

Briefing to the Incoming Minister

Seniors

2020



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA



Office for Seniors
Te Tari Kaumātua

Administered by the Ministry of Social Development

The Minister for Seniors
leads and advocates
across Government on issues
that affect older people



16%

of the population is 65 or older
(as at 30 June 2020)



21%

of the population will be
65 or older in 2034



40%

of single people aged 65+
receive only NZ Super
(year to 2018)



17,000

people aged 65+ live in
a household that experiences
material hardship
(year to June 2018)



over

48,000

people aged 65+ receive the
accommodation supplement
(as of August 2020)



6.6%

of GDP will be required to fund NZ
Superannuation in 2060

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Welcome to the Seniors portfolio

We look forward to working with you and discussing the most effective ways we can support you and your priorities as Minister.

This briefing provides you with an overview of your portfolio, along with key matters for your consideration in the first three months in your role. It also explains how the Office for Seniors – Te Tari Kaumātua supports you, and outlines other support provided by the Ministry of Social Development – Te Manatū Whakahiato Ora (MSD).

We outline current areas of focus and key issues in the portfolio and some of the key strategic issues for older people.

Scope of your portfolio

Leadership and advocacy

The Minister for Seniors portfolio was established in 1990 and leads and advocates across government on issues that impact older people, including:

- protecting older people’s rights and interests
- leading the implementation of the strategy for our ageing population, Better Later Life He Oranga Kaumātua 2019 to 2034, and the development of the first action plan
- leading Age friendly Aotearoa New Zealand
- administering and promoting the SuperGold Card
- increasing digital inclusion and literacy
- raising awareness of elder abuse
- advocating on all issues affecting older people, including employment, housing, health and social services, social connections, transport and accessible environments.

A key part of your role is promoting action on and accountability for older people’s issues in the policy, services and practice of these areas. This includes developing relationships with key stakeholders that support the needs and issues of older people.

Support for your portfolio and responsibilities

As Minister for Seniors, you are responsible for issues impacting on older people and for the Office for Seniors itself.

The Office for Seniors supports your responsibilities and priorities as Minister for Seniors.

Office for Seniors

The Office for Seniors is a small team with seven full-time staff, led by a Director. The Office is located within and administered by the Ministry.

The Office:

- provides advice on the rights and issues of older people
- develops and implements Better Later Life He Oranga Kaumātua 2019–2034
- leads the Age friendly Aotearoa New Zealand programme
- promotes and encourages digital literacy for older people
- raises awareness of elder abuse
- supports you to advocate for and raise awareness of issues facing older people
- informs and communicates with older people on news and information important to them.

You are responsible for the \$1.297 million appropriation that funds the Office for Seniors.

The Office does not have a service provision role.

Support from MSD

The Office for Seniors works closely with the Ministry's Disability, Seniors and International Policy team and other operational areas of the Ministry.

The team is responsible for policy development and advice on a range of retirement income and social policy issues relevant to seniors. It is also responsible for international social security agreements, policy on payment of benefits and pensions overseas and overseas government pensions paid to New Zealand residents.

While the team is accountable to the Minister for Social Development, with agreement from the Minister for Social Development they can also support your portfolio and provide you with policy advice on key issues.

The Ministry's Service Delivery team supports seniors to be independent and participate in society.

Service Delivery administers New Zealand Superannuation (NZS) and the Veteran's Pension and other benefits under the portfolio of the Minister for Social Development. It also manages concessions and discounts available to seniors eligible for the SuperGold Card and provides specialised support through Seniors Case Managers.

MSD's Māori, Communities and Partnerships team is responsible for the management of providers contracted for the Elder Abuse Response Service (and the appropriation that supports this service).

Context

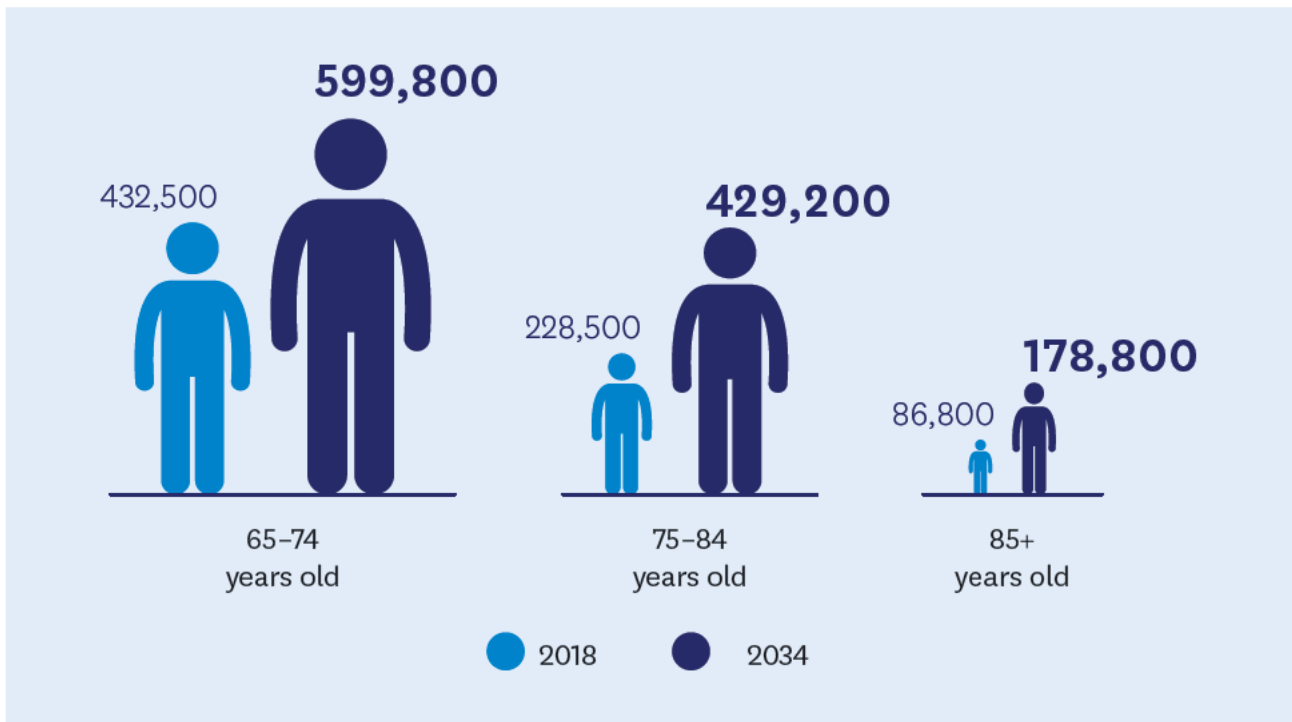
New Zealand's demographic is changing

People are living longer

New Zealand's population is ageing, and life expectancy is continuing to increase.

In New Zealand, the number of people aged 65 and over is increasing, while the birth rate has been decreasing since the mid-1970s. Within the next decade there will be more people aged 65 and over than children aged 0 to 14 years.

As at June 2020 there were an estimated 800,300 people aged 65 and over, including 90,500 people aged 85 and over.



Our older population is diverse

New Zealand is becoming increasingly diverse. This means people who make up the older population may have different aspirations and needs as they age.

As well as ethnicity, diversity also includes differences in religion, philosophy, socio-economic background, sexual orientation, gender identity, physical abilities, mental health, physical health, genetic attributes, personality, and behaviour.

As we are living longer, we are more likely to suffer from age-related health issues such as arthritis, Alzheimer's, and fall injuries. We are also likely to see more age-related disabilities. In 2013, 59 percent of people aged over 65 had one or more disabilities. This has implications for health and social services in later life.

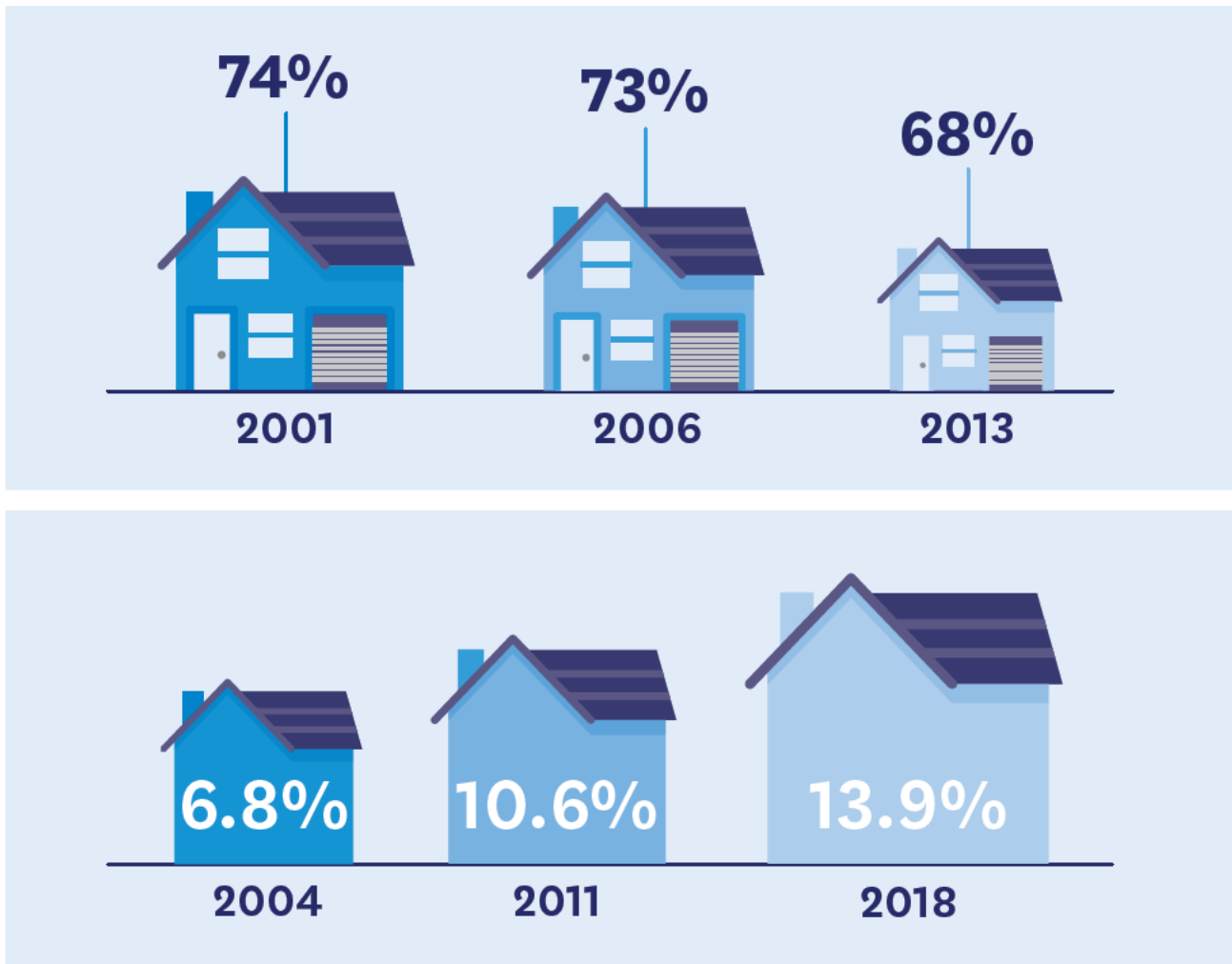
The way older people are living is changing

There will be more people renting or living alone

Older people live in different ways depending on their circumstances or their preferences.

The number of people living alone is expected to increase as the population ages. By 2034 it is estimated people aged 65 and over will make up 55 percent of all people living alone.

There will be more older people renting in the future. While older people are currently more likely than any other age group to own their own home, home ownership rates are declining for those aged 50 to 64.



For older people who do own their home, the number with a mortgage is increasing. The proportion of older people with a mortgage increased from 6.8 percent in 2004 to 14 percent in 2018, and is expected to continue to increase.

Others live in intergenerational households. Some older people will have increased caring responsibilities for both older and younger generations. Over 40,000 people now live in retirement villages and approximately 35,000 people living in aged residential care facilities.

People are working longer

Nearly **one in four** people aged 65+ are in paid employment



The New Zealand labour force is ageing. Currently people aged 50+ make up 33 percent of the national labour force and 45 percent of people who are self-employed.

Working past 65 is already becoming the norm and this is expected to continue. People may want or need to work for financial or social reasons, for a sense of purpose, or because they do not feel ready to leave the paid workforce. Older people are making up an increasing proportion of self-employed New Zealanders.

Older people make a significant contribution

Older people make a significant contribution to society. Prior to COVID-19 it was projected that by 2036 those aged 65 and over will contribute (in 2016 dollars):

- \$50 billion of consumer spending each year
- \$25 billion worth of unpaid or voluntary work
- \$13 billion in taxes (including GST).

Superannuation currently costs around 4.8 percent of GDP (2019) and by 2060 it is forecast to be around 7 percent of GDP. A small but increasing number of superannuants are experiencing material hardship under current settings.

Technology is changing the way people live

Technology presents an opportunity to improve our lives as we age.

The use of technology will continue to grow in the future as the proportion of older people become more comfortable with using it.

However, technology can also be a barrier for some older people who are digitally excluded. This will still be the case for the next generation of seniors.

Older people have been identified as a digitally disadvantaged group – with 10 percent of people aged 65 to 74 not using the internet. This increases to 25 percent for people aged 75 to 84 and 50 percent for people aged 85 and over.

Older people can be digitally excluded because they are not familiar with technology, are unable to manage continual change, are fearful of scams, or because devices are unaffordable or outdated.

Some older people value face-to-face interaction and reducing this may impact on their wellbeing as well as their ability to access goods, services and information. The speed with which services are moving online increases this risk.

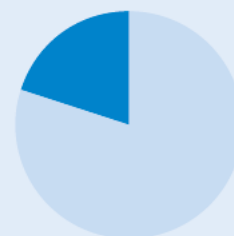
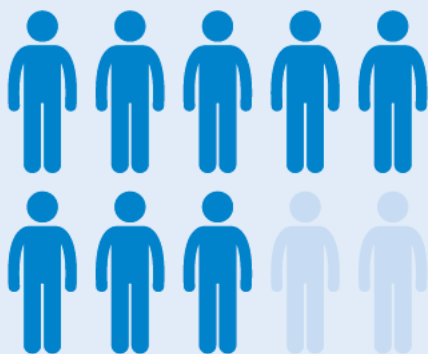
Attitudes towards older people

While there are generally high levels of respect for older people, they are viewed by some as a burden.

The Office commissioned the Attitudes towards Ageing research in 2016, which looked at attitudes towards older people and ageing. The report found that more than half of those surveyed (54 percent) considered seniors brought benefits and were of value to society. A small group (8 percent) saw seniors as more of a burden and 38 percent saw them as neither an asset nor a burden. In the same research 26 percent of people aged 75 and over had experienced discrimination/poor treatment in the last year. Negative attitudes towards older people are found in our workplaces, our institutions, our families and in the media.

This needs to change. It is important that older people are connected to their communities and are given opportunities to be fully contributing members of our society. This includes contributing to the economy as participating members of the labour market.

Eight in ten people said they had respect for seniors



20% of people aged 50+ have **felt invisible because** of their age

Elder abuse

As many as one in 10 older people in New Zealand will experience some kind of elder abuse; most goes unreported. The numbers of people experiencing elder abuse and physical and emotional neglect could grow as the older population increases. Increased financial pressure has the potential to increase such abuse.

As abuse is usually at the hands of a family member or a person of trust, the impact can be significant.

COVID-19 and its impact on older people

During the COVID-19 pandemic, older people were required to stay home longer than most.

The self-isolation requirements have had both social and economic consequences and heightened existing issues facing older people.

While older people are less likely to be in material hardship due to COVID-19 than younger people, some are experiencing financial difficulties and more of the next generation of older people are struggling financially. That could be compounded in the future by reduced wages, and lower income from investments like KiwiSaver or savings interest.

It is also expected to have a large impact on older workers' ability to gain employment as older people are more likely to feel the effects of job loss for longer.

Following the lockdown there has been an increase in the number of older workers aged 50 and over receiving income support. In July 2020, 25,329 people aged 50 and over were receiving Jobseeker Support and available for full-time work (Jobseeker Work Ready). This is 39.3 percent higher than in February 2020 (before lockdown). There were also 5,731 people aged 50 and over receiving the COVID-19 Income Relief Payment.

More people are also receiving other benefits, supplementary assistance (especially the Accommodation Supplement) and hardship assistance.

Reduced incomes may also affect some older people's ability to pay rent or their mortgage. Recent data has shown an increase in the number of older people on the Public Housing Register, though that is still lower than other age groups.

Loneliness and social isolation are a particular risk for those aged 70 and over, who were asked to stay home for longer, and for those who are unable to connect with family and friends digitally.

A survey found that during Levels 3 and 4, 15 percent of older people said they felt lonely at least some of the time in the last week. Social isolation and increased financial stress on families also increase the risk of elder abuse for some older people.

COVID-19 also highlighted the impacts of digital exclusion. Older people that did not have access to digital technology had difficulty accessing essential services and products during lockdown. The pandemic has also increased the move to provide many services online.

The Office for Seniors has developed a small set of key indicators to monitor the impact of COVID-19 on older people. These are published on the SuperSeniors website and will be published quarterly.

With the recent resurgence of COVID-19, older people are expected to continue to be adversely impacted by unemployment and underemployment, and the associated financial issues, as well as increased loneliness and an associated loss of confidence in participating in regular activities.

The Office is contributing to the COVID-19 All-of-Government (AOG) Response Group through the Caring for Communities (CFC) programme and COVID-19 AOG Communications.

CFC was established in March 2020. Its purpose was to better understand and focus on New Zealand's most vulnerable communities and to ensure that services were provided to them, even during full lockdown. The Office focused on gathering insights and sharing information to support the system response and reporting.

The Office provided advice and input into the AOG Communications on older people as well as directly updating older people and stakeholders through its digital platforms.

Key priorities and issues

Key priorities

Cabinet-directed work is under way to develop the Better Later Life Action Plan 2021–2024. It builds on the Better Later Life He Oranga Kaumātua strategy, which was launched in November 2019.

The Action Plan will include actions from across government and will be released in mid-2021. The Ministerial Steering Group has agreed three priority areas:

- employment
- digital inclusion
- housing.

Current issues within each of these priorities are included below.

Supporting older workers

Employment helps support older people to build and maintain financial security. This can be through working for someone else, self-employment, volunteering or a mix of these.

Extra support needs to be considered to help older people aged 50 and over stay in work, or to undertake further study or retrain. This can be done by including them in existing programme design or providing targeted support.

While general support is available, often it does not meet the needs of, or is sometimes unavailable to, older workers. Many of the new initiatives focus on male-dominated and physically demanding industries and occupations. This has limited benefit for some older workers, including women and people previously in physically demanding jobs.

Participation in some of these employment initiatives will also require people to relocate. This is difficult for people with a home (owning or renting) and those with family or caring commitments.

Different approaches to support will be required for older workers and people with complex needs or disabilities. This can include flexible working arrangements or support for upskilling or retraining of older workers where necessary to help them adapt to new work situations. Access to self-employment opportunities will also be important. Frontline staff and systems need to provide support and assistance that responds to the needs of older workers.

The Office continues to engage with a range of initiatives in the COVID-19 Employment, Education and Training programme. This includes encouraging key gaps in support to be identified and filled, and for progress to be made on an Older Persons Employment Action Plan. However, more will be required at all levels to ensure that older people do not come out relatively worse off from COVID-19.

Keeping seniors digitally included

Increasing digital inclusion is necessary to support social connections.

However, many older people do not have access to a device, internet connection, or the skills, confidence and trust to access services and information online.

This poses challenges for older people especially as businesses and government increasingly provide information online. In some cases, online is now the primary way for people to get information or to access services. It is important that Government and business provide other channels for the digitally excluded.

One option is to support older people to improve their digital skills to stay connected to their family and friends, and to access key services – whether these be in health, retail, education or other aspects of life.

The Office received three years of funding for digital literacy training. The programme provides basic technology skills, including using internet banking, social media, and email. Digital Inclusion Alliance Aotearoa (DIAA) and the 20/20 Trust are contracted to provide digital literacy training for nearly 4,700 seniors across the country. This includes training for 375 Pacific seniors – in their own language and taught in their local church. The first graduates completed the course in July 2020.

The Office is currently working with both public and private entities to expand the reach and quality of digital literacy programmes for older people.

Ensuring diversity of choice and options in housing

Having a secure and safe place to live is fundamental to someone's wellbeing. Ageing in the community safely and independently can improve physical and mental health.

Older people need functional and affordable housing that has good access to services and public transport and that enables them to connect with whānau and the wider community. Diversity of choice and options is necessary.

The construction and/or provision of suitable housing, including social housing, will be a key part of providing functional and affordable housing for older people. Longer term, addressing gaps in standards and finding new approaches that support social housing will form part of the solution. Supporting a range of care arrangements and access to home support will also be needed if people are to age in place (at home).

While homelessness is not as significant an issue for older people compared to other age groups, it is a significant issue for those who experience it. Homelessness for some older people may not present itself in the same way as for others – for example they may have a roof over their head but move between the extended family.

Work is under way as part of the Homelessness Action Plan (2020-2023) to develop options that address homelessness, starting with increased understanding about who is impacted and what approaches would best support those people. The Office will continue to influence this work.

In developing the *Better Later Life Action Plan 2021–2024* the Office will continue to advise on diverse housing choices and options. This will include working with government housing agencies such as the Ministry of Housing and Urban Development and Kāinga Ora, as well as across the Ministry of Social Development.

We will provide you with a more detailed briefing on the strategy, Action Plan and ministerial governance arrangements and will discuss this work with you to ensure that it aligns with your priorities.

Key issues

While the issues above are Action Plan priorities, other areas still require ongoing focus.

Enhancing opportunities for participation and social connection

Being connected and having meaningful relationships with family, whānau and the wider community are critically important for someone's wellbeing. Older people can experience loneliness and social isolation, which contribute to poor mental and physical health outcomes.

It is important that older people remain socially connected and able to participate in their communities.

There are several issues that impact on this.

Elder abuse

Older people should feel safe, and free from abuse and neglect. However, lack of social connection, financial pressures, ageism, and other factors enable elder abuse and neglect to go on, often undetected and unreported.

Budget 2020 provided \$25 million to the Ministry over four years to increase funding available to the elder abuse support services. This service currently consists of a national 0800 number, regional service providers and awareness raising. The Office leads work to raise awareness of elder abuse in New Zealand. This includes a substantial annual campaign to focus attention on this issue on World Elder Abuse Awareness Day on 15 June.

However, more focus needs to be given to understanding the current prevalence of elder abuse, prevention and enabling people to access support when needed. The Office is working with the Joint Venture on Family and Sexual Violence to ensure that elder abuse is integrated into its strategies and programmes.

Protecting the interests of older people

Older people may need to be supported to make decisions about their lives. It is important to plan for a time when doing this may become necessary.

Enduring Powers of Attorney (EPA) is a tool that can assist with this planning. However, cost is one reason why people choose not to prepare an EPA. There is also a risk that an EPA may be used by the Attorney (the person responsible for supporting the owner of the document to make decisions when they are no longer able to do so independently) to instigate financial abuse.

It is difficult to find a policy approach that successfully balances affordability with protecting the individual from possible abuse.

The Office will continue to provide information about the use of EPAs and encourage a full review of the policy used to shape the EPA provisions in law – aiming to find a more effective balance.

Promoting healthy ageing and improving access to services

The availability and affordability of health services for older people that are culturally appropriate and whānau-centred is a key issue.

It is unclear how the recent Health and Disability System Review will support these aspirations for older people as well as those with Disabilities.

It is crucial that organisations that provide health and social services to older people do so in a way that supports their aspirations and abilities. This may mean providing easy access to wrap-around services or simply understanding and respecting the needs of the person and their whānau.

Workforce planning and development across health and social services will continue to play a critical role in being able to meet the needs of older people now and in the future. While several new workforce planning initiatives (such as a carers workforce agreement) were delayed due to COVID-19, the Office will support the work once it is able to recommence.

During COVID-19 the need for more joined-up government services was critical to those in need. This requires ongoing focus and is something the Office will continue to actively promote across government.

Making environments accessible

Accessibility enables people to engage and participate in their communities. It incorporates the concept of universal design in buildings and infrastructure as well as being able to connect and participate in our communities.

The Office is actively supporting work in communities through the Age friendly Aotearoa New Zealand programme. New Zealand became an affiliate to the World Health Organization's Age-friendly Cities and Communities programme in 2018, which helps cities and communities to work in partnership with older people to adapt structures (buildings, roads, pedestrian spaces, etc) and services to meet their needs.

The implementation and promotion of Age friendly Aotearoa New Zealand continues across the country. Since 2017 the Office has provided \$100,000 per year for Community Connects grants, with 10 district councils and 17 community organisations receiving between \$5,000 and \$15,000 each during the last three years.

Grants aim to support groups to develop age friendly plans or implement age friendly community initiatives in line with the WHO Age friendly Cities and Communities model.

Following the current round of October grants, a review is planned, and the Office will make recommendations to you about future funding options.

The Minister for Disability Issues has been leading policy work to develop a proposal for a new legislative framework complemented by an education component to accelerate an Accessible New Zealand. While final decisions are still to be made, this work aims to prevent and remove barriers to accessibility. This will benefit older people as well as those with disabilities.

The Office will keep you informed as work on the new accessibility framework progresses through 2021.

Measuring progress

A set of initial indicators has been developed to track what has happened against each of the key areas for action in the Better Later Life strategy. The baseline report has been published on our website. We will also be developing specific indicators to measure progress against the Action Plan. The first two-yearly progress report on the Action Plan and outcomes is due in 2023.

In March 2020 the United Nations Independent Expert on the enjoyment of all human rights by older persons visited New Zealand. Her report and recommendations were released in August. These provide an opportunity to see how New Zealand is progressing relative to other countries. The Decade of Healthy Ageing, being led by the World Health Organization, commenced on 1 October 2020.

We will provide you with detailed briefings on the key issues affecting older people and are keen to discuss with you how you can lead change across government.

SuperGold

The Minister for Seniors in previous terms has been delegated responsibility for the appropriation for promoting, enhancing and delivering information about the SuperGold and Veteran SuperGold Cards, and enlisting businesses to provide discounts to SuperGold cardholders.

The SuperGold Card is supported by a new website and app, which was launched on 1 October 2019 to help make it easier for cardholders to find offers relevant to them.

As at 2 August 2020 the total number of SuperGold Card app downloads across all platforms was 129,110, the cumulative count for website users was 502,850 and the cumulative count for page views was 2,435,028.

As at the end of June there were 5,478 businesses represented by over 10,500 business outlets.

Since 2008 NZ Transport Agency Waka Kotahi has funded the public transport elements of the SuperGold Card discounts.

Appropriation responsibility

You are the appropriation Minister for the following departmental appropriation within the Ministry of Social Development.

Promoting positive outcomes for seniors

Scope of appropriation

This appropriation is limited to providing information and facilitation to protect the rights and interests of older people, to promote local community involvement in senior issues, and ministerial services.

In the 2020/21 financial year this is \$1.297 million.

Enhancement and promotion of SuperGold Cards

Scope of appropriation

This appropriation is limited to promoting, enhancing and delivering information about the SuperGold and Veteran SuperGold Cards, and enlisting businesses to provide discounts to SuperGold cardholders.

In the 2020/21 financial year this is \$1.7 million.

Decisions that require your early attention

Below is a list of the key actions and decisions we would like to discuss with you in your first 100 days as Minister for Seniors, in addition to your key priorities.

What	Date expected
Budget 2021 Discuss your Budget 2021 priorities	November 2020
Better Later Life Action Plan Discuss ministerial governance arrangements, priorities and timeframe	November 2020

Key contacts

Name	Title	Contact number
Diane Turner	Director, Office for Seniors	Section 9(2)(a) of the Official Information Act
Simon MacPherson	Deputy Chief Executive, Policy, MSD	
Julia Bergman	General Manager, Disability, Seniors and International Policy, MSD	
Section 9(2)(a) of the Official Information Act	Policy Manager, Seniors Policy and International, MSD	



New Zealand Government