

COVID-19 indicators for older people – August 2020 update

This document provides an update on the key indicators being used to track the impact of COVID-19 on older people.

Introduction

- 1 In July 2020 we outlined a small set of key short-term indicators to track the social and economic impacts of COVID-19 on older people aged 65 years and over (65+) and older workers aged 50 years and over (50+).¹
- 2 This report incorporates data available up to 31 August 2020:
 - June 2020 quarter unemployment, employment and underutilisation data for older workers (aged 50+) from Stats NZ's Household Labour Force Survey (HLFS)²
 - MSD income support data up to July 2020
 - June 2020 quarter loneliness and discrimination data from Stats NZ's HLFS wellbeing supplement³
 - numbers of calls to the Elder Abuse helpline up to 24 August
 - numbers of seniors on the public housing register up to July 2020
 - feedback from key stakeholders who work with older people.
- 3 Stats NZ has not yet released data for the proposed COVID-19 material hardship indicator collected in the HLFS COVID-19 supplement. Their initial exploration of the data has identified some concern about the quality of the data, in particular its comparability with the 2018/19 Household Economic Survey used for published poverty measures. This data may be published later.

Highlights

- 4 The official unemployment rate has not increased as expected in the June 2020 quarter.
- 5 However, the underutilisation rate has increased overall and increased from 7.1% in March 2020 quarter to 8.4% in June 2020 quarter for workers aged 50+.⁴
- 6 At the end of July, 31,060 older workers (aged 50+) were on Jobseeker Support (JS) – work ready or on the COVID-19 Income Relief Payment. This is 12.7% higher than in June 2020 and 70.9% higher than the numbers on JS – work ready in February 2020.
- 7 Up to 24 July 2020, around 417,000 jobs (56%) held by employees aged 50+ were supported by the original Wage Subsidy (WS) and around 98,000 (14%) were in jobs supported by the COVID-19 Wage Subsidy Extension (WSX). The proportions of jobs supported were similar to other age groups.
- 8 While young people are still more likely to be lonely, the proportion of older people who feel lonely at least some of the time in the previous four weeks increased more than other age groups (from 12.3% in 2018 to 18.4% in June 2020 quarter for those aged 75+).

¹ <http://www.superseniors.msd.govt.nz/about-superseniors/ageing-population/covid-19.html>

² <https://www.stats.govt.nz/information-releases/labour-market-statistics-june-2020-quarter>

³ <https://www.stats.govt.nz/information-releases/wellbeing-statistics-june-2020-quarter>

⁴ Underutilisation includes those who are underemployed and those who are jobless, but not actively looking for work or immediately available to work.

- 9 The proportion of people aged 65-74 who experienced some form of discrimination in the previous 12 months increased from 7.7% in 2018 to 12.9% in the June 2020 quarter. Young people remain most likely to experience some form of discrimination
- 10 Women appear to have been affected more than men across a range of indicators, including underutilisation, loneliness and discrimination. For example, in the June 2020 quarter:
 - the underutilisation rate was 10.6% for women aged 50+ and 6.4% for men aged 50+
 - 20.8% of women aged 75+ felt lonely at least some of the time in the past four weeks, compared to 15.5% of men aged 75+
 - 16% of women aged 65-74 had experienced discrimination in the previous 12 months, compared to 10% of men in the same age group.
- 11 The number of people aged 65+ on the public housing register continued to increase.
- 12 Stakeholders in Auckland have told us that most older people are resilient, but they are concerned about the compounding effects of COVID-19 restrictions on the most vulnerable older people, including those who are socially isolated and digitally excluded.

Official statistics show little change in the unemployment rate, but increased underutilisation

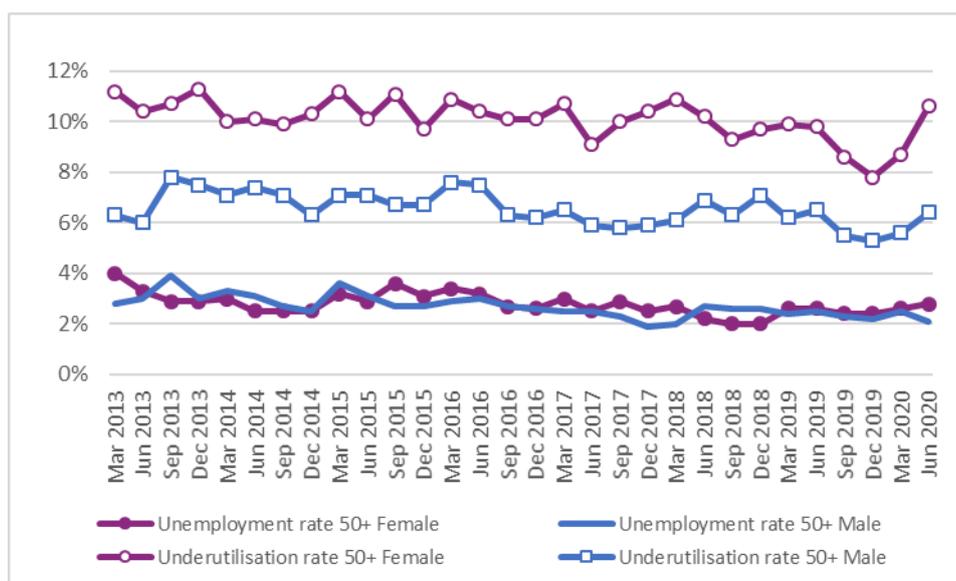
Rationale for the unemployment indicator: We expect job losses and know that older workers who lose their job are more likely to become unemployed long-term than younger workers. On average displaced workers over 50 have 11-12 percent lower employment (and 25-30% lower earnings if employed) after 4-5 years.⁵

- 13 The unemployment rate fell slightly from 2.5% in the March 2020 quarter to 2.4% in the June 2020 quarter for older workers aged 50+ (from 2.7% to 2.6% for those aged 50-64 and from 1.9% to 1.6% for those aged 65+). These small falls in the unemployment rate (and also the employment rate) were not statistically significant.
- 14 The small fall in unemployment is in part due to how unemployment is measured in official statistics. To be counted as officially unemployed, a person must have been actively seeking work in the last four weeks, and available to start a job, or be due to start a new job in the next four weeks. While the country was in lockdown, fewer people who did not have a job were actively seeking and available for work. As the quarter progressed, and New Zealand moved through progressively less restrictive COVID-19 alert levels, the unemployment rate rose⁶.
- 15 Many people not counted as unemployed were captured in the underutilisation statistics. The underutilisation rate for those aged 50+ increased from 7.1% in the March 2020 quarter to 8.4% in the June 2020 quarter, when it usually comes down between March and June quarters.
- 16 The underutilisation rate has increased for workers aged 50+ (from 7.1% in March 2020 quarter to 8.4% in June 2020 quarter) as well as those under 50.
- 17 The underutilisation rate for females aged 50+ is higher than for males aged 50+ and has increased significantly from a low of 7.8% in the December 2019 quarter to 10.6% in the June 2020 quarter.

⁵ Motu, 2017. *The Longer Term Impacts of Job Displacement on Labour Market Outcomes* <https://motu.nz/our-work/population-and-labour/individual-and-group-outcomes/the-longer-term-impacts-of-job-displacement-on-labour-market-outcomes/>

⁶ <https://www.stats.govt.nz/news/covid-19-lockdown-has-widespread-effects-on-labour-market>

Figure 1 Unemployment and underutilisation rates for older workers 50+



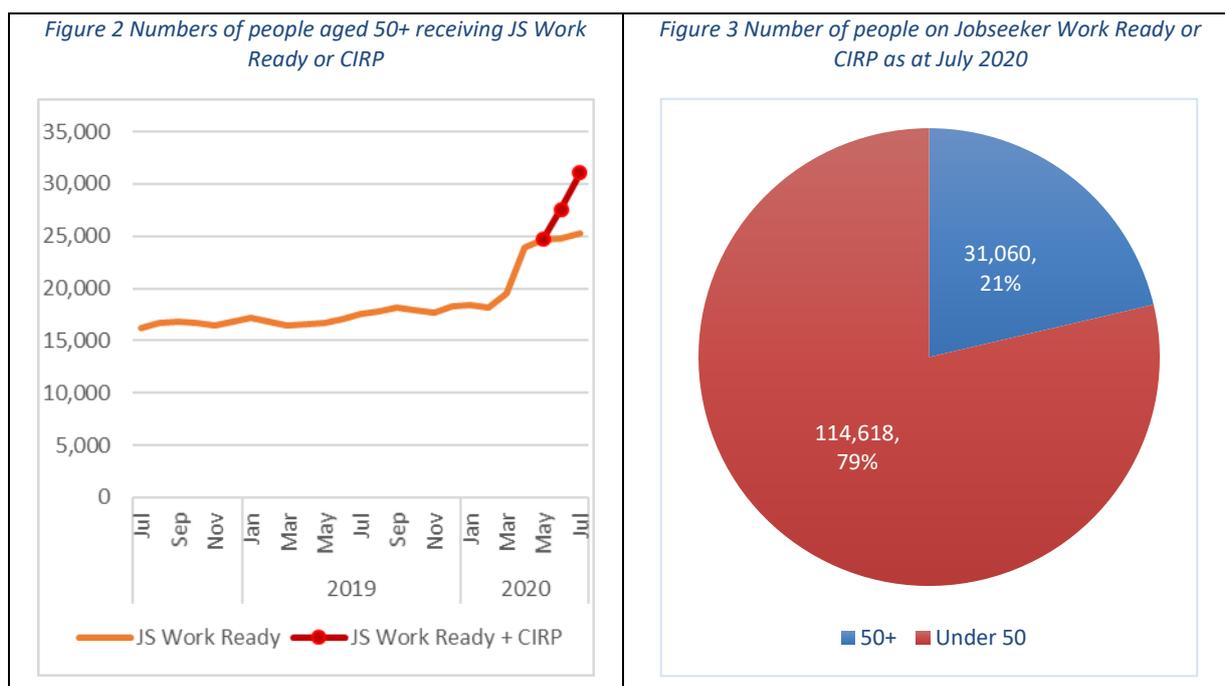
Source: Stats NZ, Household Labour Force Survey, customised data

Increasing numbers are receiving income support

Rationale for the indicator: The number of people receiving Jobseeker Support and other income support is expected to increase as people lose their jobs and earn less from investments, and investment balances reduce. Some people who lose their job due to COVID-19 may take up the COVID-19 Income Relief Payment (CIRP), which commenced on 8 June 2020 and is payable for up to 12 weeks⁷.

- 18 In July 2020, 25,329 people aged 50+ were receiving Jobseeker Support (JS) and available for full-time work (JS Work Ready). This is 2.0% higher than in June 2020 and 39.3% higher than in February 2020 (before lockdown).
- 19 The number of people receiving the CIRP payment more than doubled, from 2,748 in June 2020 to 5,731 in July 2020. This included 975 CIRP recipients aged 65+ in July 2020.
- 20 In total, in July 2020 31,060 older workers (aged 50+) were on Jobseeker Support (JS) – work ready or the COVID-19 Income Relief Payment (12.7% higher than in June 2020 and 70.9% higher than the numbers on JS – work ready in February 2020).
- 21 More people over 50 are also receiving other benefits, supplementary assistance (especially Accommodation Supplement) and hardship assistance.

⁷ People with partners who are still working may be eligible for this payment if their partner is earning under \$2000 per week. People who qualify for NZ Super may be eligible and people on other benefits may choose to switch from a benefit to the Income Relief Payment.



Source: MSD, administrative data

Table 1 Supplementary benefits and hardship assistance

	Numbers as at July 2020			Percentage change from Feb 2020 (before lockdown)		
	50-64	65+	50+	50-64	65+	50+
Supplementary benefits and hardship assistance						
Accommodation Supplement	74,893	48,330	123,223	10.7%	3.6%	7.8%
Disability Allowance	53,892	129,450	183,342	1.9%	0.3%	0.8%
Temporary Additional Support/Special Benefit	26,414	9,538	35,952	14.0%	16.0%	14.6%
Benefit Advances	12,613	4,633	17,246	6.9%	23.7%	10.9%
Special Needs Grants	23529	5,002	28,531	25.1%	21.3%	24.4%

Source: MSD administrative data

Significant numbers of jobs are being supported by COVID-19 wage subsidies

- 22 MSD recently released a report on the volume and proportion of jobs supported by the original Wage Subsidy (WS) and Wage Subsidy Extension (WSX) by age, sex, ethnic group, industry and region⁸. It is based on data to 24 July 2020 and excludes sole traders as the total number of sole traders in New Zealand is unknown until the end of the tax year.
- 23 Around 417,000 jobs held by employees aged 50+ were supported by the WS. This was 56% of jobs held by employees aged 50+, similar to the proportion of jobs held

⁸ <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/covid-19/who-received-the-wage-subsidy-and-wage-subsidy-extension.html>. The results in this report are not official statistics. They have been created for research purposes from the Integrated Data Infrastructure (IDI), managed by Statistics New Zealand. Refer the full disclaimer in the report.

by employees of all ages (58%). Applications for the WS were open from 17 March to 9 June 2020 and covered 12 weeks. Only a small number of jobs are still covered by the WS.

- 24 The number of jobs supported has decreased from the 417,000 for the WS to around 98,000 jobs held by employees aged 50+ supported for the WSX up to 27 July (14% of jobs held by people aged 50+ compared to 16% of jobs held by people of all ages). This is much higher than the 5,731 people aged 50+ getting the COVID-19 Income Relief Payment, and around 25,000 people aged 50+ on Jobseeker Support – Work Ready, on 31 July 2020. The WSX is still open to applications, so the proportions supported are likely to increase.
- 25 Male job holders are more likely than women to be in jobs supported by the WS (66% for men aged 50+ and 46% for women aged 50+) and WSX (17% of men aged 50+ versus 11% of women aged 50+).
- 26 Asian people are more likely to be in jobs supported by the WS (67% for Asian employees aged 50+) and the WSX (22% of jobs held by Asian employees aged 50+). Treasury analysis found that they work in the industry with the second highest take-up of the WS and WSX– accommodation and food – at over twice the rate as other ethnicities. Their WSX take-up does not show the same fall with age as other ethnicities.
- 27 The Auckland region had the highest proportion of supported jobs for both the WS and WSX.

Figure 4 Proportion of unique jobs supported by the Wage Subsidy and Wage Subsidy Extension – by age and sex

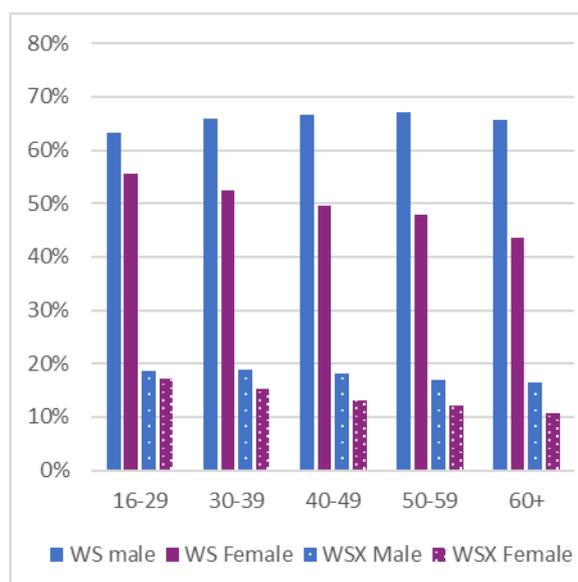
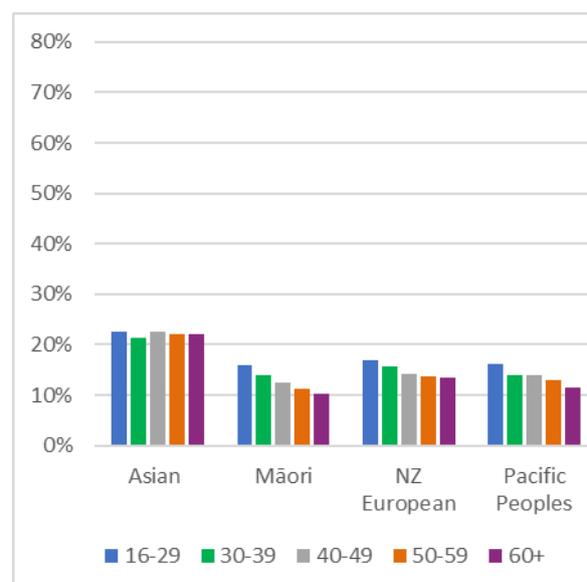


Figure 5 Proportion of unique jobs supported by the Wage Subsidy Extension - by age and ethnicity



Source: MSD, 2020. Who received the Wage Subsidy and Wage Subsidy Extension?

Young people are most likely to be lonely, but older people's loneliness increased the most

Rationale for the indicator: Loneliness and social isolation may be a particular risk for those aged 70+ or with compromised immune systems who were asked to stay home for longer, and for those who are unable to connect with family and friends digitally.

- 28 June 2020 quarter wellbeing statistics from Stats NZ's COVID-19 supplement⁹ showed that 15.6% of people aged 65-74 and 18.4% of people aged 75+ felt lonely at least some of the time (some of, most of, or all the time).
- 29 Those aged 18-24 were most likely to feel lonely at least some of the time. Women are more likely to say they felt lonely at least some of the time than men across all age groups.
- 30 These results are higher for all age groups than the equivalent measure collected in the 2018 General Social Survey (GSS). People aged 65-74 and 75+ are showing the largest increase relative to the 2018 GSS, after falling between 2016 and 2018.

Some caution is needed in comparing these survey results. In particular the GSS collects data across a full year via face-to-face interviews from people aged 15 and over, while the HLFS supplement collects data for the quarter, primarily via phone interviews, from people aged 18 and over.

Figure 6 Percentage of people who felt lonely at least some of the time in the last four weeks- by age group, 2018 and June 2020 quarter

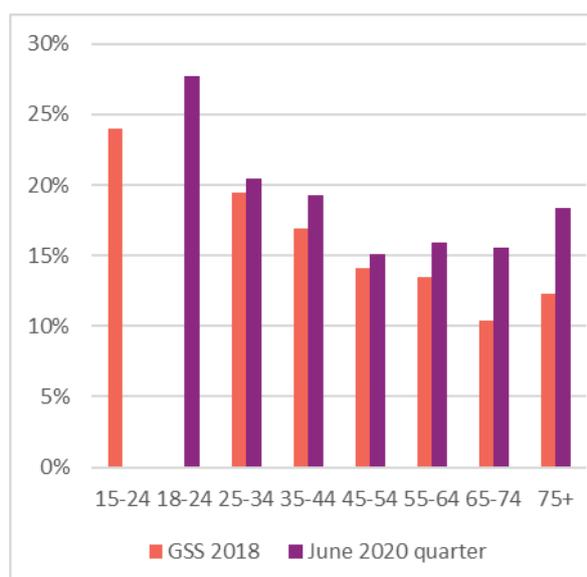
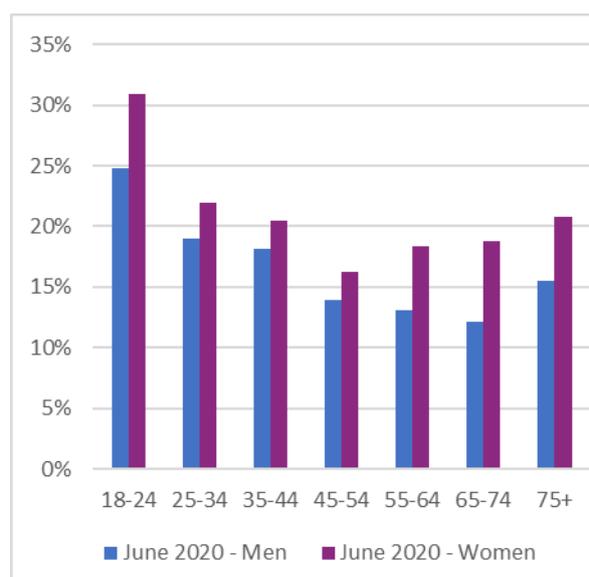


Figure 7 Percentage of people who felt lonely at least some of the time in the last four weeks - by age group and sex



Elder abuse

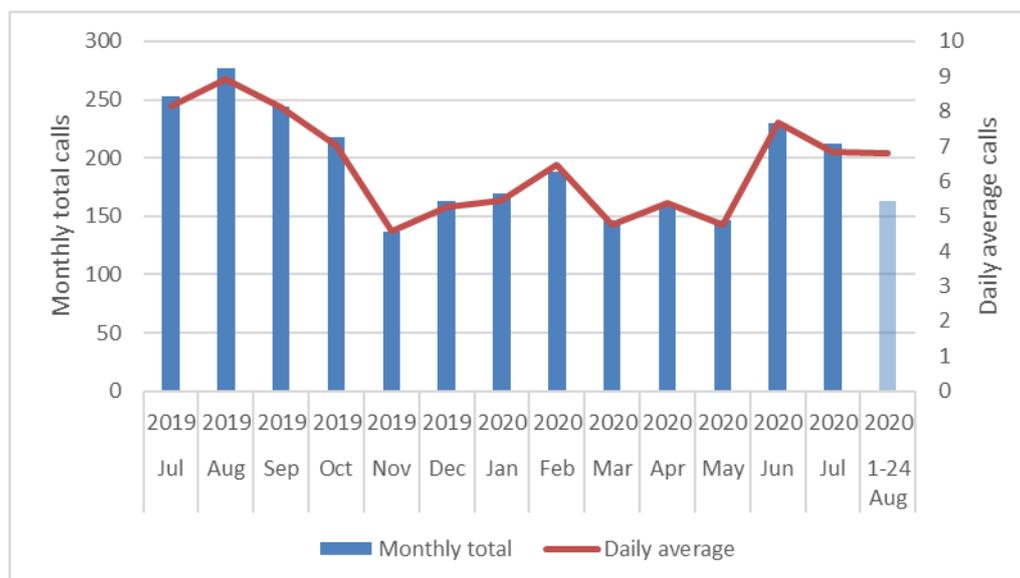
Rationale for elder abuse indicator: Some older people may have become more vulnerable to elder abuse due to increased family stress (including financial stress) and being unable to leave their home environment.

- 31 March, April and May saw the lowest number of calls so far this year to the Elder Abuse Hotline, but it is difficult to draw any firm conclusions without a longer time series.

⁹ <https://www.stats.govt.nz/information-releases/wellbeing-statistics-june-2020-quarter>

- 32 The number of calls increased in June 2020 month. Weekly data shows that calls peaked in the week ended Sunday 21 June 2020. This is likely due to interest generated by World Elder Abuse Awareness Day on 15 June, which was the first day of a week-long awareness campaign run by the Office for Seniors.
- 33 The number of calls in July 2020 and the first 24 days of August were both lower than in the same period the previous year.

Figure 8 Numbers of inbound calls to the EARS helpline



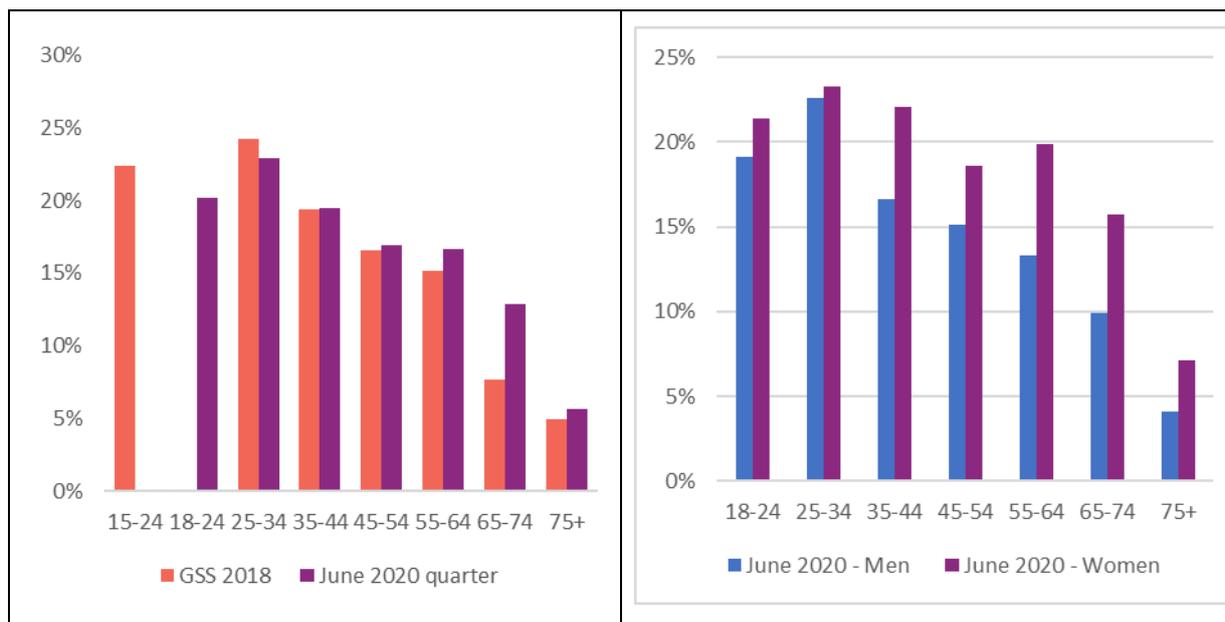
Source: Homecare Medical

People aged 65-74 are significantly more likely to report some form of discrimination than in previous years

Rationale: Perceptions that lockdown and the associated economic impacts were only to protect older people and that older people are vulnerable may increase ageism.

- 34 June 2020 quarter data from Stats NZ's COVID-19 supplement showed that 12.9% of people aged 65-74 and 5.7% of people aged 75+ experienced some form of discrimination in the last 12 months.
- 35 Older people are still less likely to say they experienced some form of discrimination than younger people and most of the results are broadly in line with the earlier GSS results. However, people aged 65-74 are significantly more likely to report discrimination than in the 2018 GSS (up from 7.7% in 2018 to 12.9% in the June 2020 quarter).
- 36 In the June 2020 quarter, older women were considerably more likely to say they had experienced some form of discrimination than their male counterparts.

Figure 9 Percentage of people who have been subject to some form of discrimination in the previous 12 months



Numbers of seniors on the public housing register have continued to increase

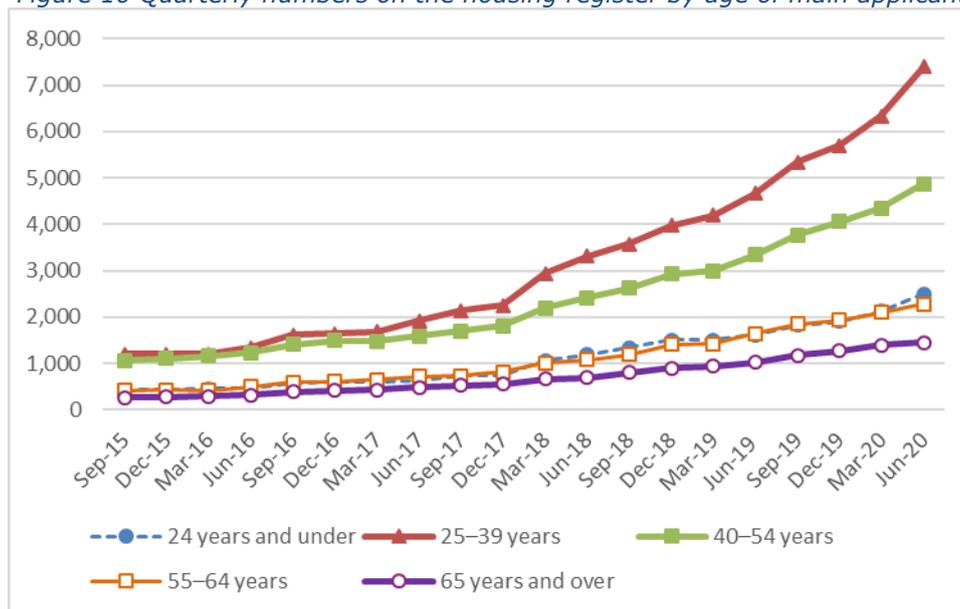
Rationale for the housing indicator: Reduced incomes may affect some older people's ability to fund rents and mortgages. Older people are least likely to be in severe housing deprivation and least likely to be on the public housing register, however the number of older people on the housing register has increased at similar rate to the overall number on the register in the five years to March 2020.

- 37 There were 1,453 seniors on the public housing register in June 2020. This was 3.5% (49 applicants) higher than in March 2020. The overall increase in people on the public housing was 13.6%.¹⁰
- 38 MSD paused all new Public housing assessments under COVID alert level four, and between 28 April and 30 June limited assessments to those most in need, including clients living in emergency housing.
- 39 Public housing assessments became available to all cohorts from 1 July. The number of seniors on the public housing register increased by 5.4% (78 applicants) between June and July 2020, similar to the overall increase of 5.0%.¹¹
- 40 The number of seniors receiving emergency housing grants from MSD increased from 209 in February 2020 to 308 in July 2020.
- 41 A survey conducted in June 2020 found that 17% of individuals in motels funded by the Ministry of Housing and Urban Development for COVID-19 related motel accommodation were aged 50+ and 1.5% were aged 70+.

¹⁰ <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html>

¹¹ MSD, unpublished administrative data

Figure 10 Quarterly numbers on the housing register by age of main applicant



Source: MSD, Housing register

Key stakeholders are concerned about the impact of further restrictions on already vulnerable older people

- 42 The Office for Seniors contacted a cross-section of Auckland stakeholders in the week ending Friday 28 August 2020 to ask them about the impact of further restrictions in Auckland following the re-emergence of COVID-19 in the community.
- 43 They told us that those people who are normally fine continue to be fine and many are managing better this time. However, those who are already vulnerable, such as socially isolated and digitally excluded older people, are struggling. They are losing their confidence to go out into the world and are not necessarily regaining their confidence between lockdowns. Existing issues are being compounded.
- 44 We have received reports of a decline in participation when activities resumed in Level 1. Early indications are that this decline has been exacerbated by recent increases in restrictions.
- 45 Stakeholders were worried about long term fatigue and mental wellbeing if lockdowns continue. They also raised concerns about funding for non-government organisations and community organisations, the long-term financial impact on older people, carer burnout and digital exclusion (particularly as more services and social interactions are moving online).
- 46 There is also growing concern around misinformation and ageist commentary.