



Motivations and barriers around working for 65 year olds

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Outline

Background

- Participation in the labour force
- Overview of project

Findings

- Motivations
- Barriers
- Enablers

Discussion

Summary



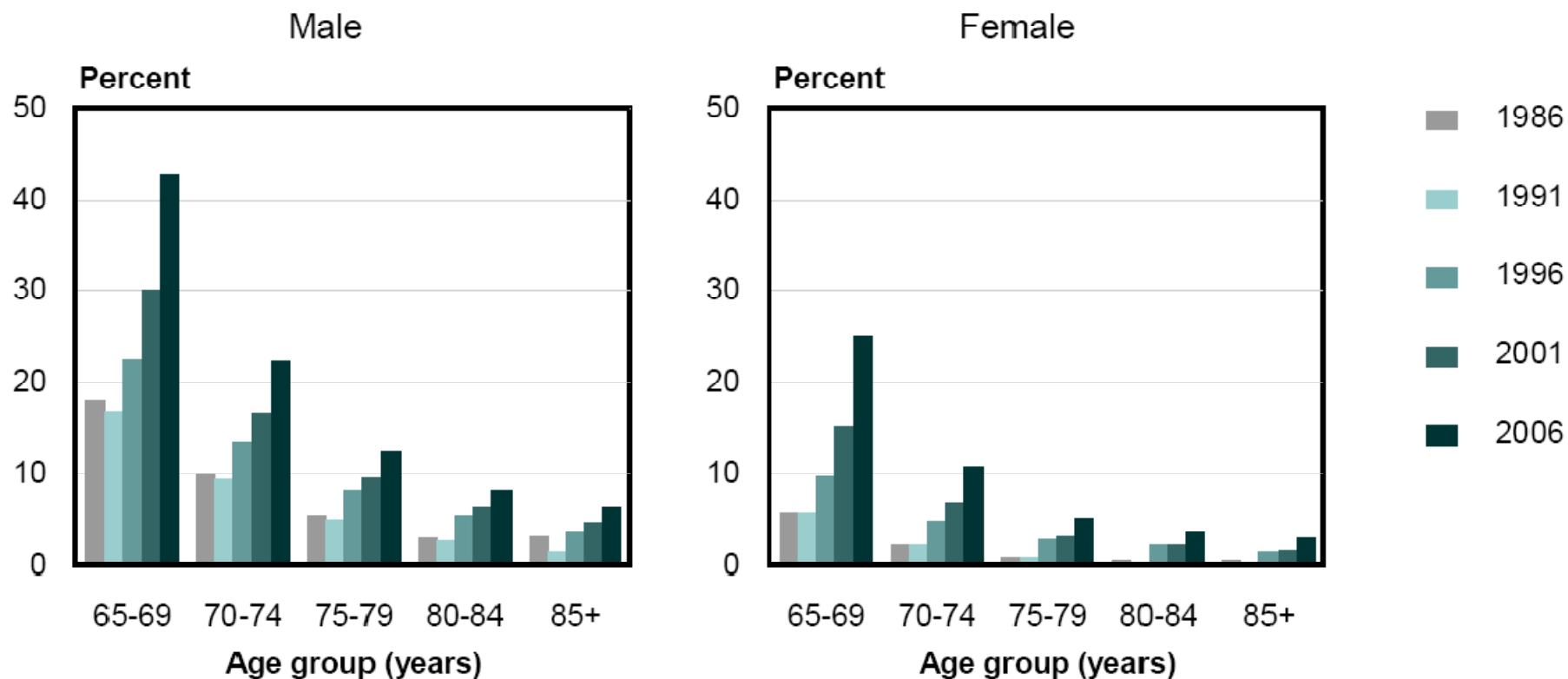


Participation in labour force

- **Ageing population is happening** – percentage aged over 65 will move from 12% in 2006 to 23% by 2036
- **New Zealand is not alone in this** – many countries have much older populations
- **OECD 2006 report:** “All countries will need to mobilise more fully the potential labour resources of older people as the key population response to population ageing”
- **Compared to similar countries** NZ has relatively high labour force participation of older people (50yrs+)



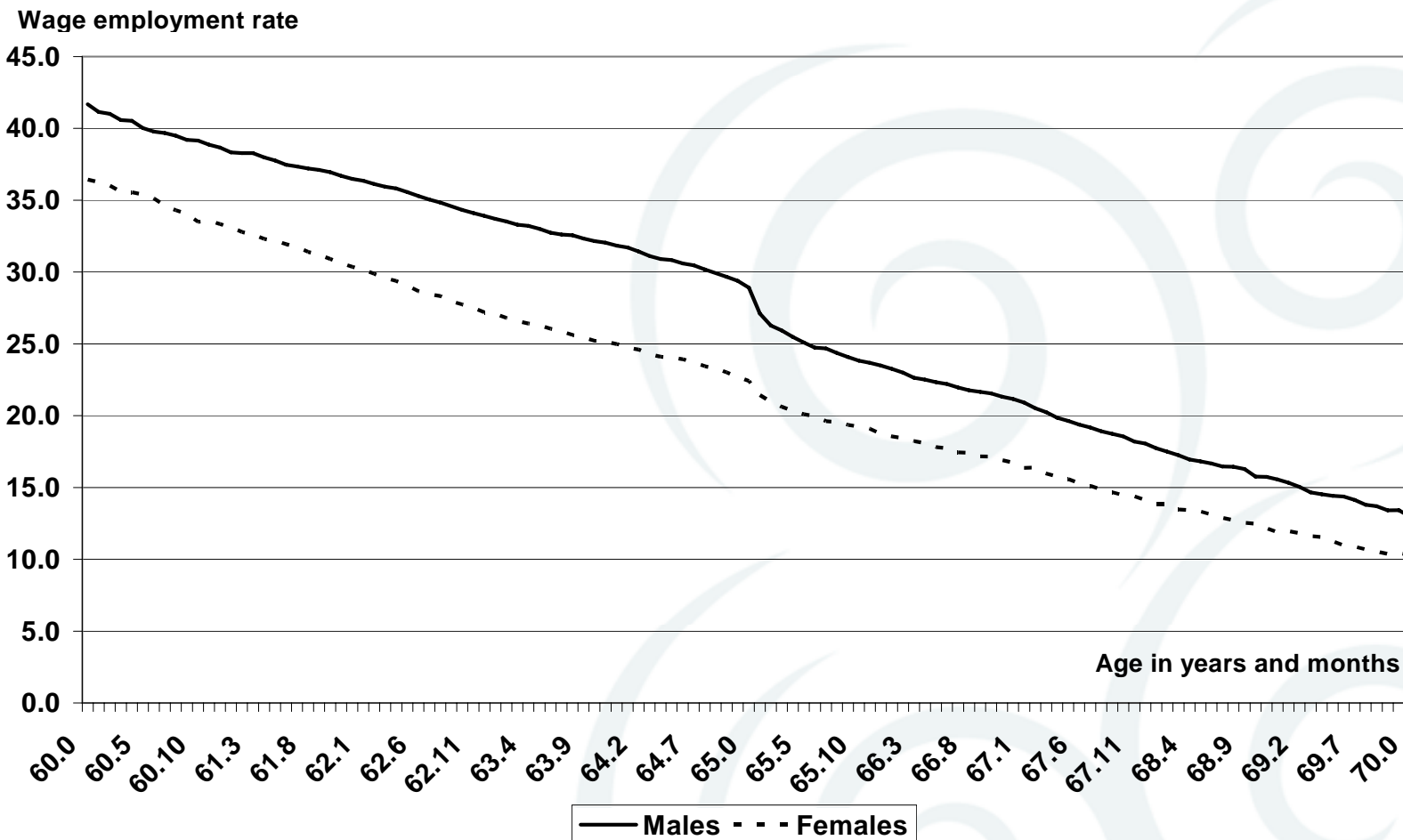
Labour Force Participation by Age Group and Sex *Population aged 65 years and over* 1986–2006 Censuses



Source: Statistics New Zealand



Waged employment by gender, ages 60 to 70



Source: Presentation "The employment patterns and transitions to retirement of New Zealanders aged in their '60s: Evidence from LEED" Sylvia Dixon and Dean Hyslop. Statistics NZ and Department of Labour, (2008).



Evidence for societal barriers to employment of older people in NZ

- **Attitudes of employers - beyond scope of project**
- **Negative attitudes of employers and recruitment agencies evident**
 - skills of older people seen as less marketable or relevant
 - training older workers seen as a bad investment
 - older workers seen as less interested in retraining
 - higher salary cost in employing older workers

(Wilson 2007)



Project objectives

1. To better understand recent work histories and employment plans of New Zealanders at the age of eligibility for NZ Superannuation
2. To identify the factors that influence individuals' participation in paid work
 - motivations
 - barriers
 - enablers
3. To explore how these vary for key groups: ethnicity, gender, location, occupation, benefit receipt
4. To identify services and supports that enable people to continue in or re-enter paid employment



Approach

Literature review

Focus groups and interviews: poster

Nationally representative survey:

- **Sampling**
 - people from MSD databases
 - people who turned 65 in period October 07–March 08
 - people receiving NZ Superannuation, Veteran's Pension or any additional benefits
 - sufficient Maori and Pacific people for good estimates
- **Weights** used to adjust for stratification and non-response, so results represent the 14,400 in sampling frame (ie as above)
- **Fieldwork**
 - ~1700 phone interviews over the period May–June 08



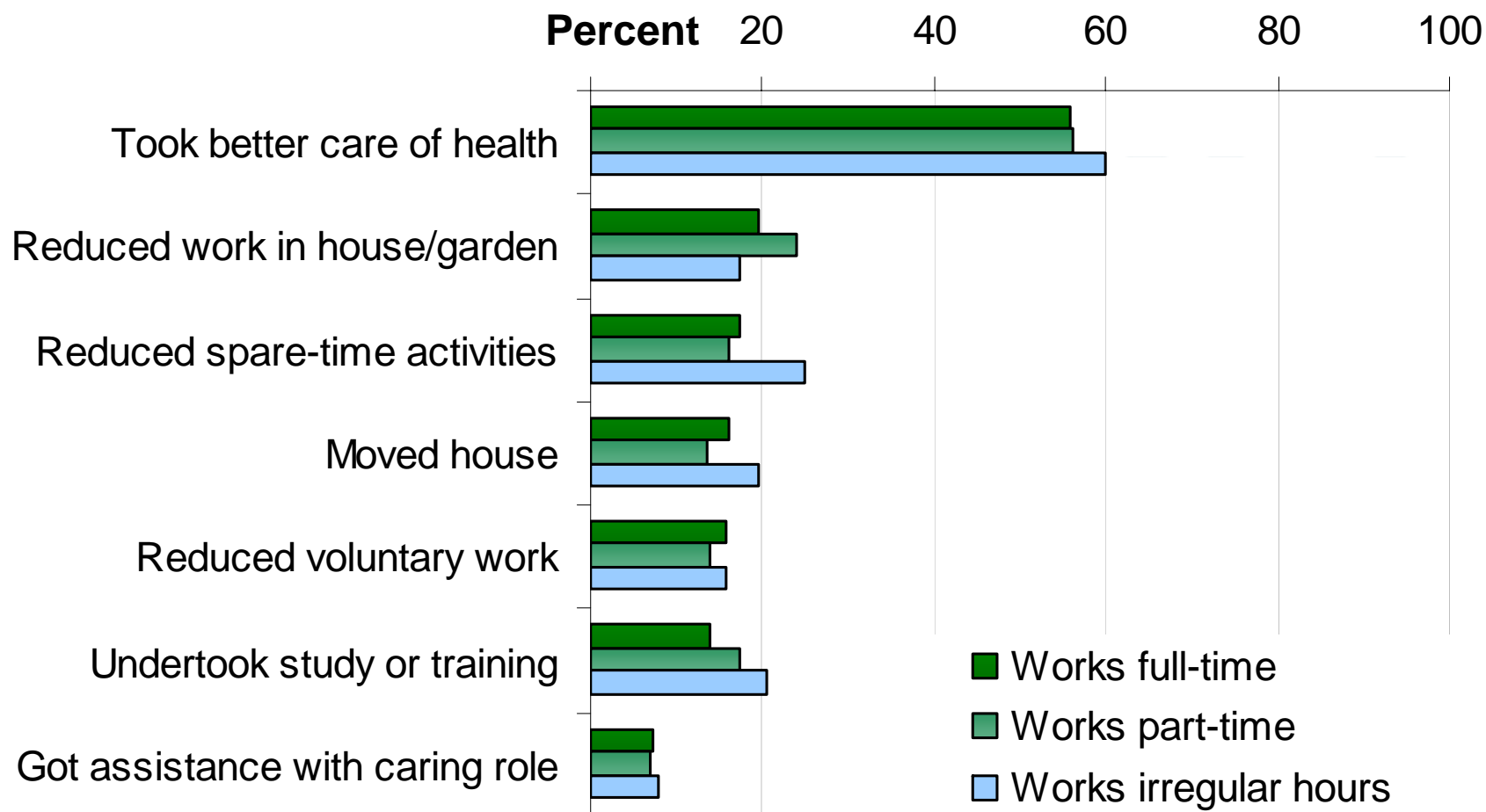


Working status

	Interview n	Weighted %		
		All	Men	Women
Currently working:				
• 30+ hours (“full-time”)	498	31	45	18
• <30 hours (=> “part-time”)	268	18	14	22
• irregular hours (=> “part-time”)	113	7	6	8
Not currently working:				
• has worked & will not again	603	33	26	40
• has worked & wishes to again	145	7	6	8
• has never worked	85	4	3	5

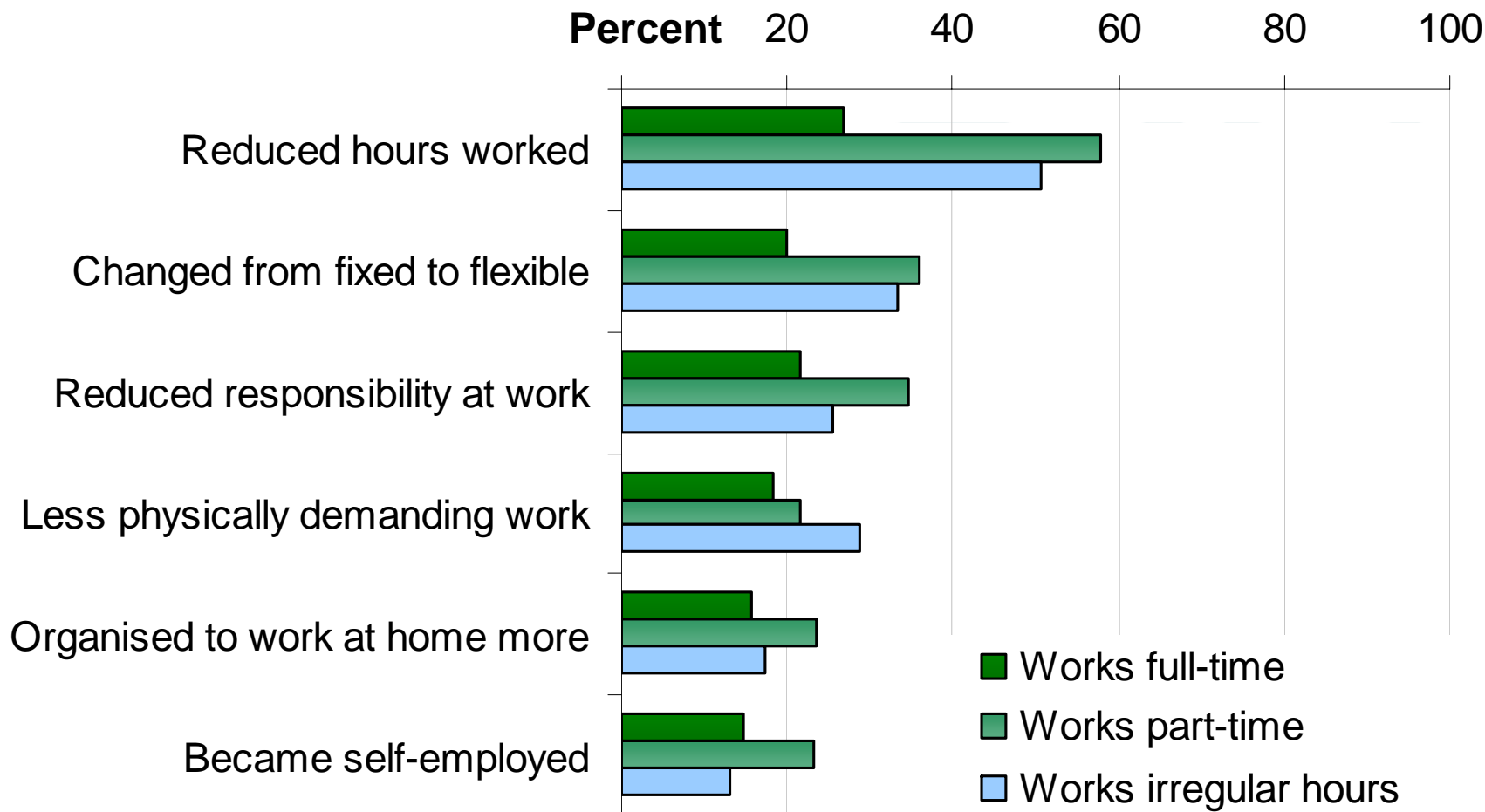


What changes have workers made out-of-work to make it easier?





What changes have workers made in-work to make it easier?





Motivations, **barriers** and **enablers**

- **Motivations:** the reasons people give as to why they work, or why they would like to increase paid work
- **Barriers:** the reasons people give as to why they stopped working or do not want work
- **Enablers:** the changes people suggested that would help them to go on working or return to work
- Barriers and enablers classified:
 - personal circumstances and/or choices
 - when and where working
 - nature of work, or other work related



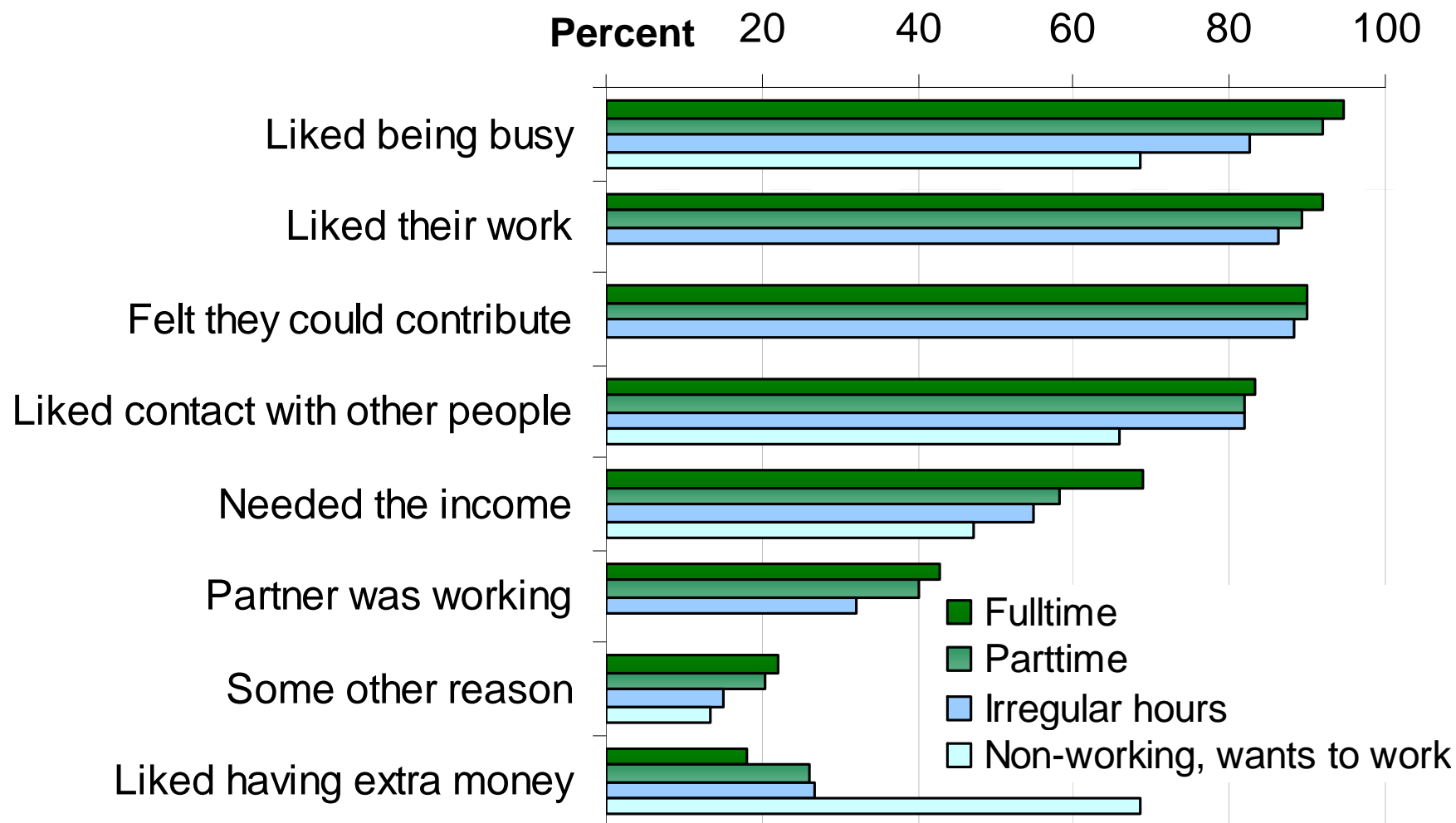
Motivations

The reasons people give as to:

- why they work,
- or
- why they would like to increase paid work



Why do people want to work?





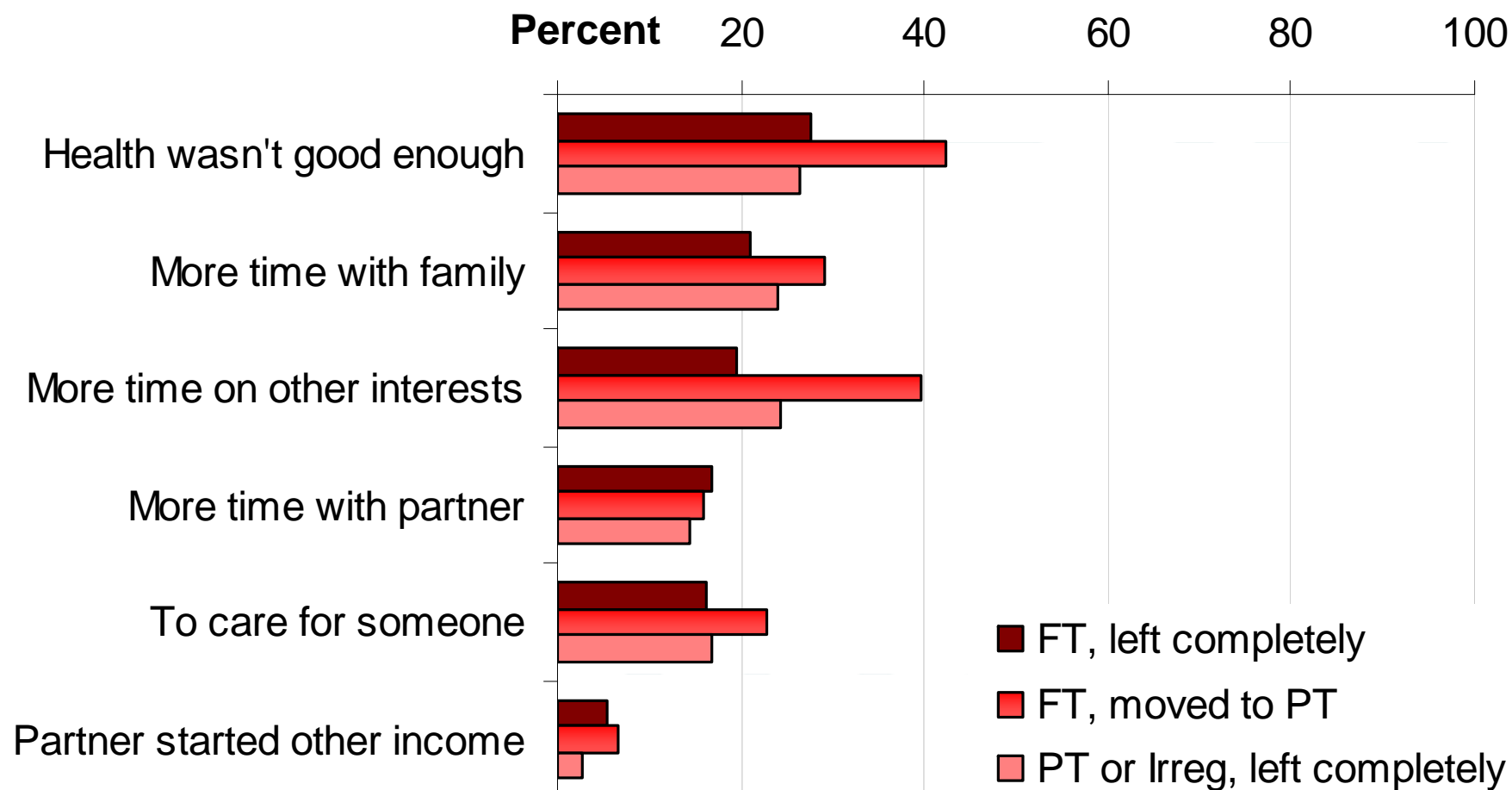
Barriers

The reasons people give as to:

- **why they stopped working**
- or
- **do not want work**

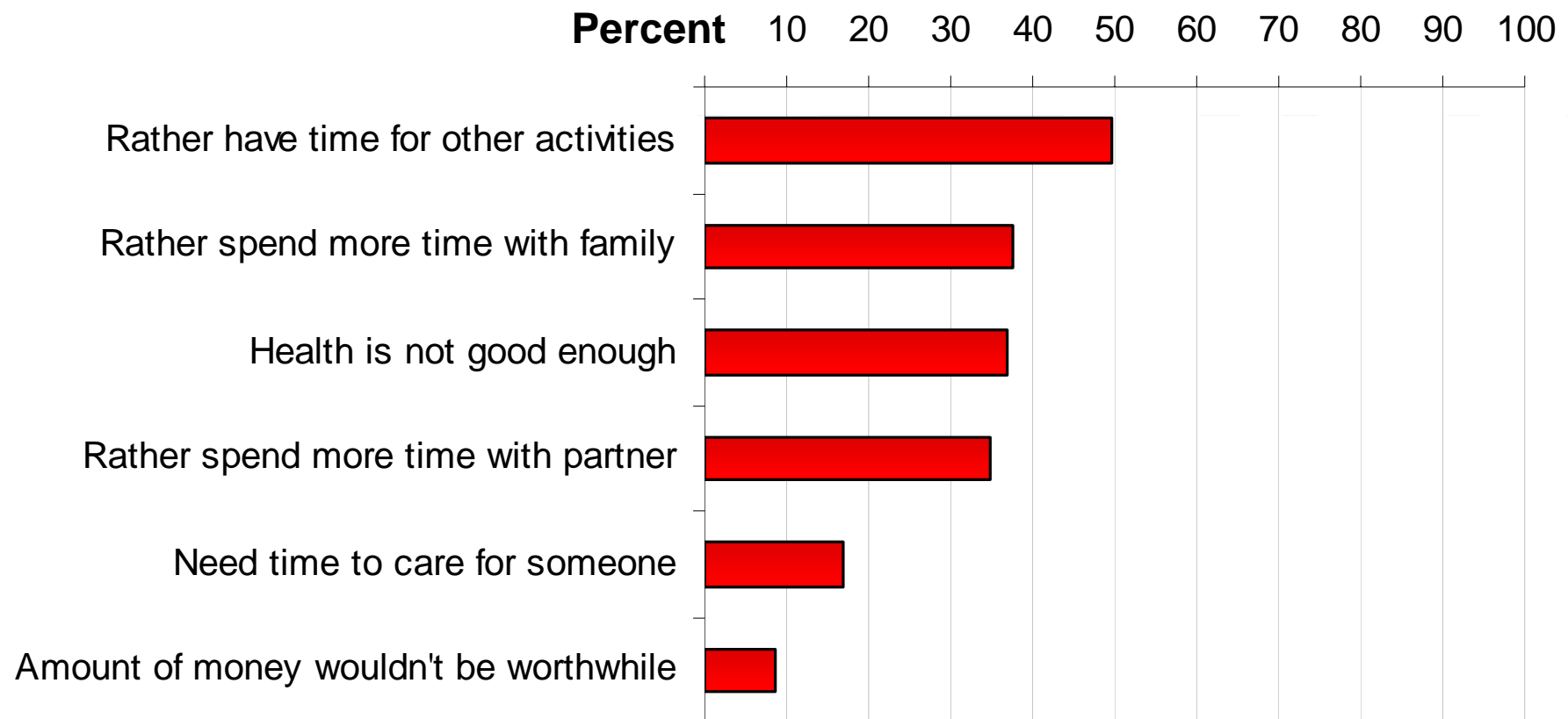


Reasons people stopped work or reduced hours



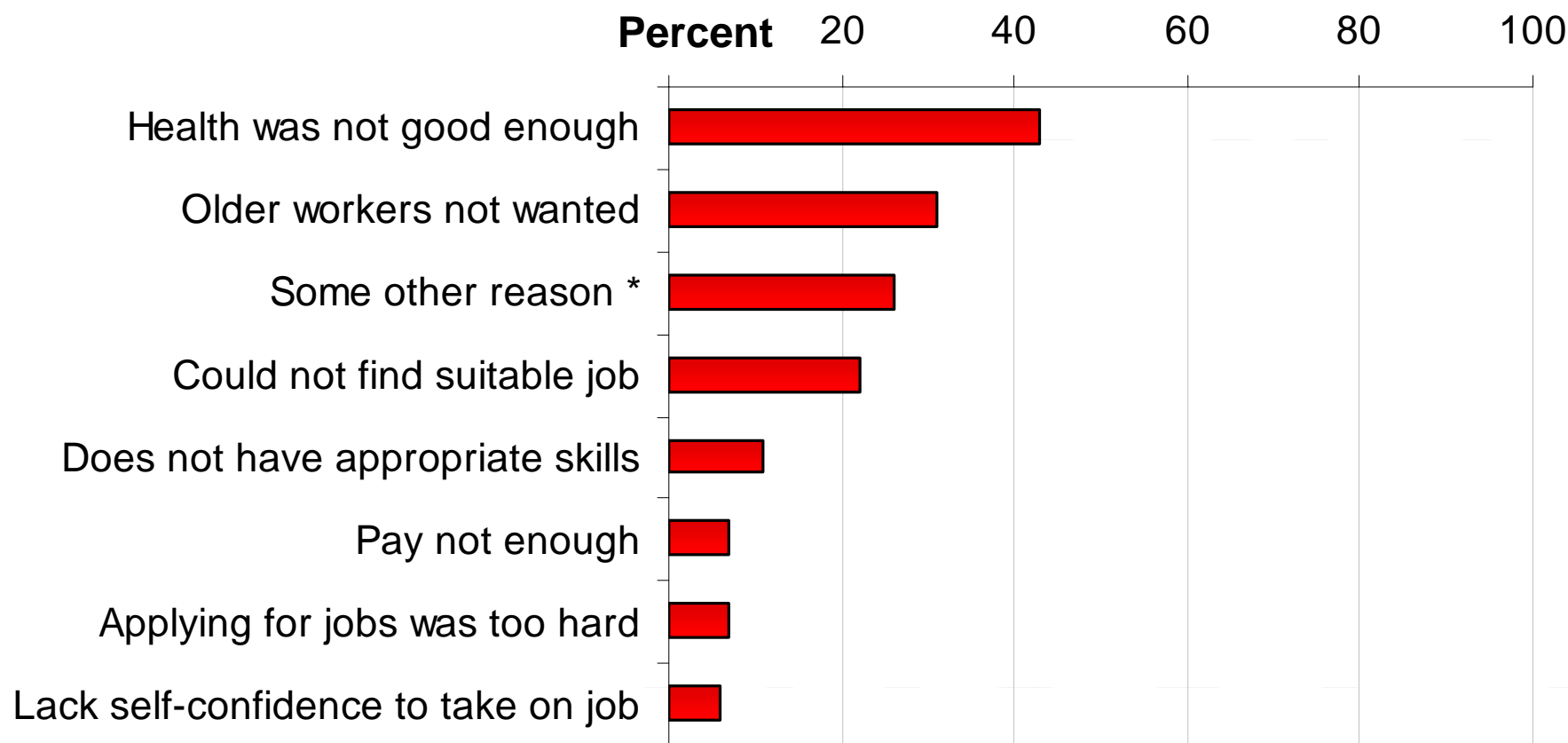


Reasons non-workers did not want to work





Reasons non-workers who want to work, are not in work





Enablers

The changes people suggested that would help them to:

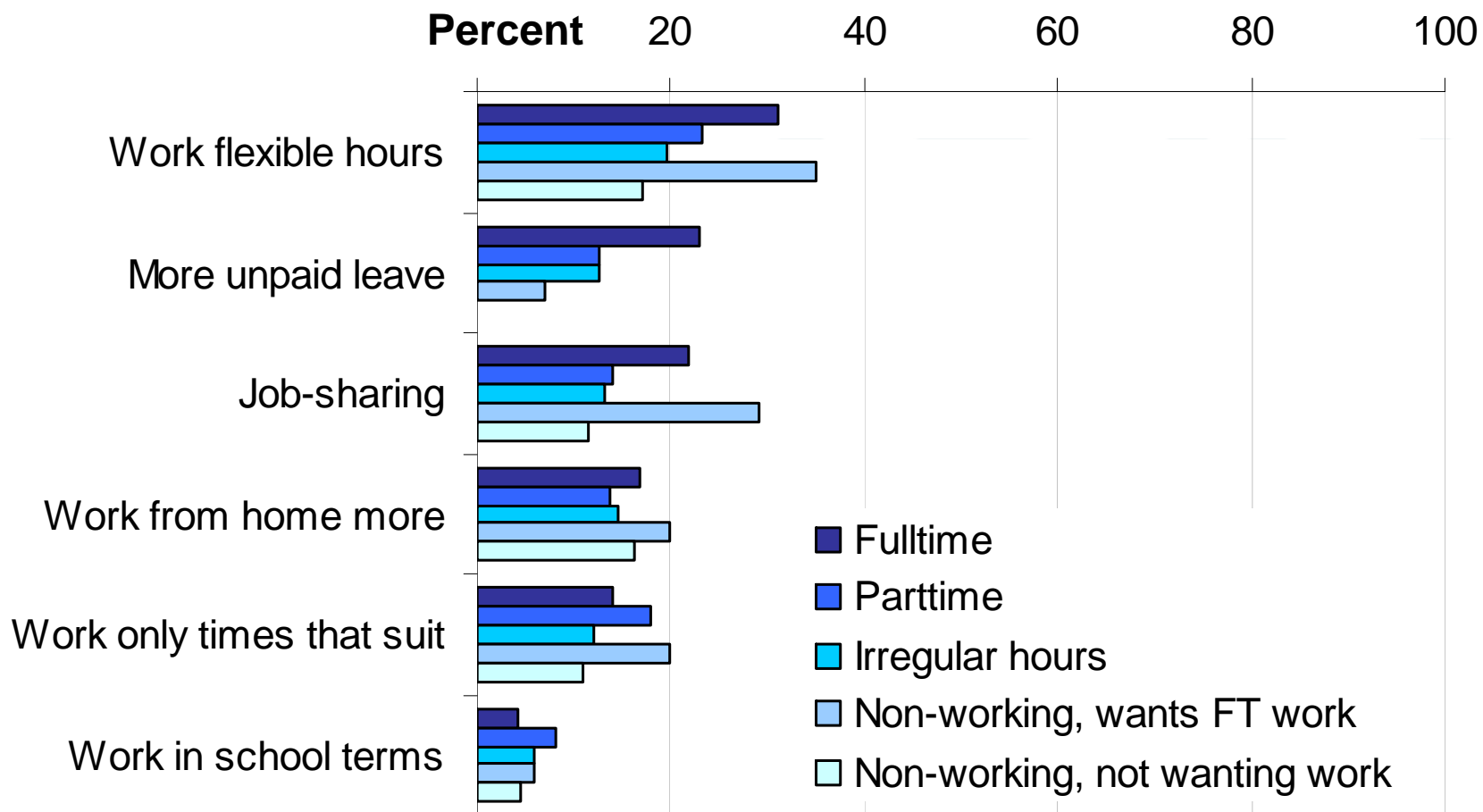
- **go on working**

or

- **return to work**

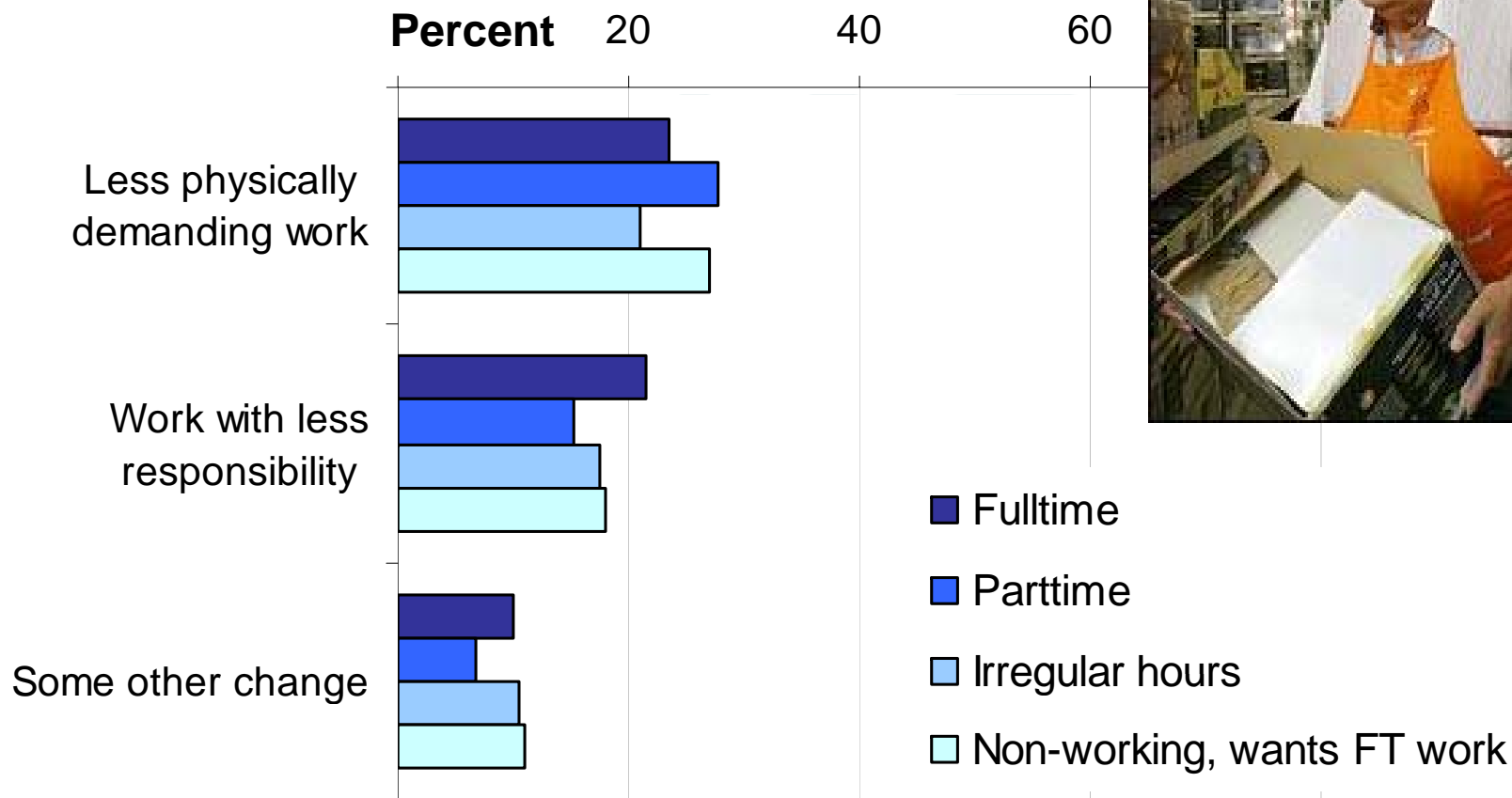


Changes to when & where of working that may make it easier to work



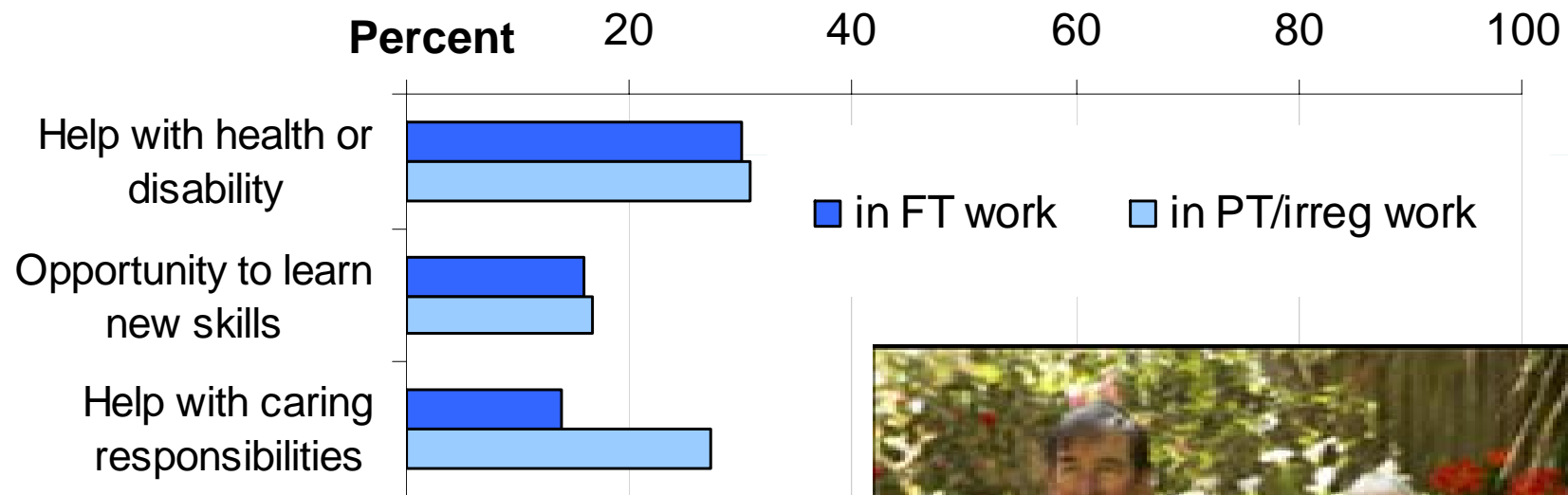


Changes to nature of work that may make it easier to work





Factors for non-workers that may make it easier to return to work





Services

- **What might help people looking for work?**
- or
- **What sort of services or supports might be helpful?**



Interest in new services if out of work & looking since age 60?

	Men %	Women %
Act as trainer & mentor	84	66
Job-finding service for 50s & 60s	79	72
Careers advice & guidance 50s & 60s	69	65
Free retraining 50s & 60s	62	64
Online job-seeking, registration & application service	47	54



Potential benefits of retaining older people in work

- **Older people**
 - social connectedness and participation, contribution
 - more activity and better health
 - higher income, whether needed or extra
- **Government (local and national)**
 - support economic growth
 - increased tax revenue during times of rising demand
- **Employers**
 - retention of skills, experience and knowledge
 - mentoring other staff, in same or different role
 - workforce stability



Encouraging older people to work – how?

- **Some older people choose to make changes**
- **They express interest in:**
 - schemes in which older people train and mentor other workers
 - tailored job-finding services
 - retraining to update or upgrade skills
 - using available online search & application services
- **Other possibilities:**
 - use of retirement income planning eg “get sorted”



Encouraging older people to work – how?

- **Employers, NGOs & government (national or local)**
 - adapt jobs &/or workplaces to suit older workers
 - talk with employees about their retirement plans
 - create opportunities for older workers to retrain
 - support retraining older workers
 - support job-seeking & job application services tailored for older workers
 - reward people for working longer
 - encourage employers to adopt flexible &/or non-discriminatory work practices



Discussion

Impact of health

- strongly associated with stopping work & reduced hours
- economic costs of ill-health may be under-recognised

Income

- income is a strong motivator for remaining in work, for “pocket money” even if not for basic needs
- Especially important if holding a mortgage

Labour force participation

- people prefer to transition out of work gradually
- expressed need for options to extend working lives:
eg flexibility in hours, help with finding work,
help with health and with caring responsibilities



References

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- OECD (2006) *Live longer, work longer; a synthesis report*. OECD Publishing, Paris: France. Available online
- Wilson M, Parker P, and Kan J. (2007) Age biases in employment: Impact of talent shortages and age on hiring. *Business Review 9:1*. pp 33-41. University of Auckland Business School, Auckland.



Contributors

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- **And all survey participants who gave their time and thought to our questions, and without whom there would be no findings**



For further information

Conference poster about the focus groups and interviews:

- “Maturity matters: new choices for older people...”

Published reports:

- “To Work, or Not to Work? Findings from a Survey of 65 year old New Zealanders”
- “Maturity Matters: New Choices for Older People. Findings from the Focus Groups and Interviews of the Turning 65 Project”

Available on Ministry of Social Development website:

www.msd.govt.nz



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Characteristics of 65 year olds

	Sample size	% unweighted	% weighted
Total	1712	100	100
Men	771	45	49
Women	941	55	51
<hr/>			
European	1119	65	85
Maori	436	25	8
Pacific peoples	163	10	4
Asian	61	4	5
Other/Unknown	21	1	1

NB: Ethnicity is self-reported and is shown as total response.

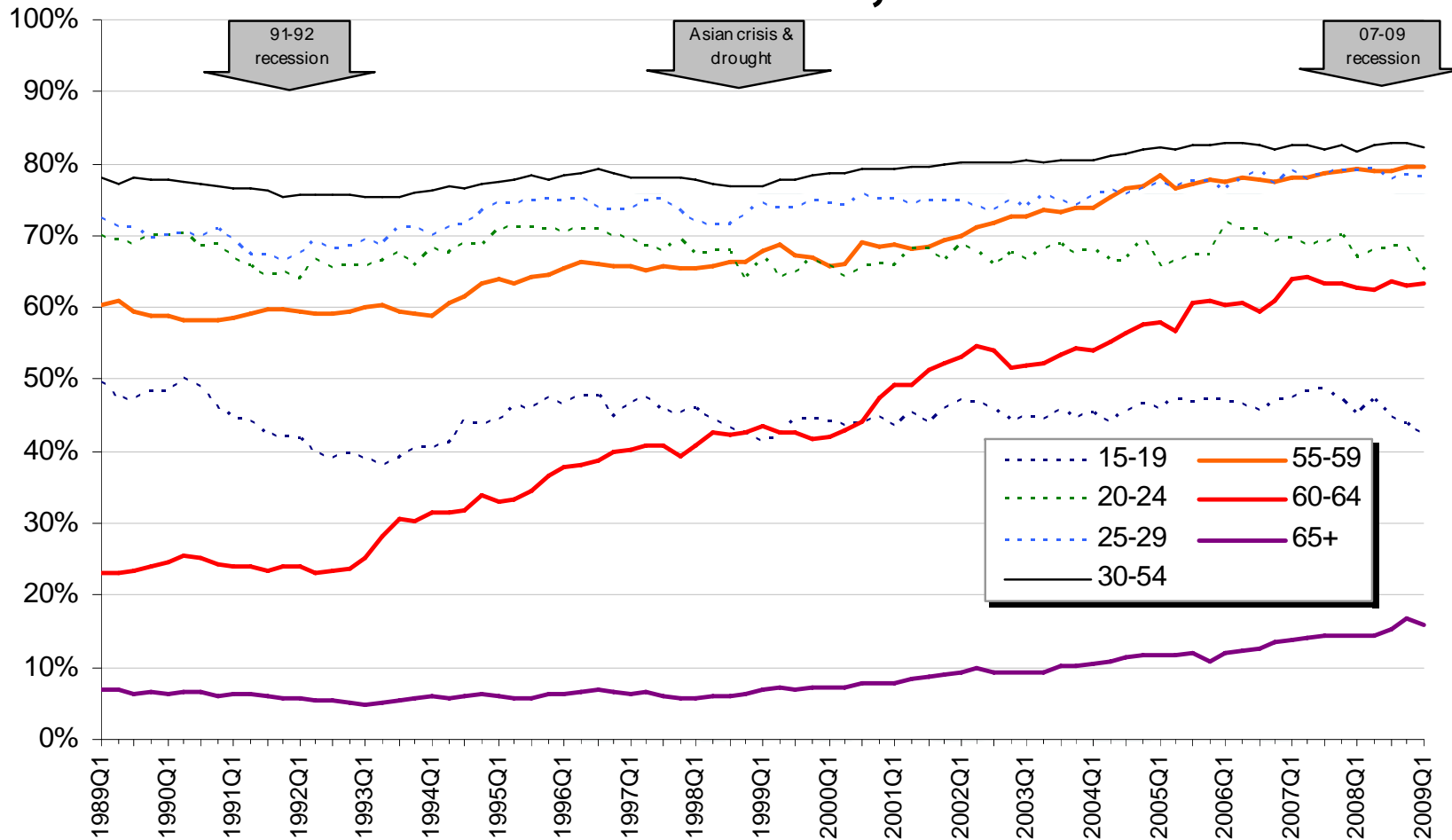


Factors relating to being in work

	OR	95% CI
Women	0.62	0.47 – 0.82
Asian	0.27	0.13 – 0.59
No partner	0.60	0.42 – 0.84
Partner not working	0.34	0.24 – 0.46
Health only fair	0.40	0.25 – 0.63
Health poor / very poor	0.11	0.06 – 0.23
Cares for child (only)	0.60	0.41 – 0.96
Cares for child and sick person	0.49	0.27 – 0.87
Mortgage owing on home (\$\$)	2.68 – 3.41	1.22 – 7.83
Proportion of last 10yrs on benefit:		
>0%–25%	0.60	0.39 – 0.93
>25%–50%	0.46	0.28 – 0.77
>50%–75%	0.39	0.23 – 0.65
>75%–100%	0.26	0.16 – 0.42



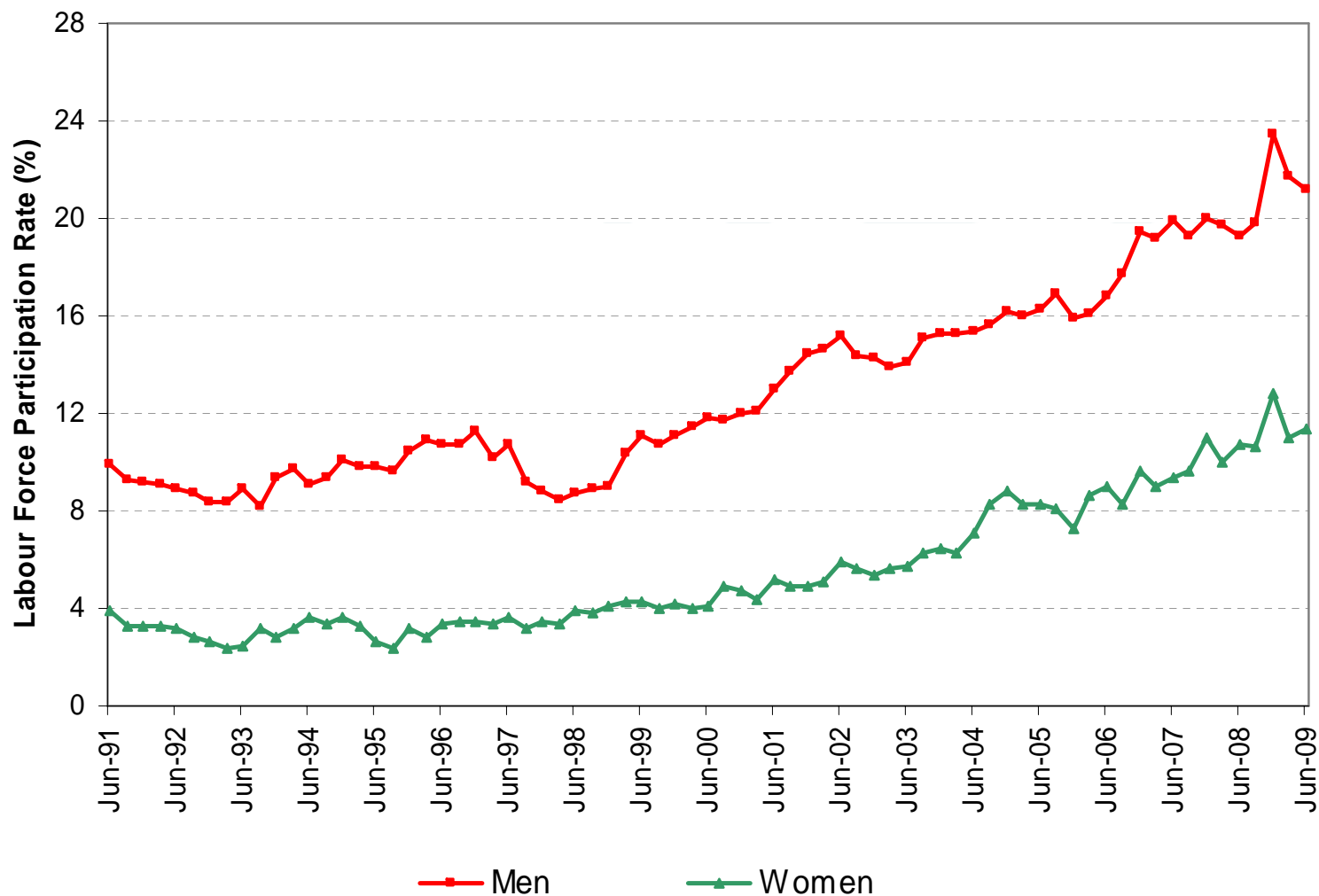
Employment rates by age group, 1989 – 2009, NZ

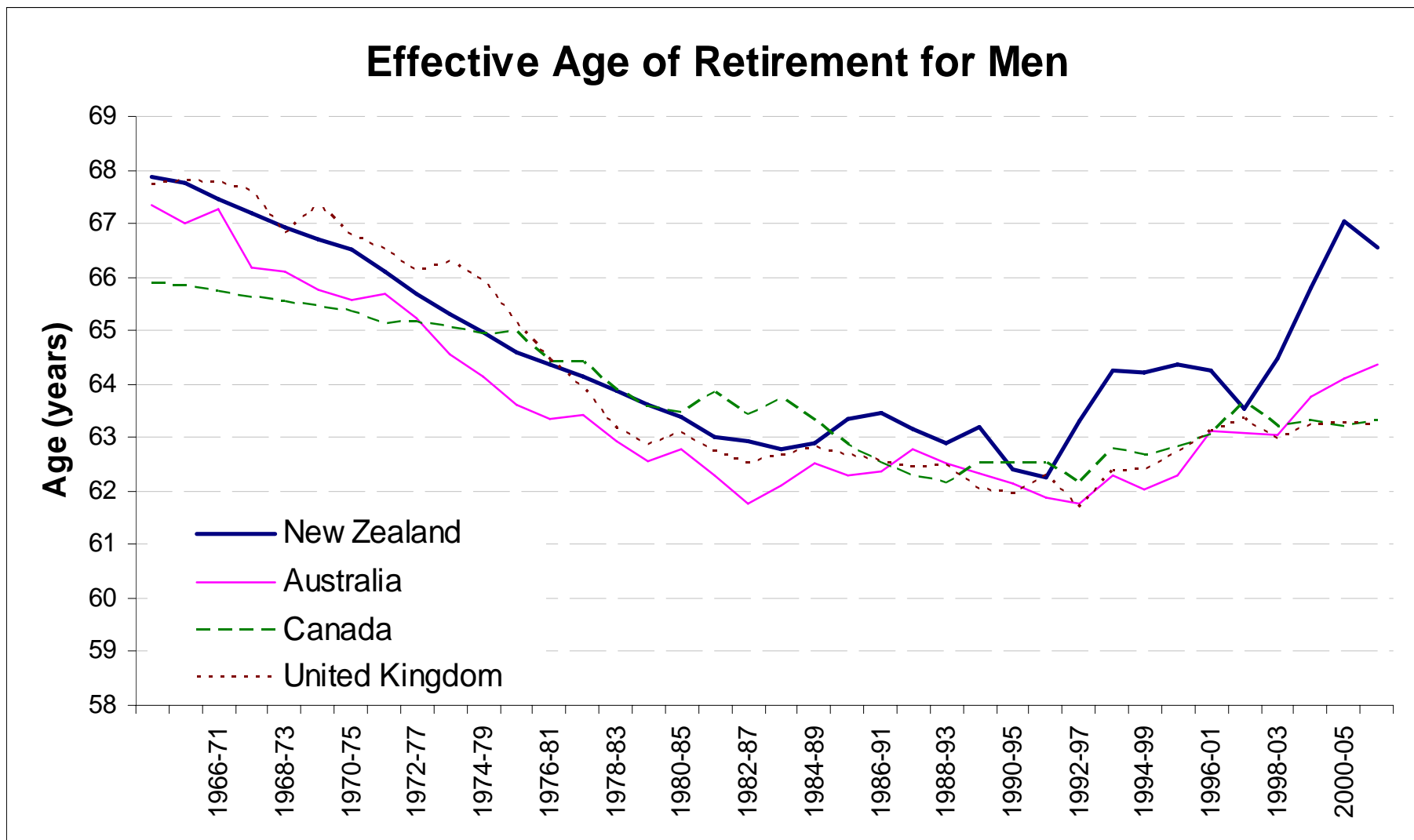


Source: Statistics NZ data, Men & women combined, seasonally adjusted

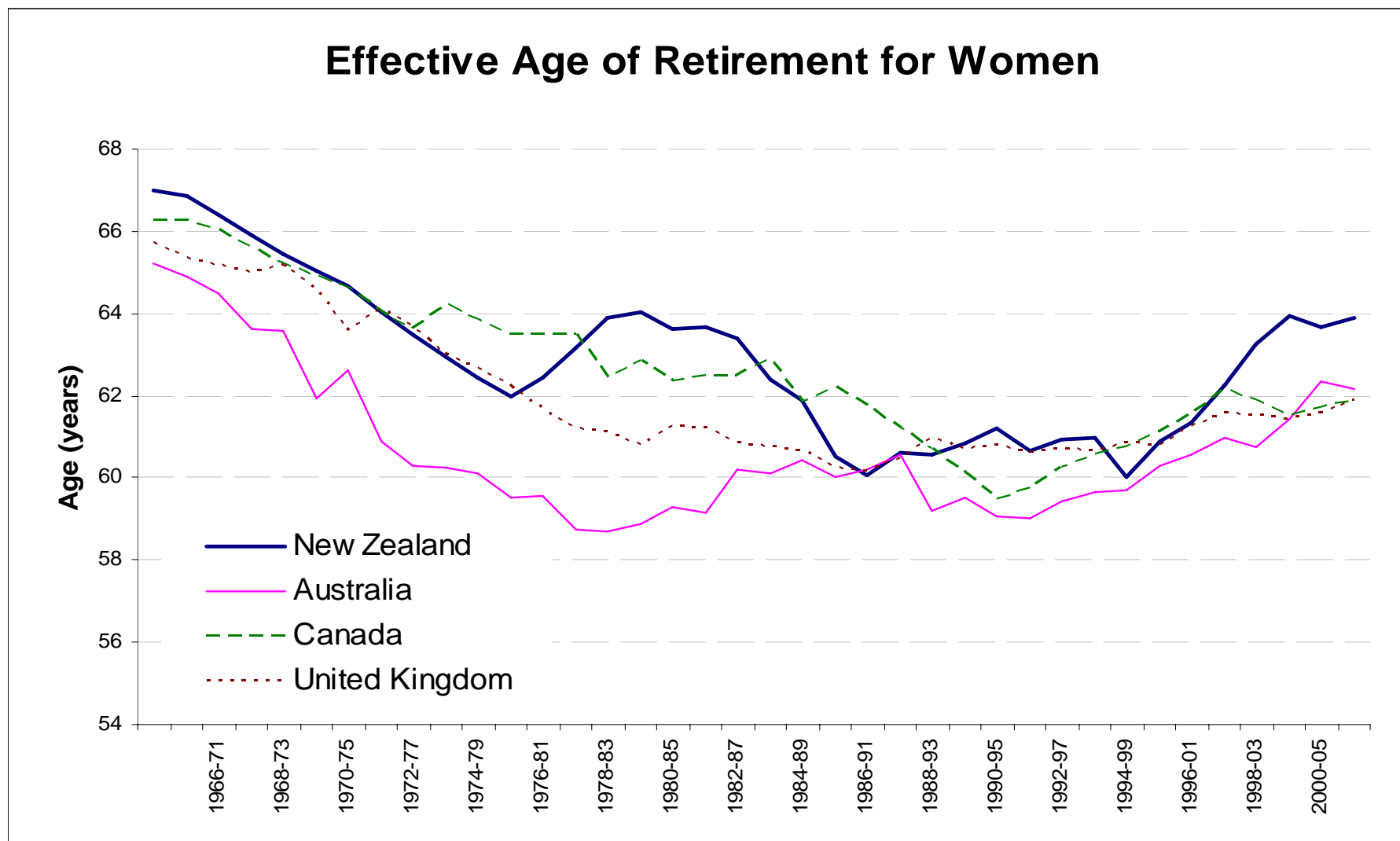


Labour force participation of 65+ group





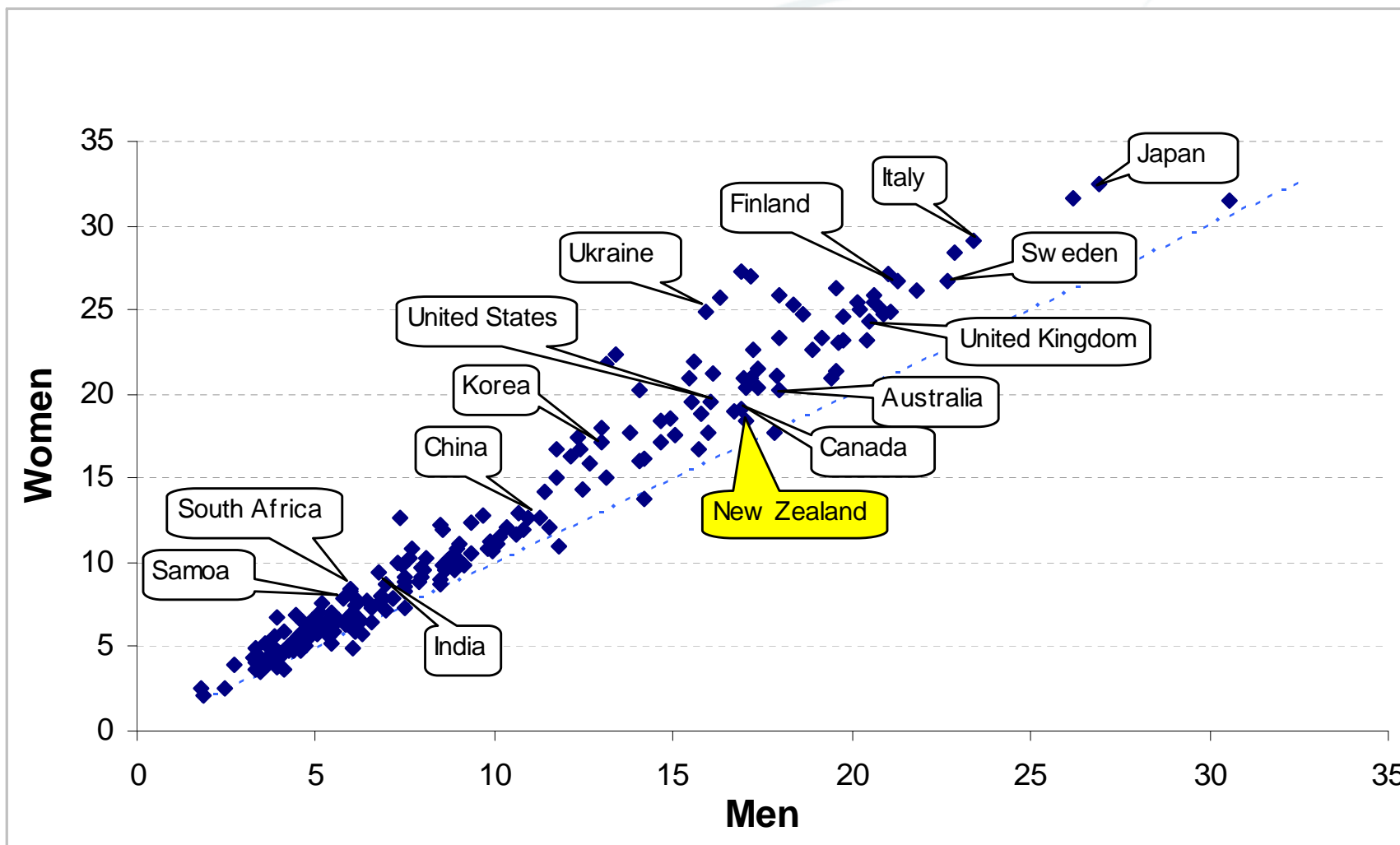
Source: OECD estimates based on the results of national labour force surveys, the European Union Labour Force Survey and, for earlier years in some countries, national censuses.



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Population aged 60+ in UN Countries





What applied to the Levites...

- *“From twenty-five years old and upward they shall enter to perform service in the work of the tent of meeting.*
- *“But when they're fifty years old, they must retire from active service and not work anymore.*
- *They may, however, assist their brothers in the tent of meeting, to keep an obligation, but they themselves shall do no work.”*



Literature: Factors that move people into “retirement”

- **‘Push’ factors** restrict options, push people out of work
 - workplace factors: redundancy, employer attitudes
 - health problems
 - caring responsibilities
- **‘Pull’ factors** make stopping work more attractive to older workers, pull them out of the workforce
 - want a better work-life balance, more time with family
 - ideas about retirement, eg the ‘normal’ age to retire