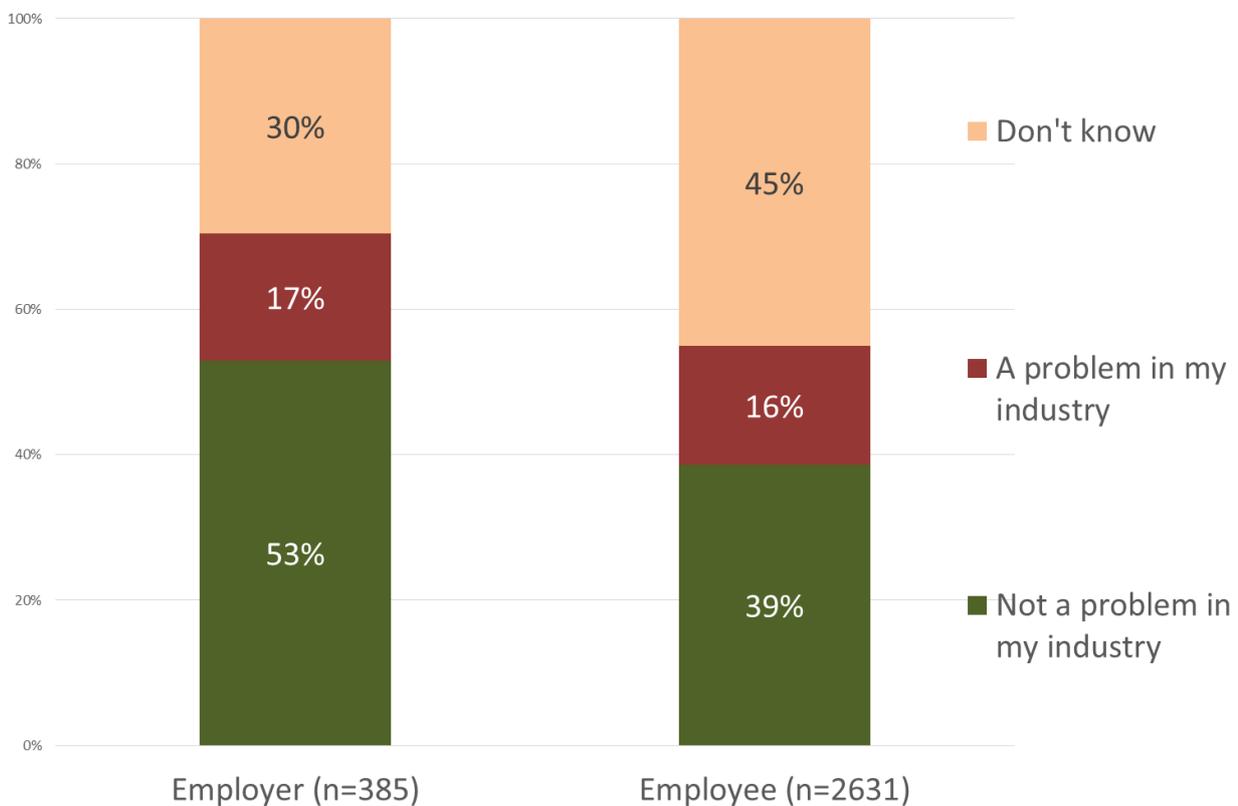
Regardless of what you currently have, what ageing workforce planning strategies would you ideally like to see in your organisation? (Prompted) Base: 2013 Candidate survey (OCG, 2013)

Does your organisation currently have any specific planning strategies around ageing workforce participation / utilisation? Base: 2013 Candidate survey (OCG, 2013)

## Age Discrimination

Our data indicates that there is some age related discrimination within the industries served by Crown Entities.

17% of employers and 16% of employees believe age discrimination is a problem in their industry. In comparison one in three employers (29%) and employees (33%) within the private sector indicated issues with age discrimination in their industry.



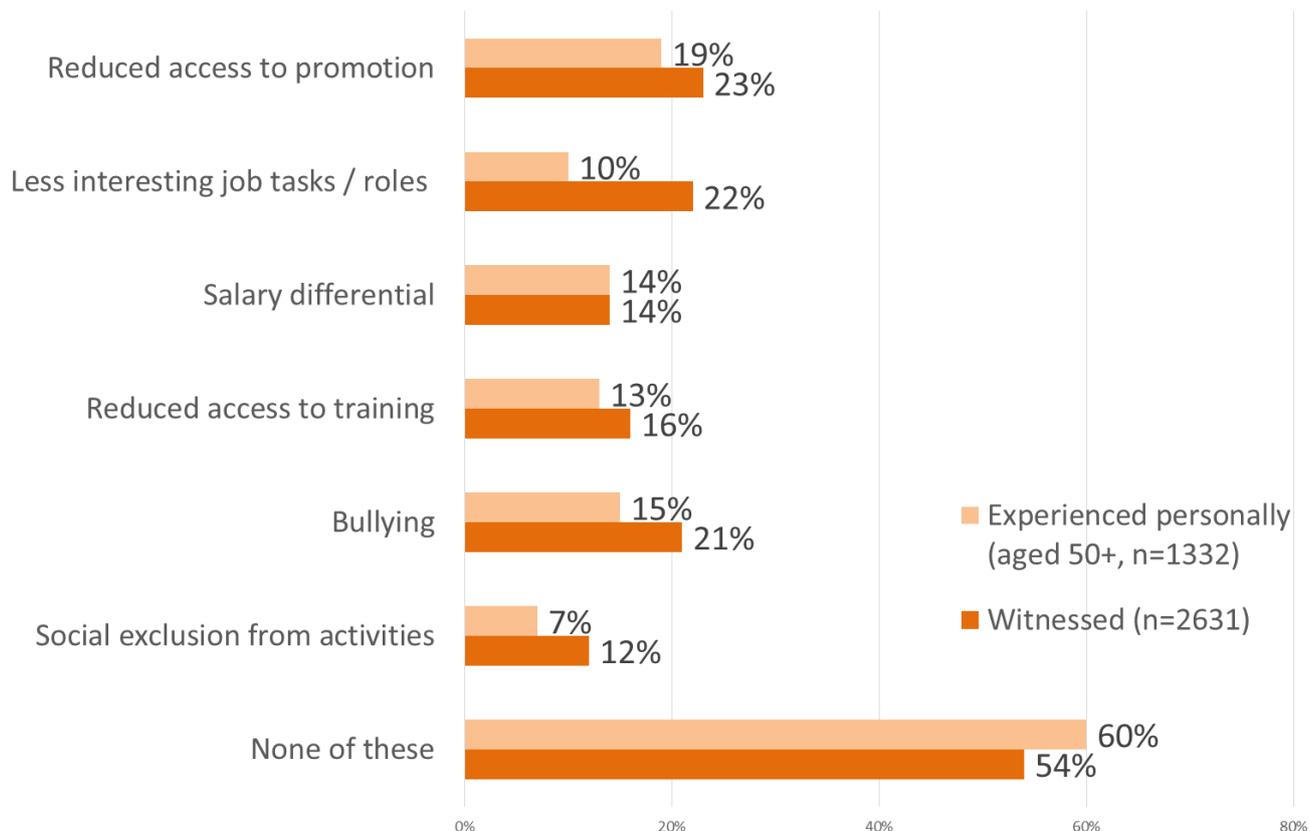
*Thinking about your industry generally, at what age does age related discrimination become apparent for older workers? (Specify age, or not a problem in my industry, or don't know) Employer and Employee survey n=385, 2631*

Amongst those who perceive age related discrimination to be a problem, the average employer believes this becomes a problem at 59 years of age, whereas the average worker perceives this to be a problem at 55 years of age.

Those in the private sector perceived age discrimination to occur at an earlier age. Employers believing age discrimination becomes a problem at 53 years of age while employees believe it happens when the person is 50 years of age.

In the Work and Age Survey report (Alpass & Mortimer 2007), one in three respondents reported they had experienced workplace discrimination owing to their age.

Our findings take a broad view of age-related discrimination and suggest that it is even more prevalent. At an individual level, two in five (40%) older workers have experienced age related discrimination in the past 5 years. Similar proportions (46%) of workers (of any age) have witnessed it over this time period. This is most commonly manifested in the form of withholding interesting tasks, promotions from older workers and bullying.

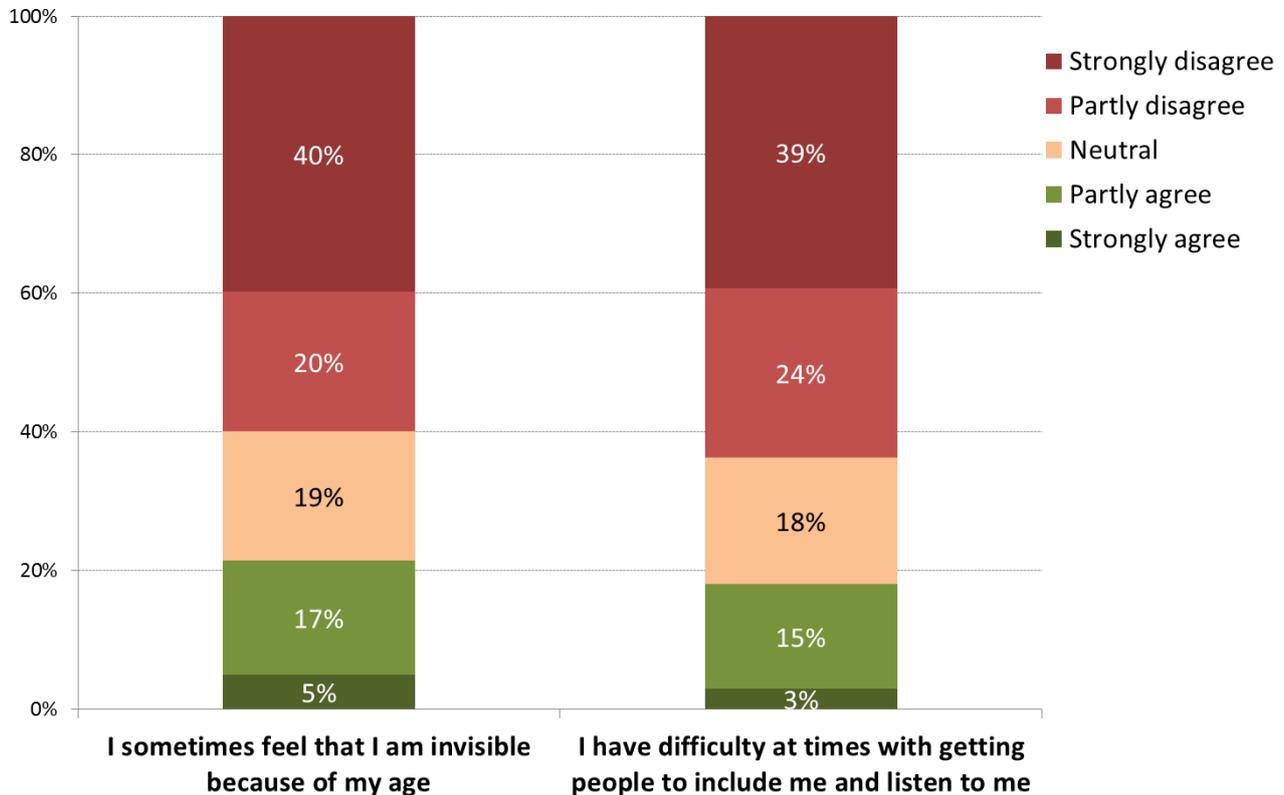


Thinking about age related discrimination. Which of the following types of age related discrimination have you, personally experienced over the last 5 years? Employee Survey, older workers n=1332

And which of the following types of age related discrimination have you, personally witnessed which are directed at someone else over the last 5 years? Employee Survey, older workers n=2631

A higher proportion of older workers (58%) in the private sector have experienced aged related discrimination compared to their Crown Entity counterparts.

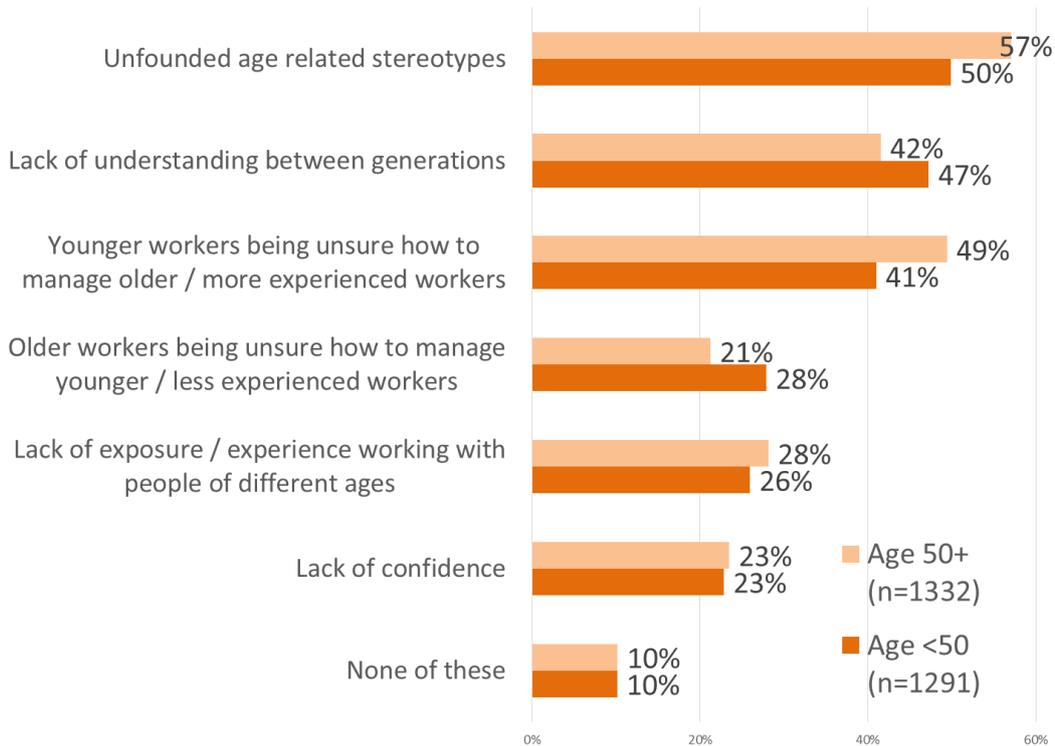
Although over one in five (22%) older workers sometimes feel invisible due to their age, and one in five (18%) have difficulty being included and heard, the proportion of older workers who disagree with these statements is far greater. This implies age related discrimination is widespread, but not rampant.



Do you agree or disagree with the following statements? Employee Survey, older workers n=1332

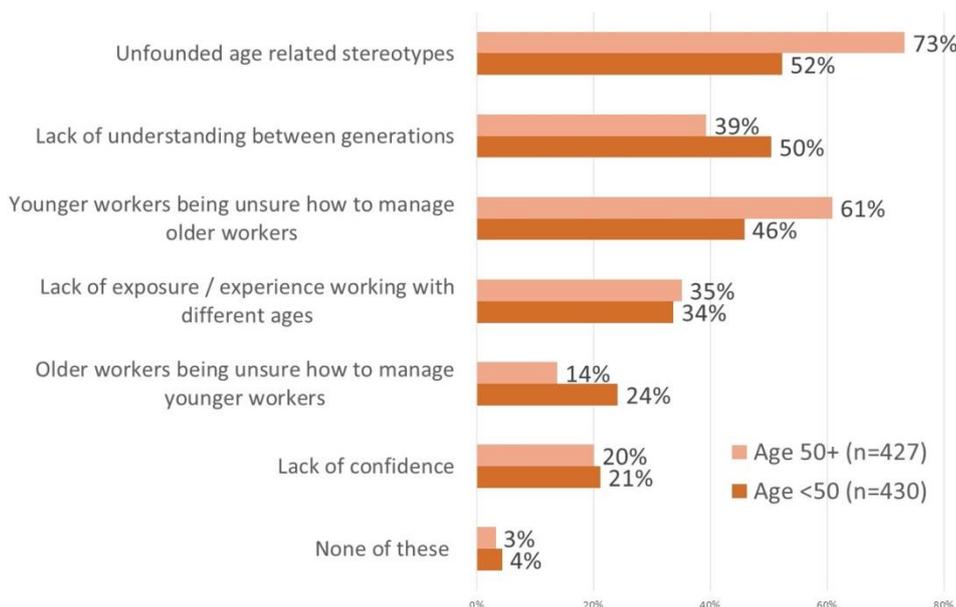
There is a similar proportion of older workers in the private sector that experience being invisible (30%) and being ignored (19%).

Older workers believe the key causes of age related discrimination are unfounded age related stereotypes and younger workers being unsure how to manage their older peers. Younger workers, however are more likely to believe age related discrimination is due to a lack of understanding between the generations.



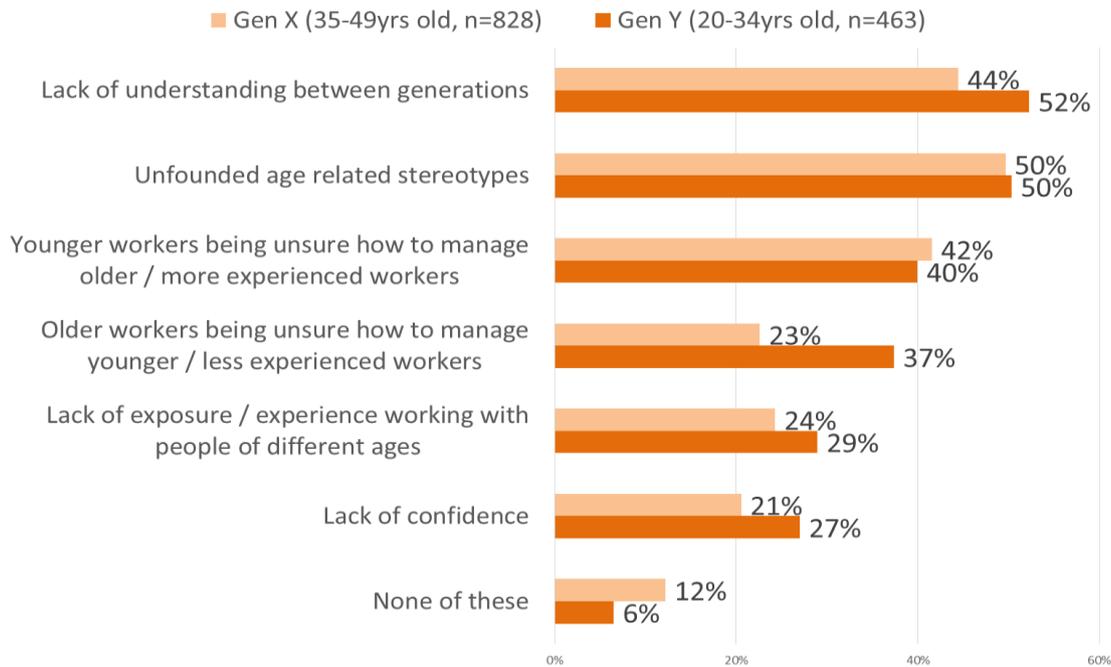
What do you think are the key causes of age related discrimination? Employee survey Younger and older workers n= 1291, 1332

These sentiments are reflected in the attitudes of young and older workers in the private sector.



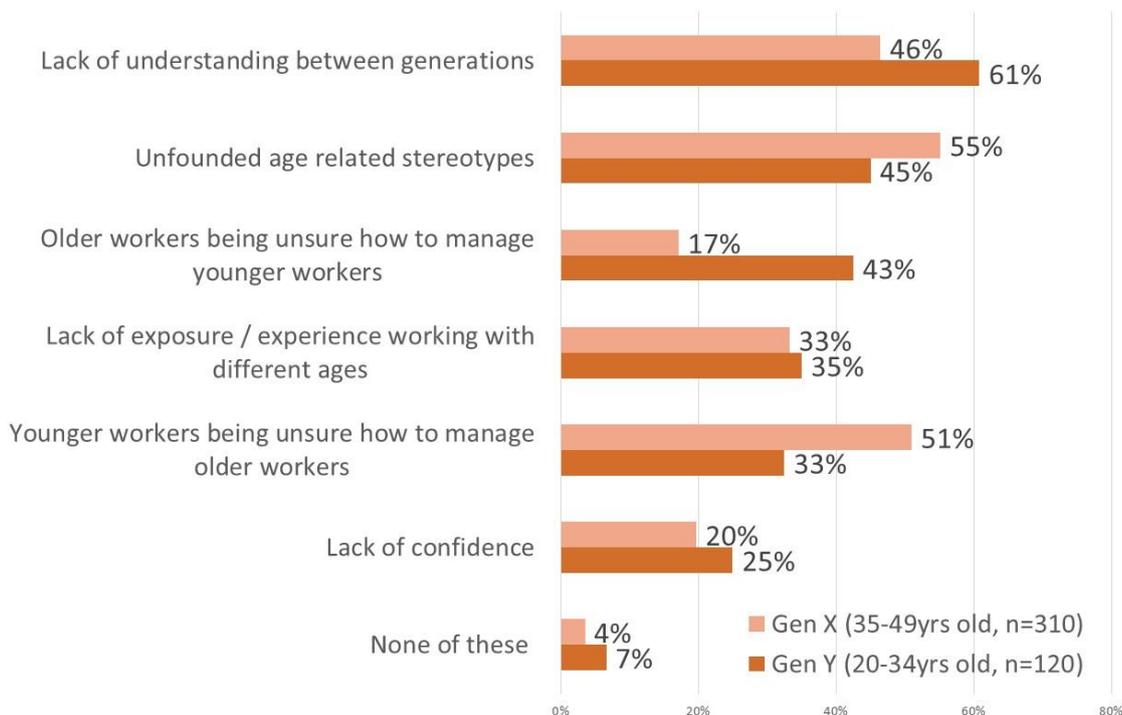
What do you think are the key causes of age related discrimination? Candidate survey younger and older workers n=430, 427 (OCG, 2013)

Generation Y are more likely than Generation X to attribute age related discrimination to lack of understanding between the generations or older workers being unsure to manage younger workers. Conversely, Generation X is more likely than their younger counterparts to attribute discrimination to younger workers being unsure how to manage their older counterparts.



What do you think are the key causes of age related discrimination? Employee survey Gen Y and X n= 463, 828

Generations X and Y in the private sector have similar attitudes as those from the Crown Entities regarding causes of age related discrimination.



What do you think are the key causes of age related discrimination? Candidate survey Gen Y and X  
workers n=120, 310 (OCG, 2013)

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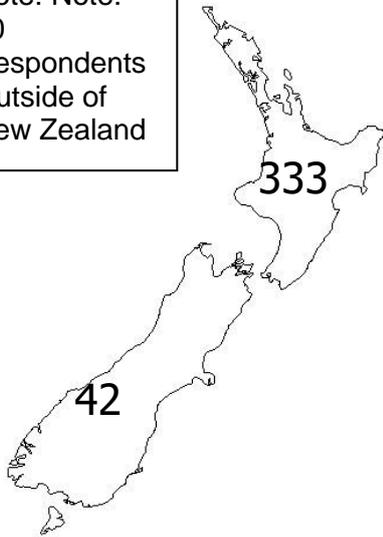
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## Appendix: Respondent Profile

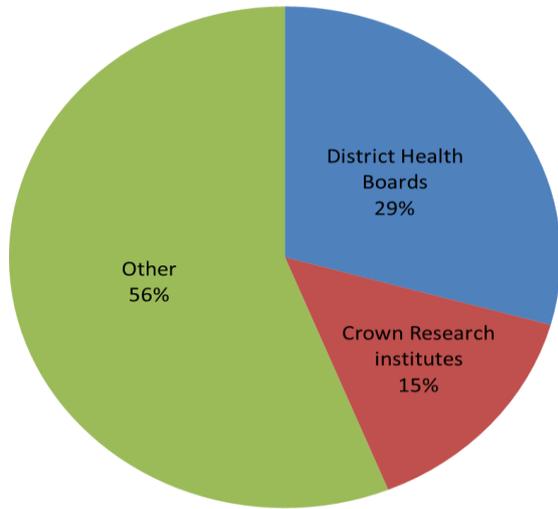
### Employer survey

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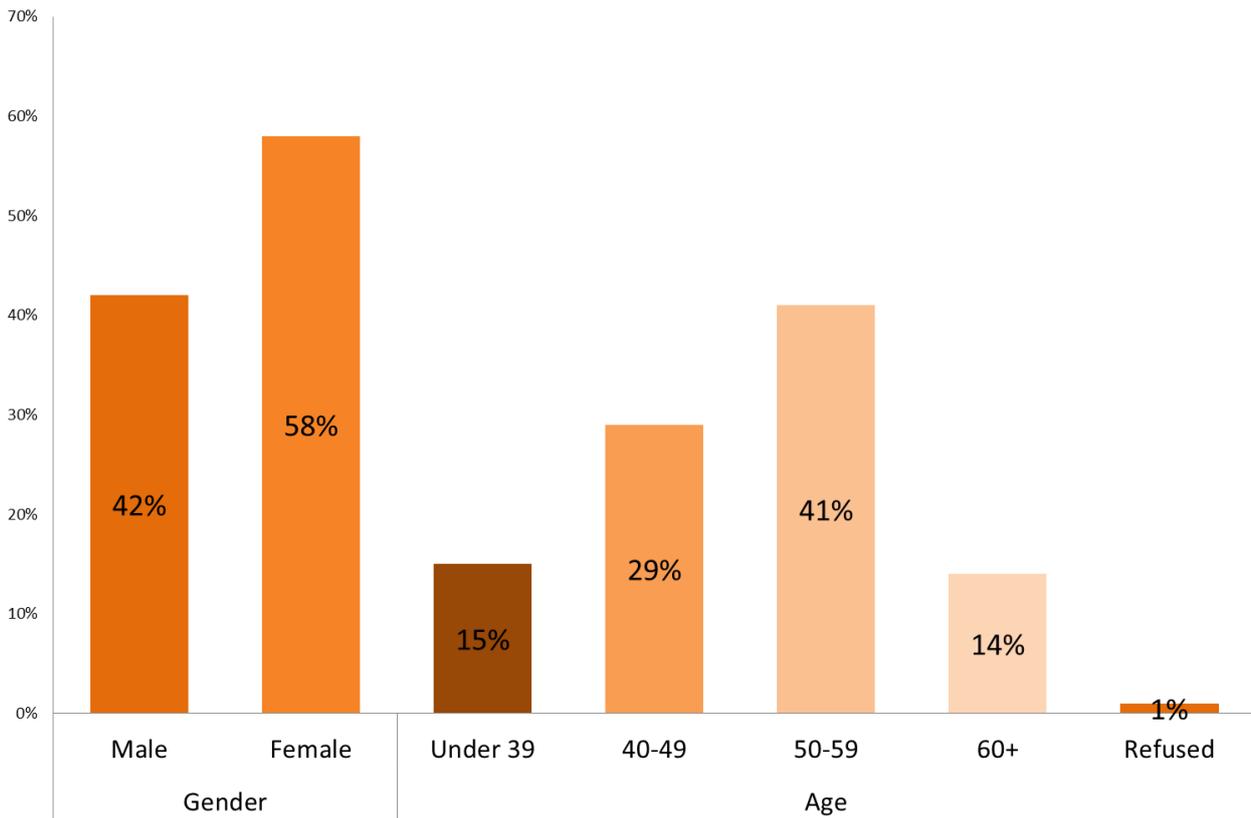
Note: Note:  
10  
Respondents  
Outside of  
New Zealand

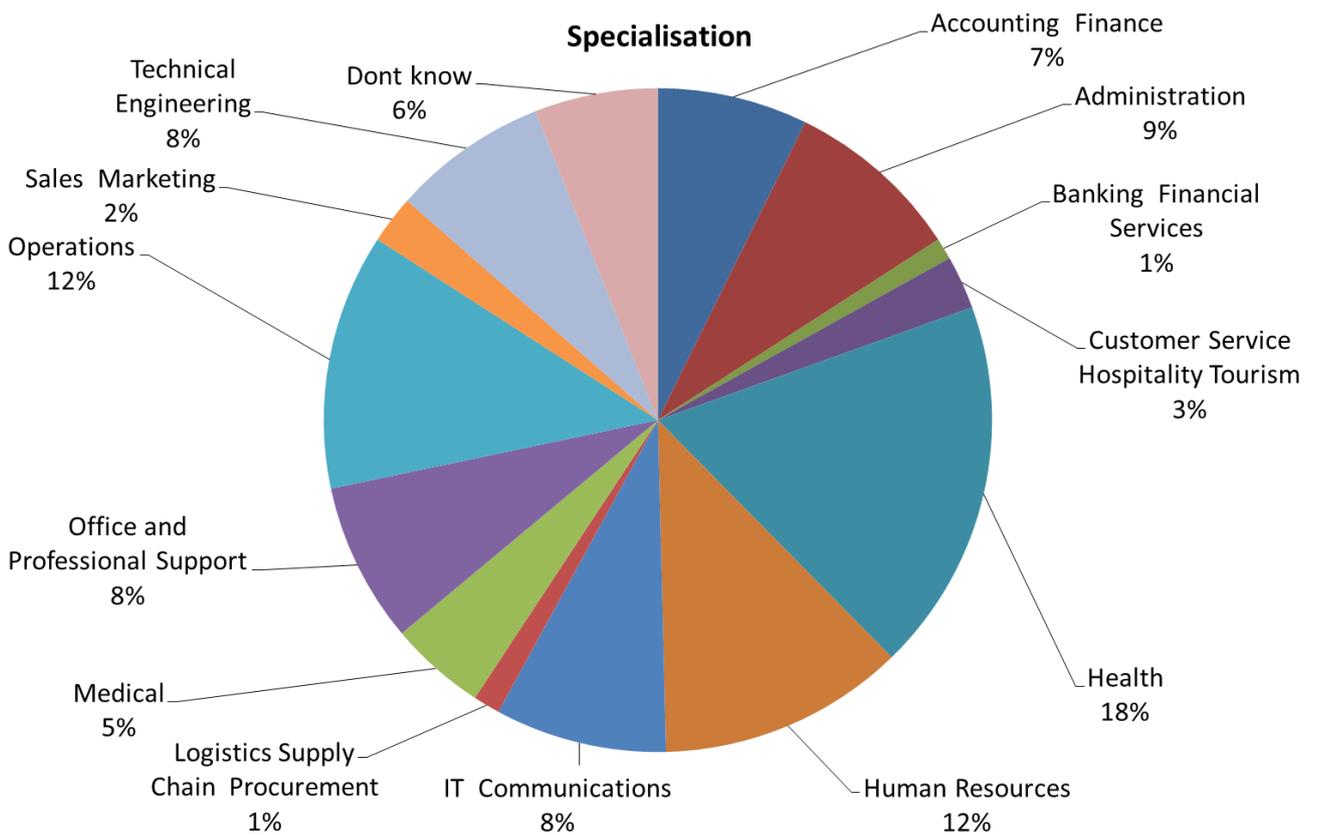
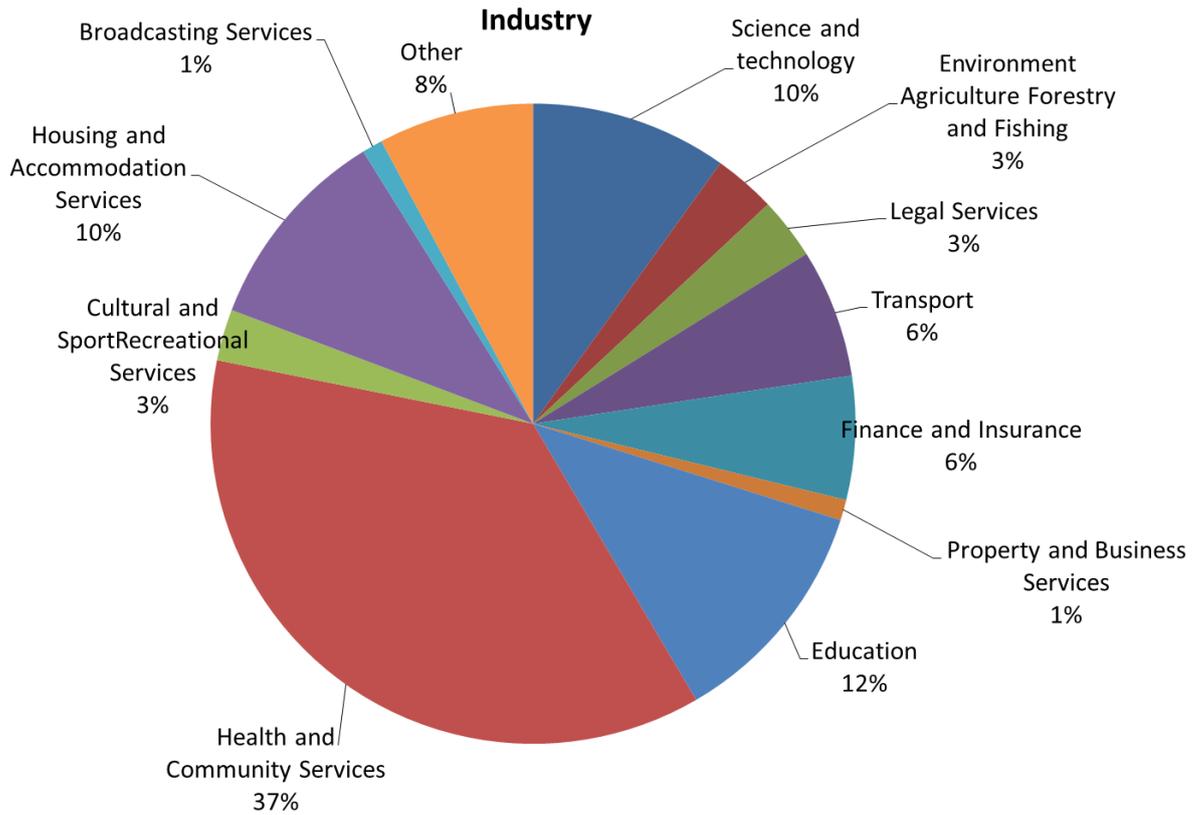


Sector



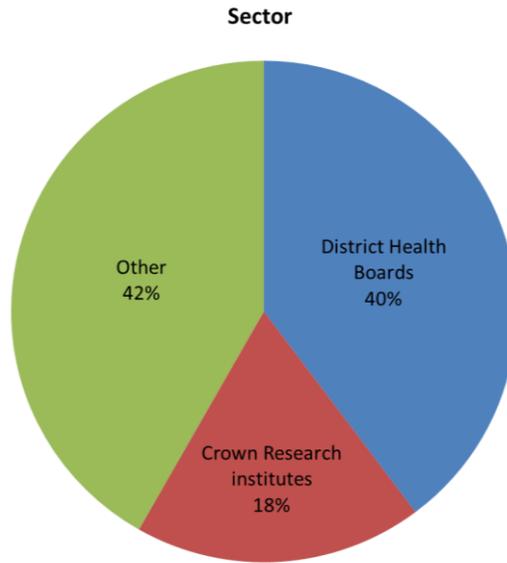
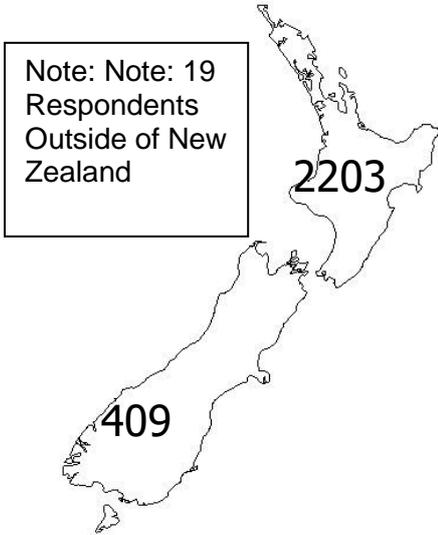
Age and gender:





## Employee Survey

Location:



Age and gender:

