

## Key Area: Achieving financial security and economic participation



Increasing trend



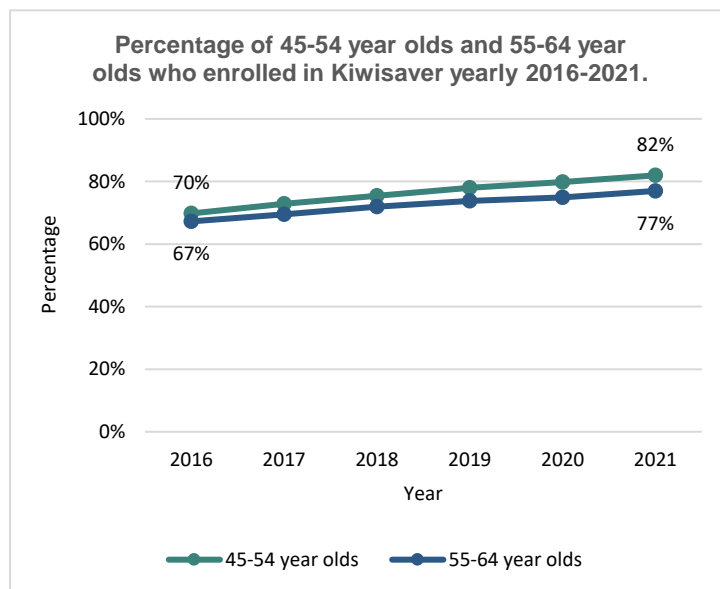
Decreasing trend



No change in trend, or changes are minimal/not significant

Indicators are signs of progress towards what the Better Later Life Strategy and Action Plan aim to achieve. Some figures in these indicators (marked with \*) should be taken with caution because of small number of people sampled or counted. This means that changes may not be statistically significant, or the figures are estimates. However, the general trends and overall picture are still informative.

**What we want to achieve:** All people have sufficient income, assets, and other support to enjoy an adequate standard of living as they age.



**Indicator 1:** The percentage of 45-64-year-olds contributing to Kiwi Saver.

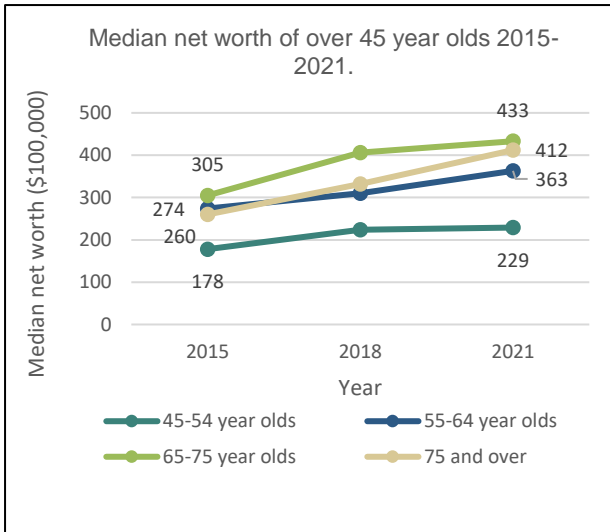


More people aged between 45 and 64 years old enrolled in Kiwisaver every year since 2016. This is a positive sign that people are committing to retirement saving.

Women in these age groups participate in Kiwisaver at a higher rate than men. In the year to June 2021, approximately 84% of women aged 45 – 54 (compared to 79% of men) and 78% of women aged 55 – 64 (compared to 74% of men) were members.

The level of women's Kiwisaver contributions lags that of men, however. In the 2020/2021 financial year, women aged 45 – 54 contributed on average \$3,094 (compared to \$4,093 for men) and women aged 55 – 64 contributed on average \$2,910 (compared to \$4,001 for men). This contribution gap likely reflects the wider gender pay gap, but could also be affected by differing rates of contribution holidays or job losses.

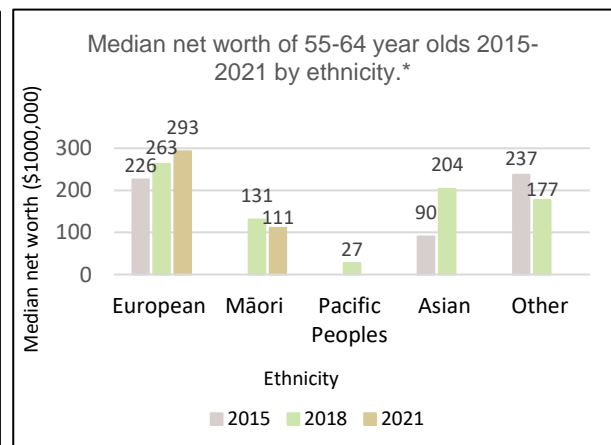
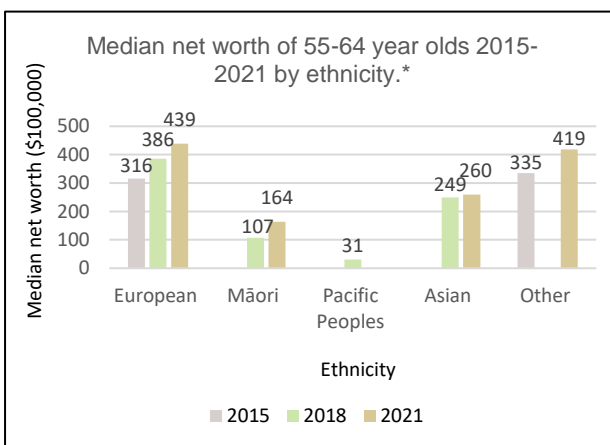
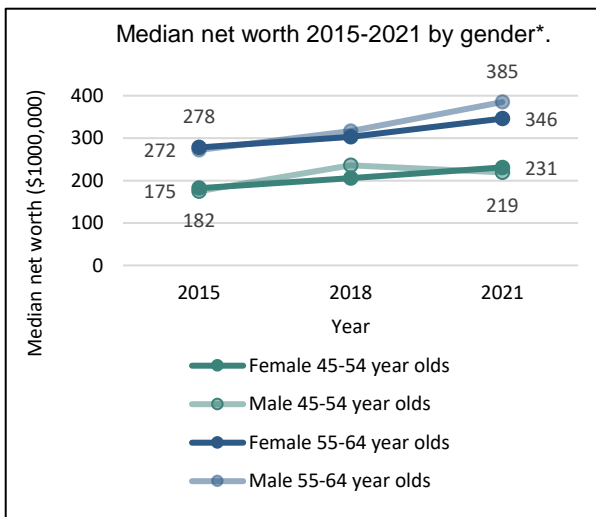
**Indicator 2: The median net worth of over 45-year-olds.**



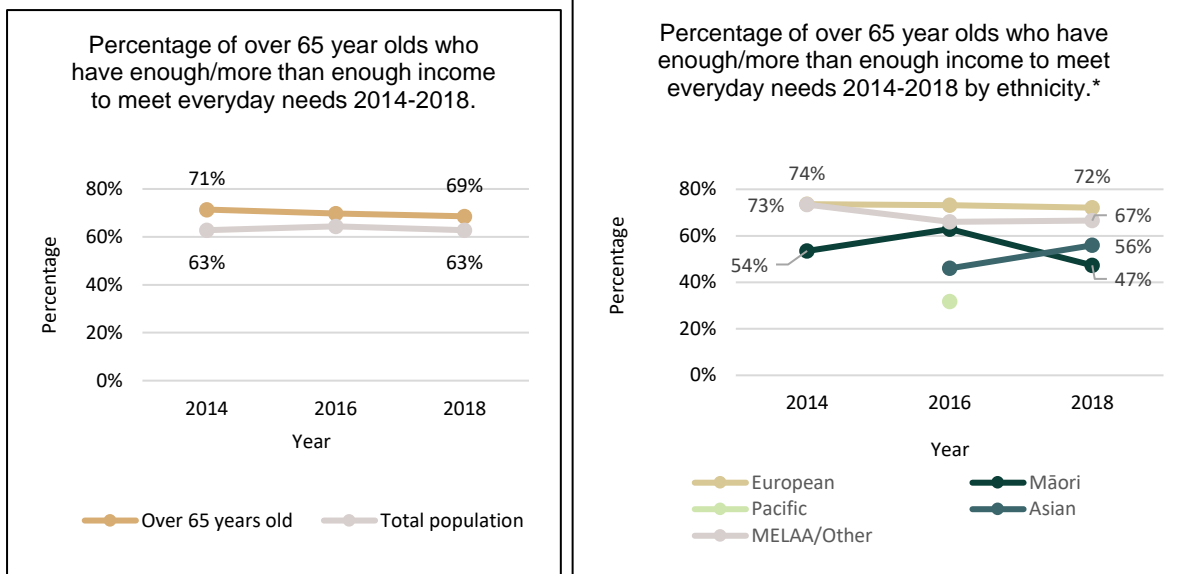
↑ Net worth is what you own minus what you owe. It includes things like property, shares, investments and “pension funds” (such as Kiwisaver). For all age groups net worth is rising, though slightly quicker for the 55-64-year-olds. This may reflect a benefit from rising house values, as the more equity the more of an asset the home becomes as house values rise.

In general, both men and women have rising net worth and at a similar rate. The gaps are not substantial or significant.

The ethnicity estimates below (aside from European) need to be viewed with considerable caution, and some figures are not available. However, the overall picture is useful. Median net worth does vary considerably across different ethnic groups in these age brackets, with Māori and Pacific people having much lower net worth than other ethnic groups.



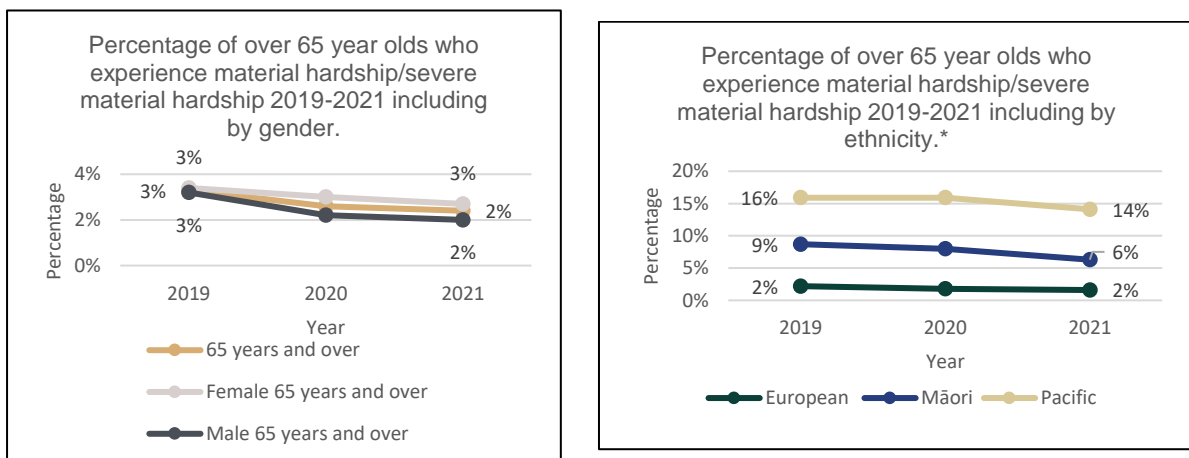
**Indicator 3:** The percentage of over 65-year-olds who report they (and their partner) have “more than enough” or “enough” money to meet their everyday needs.



Looking at older people’s ability to meet day to day costs is helpful, because net worth includes assets that may not be accessible as income for day to day living and it does not reflect the purchasing power of those assets. There is basically a stable percentage of older people who report they have enough income for everyday needs between 2014 and 2018. It is a similar pattern from a gender perspective. Though men report at a slightly higher rate than women – (a difference of two or three percentage a year, which is not significant).

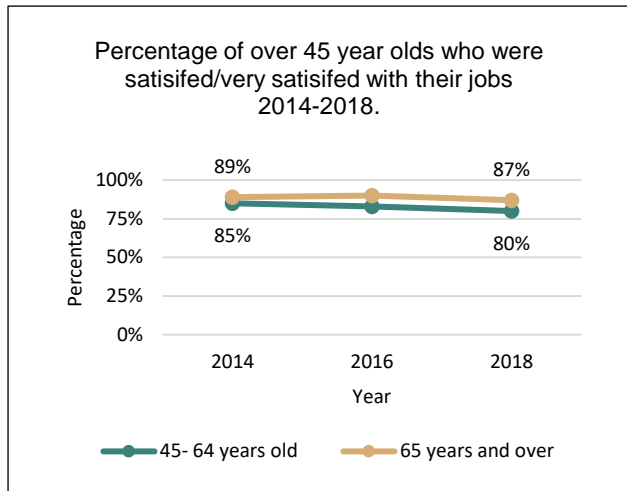
While at a population level it seems somewhat stable, in terms of ethnicity it is notable that there is less variation in the experiences of Europeans than other ethnic groups of this age. Māori and Pacific older people appear to have more difficulty managing day to day cost of living.

**Indicator 4:** The percentage of over 65-year-olds in material hardship or severe material hardship.<sup>1</sup>



<sup>1</sup> This is calculated by looking at how many of the Dep-17 measures a person misses out on. These are a series of questions that look at people’s abilities to meet the most basic standard of living. For example, if they have had to put off doctors’ visits that they needed because of cost or were not able to afford bills such as power.

What is important to consider when looking at these graphs is that small percentages of a population can still represent a significant number of people. While only around three percent of older people in 2021 experienced hardship, it equates to around 17,700 people.



It is a similar picture when looking at differences between ethnicities. For example, in 2021 there were approximately 14 percent of older Pacific people in hardship – which represents around 3,700 people and 6 percent of Māori or around 4,000 people (though Pacific results should be used with caution and the true number is likely to be somewhat different). However, while only two percent of European older people were in hardship, this represents around 9,900 older people. Then one percent difference in gender is unlikely to represent a true difference

between genders.

**What we want to achieve:** Older workers are treated fairly, recognised for contributing expertise and skills, and have access to training and upskilling.

There are three indicators that focus on managing an ageing workforce:

- Indicator 5: Percentage of employers who report they have considered and planned for the impacts of an ageing workforce increases
- Indicator 6: Percentage of employers who report that they have financially supported older workers in training in the last 12 months increases
- Indicator 8: Percentage of older workers who feel valued and supported in their workplace increases.

Currently there is no reliable data source for these. Options for collecting this information is being explored as part of the work to implement the Government’s Employment Strategy and the Older Workers Employment Action Plan.

**Indicator 7:** The percentage of older workers who feel satisfied or very satisfied in their main job.

There has been a small drop in the job satisfaction of (five percent). There is no pattern of difference ethnicities in terms of job satisfaction in older

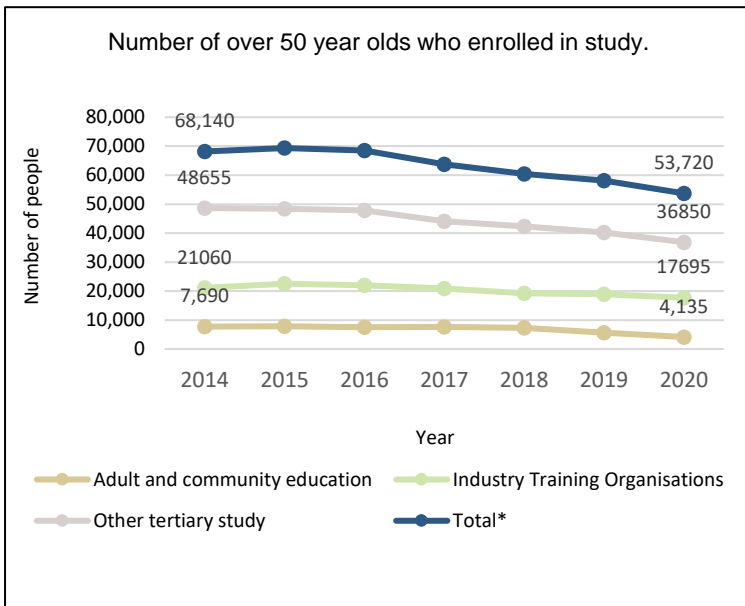


45–64-year-olds between 2014 and 2018 between the genders or across workers.

**Indicator 9:** The number of over 50-year-olds who participate in adult and community education.

**Indicator 10:** The number of over 50-year-olds who participate in industry training.

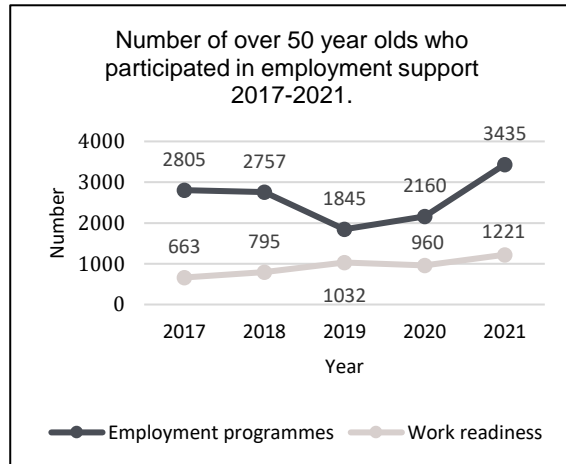
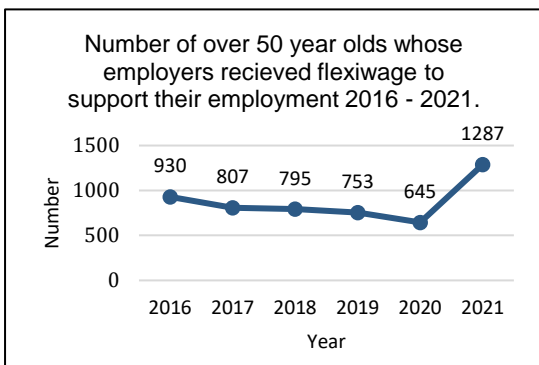
**Indicator 11:** The number of over 50-year-olds who participate in other tertiary education.



↓ Since 2014 enrolments by people over 50 has steadily declined both as a total number and as a percentage of the population. As a percentage of the population, it has dropped from 5 percent in 2014 to 4 percent in 2020.

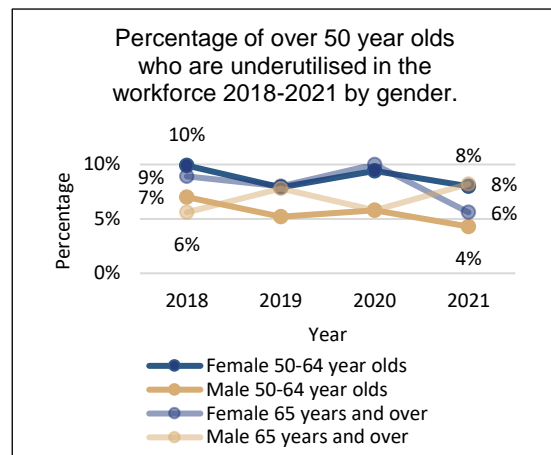
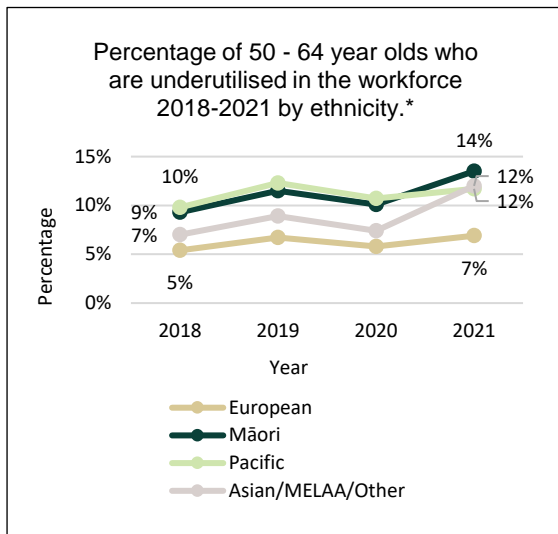
**What we want to achieve:** As people age, they can work if they wish or need to.

**Indicator 12:** The number of over 50-year-olds engaged with government-funded employment services and programmes.



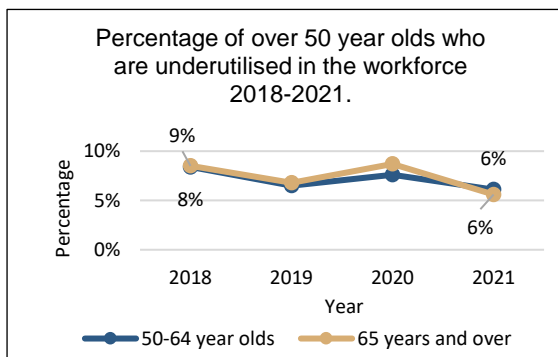
After dropping during the late 2010's the number of older workers receiving flexiwaage and participating in employment programmes has risen to their highest. It is likely the economic impacts of the COVID-19 Pandemic has played a part in these rises.

**Indicator 13:** The underutilisation rate for over 50-year-olds.



↓ A reduction in underutilisation is a positive thing, because it indicates that people have either found work, or for the case of older workers, have chosen to move into their non-working years. While the differences are small, and the pattern varies, in general women are underutilised at slightly higher levels than men.

In 2021 the six percent of 50–64-year-olds who were underutilised represented around 64,000 people and the six percent of over 65-year-olds represented around 15,000 people.



Again, while the Pacific and Asian/Other numbers should be taken with caution the general pattern is that a larger percentage Māori and Pacific older workers are underutilised compared to other groups. However, looking at it from the perspective of the number of people who are underutilised there were more Europeans than other groups. For example, in 2021 the seven percent of Europeans represents around 41,000 people, the 14 percent of Māori represents around 12,000 people and the 12 percent of Pacific represents around 4,200 people.

## Indicator sources:

Indicator	Source
The percentage of 45 – 54 and 54 – 64-year-olds contributing to Kiwi Saver.	Kiwi Saver data, Inland Revenue Department
The median net worth of over 45-year-olds.	Household net worth figures, Household Economic Survey, StatsNZ
The percentage of over 65-year-olds who report they (and their partner) have “more than enough” or “enough” money to meet their everyday needs.	Wellbeing Statistics, General Social Survey, StatsNZ
The percentage of over 65-year-olds in material hardship or severe material hardship.	Poverty measures, Household Economic Survey, StatsNZ
The percentage of older workers who feel satisfied or very satisfied in their main job.	Wellbeing Statistics, General Social Survey, StatsNZ
The number of over 50-year-olds who participate in: <ul style="list-style-type: none"> <li>- adult and community education</li> <li>- industry training</li> <li>- other tertiary education.</li> </ul>	Tertiary enrolment data, Ministry of Education.
The number of over 50-year-olds engaged with government-funded employment services and programmes.	Operational data, Ministry of Social Development
The underutilisation rate for older workers decreases.	Underutilisation rate, Household Labour Force Survey, StatsNZ