

OLDER WORKERS EMPLOYMENT ACTION PLAN



Ministerial Foreword

Contents

Ministerial Foreword	2
Section One: Introduction	4
This plan supports the Government’s Employment Strategy	4
This plan also supports the Government’s strategy for our ageing population	4
Section Two: Approach	5
There are many benefits to retaining older workers in employment	5
It’s not always easy for older workers to find or stay in employment that suits their needs.....	5
Some older workers are less likely to have choices around working	5
Older Māori workers.....	6
This plan is for people aged over 50 who are working, or want or need to work, but experience challenges in doing so.....	6
What is already underway	7
Better Later Life actions that will benefit older workers.....	7
Other initiatives already underway that will benefit older workers	7
Other population employment action plans	8
Section Three: Actions	9
Section Four: Implementing the Action Plan	11
A living plan.....	11
Tracking progress.....	11
Appendix: Action detail	12
Action 1	12
Action 3	12
Action 5	13
Action 7	13
Action 8	14
Action 9	14
Action 10	14

Section One: Introduction

The Older Workers Employment Action Plan (OWEAP) is one of seven population employment action plans that support the Government's [Employment Strategy](#). It encompasses those aged 50 and over who are working or who want or need to work.

The purpose of the OWEAP is to ensure that:

Older New Zealanders who want or need to work can find sustainable employment that fulfils their needs and aspirations and contributes to their overall wellbeing.

This plan supports the Government's Employment Strategy

The Government's Employment Strategy sets out an overarching framework for government work programmes. This and the other population action plans focus on improving outcomes for groups that consistently experience poor labour market outcomes (older people, Māori, women, Pacific people, disabled people, former refugees, recent migrants and ethnic communities). The action plans are complementary; some people may find that actions in more than one plan will address the variety of challenges or opportunities they face.

This plan also supports the Government's strategy for our ageing population

The vision of the [Better Later Life – He Oranga Kaumātua Strategy](#) (Better Later Life Strategy) is that older New Zealanders lead valued, connected and fulfilling lives. It promotes the importance of meaningful work for older people, in achieving financial security and economic participation.

The Government has already started work on some actions to achieve these objectives under the first [Better Later Life - He Oranga Kaumātua Action Plan 2021 to 2024](#) (Better Later Life Action Plan) . These actions are outlined in the next section.

Section Two: Approach

There are many benefits to retaining older workers in employment

Older workers make up around a third of the workforce in Aotearoa New Zealand and currently almost half of all those aged 65 to 69 are employed. People 50 and over bring skills and knowledge to their workplaces and contribute significantly to the economy. Keeping these people and their skills in the workforce is key to making sure that the labour market can meet the economy's future needs. The wage and salary income of people over 65 is projected to rise from \$4.8 billion in 2016 to around \$10.7 billion in 2031.

It's not always easy for older workers to find or stay in employment that suits their needs

Older workers can face unique and complex challenges in finding and staying in paid employment. If older workers are made redundant or have had to leave paid employment it can take longer for them to find another job than younger people, and they may have lower incomes when they do. Research has shown that:

- people aged 50 and over make up around 41 percent of those who have been receiving Jobseeker Support payments for more than a year
- five years after the 2009 Global Financial Crisis people over 50 who lost their jobs in Aotearoa New Zealand had around 11 percent lower employment rates than they had prior with around 25-30 percent lower incomes

Age discrimination around work also affects many older workers. It can be felt in terms of hiring, where assumptions are made about a person's suitability for the job, or in work where they may not be given the same opportunities for training and development, or where they may not be given the support and flexibility they need.

Some older workers are less likely to have choices around working

The impacts of poor employment outcomes for older people can also differ based on compounding sources of disadvantage:

- older female workers are over-represented in unpaid carer roles and low paid part-time work, more underutilised¹ than males, and may have fewer years to benefit from employer Kiwisaver contributions which are not compulsory for those over 65. Separation later in life can also mean losing more in terms of money and property, with less time and resources to rebuild wealth.
- older Māori workers suffer consistently higher rates of unemployment and underutilisation than older European workers.
- underutilisation of older Pacific workers is higher than for older workers of Māori, European and other ethnicities

¹ Underutilisation counts people who don't work but want to and are available to, people who want to work more than they already do and are available to, and people who can't start work immediately but are looking for jobs and can start within the next month.

- disabled older workers are half as likely to be employed as people of the same age who are not disabled.

Lack of access to education and training in their earlier years may also mean that some older workers have limited job choice and income. This is compounded by pay and equity gaps for older Māori, women, Pacific people, disabled people, former refugees, recent migrants and ethnic communities.

Te Ara Ahunga Ora – the Retirement Commission recently found that a third of people over the age of 65 who were working did so because they had to (from a financial point of view). For an increasing number of people who do not own their own homes or do not have significant retirement savings, continuing to work in some capacity past the age of 65 is a necessity.

Older Māori workers

Te Tiriti o Waitangi places a particular obligation on Government to facilitate full Māori participation in the labour market. The current constraints in the labour force result in poorer retirement saving outcomes for older Māori workers, which when coupled with shorter life and health expectancy as compared to other ethnicities, means that they are deprived of the period of “retirement” that many New Zealanders expect. People who participated in consultation on the OWEAP also reminded the Government not to lose sight of the fact that many Māori communities consider their kaumātua, and the knowledge they hold, to be taonga deserving of active protection under Te Tiriti. This action plan attempts to facilitate the exercise of rangatiratanga by iwi/hapū and Māori organisations through collaboration with government and sector groups to address these particular challenges, and will also align with the [Te Mahere Whai Mahi Māori - Māori Employment Action Plan](#) as appropriate to coordinate efforts.

This plan is for people aged 50 and over who are working, or want or need to work, but experience challenges in doing so

It is important that all New Zealanders are free from discrimination and can enjoy fulfilling and secure work.

Our older population is diverse, in terms of ethnicity, gender and life experience. The labour market experience of older workers ranges from very secure to tenuous. The plan is focused on people from age 50 because that’s when preparing for retirement becomes a bigger focus, age discrimination may become a significant issue, or people may not be able to continue the same kind of work they have previously done because of physical ageing or changing responsibilities in their lives.

Some older people can experience more challenges than others in preparing for, finding, and staying in fulfilling and secure work. This means they do not always have immediate or long-term financial security and may not have work that meets their physical, mental, and social needs. This action plan is focused mostly on this group.

What is already underway

Better Later Life actions that will benefit older workers

The following actions in the Better Later Life Action Plan cover employment issues for older workers:

- Pilot and evaluate an approach to help older entrepreneurs establish sustainable businesses
- Promote the [Mature workers toolkit](#)
- Lead good practice in the employment and support of older workers
- Review COVID-19-response employment measures outcomes
- Advise on employment service eligibility for people over 65
- Research age discrimination in the workplace
- Improve reporting on employment of older workers in the public service.

Other initiatives already underway that will benefit older workers

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.

Proposed New Zealand Income Insurance Scheme

The Government is proposing an [Income Insurance scheme](#) to further strengthen our social safety net by supporting workers to retain about 80 percent of their income for a period 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.

Reform of Vocational Education

The [Reform of Vocational Education](#) (RoVE) was designed to create a unified and sustainable vocational education system. The new structure includes local vocational education providers, Workforce Development Councils (WDCs) to give industry greater leadership across vocational education and Regional Skills Leadership Groups (RSLGs) to provide advice about the skills needed in their regions. People who need to retrain, including many older workers are required to be prioritised.

The Careers System Strategy

The Tertiary Education Commission (TEC) is working with the education sector to develop a nationwide careers system strategy to make sure professional careers guidance is available to all New Zealanders, at all stages of their career journey. The TEC will work closely with key stakeholders to make sure it is fit-for-purpose and sustainable. The strategy will consider related strategies in the education sector, such as the [Tertiary Education Strategy](#).

Other population employment action plans

The Ministry of Business, Innovation and Employment (MBIE) has oversight across the seven employment action plans, and leads work to identify opportunities to work together on common actions across the plans.

There are three themes across the actions included or under consideration in other population employment action plans which will particularly benefit older workers:

- provision of information for Human Resources professionals, employers and businesses about inclusion and diversity
- the public sector leading as a best practice employer; and
- better collection, reporting and sharing of data.

Ongoing work to coordinate across the employment action plans will provide for better alignment of agency work programmes, avoid duplication of actions and can help guide the Government's labour market priorities. It will also enable wider actions that will also benefit older workers to be identified and promoted.

Section Three: Actions

These actions will support older workers who want to work to have sustainable employment that fulfils their needs and aspirations and contributes to their overall wellbeing.

This plan's focus on older people at risk of poor labour market outcomes. Many of the actions will support older workers who face compounding barriers in the labour market, including Māori, women, Pacific people, disabled people and former refugees, recent migrants and ethnic communities.

Action	Agency/agencies
ACTION AREA: TRAINING, UPSKILLING, AND EDUCATING	
<p>1. Research and assess the needs of older workers for training, upskilling and vocational education, and the barriers to access (including appropriateness and availability).</p> <p>Based on the outcomes of this work, provide advice on how to increase older workers uptake of training, upskilling and vocational education.</p>	<p>Ministry of Education (MOE) and Ministry of Social Development (MSD) supported by the Tertiary Education Commission (TEC)</p>
<p>2. Report annually how many older workers have enrolled in and completed courses with government-funded vocational education providers and what they trained in (in 5-year age brackets for those over age 45), gender and ethnicity.</p>	<p>MOE</p>
ACTION AREA: PREPARING FOR, FINDING, AND STAYING IN WORK	
<p>3. Actively engage with older workers and make sure they can access information that will help them identify training options, prepare for work, find work and stay in work. Make sure that this work is promoted widely.</p>	<p>MSD (with local and regional support), TEC and the Office for Seniors (OfS)</p>
<p>4. Review relevant career products to make sure that older workers are visible and their context reflects the diversity of older workers, is useful and relevant to them and raises awareness of study and training options.</p>	<p>TEC and OfS</p>
<p>5. Make sure that the needs of older workers and the barriers they face to finding work and staying employed are fully considered and addressed in:</p> <ul style="list-style-type: none"> a. the ongoing development of employment services b. the design of the proposed New Zealand Income Insurance Scheme c. the review of active labour market programmes. <p>Make sure that the final products from this work are accessible and well promoted, potentially through a targeted awareness campaign.</p>	<p>MSD, Ministry of Business, Innovation and Employment (MBIE) and OfS</p>

Action	Agency/agencies
6. Report on how many older workers engaged with government-funded employment services and programmes. Where possible report this by age (in 5-year age brackets from the age of 45), gender and ethnicity.	MSD

ACTION AREA: SUPPORTING EMPLOYERS	
7. Review the Mature workers toolkit to ensure that it continues to provide employers with practical support to hire, develop and retain older workers. Make sure that the toolkit is promoted widely.	MBIE and OfS
8. Research incentives and barriers for employers in providing more opportunities for older workers to benefit from flexible work arrangements. Prioritise groups (in alignment with other employment action plans): Māori, women, Pacific people, disabled people, former refugees, recent migrants and ethnic communities	MBIE
9. Research opportunities and incentives for employers to provide greater opportunities for older workers to participate in training in the workplace. Prioritise groups (in alignment with other employment action plans): Māori, women, Pacific people, disabled people, former refugees, recent migrants and ethnic communities	MBIE
ACTION AREA: PLANNING FOR OLDER WORKERS ROLE IN THE ECONOMY AND THE FUTURE OF WORK	
10. Improve understanding across industry groupings and sectors of the effects and opportunities of an ageing workforce. Do this in collaboration with relevant key stakeholders (such as Iwi/hapū and Māori organisations, Regional Skills Leadership Groups, Workforce Development Councils, employers and unions).	MBIE and MSD supported by TEC
11. Refer the issue of the ageing workforce to the Future of Work Forum to include as a specific discussion topic on its agenda.	MBIE and OfS

Further detail of how some of these actions will be implemented can be found in Appendix 1.

Section Four: Implementing the Action Plan

A living plan

The OWEAP has no set end date. The actions will be reviewed and updated as work progresses, and new opportunities arise.

Tracking progress

We will develop a monitoring approach by mid-2022 to track the progress on the actions and overall changes in older workers participation in training, support services and work itself.

Monitoring will form the basis of regular reviews of the plan and actions to make sure they are having positive impacts, or to identify where adjustments should be made.

We will provide information about the progress of the plan to:

- Ministers of agencies with responsibilities for specific actions
- the Employment, Education and Training Ministerial Group (EETMG)
- Cabinet (as part of regular updates on the Employment Strategy)
- the public and non-government stakeholders.

Appendix: Action detail

Actions 2, 4, 6 and 11 are not included in this table because they can either be implemented immediately or be completed without a more detailed work programme.

Action	Agencies	Breakdown of work included in action
<p>Action 1</p> <p>Research and assess the needs of older workers for training, upskilling and vocational education, and the barriers to access (including appropriateness and availability).</p> <p>Based on the outcomes of this work, provide advice on how to increase older workers uptake of training, upskilling and vocational education.</p>	<p>MOE, MSD supported by TEC</p>	<p>This will include work to:</p> <ol style="list-style-type: none"> make it easier for older workers to understand what training and vocational education options are open to them and how they can access them assess current availability and suitability of micro-credentials (a formal qualification that enables learners to access specific knowledge and skills quickly and cheaply) for older workers and identify any options to improve their availability and suitability assess supports, including financial supports, that could be made available to older workers to enable them to upskill while working or to retrain.
<p>Action 3</p> <p>Actively engage with older workers and make sure they can access information that will help them identify training options, prepare for work, find work and stay in work. Make sure that this work is promoted widely.</p>	<p>MSD (with local and regional support), TEC and Office for Seniors</p>	<p>This will include work to:</p> <ol style="list-style-type: none"> improve engagement with older workers improve the suitability of online tools for older workers, including updating www.connected.govt.nz with information specific for older workers hold in-person job and training expos for older workers. These will look different across regions depending on the labour market needs and the characteristics of older workers, but will involve cross-government agency collaboration (for example between regional MBIE and MSD staff, and local government), collaboration with local iwi/hapū and Māori organisations, and involvement of other community stakeholders (for example Regional Skills Leadership Groups, Chambers of Commerce and groups focused on Pacific and other ethnic communities, including former refugees). Importantly these expos will be developed to be a comfortable and engaging experience for older workers.

Action	Agencies	Breakdown of work included in action
<p>Action 5</p> <p>Make sure the needs of older workers and the barriers they face to finding work and staying employed are fully considered and addressed in:</p> <ul style="list-style-type: none"> a. the ongoing development of employment services b. the design of the proposed New Zealand Income Insurance Scheme; and c. the review of active labour market programmes. <p>Make sure that the final products resulting from this work are accessible and well promoted, potentially through a targeted awareness campaign.</p>	<p>MSD, MBIE and OfS</p>	<p>This will include work to:</p> <ul style="list-style-type: none"> a. improve services so older workers are comfortable using them b. increase the number of older workers receiving intensive employment support c. design and trial, an intensive intervention specifically for older workers facing imminent job loss, or who have just lost their jobs d. assess the feasibility of financial support for older workers to make it easier for them to access the skills and vocational education they need.
<p>Action 7</p> <p>Review the Mature workers toolkit to ensure that it continues to provide employers with practical support to hire, develop and retain older workers.</p> <p>Make sure that the toolkit is promoted widely.</p>	<p>MBIE and OfS</p>	<p>The review will monitor usage of the Mature Workers Toolkit and seek feedback from employers and workers to identify opportunities for improved or additional content for the toolkit.</p> <p>This could include:</p> <ul style="list-style-type: none"> a. additional real-life examples showing the benefit of hiring and retaining older workers from both the employers and employees' point of view and reflecting a diverse range of situations and people b. advice and tips on providing in-work training and upskilling.

Action	Agencies	Breakdown of work included in action
<p>Action 8</p> <p>Research incentives and barriers for employers in providing more opportunities for older workers to benefit from flexible work arrangements.</p> <p>Prioritise groups (in alignment with other employment action plans): Māori, women, Pacific people, disabled people, former refugees, recent migrants and ethnic communities</p>	MBIE	<p>This will include:</p> <ol style="list-style-type: none"> a. identifying and developing the research scope and methodology b. conducting research c. identifying next steps based on the research findings d. providing advice to Ministers on options and incentives to remove barriers to employers providing more opportunities for older workers to benefit from flexible work arrangements.
<p>Action 9</p> <p>Research opportunities and incentives for employers to provide greater opportunities for older workers to participate in training in the workplace.</p> <p>Prioritise groups (in alignment with other employment action plans): Māori, women, Pacific people, disabled people, former refugees, recent migrants and ethnic communities</p>	MBIE	<p>This will include:</p> <ol style="list-style-type: none"> a. identifying and developing the research scope and methodology b. conducting research c. identifying next steps based on the research findings d. providing advice on opportunities and incentives for employers to provide greater opportunities for older workers to participate in training in the workplace.
<p>Action 10</p> <p>Improve understanding across, industry groupings and sectors of the effects and opportunities of an ageing workforce.</p> <p>Do this in collaboration with relevant key stakeholders (such as iwi/hapū and Māori organisations, Regional Skills Leadership Groups, Workforce Development Councils,² employers and unions).</p>	MBIE, MSD, supported by TEC	<p>This collaborative work with relevant key stakeholders will focus on exchanging information to identify sectors with:</p> <ol style="list-style-type: none"> a. workforce gaps that older workers could fill given the right support, training, or encouragement b. significant ageing workforces where people may need training, upskilling or other supports to remain in that work c. ageing workforces where people are unlikely to stay in those roles as they age.

² RSLGs and WDCs have only recently been established. This is a longer-term action that will develop as these organisations embed and engage in this work.