



Business of ageing 2026 update

The growing economic contribution of older people

NZIER report to the Office for Seniors

April 2026

About NZIER

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Key points

The 2026 update of the Business of Ageing series (last updated in 2023) draws on the latest available population projections and economic data, rebased to 2024. It uses a 50-year outlook to capture the long-term effects of population ageing.

The analysis confirms that population ageing is happening faster than expected, with older New Zealanders making a larger contribution through work, tax, and spending. This points to an ongoing economic shift rather than a short-term trend.

Population ageing is reshaping New Zealand's economy

New Zealand's population is ageing fast, and that shift is now reshaping the structure of our economy. The Business of Ageing framework, first developed in 2011, uses official population and labour force projections to track the economic contribution of people aged 65 and over. This 2026 update shows that this contribution is large, growing, and changing as demographic trends accelerate.

Older people are a growing force in the labour market

- People aged 65+ now make up a larger share of the workforce than at any point since the series began.
- Their paid work is valued at nearly \$9 billion a year, and for the first time, the estimated value of unpaid activity, including caregiving, volunteering, and household work, exceeds \$20 billion annually.
- The number of older people in work is projected to increase from 217,400 in 2024 to 477,800 by 2074, raising their share of the workforce from 7.1% to 10.9%.
- Overall participation rates are expected to decline slightly in the coming decades, from 24.9% to 22.4%, but this is due to rapid growth in the 80+ population, rather than reduced engagement in work.

A changing income mix

As the population ages, the income profile for older New Zealanders as a group will shift considerably:

- Earnings from paid work are projected to rise from \$8.7 billion to \$50.2 billion by 2074.
- This will be heavily driven by self-employed income, which grows from \$5.1 billion in 2024 to \$29.3 billion in 2074.
- Income drawn from savings and investments rises from \$14.2 billion to \$104.7 billion, as more people rely on accumulated assets.
- Unpaid work is projected to increase steeply, reaching up to \$138 billion by 2074.



Older people's tax contribution set to rise sharply

Older people will make up a growing share of New Zealand's tax base as both incomes and population numbers increase. Total tax paid is projected to grow strongly in the coming decades:

- People aged 65+ currently contribute \$13.1 billion in tax, or \$14.9 billion when including GST from an assumed 4% drawdown rate on financial assets.
- By 2074, this is projected to increase to \$80.1 billion (excluding GST on drawdowns) or \$93.7 billion with it included.

Rising consumer spending

Consumer spending by people aged 65+ is projected to grow from \$54.7 billion in 2024 to \$357.7 billion in 2074, with food, transport and recreation among the largest areas of expenditure.

A long-term structural shift

These projections show that population ageing represents long-term structural economic change, with effects that go well beyond fiscal settings, shaping labour markets, household incomes, spending patterns, and community life.

Understanding this shift will be essential for sound policy, business decision-making, and long-term planning in the decades ahead.



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1 Key findings: the older economy is reshaping New Zealand

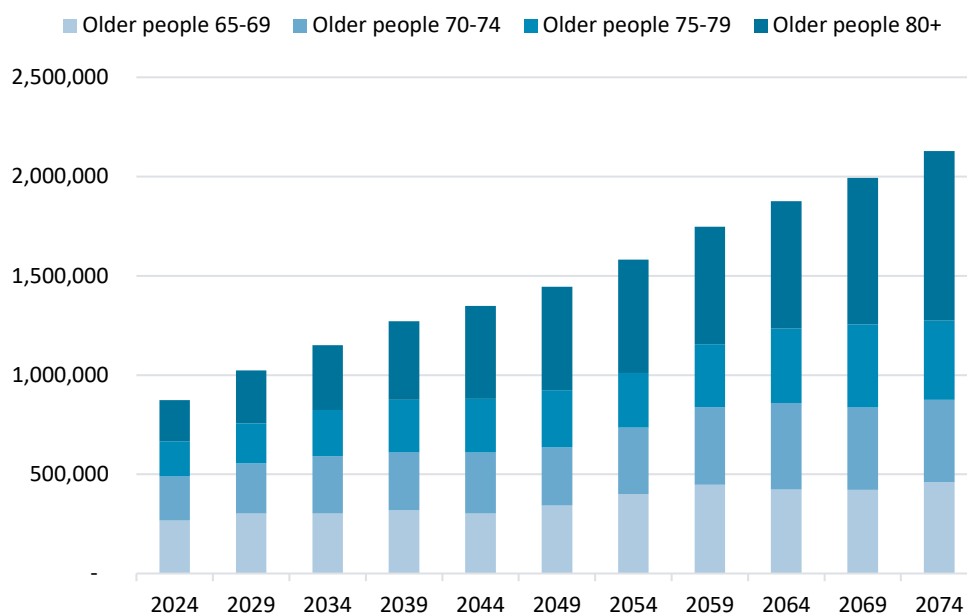
This update refreshes the established Business of Ageing model with the latest data, rebasing values to 2023 and 2024 dollars (to match the base time period for the latest population projections and enable comparisons to previous Business of Ageing reports) to provide a clear, consistent foundation for understanding how older people’s economic contribution is changing over time.

1.1 Rapid growth in our older population will be led by people aged 80+

New Zealand’s older population (aged 65+) is projected to increase from 874,000 to 2,128,300 over 50 years. The 80+ age band is expected to become the largest age band for people over the age of 65 by 2034 and is projected to remain the largest age band until after 2074. The base 30 June 2024 median population projections have been used for all population projections.

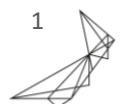
An interesting feature of the median population projections is the changes for the under-80 age bands. The 65 to 69 year age group is projected to decrease between 2039 and 2044; the 70 to 74 year age group is expected to decrease between 2044 and 2049, and the 75 to 79 year age group is projected to decrease from 2049 to 2054. This is followed by an increase of 17.2% to 18.0% in each age group after this decrease. These changes are the result of variation in the size of particular birth cohorts, within the context of wider population ageing.

Figure 1 Median population projection for all older people (aged 65+)



Source: Stats NZ

The age-gender distribution for people aged 80+ is projected to shift from a male-to-female ratio of approximately 43:57 to closer to 46:54 by 2074. This is a result of projected ongoing



convergence in the life expectancies of men and women. The remaining age groups have close to 50:50 age-gender distributions and have less of a distribution shift from 2024 to 2074.

Table 1 Summary of population projections for older people (aged 65+)

Median population projection (base 30 June 2024)

Gender	Age group	2024	2049	2074
Older males	65–69	129,300	169,800	230,400
	70–74	107,000	142,000	203,000
	75–79	84,400	135,900	193,800
	80+	89,400	227,700	391,300
Total males		410,100	675,400	1,018,500
Older females	65–69	137,400	172,800	229,900
	70–74	114,700	150,600	212,000
	75–79	93,000	152,600	205,000
	80+	118,900	293,500	462,800
Total females		464,000	769,500	1,109,700
All older people	65–69	266,700	342,600	460,300
	70–74	221,700	292,700	415,000
	75–79	177,300	288,500	398,800
	80+	208,300	521,200	854,200
Total older people		874,000	1,445,000	2,128,300

Source: Stats NZ

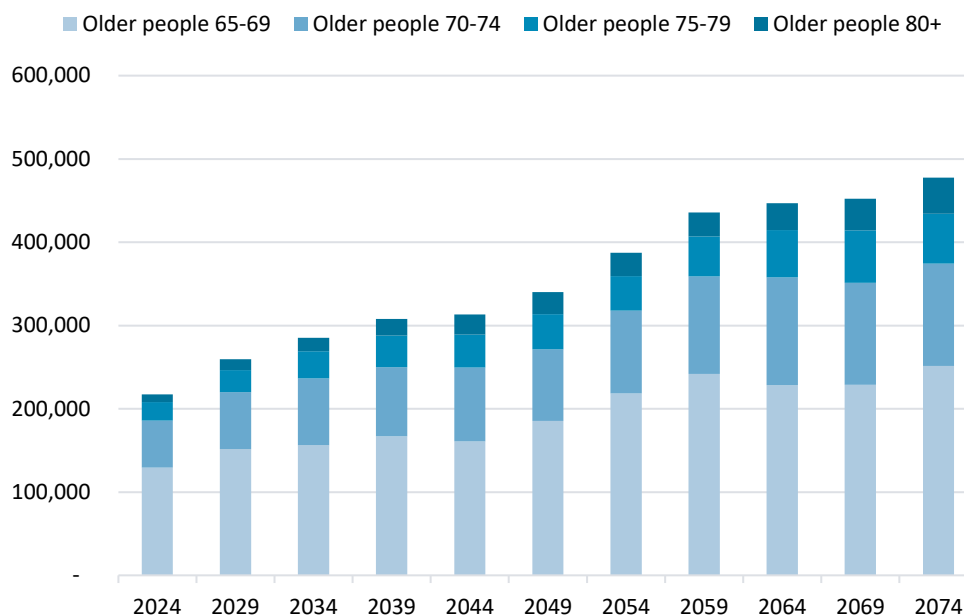
1.2 New Zealand's older workforce is set to more than double by 2074

According to this latest set of median labour force projections, we are expected to observe more people aged 65+ remaining in our workforce. Currently, we have 217,400 older people in our workforce, and this is projected to more than double (increase to 477,800) by 2074. Unsurprisingly, the 65–69 age band will continue to account for much of the overall older workforce through to 2074.



Figure 2 Median labour force projection for all older people (aged 65+)

Older workforce more than doubles to 477,800 by 2074



Source: Stats NZ

We are still expecting more males than females to make up our older workforce. The gender distribution of the labour force projections reports that the 124,700 older male workforce in 2024 is likely to increase to 271,700 by 2074, and the same proportional increase is seen for females, with 92,500 in 2024 rising to 206,000 by 2074. Because this increase is proportional for each gender, the male labour force is projected to grow by a larger number of workers from 2024 to 2074.

Table 2 Summary of labour force projections for older people (aged 65+)

Median labour force projection (base 30 June 2024)

Gender	Age group	2024	2049	2074
Older males	65–69	71,500	100,800	137,500
	70–74	33,200	48,900	70,300
	75–79	14,300	25,900	37,200
	80+	5,700	15,700	26,700
Total males		124,700	191,300	271,700
Older females	65–69	58,000	84,800	114,000
	70–74	23,300	37,000	52,700
	75–79	8,000	16,600	22,700
	80+	3,200	10,400	16,600
Total females		92,500	148,800	206,000
All older people	65–69	129,500	185,500	241,500
	70–74	56,600	85,900	123,100

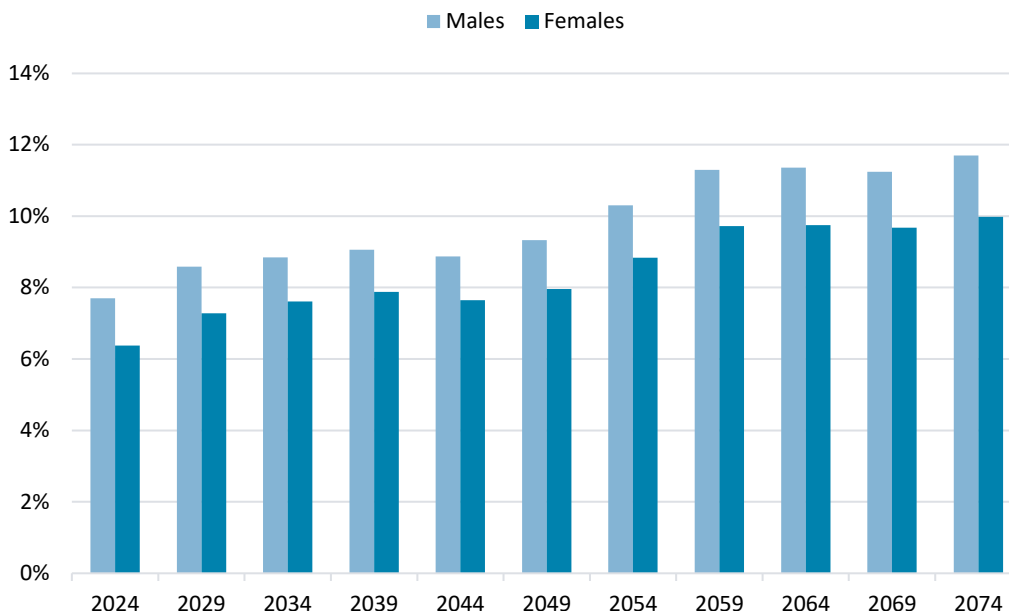
Gender	Age group	2024	2049	2074
	75–79	22,300	42,500	59,900
	80+	9,000	26,200	43,300
Total older people		217,400	340,100	477,800

Source: Stats NZ

The percentage of older people in the national labour force is projected to increase from 7.1% in 2024 to 10.9% by 2074. This measure follows similar gender trends, with more older males than older females as a proportion of our national workforce (7.7% and 6.4% in 2024, increasing to 11.7% and 10.0% in 2074, respectively).

Figure 3 Older workforce (aged 65+) as a proportion of the national workforce, by gender

Participation looks lower because 80+ grows fastest (age-specific rates rise)

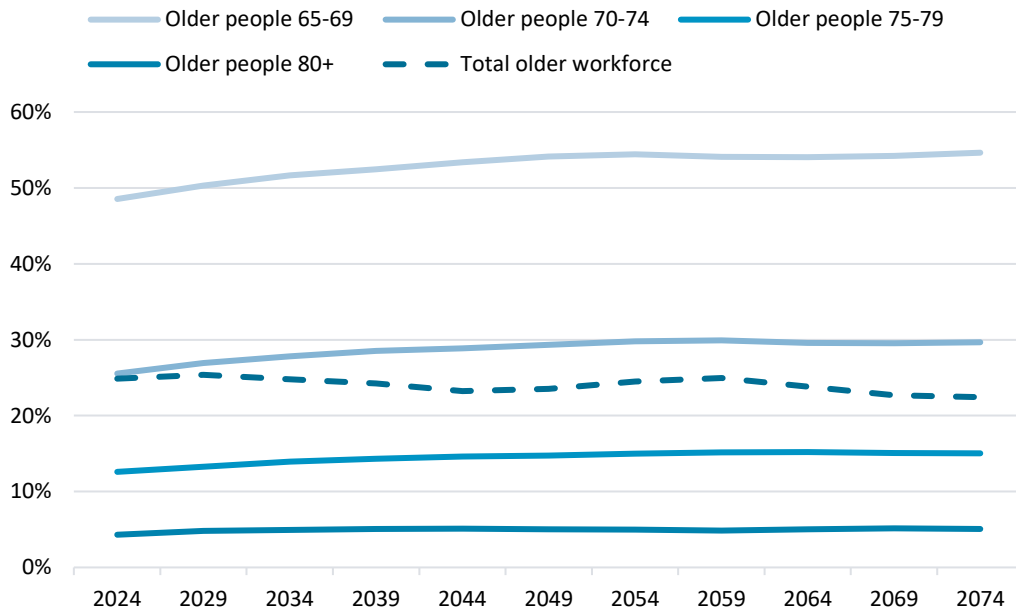


Source: NZIER

1.3 More older workers, but participation rates fall

Based on median projections for both the labour force and older population, the overall labour force participation rate for older people is steadily declining. This initially seems counterintuitive since age-specific participation rates are increasing over time. The denominator of the participation rates (projected population increase) grows more rapidly for the 80+ age band over the projected 50 years. This is expected to outpace the increase in 65–69 year olds in the workforce relative to their smaller population increase. As a result, overall labour force participation rates drop over this period.

Figure 4 Age-specific projected labour force participation rates for older people (aged 65+)



Source: NZIER

The age-gender-specific participation distribution changes between age bands. The male and female participation rates are comparable for the 65–69 year old age band, but diverge in older age bands, with female participation falling away more rapidly with age.

Table 3 Summary of labour force participation rates for older people (aged 65+)

Calculated age-specific rates

Gender	Age group	2024	2049	2074
Older males	65–69	55.30%	59.36%	59.68%
	70–74	31.03%	34.44%	34.63%
	75–79	16.94%	19.06%	19.20%
	80+	6.38%	6.90%	6.82%
Total males		30.41%	28.32%	26.68%
Older females	65–69	42.21%	49.07%	49.59%
	70–74	20.31%	24.57%	24.86%
	75–79	8.60%	10.88%	11.07%
	80+	2.69%	3.54%	3.59%
Total females		19.94%	19.34%	18.56%
All older people	65–69	48.56%	54.14%	54.64%
	70–74	25.53%	29.35%	29.66%
	75–79	12.58%	14.73%	15.02%
	80+	4.32%	5.03%	5.07%



Gender	Age group	2024	2049	2074
Total older people		24.87%	23.54%	22.45%

Source: NZIER

1.4 Total income of the older population to rise six-fold

We have updated the real wage increase multiplier using basic projections from the Salary and Wage Rates series (LCI001AA) released in 2024Q2 on Stats NZ's Infoshare website. This is an extension of the change made in the previous model update in 2023. Please note that relative values are given in relation to the total older population projections.

According to the model output, using the updated real wage increase multiplier, wage and salary (remunerated work) earnings by people aged 65+ are expected to rise from \$8.7 billion in 2024 to around \$50.2 billion in 2074. In relative terms, that is an increase from \$10,000 per older person in 2024 to \$23,600 per older person in 2074.

Self-employment income is likely to increase from \$5.1 billion in 2024 to \$29.3 billion by 2074. In relative terms, that is an increase from \$5,800 per older person in 2024 to \$13,800 per older person in 2074.

The largest contribution of income to older people is government transfers, the value of which is projected to increase significantly from 2024 to 2074, from \$22.0 billion to \$140.4 billion. In relative terms, that is an increase from \$25,100 per older person in 2024 to \$66,000 per older person in 2074. Similarly, income from investments and other transfers will increase from \$12.5 billion to \$80.1 billion over the same period. In relative terms, that is an increase from \$14,300 per older person in 2024 to \$37,600 per older person in 2074.

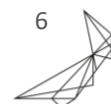
Figure 5 Projected income by source for older people (aged 65+)

2024\$ Bn

Paid and self-employment income grows strongly to \$79.5b by 2074



Source: NZIER



1.5 Drawdown of financial assets

In addition to any remunerated work and other income, many older people can supplement their income by drawing down financial assets such as savings, investments and KiwiSaver balances. The report projects the average financial assets (including KiwiSaver balances) held by people aged 65 and older and increases it at the same rate as inflation. As the financial assets held per older person are an average, population growth is a key driver of the increasing total of financial assets held.

There are many different methods that can be used to determine the drawdown rate used to ensure a constant and consistent supplement to income, but for this report, we have used a 4% drawdown rate on inflation-adjusted financial assets suggested by the Retirement Income Interest Group of the New Zealand Society of Actuaries (New Zealand Society of Actuaries, 2023). With this drawdown rate, the additional value that can supplement any income is projected to increase significantly from \$14.2 billion in 2024 to \$104.7 billion in 2074.

1.6 Tax contributions of older people rise to \$86 billion

Tax paid by older people was calculated based on the average weekly earnings of people aged 65+ from remunerated work (wages and salaries and self-employment), government transfers, investments, and other income. A weighted average for wages and salaries, and self-employment, was taken into account for unequal shares of employment of older workers. The GST calculations assume that all remaining income is spent after income tax is deducted from the total earnings, and that an annual drawdown rate of 4% is used on all financial assets held at 65. The model has been adjusted to use the new tax rates that come into effect after April 2025 for all years after 2024, while using the 2024 tax rates for 2024 only.

The value of all tax paid could rise from \$14.9 billion in 2024 to \$93.7 billion by 2074 based on the calculations and assumptions above. In relative terms, based on the projected older population, that is an increase from \$17,100 per older person in 2024 to \$44,000 per older person in 2074.

For comparison with reports prior to 2023, when the value of tax paid by older people had the GST revenue from assuming the 4% drawdown rate on all financial assets is excluded, the value of all tax paid could rise from \$13.1 billion in 2024 to \$80.1 billion by 2074. In relative terms, based on the projected older population, that is an increase from \$15,000 per older person in 2024 to \$37,600 per older person in 2074.

Table 4 Projected tax paid by older people (aged 65+)

2024\$ Bn

	2024	2049	2074
Tax on earnings from remunerated work	2.6	6.4	14.1
Tax on government transfers	3.8	10.7	24.6
Tax on investments and other income	1.3	3.7	8.4
GST (assumed all income spent)	5.3	14.6	33.0



	2024	2049	2074
GST (assumed 4% drawdown rate on all financial assets) ¹	1.8	5.3	13.7
All tax, including GST	14.9	40.7	93.7

Source: NZIER

1.7 Value of unpaid work by older people surpasses \$20 billion

Reports prior to the 2023 update have projected the value of unpaid work based on the 2013 carer wage of \$16.10 per hour, which was rebased in the 2021 update into 2017\$ or 2021\$. For this update, we have used \$26.16, which is the 2024 and 2025 carer wage (Lifewise, 2025). This was also the 2022 carer wage (Infometrics, 2022). Because the minimum wage increases in April, but the other data used are from June years, we have used a weighted average minimum wage for 2024 based on three-quarters of the 2023 minimum wage and ¼ of the 2024 minimum wage. This gives us a minimum wage of \$22.81 (\$23.38 2024\$) and \$23.50 (\$22.89 2024\$) in 2024 and 2025, respectively. The carer wage is the wage paid for a level 3 role or 8 years of service and is the middle hourly wage tier for carers.

Table 5 Projected value of unpaid work for older people (aged 65+)

Calculated values, 2024\$ Bn

Wage type	2024	2049	2074
Carer wage (2024)	21.4	60.0	138.3
Minimum wage (2023/2024 and 2025)	19.1	52.5	121.0

Source: NZIER

The value of the unpaid work of older people is estimated to rise between \$101.9 billion and \$117.0 billion in the next 50 years. That is an increase from \$19.1 billion and \$21.4 billion per year in 2024 to between \$121.0 billion and \$138.3 billion per year by 2074.

The base data for the projections of gender participation in unpaid work are from the Time Use Survey of 2009–2010, which shows that unpaid work hours are disproportionately distributed at 4.3 hours per day for males and 4.9 hours per day for females.

Additionally, the type of unpaid activities undertaken by older people is not reflected in the model projections. According to the 2023 Census, 81.0% of unpaid activities include household work and gardening. Voluntary work accounted for 16.6%, and caring for someone else (including ill persons and childcare) accounted for 34.8%. Compared to older males, older females had a significantly higher participation in looking after people not in their households. Household work, looking after those in their household and voluntary work had similar participation for older males and females.

¹ This measure has changed from the Business of ageing 2023 update to use total financial assets rather than currency and deposits only due to a calculation error and to more appropriately capture GST on drawn down assets.

1.8 Older people’s spending is projected to exceed \$290 billion a year

Series updates for the Household Expenditure Survey meant that age-specific cuts were no longer available. Proxy values were obtained using a weighted average of spending by people aged 65+ by household type (couple-only and single-person).

It should be noted that spending patterns may differ from those of the actual cohort of people aged 65+, especially for housing and household utilities expenditures. Caution is advised when using these proxy values, which primarily indicate spending growth rather than spending distribution.

Table 6 Average weekly expenditure by household type of older people (aged 65+)

Household Expenditure Survey, 2023\$

Expenditure category	Couple-only household	Single-person household
Food	280.10	132.40
Alcoholic beverages and tobacco	40.30	17.70
Clothing and footwear	36.10	14.30
Housing and household utilities	367.70	263.40
Household contents and services	72.80	34.10
Health	62.20	26.60
Transport	277.50	107.90
Communication	39.20	26.20
Recreation and culture	162.30	61.90
Education	6.30	1.50
Miscellaneous goods and services	163.60	72.70
Interest payments	85.30	47.50

Source: Stats NZ

Table 7 Weighted average annual expenditure of older people (aged 65+)

Weighted average based on the proportion of people aged 65+ in couple-only and single-person households, 2024\$

Expenditure category	Annual average expenditure
Food	5,554.25
Alcoholic beverages and tobacco	788.03
Clothing and footwear	693.11
Housing and household utilities	8,028.41
Household contents and services	1,441.03
Health	1,210.35
Transport	5,311.24
Communication	840.42
Recreation and culture	3,096.43
Education	112.77

Expenditure category	Annual average expenditure
Miscellaneous goods and services	3,206.01
Interest payments	1,750.53

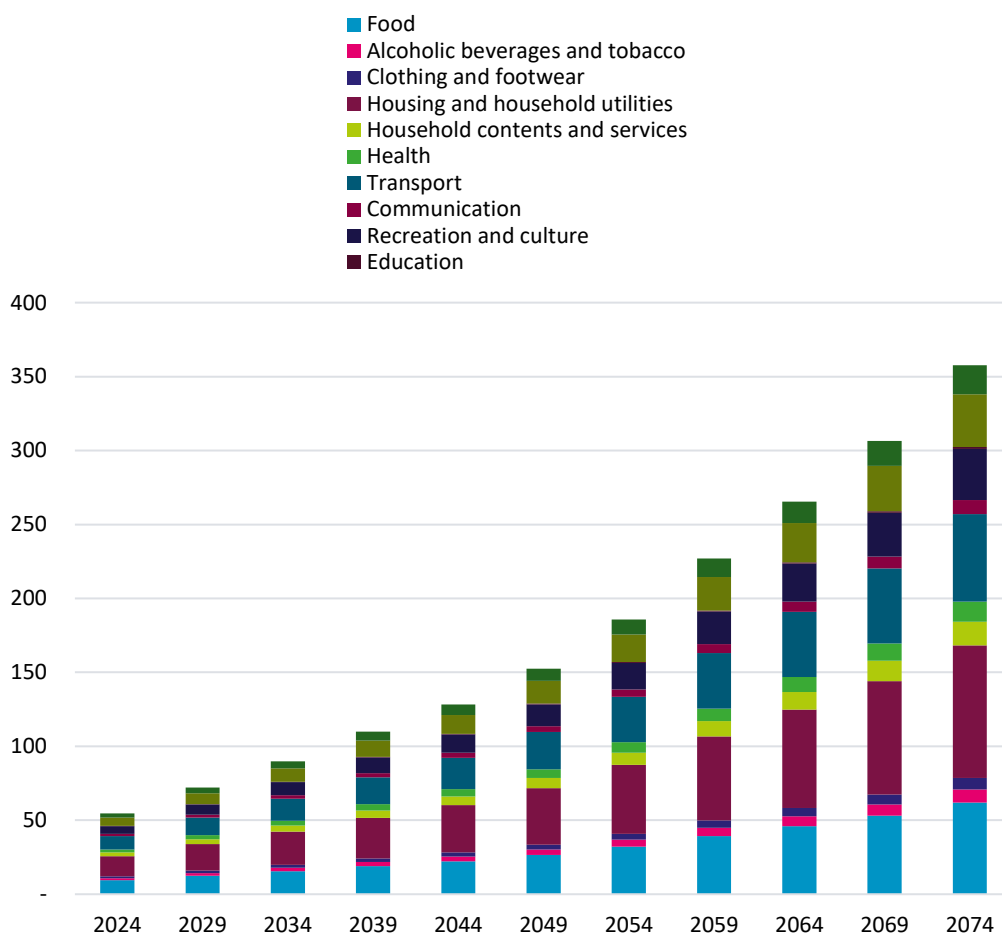
Source: NZIER

The total value of expenditures by older people is projected to increase from \$54.7 billion per year in 2024 to \$357.7 billion per year in 2074. Aside from the housing and household utilities outlier, the current spending patterns suggest that foodstuffs, transport, and recreation are the next highest contributors to expenditure.

Figure 6 Projected annual expenditure of older people (aged 65+)

2024\$ Bn

Older people's total spending grows to around \$296b by 2074



Source: NZIER

2 Understanding the wider contribution of older people

The contributions of older people are not fully expressed within the constraints of the model, some of which affect the interpretation of the model output. For example, this model seeks to value the income of the older workforce but does not address issues affecting its potential and performance.

A study by Keeling et al. (2020) outlined the opportunities and challenges that older New Zealanders face in the workforce. They present the physical and mental wellbeing aspects, as well as other lifestyle factors, as significant when managing older employees. Other issues around succession, retirement, and ageism were also addressed in this case study. This depth of investigation extends the discussion beyond labour force participation and remuneration for older New Zealanders.

Research by the OECD (2020) into the productivity of firms with a higher proportion of older workers found that firms with a 10% higher share of workers aged 50 and over are 1.1% more productive than the average firm. It found that the experience of older workers helped younger workers perform better, firms had 4% lower turnover, and CEOs and other managers are two to two-and-a-half years older in the 20% most productive firms compared to the 20% least productive firms.

The growing number of senior entrepreneurs will also likely shift the value of remuneration for the self-employed. Since the COVID-19 pandemic, there has been an increase in older people starting their own businesses, and they face different barriers than their younger counterparts (*"The Older Entrepreneur"*, 2021). These barriers are still being explored, but the evaluation of the Senior Enterprise Pilot funded by the Office for Seniors highlights access to capital, loss of self-confidence, low risk tolerance and access to stakeholders and support agencies as established challenges faced by prospective older entrepreneurs (Pearman, 2024).

The current model update highlights the age-gender distributions of workforce participation, earnings (paid and unpaid), and taxes. However, Curtin (2019) conducted an extensive cohort analysis to investigate the factors driving the age-gender gaps. This affords better resolution data (due to disaggregation of age-gender groups) than the value of government transfers and other income presented in the model update.

To retain a consistent series, such studies were considered but not integrated into this model update. Further extensions to the current model design, such as the attribution of retirement savings schemes, could also be considered in the future. Although the model, in its current form, is fit for purpose and maintains a consistent series, it is clear that context remains key to supporting the discussion of the value of the economic contribution of New Zealand's growing older population.

3 What this means for New Zealand's economy

Older people make a substantial and growing contribution to New Zealand's economy through paid employment, business ownership, tax contributions and unpaid work.



This update shows that the annual value of paid work by people aged 65 and over is now around \$9 billion, self-employment income is about \$5 billion, and the value of unpaid work has exceeded \$20 billion a year for the first time.

Although labour force participation rates for older people are projected to ease slightly between 2024 and 2074, this reflects rapid growth in the older population rather than older people leaving the workforce. In fact, the number of older people in the labour force is projected to more than double, from 217,400 in 2024 to 477,800 by 2074, increasing their share of the national workforce from 7.7% to 10.9% over the same period.

The total value of taxes paid by older people is also projected to rise from between \$13.1 billion and \$14.9 billion in 2024 to between \$80.1 billion and \$93.7 billion by 2074, depending on the assumptions used in the model.

Alongside growth in paid employment and business income, unpaid work continues to be a central part of older people's contribution to the economy and to whānau and community life.

As more older people remain in paid work, more people will be balancing employment with unpaid work. Some services that currently rely on unpaid support may otherwise need to be publicly funded if volunteer support is not available.

Overall, the findings highlight the importance of closely tracking trends affecting older people. Their economic role is dynamic, evolving, and increasingly central to many industries, workplaces, and public services.

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Appendix A Additional data tables

Table 8 Summary of model outputs in 2024\$ for older people (aged 65+)

	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074
Population and workforce											
Number of older people	874,000	1,023,200	1,151,400	1,270,600	1,348,300	1,445,000	1,581,300	1,747,500	1,876,700	1,993,100	2,128,300
Participating males	124,700	146,800	159,800	171,600	175,300	191,300	217,900	245,100	252,400	255,800	271,700
Participating females	92,500	112,900	125,400	136,500	138,000	148,800	169,700	190,700	194,700	196,800	206,000
Total older workforce	217,400	259,700	285,300	308,200	313,400	340,100	387,600	435,900	447,000	452,500	477,800
Participation rate – males	0.30	0.31	0.30	0.29	0.28	0.28	0.29	0.30	0.28	0.27	0.27
Participation rate – females	0.20	0.21	0.20	0.20	0.19	0.19	0.20	0.21	0.20	0.19	0.19
Overall participation rate	0.25	0.25	0.25	0.24	0.23	0.24	0.25	0.25	0.24	0.23	0.22
Value of remunerated work (\$ Bn)											
Paid work	8.70	11.61	14.20	17.03	19.17	22.94	28.74	35.42	39.68	43.76	50.18
Self-employment	5.09	6.79	8.30	9.96	11.21	13.41	16.80	20.71	23.20	25.58	29.34
Total value of remunerated work	13.79	18.40	22.51	26.99	30.37	36.35	45.55	56.13	62.89	69.34	79.52
Value of paid tax (\$ Bn)											
Tax on earnings from remunerated work	2.62	3.26	3.99	4.79	5.39	6.45	8.08	9.96	11.15	12.30	14.10
Tax on government transfers	3.85	5.03	6.30	7.72	9.06	10.72	12.89	15.61	18.32	21.19	24.57
Tax on investments and other income	1.32	1.72	2.16	2.64	3.10	3.67	4.41	5.34	6.27	7.25	8.41
GST (assumed all income spent)	5.29	6.98	8.69	10.58	12.28	14.57	17.72	21.56	24.98	28.53	33.00
GST (assumed 4% drawdown rate on all financial assets)	1.8	2.42	3.04	3.75	4.45	5.3	6.51	8.04	9.65	11.45	13.7
All tax, including GST	14.9	19.41	24.18	29.48	34.28	40.7	49.61	60.51	70.37	80.72	93.7

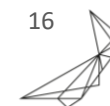


	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074
Value of unpaid work (\$ Bn)											
Based on 2024 carer wage	21.39	27.87	35.06	43.10	50.90	60.04	71.80	86.71	102.37	119.15	138.34
Based on 2023/2024 and 2025 minimum wages	19.11	24.39	30.68	37.71	44.53	52.53	62.82	75.86	89.56	104.25	121.05
Total income (\$ Bn)											
Remunerated work	13.79	18.40	22.51	26.99	30.37	36.35	45.55	56.13	62.89	69.34	79.52
Government transfers	21.98	28.73	36.01	44.11	51.80	61.23	73.66	89.21	104.67	121.08	140.43
Investments and other	12.54	16.39	20.54	25.17	29.55	34.93	42.03	50.90	59.71	69.08	80.12
Total value	48.31	63.52	79.05	96.27	111.72	132.52	161.24	163.24	227.27	259.50	300.07
Total drawdown (\$ Bn)											
Drawdown value (assumed 4% drawdown rate on all financial assets)	14.17	18.54	23.31	28.74	34.08	40.81	49.90	61.62	73.95	87.75	104.71
Total value	14.17	18.54	23.31	28.74	34.08	40.81	49.90	61.62	73.95	87.75	104.71
Expenditure (\$ Bn)											
Groceries, clothing, alcohol and tobacco	12.01	15.82	19.75	24.13	28.17	33.49	40.80	49.85	58.31	67.32	78.56
Housing and household utilities	16.17	21.30	26.58	32.48	37.91	45.08	54.91	67.09	78.48	90.61	105.74
Health	2.07	2.72	3.40	4.15	4.85	5.76	7.02	8.58	10.03	11.58	13.52
Transport and communication	10.50	13.84	17.27	21.10	24.63	29.29	35.67	43.58	50.98	58.86	68.69
Recreation, culture and education	5.48	7.22	9.01	11.01	12.85	15.28	18.61	22.74	26.60	30.71	35.83
Miscellaneous	5.47	7.21	9.00	11.00	12.84	15.26	18.59	22.71	26.57	30.68	35.80
Interest	2.99	3.94	4.91	6.00	7.01	8.33	10.15	12.40	14.51	16.75	19.55
Total expenditure	54.70	72.05	89.91	109.86	128.25	152.50	185.76	226.95	265.48	306.51	357.68

Source: NZIER

Table 9 Summary of model outputs in 2023\$ for older people (aged 65+)

	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074
Population and workforce											
Number of older people	874,000	1,023,200	1,151,400	1,270,600	1,348,300	1,445,000	1,581,300	1,747,500	1,876,700	1,993,100	2,128,300
Participating males	124,700	146,800	159,800	171,600	175,300	191,300	217,900	245,100	252,400	255,800	271,700
Participating females	92,500	112,900	125,400	136,500	138,000	148,800	169,700	190,700	194,700	196,800	206,000
Total older workforce	217,400	259,700	285,300	308,200	313,400	340,100	387,600	435,900	447,000	452,500	477,800
Participation rate – males	0.30	0.31	0.30	0.29	0.28	0.28	0.29	0.30	0.28	0.27	0.27
Participation rate – females	0.20	0.21	0.20	0.20	0.19	0.19	0.20	0.21	0.20	0.19	0.19
Overall participation rate	0.25	0.25	0.25	0.24	0.23	0.24	0.25	0.25	0.24	0.23	0.22
Value of remunerated work (\$ Bn)											
Paid work	8.42	11.23	13.74	16.48	18.55	22.20	27.82	34.28	38.41	42.35	48.57
Self-employment	4.92	6.57	8.04	9.64	10.84	12.98	16.26	20.04	22.45	24.76	28.40
Total value of remunerated work	13.35	17.80	21.78	26.12	29.39	35.18	44.08	54.32	60.86	67.11	76.96
Value of paid tax (\$ Bn)											
Tax on earnings from remunerated work	2.54	3.16	3.86	4.63	5.21	6.24	7.82	9.63	10.79	11.90	13.65
Tax on government transfers	3.72	4.87	6.10	7.47	8.77	10.37	12.48	15.11	17.73	20.51	23.78
Tax on investments and other income	1.27	1.67	2.09	2.56	3.00	3.55	4.27	5.17	6.07	7.02	8.14
GST (assumed all income spent)	5.12	6.75	8.41	10.24	11.89	14.10	17.15	20.87	24.18	27.61	31.93
GST (assumed 4% drawdown rate on all financial assets)	1.79	2.34	2.94	3.63	4.30	5.15	6.30	7.78	9.33	11.08	13.22
All tax, including GST	14.44	18.78	23.40	28.53	33.18	39.41	48.01	58.56	68.10	78.12	90.72
Value of unpaid work (\$ Bn)											
Based on 2024 carer wage	20.70	26.97	33.93	41.71	49.26	58.10	69.48	83.91	99.07	115.31	133.89
Based on 2023/2024 and 2025 minimum wages	18.50	23.60	29.69	36.49	43.10	50.84	60.79	73.42	86.68	100.89	117.14



	2024	2029	2034	2039	2044	2049	2054	2059	2064	2069	2074
Total income (\$ Bn)											
Remunerated work	13.35	17.80	21.78	26.12	29.39	35.18	44.08	54.32	60.86	67.11	76.96
Government transfers	21.27	27.81	34.85	42.69	50.13	59.26	71.29	86.34	101.29	117.18	135.90
Investments and other	12.13	15.86	19.88	24.36	28.60	33.81	40.67	49.26	57.79	66.85	77.53
Total value											
Total drawdown (\$ Bn)											
Drawdown value (assumed 4% drawdown rate on all financial assets)	13.71	17.94	22.56	27.81	32.98	39.49	48.29	59.64	71.56	84.92	101.33
Total value	13.71	17.94	22.56	27.81	32.98	39.49	48.29	59.64	71.56	84.92	101.33
Expenditure (\$ Bn)											
Groceries, clothing, alcohol and tobacco	11.63	15.31	19.11	23.35	27.26	32.41	39.48	48.24	56.43	65.15	76.03
Housing and household utilities	15.65	20.61	25.72	31.43	36.69	43.63	53.14	64.93	75.95	87.69	102.33
Health	2.00	2.63	3.29	4.02	4.69	5.58	6.79	8.30	9.71	11.21	13.08
Transport and communication	10.17	13.39	16.71	20.42	23.84	28.34	34.52	42.18	49.34	56.97	66.48
Recreation, culture and education	5.30	6.99	8.72	10.65	12.43	14.79	18.01	22.00	25.74	29.72	34.68
Miscellaneous	5.30	6.98	8.71	10.64	12.42	14.77	17.99	21.98	25.71	29.69	34.65
Interest	2.89	3.81	4.76	5.81	6.78	8.06	9.82	12.00	14.04	16.21	18.92
Total expenditure	52.93	69.72	87.01	106.32	124.11	147.58	179.77	219.64	256.92	296.63	346.15

Source: NZIER