

Older Workers Employment Action Plan

Consultation draft



Te Tari Kaumātua
Office for Seniors



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA



**MINISTRY OF BUSINESS,
INNOVATION & EMPLOYMENT**
HĪKINA WHAKATUTUKI



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Introduction

The purpose of this plan

The Older Workers Employment Action Plan (OWEAP) is one of seven that contributes to implementing the 2019 Employment Strategy. The Strategy has five objectives:

- building a skilled workforce
- supporting thriving industries and sustainable provinces
- modernising workplaces for a modern workforce
- preparing for the changing nature of work
- supporting an inclusive labour market.

The Employment Strategy is supported by a series of population action plans¹ that:

- focus on improving outcomes for groups that consistently experience poor employment outcomes
- complement the Government’s system reforms
- provide a cross-system perspective to identify how particular populations experience government services
- highlight opportunities to improve how services can work together to support better employment outcomes.

The OWEAP is also a response to the Better Later Life – He Oranga Kaumātua Strategy 2019 to 2034 (Better Later Life), which is the Government’s strategy for our ageing population. Better Later Life sets out a vision that:

“Older New Zealanders lead valued, connected and fulfilling lives.”

The overall outcome of the OWEAP is to:

- Ensure that all older workers, both those aged 50–64 and those aged 65+, are able to access work that meets their needs so that:
 - they are valued and thrive in the workplace, and can transition away from paid employment when they are ready; and
 - they can contribute fully to the economy.

¹ The other action plans are for: young people, disabled people, Māori, Pacific people, women and for refugees, recent migrants and ethnic communities.

Older workers are defined as workers aged 50 years and above. There is no upper age limit on the definition of an older worker as New Zealand has no formal ‘retirement age’ and age discrimination in employment is illegal. Currently almost half of the population aged 65 to 69 undertake paid work.

Have your say

This document identifies actions to increase employment opportunities for older workers. Please let us know your views on each action and on the suite of actions as a whole.

Questions are included in boxes throughout this document to prompt responses on specific aspects of the action plan.

The consultation period opens on 11 October 2021 and closes on 19 November 2021.

What do older workers need and want

People over 50 want many of the same things from work that other people want, including a safe workplace where they are respected and given the opportunity to develop their skills. Compared to previous generations, many New Zealanders are living longer, and remaining healthier for longer.

As people age, they often say they want to change the way they work, for example by working in part-time roles and having opportunities to take time off to meet other obligations. A common reason is increasing caring responsibilities within their whānau, while some people may need to work fewer hours to accommodate health, disability or personal needs.

Characteristics other than age are likely to be just as important when it comes to identifying what older individuals need and want from paid work. The needs of older women and older men are likely to differ, for example, where older women may be re-entering the workforce following a period of time as a full-time carer. Older disabled people will have separate and varied needs. Similarly, ethnicity may play a bigger part in determining labour market outcomes than age alone.

Questions for consultation

- What do you think older workers need or want in their work environment? How do these needs or wants differ from those of workers of other ages?
- How are the needs or wants of older workers different based on other characteristics, such as gender, ethnicity or disability status?

Why the plan is important

Population ageing is resulting in fundamental changes in our society. Approximately 1.7 million people are aged 50+ in New Zealand, which is 33.7% of the total population. By 2033, this number will grow to around 2.1 million, or 37.5% of New Zealand’s total population. Older workers will continue to make up approximately one third of the labour force.

Some older workers suffer poor labour market outcomes

Better Later Life includes the following objectives:



“As people age, they can work if they wish or need to.”

”Older workers are treated fairly, recognised for contributing expertise and skills, and have access to training and upskilling.”



Underutilisation rates² for older workers are lower than for other age groups across all ethnicities and both sexes, but underutilisation is a continuing problem for some older workers. Underutilisation among older workers is also concentrated among groups facing ‘overlapping’ labour market disadvantage. Underutilisation rates are higher for older Māori and Pacific workers compared to older European workers, and for older women compared to older men.

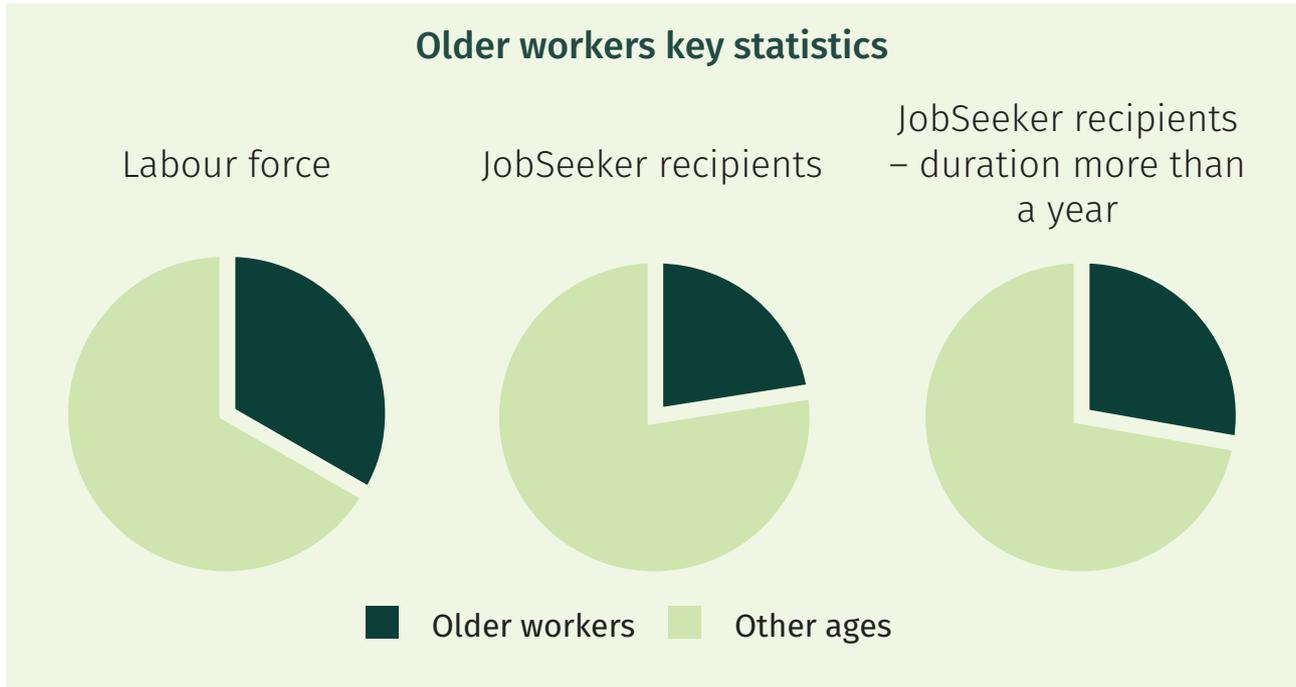
International and New Zealand research shows that when older workers lose their job the impacts can be greater than for workers of other ages. A New Zealand study found that workers aged 50+ who were displaced following the 2009 financial crisis reported 11-12% lower employment five years after displacement, and 25-30% reduced incomes. For displaced workers in all other age groups, initial unemployment and the earnings impacts of displacement had reduced to insignificance over this five year period.

Older people who are on JobSeeker Support³ are over-represented as long-term recipients.⁴

2 When we refer to older workers being ‘underutilised’ we mean older workers who are unemployed, underemployed and in the potential labour force. Underemployed people are those who are employed part-time (working less than 30 hours a week) and have both the desire and availability to increase the number of hours they work.

3 JobSeeker Support is the main benefit for people aged 18 or older who are looking for work (JobSeeker - Work Ready) or who can only work part-time because of an illness, injury or disability (Jobseeker – Health Condition and Disability).

4 When we refer to ‘long-term’ recipients we mean those receiving a Jobseeker benefit for a duration of more than one year.



COVID-19 economic disruption has impacted some older workers

More people received JobSeeker Support when the impact of ‘lockdowns’ led to job losses. The number of people aged 50+ receiving JobSeeker - Work Ready increased from 18,170 in February 2020 to 25,062 in August 2021. The number of people aged 50+ receiving JobSeeker-Health Condition and Disability increased from 26,442 in February 2020 to 33,021 in August 2021 (likely reflecting displaced older workers becoming aware that they are eligible for this benefit, rather than any change in underlying health conditions or disability)

Employment disadvantage can have long-lasting impacts

Compared to other OECD countries, New Zealand has high labour force participation of older workers, especially those aged over 65. This is generally thought to be because universal entitlement to New Zealand Superannuation for most of those aged 65+ does not provide any significant disincentive to be employed. For many, continuing to work past the age of 65 reflects the meaning and interest they derive from paid work. Rates of employment drop off substantially from around age 70, and most New Zealanders expect to move away from the paid workforce in their later life.

Employment challenges during the later stages of a person’s working life can jeopardise income adequacy when they are no longer in the paid workforce. Much of New Zealanders’ retirement saving is undertaken after the age of 50. Employment disruption during this period can affect this critical period of retirement saving.

A period of true ‘retirement’ from paid work is difficult to attain for some people. The Retirement Commission has found that about one third of people aged 65+ in paid employment say they work because they must. This impact is likely to be especially pronounced for older Māori, who are more likely to work for longer, at lower rates of pay.

Better employment outcomes for older workers benefit the economy

Better Later Life includes the following objective:

“New Zealand is financially prepared for an ageing population.”

Older workers represent a substantial pool of skills and experience. Retaining this skill-base and transferring these skills to the wider workforce will be a key component in meeting the labour market’s demand for skills in coming years. As with other population groups, the benefits of enhanced employment outcomes for older workers accrue to the whole economy. Harnessing the economic potential of older workers, including those over 65, provides an opportunity that will grow as our population continues to age. Wage and salary income of people over 65 has been projected to rise from \$4.8 billion in 2016 to around \$10.7 billion in 2031.

Popular conceptions of older workers ‘displacing’ younger workers in work are not supported by evidence. In fact, greater labour force participation by older workers carries significant benefits for workers of all ages. A good mix of older and younger workers provides benefits to businesses. Older workers tend to have longer job tenure. They hold important knowledge and networks and can mentor younger people. An intergenerational workforce can be a source of competitive advantage for individual firms.

Questions for consultation

- What do you see as the economic impacts of an ageing workforce? Is the New Zealand economy sufficiently responding to these impacts?
- What are the social, economic and wellbeing impacts of labour market disadvantage on older workers as individuals?

What is already happening

The Government is already undertaking a wide range of responses aimed at improving the operation of the labour market. Some of these are immediate responses to the economic disruption caused by COVID-19. Others are longer-term structural reforms to the labour market. All will be relevant to the labour market situation of older workers.

Social Unemployment Insurance

The Government is designing a Social Unemployment Insurance scheme to further strengthen our safety net. The scheme would support workers to retain about 80 percent of their income for a period of time after they lose their jobs. This could be particularly beneficial to older workers, who tend to experience longer spells of unemployment, and more severe wage losses when they get back to work. This scheme may also help older workers to feel less time pressure to take an unsuitable job for lower pay. There will be wider public consultation on the proposed scheme later this year.



Reform of Vocational Education

The recent Reform of Vocational Education (RoVE) was designed to create a unified and sustainable vocational education system. The new structure includes:

- Workforce Development Councils (WDC) to give industry greater leadership across vocational education
- Regional Skills Leadership Groups (RSLG) to provide advice about the skills needs of their regions to the Tertiary Education Commission (TEC)
- Local vocational education providers. Under the RoVE, the vocational education system is required to prioritise traditionally underserved learners including Māori, Pacific and disabled people, and people who need to retrain, including older workers.

Changes to Ministry of Social Development (MSD) Employment Services

The Ministry of Social Development (MSD) has been developing its future state for employment services. It is being developed in line with its strategic direction, Te Pae Tawhiti. COVID-19 had a significant and sudden impact on the way MSD delivers its employment services, with some services expanded to support a much larger and more diverse group of people requiring employment support.

The Careers System Strategy

In July this year the Tertiary Education Commission (TEC) committed to leading the development of a national careers system strategy that will be broad and encompass the entire careers system. The strategy will include all people of Aotearoa New Zealand from 7 to 70+. The TEC will take a collaborative approach that engages all key stakeholders in the careers space, for example, the Government and government agencies, the education sector, learners, iwi, industry, and career practitioners and their peak bodies – which are the Career Development Association of New Zealand (CDANZ) and Careers and Transition Education Association New Zealand (CATE).

The TEC will engage with the ongoing work of all seven employment action plans for people disadvantaged in the labour market and promote opportunities for lifelong learning.

Objectives and Actions

The objectives of the Older Workers Employment Action Plan are linked to the Government's Employment Strategy including promoting an inclusive labour market, supporting older people to participate in a changing work environment, and ensuring regions are well informed regarding ageing workforces and ways to retain older workers.

The overall outcome of the Action Plan is to:

Ensure that all older workers, both those aged 50 – 64 and those aged 65+, are able to access work that meets their needs so that:

- they are valued and thrive in the workplace, and can transition away from paid employment when they are ready; and
- they can contribute fully to the economy.

Objective one

Employment-related services are effective, accessible, and meet the needs of older workers.

Objective two

The labour market supports the needs of older workers.

Objective three

Labour market actors involved in different sectors and regions are collaborating to maximise the opportunities of their ageing workforces.

Objective four

The needs of older workers who experience multiple disadvantages in the labour market are addressed in all aspects of the Government's response to labour market disadvantage.

Questions for consultation

- Does the overall outcome for the Action Plan (shown above) fully capture what we want for older workers in the labour market?
- Are the four objectives for the Action Plan the right ones? What is missing?

Objective one

Employment-related services are effective, accessible, and meet the needs of older workers.

Effective and accessible employment-related services mean that older workers:

- can access information and guidance to enable them to make decisions about their future employment
- who have lost their jobs and are at-risk of poor long-term outcomes can access services to return to employment.

Employment-related services are the broad range of services that workers access to support them to retain, change or regain employment. They are provided by many private and public entities, and include activities such as career planning, CV writing, job search and matching, recruiting, work-brokering and interview preparation.

Employment-related services to return to work following employment disruption

Employment disruption can present a particular challenge for older workers. Out of work older people can lose connections to networks where vacancies are filled by word of mouth. Some older people lack knowledge of current recruitment methods, and how their skills may be transferable to alternative employment.

Different government agencies provide a range of employment-related services aimed at improving the functioning of the labour market or meeting the needs of disadvantaged workers.

MSD provides and funds employment services which are primarily for benefit recipients. These focus on reducing barriers such as lack of confidence, providing job search assistance, and opportunities for training. Some programmes are designed for specific groups of people such as at-risk young people, sole parents on benefit or people with health conditions or disabilities.

There are some barriers to older workers fully accessing the government's employment-related services. Some older people may feel awkward about approaching government agencies for assistance or may be unaware of what is available. Many employment services provided by MSD are not available to recipients of New Zealand Superannuation, which means most workers over the age of 65 are unable to access them. This may be due to prioritisation of resource allocation (in light of the significant resource commitment that New Zealand Superannuation represents) or previously lower levels of labour force participation among those in this age group.

Questions for consultation

- Do the actions on the following page appropriately respond to Objective One?
- Which of the actions will be most impactful in meeting Objective One?
- What other actions should be considered?



Employment-related services are effective, accessible, and meet the needs of older workers

Effective and accessible employment-related services mean older workers:

- can access information and guidance to enable them to make decisions about their future employment
- who are disrupted from employment and at risk of long-term poor outcomes can access services to return to employment.

Older workers can access information and guidance to enable them to make decisions about their future work

We could...

develop **online tools** that better enable access to all available government employment and training supports for older workers and employers wanting to hire older jobseekers

This will ensure that older workers, who might otherwise be unfamiliar with government employment assistance services, are aware of the options available to them and can make informed decisions about their careers.

hold in-person **expos for older workers** through Connected Centres (these are one-stop-shops in regional centres) to refer people to employment-related government services

This will enable direct contact between older workers, employers and government support services within the local labour markets where expos take place. The events could be tailored to the local labour market.

target older workers in **awareness campaigns** about MSD employment services.

This will improve awareness of available supports among older workers who may have had limited previous contact with MSD. Messaging could also be focused on reducing stigma associated with seeking this support.

Older workers disrupted from employment can access services to return to employment

We could...

undertake research to find out **what older MSD Jobseeker recipients need** as they age in relation to paid work, including as they age into receipt of NZ Superannuation

This research will identify differences in needs associated with different ethnicity, age and gender, and socio-economic status. This will also identify any specific needs of older workers and enable improved responsiveness of employment services.

consider developing current MSD **employment services to target newly unemployed** older workers

This will respond to the higher risk of long-term impacts from employment disruption for older workers by intervening early and intensively to quickly return them to quality employment.

provide initial advice on **eligibility for MSD employment services** for disadvantaged workers **over the age of 65**

This will enable consideration of the employment support needs of the large number of people aged over 65 who plan to continue in paid employment as a matter of financial necessity.

ensure the needs of older workers are factored in to the design of **social unemployment insurance**.

A social insurance scheme is currently being designed whereby a portion of a person's income would be paid for a period after job loss. If introduced this could particularly benefit older workers by reducing pressure to take an unsuitable job for lower pay or supporting a period of retraining.

Objective two

The labour market supports the needs of older workers

A labour market that supports the needs of older workers is one:

- that does not discriminate against older workers
- where jobs are flexible and responsive to the needs of older workers
- where older workers in employment can continue to upskill or retrain and are supported to change career.

Retaining and maximising the contribution of older workers will mean creating a labour market that caters to their varied needs. There are no formal barriers to older workers' labour market participation in New Zealand, such as a mandatory retirement age. However, less explicit barriers may limit the ability of some older workers to participate fully.



Employment discrimination may present a barrier

Age discrimination and bias can directly impact on older workers' ability to work if they are not offered interviews or jobs during the hiring process. It can also have an impact within the workplace if opportunities are not taken to develop skills, impacting on morale and staff turnover rates.

Several relatively recent New Zealand surveys of workers and employers found that a substantial minority of respondents believe they have been discriminated against, either on the job or when seeking work due to their older age. A 2006 experiment involving applications to employers and HR professionals by people who differed in age, but not skills or experience, found clear evidence that increasing age has a cumulative and negative effect on selection for interview.

Case Study: Diversity Works New Zealand

Diversity Works New Zealand is a public-private partnership, which was established in 1992 as the Equal Opportunities Trust. It helps organisations to do workplace inclusion well, and to build the skills within organisations to work with an increasingly diverse talent pool. Diversity Works New Zealand now offers a programme aimed at building age inclusion in workplaces. This offering includes a four-hour workshop that any member of the public can attend and an in-house customised service for organisations.

Flexibility is key

A 2015 survey of workers aged 55 years and over who are employed in businesses in New Zealand concluded that “job design was the most reported job-level enabling factor for mature workers to continue employment”, with 52.6% of staff responding that flexible work, reduced hours, and extended flexible leave would enable them to remain in their jobs as they aged.

Flexibility in the way jobs are scoped will be a critical contributor to accommodating older workers. This could mean flexibility in hours or leave, or in the nature of the work undertaken.

Self-employment can offer an avenue for older workers to make use of their skills and experience and to determine the way they want to work, and those aged 50+ are well represented among the self-employed. Entrepreneurship among older workers also offers the prospect of generating employment opportunities for others – whether older workers or of other ages.

Case Study: Senior Entrepreneurs New Zealand

Senior Entrepreneurs was started in Dunedin five years ago by Geoff Pearman of Partners for Change. It is a network that provides information, know-how and support for people ‘over 50ish’ who have established their own businesses for the first time later in life or who are exploring this option. The network meets monthly and runs drop-in sessions for conversation and advice. New members are often referred to the group by present and past members, local career practitioners and organisations such as Start Up Dunedin and Enterprise Dunedin. People move in and out of the group depending on their needs. Research from Otago University has found the network to be very well connected within the local start-up ecosystem in the region. The Dunedin model seems to be spreading with groups starting up in Christchurch, Hawkes Bay, Auckland, and Lower Hutt.

For more information see <https://www.startupdunedin.nz/senz>

Upskilling and retraining for a changing economy

The ongoing pace of technological change necessitates ‘lifelong learning’. For specific workers this could mean periodically changing careers or undertaking less extensive ‘pivots’ to change direction based on an existing skill-base.

Older workers access degree-level formal education at lower rates than workers in other age groups. The picture is less clear in respect of informal or “on-the-job” training. The decision to undertake extensive retraining in later life is complex and needs to be better understood in light of labour market dynamics and the needs of older workers.

Questions for consultation

- Do the actions on the following page appropriately respond to Objective Two?
- Which of the actions will be most impactful in meeting Objective Two?
- What other actions should be considered?

The labour market supports the needs of older workers

A labour market to support the needs of older workers is a labour market:

- that does not discriminate against older workers
 - where jobs are flexible and responsive to the needs of older workers
 - in which older workers in employment can continue to upskill or retrain and are supported to change career.
-

The labour market does not discriminate against older workers

We could...

commission **research into age discrimination** among decision makers such as employers and recruiters

This knowledge will help those involved in employment to focus on reducing age discrimination, including as it overlaps with other forms of discrimination.

provide **information and advice to human resources (HR) professionals** on addressing unconscious bias in employment practices as it affects older workers

Human resources professionals would be well informed and therefore able to promote older workers into roles, and to advocate for job design that works for older workers.

address employment discrimination as part of a **wider campaign against ageism.**

This will help to shift the underlying attitudes towards older people that give rise to discrimination and unconscious bias in the workplace.

Jobs are flexible and responsive to the needs of older workers

We could...

role model good practice in the employment of **older workers in the Public Service**

Good practice in employing older workers in the public sector could both act as an example to private sector employers and establish expectations among workers and employers.

assess the use of **MSD work brokerage services** for long-term unemployed older workers, including to encourage flexibility in job scoping.

Improvements in this area will encourage specific employers to adapt their workplaces to accommodate the needs of older workers who have been long-term unemployed, assisting labour market re-entry and moving away from benefit receipt.

Older workers in employment can continue to upskill or retrain and are supported to change career

We could...

pilot initiatives to assist older workers to **establish sustainable businesses** by providing advice and other support

Self-employment offers an opportunity for a sustainable income, flexibility and autonomy. Where businesses grow, older entrepreneurs can be a source of employment.

pilot a **mid-career intensive** intervention for older workers, designed for workers at risk of job loss or who have been recently displaced

This will offer new opportunities to older workers and is designed to avoid long term unemployment.

investigate **barriers to training** for older workers and consider ways to address these barriers.

This will encourage greater uptake of formal training among older workers, supporting career change or maintenance of skills. Barriers to training have been identified as areas of focus within Māori and Pacific employment action plan processes.

Objective three

Labour market actors involved in different sectors and regions are collaborating to maximise the opportunities of their ageing workforces

Sectors and regions are preparing for the changing nature of work by:

- understanding the ageing dynamics of their workforces
- proactively building the responses needed to meet the needs of their ageing workforces.

Older workers make up one third of the current New Zealand workforce. Within this group, the age profile is shifting upwards in line with wider population ageing. Maximising the potential that older workers' skills and experience present requires a deliberate response from all labour market participants. The age profile of the workforce within different sectors, regions and individual firms varies, and there is no 'one size fits all' approach.

As with other significant economic trends, a coordinated response from a range of actors is needed. Individual companies need to consider the age makeup of their workforces to ensure their long-term sustainability. Education providers need to consider how changes in the workforce will influence long-term skills demand. Unions and bodies representing employees are well placed to identify and respond to worker needs. Local government and industry bodies possess insights into specific workforces and can align efforts among businesses and workforces with common interests.

An ageing workforce is more pressing for some sectors and regions

The proportion of workers aged 50+ is highest in the education and training, health care and social assistance, and transport, postal and warehousing sectors. These sectors also face identified current or future skills shortages and, in some instances they have been challenged by the constraints COVID-19 has placed on the flow of skilled migrants.

The ageing population will also have differing impacts on rural, provincial, and urban centres. Younger people will be more likely to congregate in our largest cities, and older people in smaller cities and towns. Some regions already have a workforce that is substantially older than the national average. In Marlborough, 46% of workers are over 50 years old. Northland, Tasman, and Nelson follow with 43%, 42% and 41% respectively.

Case Study: Nelson City Council

Nelson City Council has led and participated in a range of local collaborations. The Council commissioned research on barriers and enablers to older workers staying longer in employment. A survey in newspapers was supplemented by focus groups with older residents still in work, and with those who were not working. A series of interviews with different sized local businesses provided an employer perspective. The findings were used to understand how to better support older workers. The Council has collaborated with the Chamber of Commerce to make information on supporting older workers available to local employers. It has also sponsored a series of talks on self-employment in later life and encourages follow-up conversations and access to mentoring in partnership with Nelson Tasman Business Trust (which is the regional agency for Business Mentors New Zealand).

Questions for consultation

- Do the actions on the following page appropriately respond to Objective Three?
- Which of the actions will be most impactful in meeting Objective Three?
- What other actions should be considered?



Labour market actors involved in different sectors and regions are collaborating to maximise the opportunities of their ageing workforces

Sectors and regions are preparing for the changing nature of work by:

- understanding the ageing dynamics of their workforces
 - proactively planning to meet the needs of their ageing workforces.
-

Sectors and regions understand the dynamics of their ageing workforces

We could...

gather information about ageing New Zealand workforces, including with respect to ethnicity, gender and disability status, **in collaboration with employers and unions and undertake research** to identify what affected sectors can do to retain and attract older workers

This will enable information-sharing about workforce ageing issues and identify training and job-scoping actions to support businesses and older workers.

ensure that agencies involved in education and training and Regional Skills Leadership Groups **share data and insights** that inform the development of regional workforce development plans

This will increase these mechanisms' responsiveness to both employers' and older workers' needs and pool available data across responses in different sectors and regions.

improve the **collection and reporting of age-disaggregated data** by government agencies delivering employment-related services.

Better data will show what other factors in addition to age (such as ethnicity, gender and disability status) are important for designing and delivering effective employment services.

Sectors and regions are proactively responding to their ageing workforces

We could...

work with representatives of employers (such as the Employers and Manufacturers' Association) to **assist businesses with tools to help them to assess the age structures of employees** in their businesses and to consider what they can do to retain and attract older workers

This will assist member businesses with tools to help them to consider what they can do to retain and attract older workers. This will contribute to achieving more multi-generational workforces.

ensure that all government agencies involved in education, training and employment services **support older workers who need retraining and reasonable accommodations** in their planning process

This will ensure that older workers' needs are considered and addressed alongside the wider workforce and economy's employment needs.

consider the issue of an ageing population as part of the **forward agenda for the Future of Work Forum**

This forum includes employer and employee representatives as well as Ministers. Including the ageing workforce in the Forum would enable development of a coherent national picture of the issue and the response to it.

publicly **showcase examples of employers** who have successfully developed diverse multi-generational workforces, for example by changing the way their work is structured or utilising older workers for mentoring.

This will assist in raising awareness of the business benefits of accommodating older workers, and provide insights that other employers can replicate.

Objective four:

The needs of older workers who experience multiple disadvantages in the labour market are addressed in all aspects of the Government’s response to labour market disadvantage.

Responses to labour market issues take in to account the intersection between older workers and other population groups that are disadvantaged in the labour market, including:

- Disabled people
- Former refugees, recent migrants and ethnic communities
- Pacific peoples
- Women
- Māori



Underutilisation rates for many disadvantaged groups reduce with age. For example, underutilisation is lower for older Pacific people compared to younger Pacific people. Nonetheless, these rates remain higher than for the general population.

Employment challenges in later life reflect the accumulation of advantage and disadvantage over a lifetime. Retirement savings for disadvantaged groups are often lower than those for the general population, and this can result in less choice around an eventual transition away from paid employment. For example, employment challenges in later life combined with lower life and health expectancy can mean significant inequity in the period of ‘retirement’ for Māori and Pacific people compared to other New Zealanders.

Meeting this objective

This objective highlights the overlap between these groups and older workers. It sits across the other three objectives in this Action Plan. All responses to older workers need to take into account the varied needs of different sub-groups. In addition, this objective will be met through implementation of those employment action plans that have already been released (Working Matters – covering disabled people) and those currently under development (for Pacific peoples, Māori, women, and refugees, recent migrants and ethnic communities).

These action plans will directly consider the needs of older members of their target populations. There are also some changes that support the labour force participation of other groups that will deliver general benefits for older workers. Particular examples of crossover opportunities include:

- The Māori Employment Action Plan may explore making work accessible for Māori, including with specific reference to older Māori, as well as Māori with caring responsibilities and tāngata whaikaha Māori (the latter two groups encompass many older Māori).
- The Pacific Employment Action Plan may explore opportunities for in-work learning, including through adult education and ‘micro-credentials’. This could improve opportunities for career-change and skill enhancement for older ‘mid-career’ Pacific workers.

Questions for consultation

- What ‘overlaps’ in labour market policies and measures could benefit older people and another group disadvantaged in the labour market?
- What are the specific needs of older members of one or more groups disadvantaged in the labour market?

How we will implement the plan

The OWEAP is a part of the Government’s Employment Strategy, as well as Better Later Life.

An inter-sectoral approach

In 2018 a working group convened by the Employers and Manufacturers Association, and including business, union and government agency representatives, called for a national strategy on the ageing workforce. Effective implementation of this action plan will require participation by a similarly wide range of labour market actors.

A ‘living plan’

The OWEAP has no timeframe or end point. It aims to ensure that an older workers employment lens is placed across the Government’s entire employment and training work programme.

Indicators to track progress

Following publication of the OWEAP, we will develop a monitoring framework for the outputs and outcomes of the plan. Indicators will be identified to track the immediate results of initiatives, such as participant numbers in employment programmes, as well as the broader trends, such as participation rates in paid work and work-related training.

The monitoring results will inform a regular review of how to best address barriers for older workers, across government and including, where relevant, community-based partners and employers. The key mechanisms for the monitoring and review process include:

- six-monthly reporting to Cabinet on implementation of the Employment Strategy, and the population Action Plans that support it
- regular reporting to Ministers by the agencies with responsibilities outlined in the plan
- regular review to allow the plan to evolve as opportunities arise
- contributions to regular reporting to the Ministerial Steering Group responsible for implementing the Better Later Life – He Oranga Kaumātua Strategy.

Funding

Funding of any agreed actions that are included in the final OWEAP will need to be considered. Some of the potential actions set out here could be funded within existing Government programmes or baselines. Others may need to be progressed through Government Budget processes.

Questions for consultation

- What indicators do you think should be used to track success in implementing the Plan's objectives?
- What aspects of this Action Plan do you think are the most useful? What is missing?
- Do you have any other comments?

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