

NZiRA NewZ

From the Director

Issues for Older People in the Future

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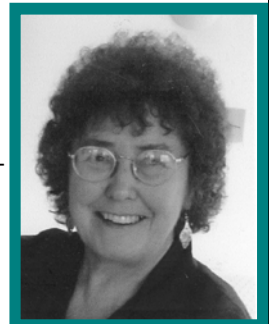
Statistical Snippets

- 1 As the population ages, we face a range of issues and uncertainties. Several are included in this issue of *NZiRA Newz*. On page 2, political parties give their views on retirement income policies for the next election (in 2005) and beyond. These concern not only public provision but also the role of private provision and how it should be encouraged (including work-based superannuation schemes). On page 4, there are some projections of housing demand for the future, pointing out the likely need for more rental housing and significant increases in residential care provision. Of course, policies and preferences may change the distribution of older people among housing tenures and housing types. Other issues, arising from the housing research, which NZiRA and BERL prepared for the Centre for Housing Research this year, include:

- How will perceptions and expectations concerning inheritance change? If people become less concerned about leaving assets for their children, will this open up the possibility of using home equity for other purposes? Will people be led to disinvest or 'cash-up' before retirement, to improve consumption and living standards?
- Will student debt and general indebtedness reduce accommodation options and progress towards homeownership?
- Do recent reductions in home ownership rates reflect a preference shift (towards rental accommodation) or a delay in the entry onto the housing market, as younger people explore other options (e.g. travel, consumer spending)? In either case, a change in home ownership patterns will affect the options available to tomorrow's older population.

There is no shortage of important applied and policy-relevant topics to be investigated as we explore the implications of population ageing.

4 —*Judith Davey*



**NZiRA Director
Judith Davey**

2004 NZiRA/TOWER SEMINAR SERIES THE END OF RETIREMENT (AS WE KNOW IT)?

Dates: Tuesdays, 9, 16, 23, 30 November, 2004.
Time: 4.30 pm, tea and coffee at 4 pm (close at 6.30 pm)
Place: National Library Conference room, Molesworth Street., Wellington

See the accompanying flyer for further information.

Political Views on Superannuation

At the biennial conference of the Association of Superannuation Funds of New Zealand in Auckland in late August, the representatives of seven political parties were quizzed on the key elements of their retirement income policies. Parties represented, in alphabetical order, were Act (Rodney Hide), Greens (Rod Donald), Labour (David Cunliffe), National (John Key), NZ First (Peter Brown), Progressive (Matt Robson) and United Future (Gordon Copeland). The seven politicians presented their superannuation policies and were then questioned by Judith Davey (NZ Institute for Research on Ageing) and Michael Littlewood (ASFONZ) to clarify individual aspects and to draw out both similarities and differences. There was a much closer similarity in policies than the public might suppose. Some of the key comparisons are summarised in the table below.

	ACT	Greens	Labour	National	NZ First	Progressive	United
Age of eligibility	65/66	65	65	65	65	65	65
Income test	No	No	No	No	No	No	No
Asset test	No	No	No	No	No	No	No
NZ Super fund	Wind up	Wind up	Yes	No?	Yes, but..	Yes	Yes
Compulsory private provision	No	No	No (employer?)	No	Yes, individual accounts	NO	No
Superannuation philosophy (slogan)	Prosperity and truth, economic growth, cut taxes, individual responsibility	NZ Superannuation is the bread and butter, workplace savings are the jam with the government providing the sweetener (some tax breaks)	Fairness, security, certainty, guaranteed outcomes	Reward behaviour, focus on economic growth, encourage the private sector	Improve savings. Individual accounts, "Yes, we can".	Elderly have financial security, certainty and dignity, universal, transparency and consensus	Certainty, security, encourage private provision, NZ consensus

The outstanding features of the comparison are:

- There is no significant difference between all the parties on current New Zealand Superannuation. Only NZ First and Progressive seemed to think that the pension should be higher.
- The parties differ on the wisdom of the New Zealand Superannuation Fund. Act and the Greens directly oppose it and would wind it up. National wants to review it; NZ First gave it qualified support; only Labour, United Future and Progressive support it directly.
- There is less agreement about the future of New Zealand Superannuation, looking forward 20 years and more. Some of the parties (Act, National and United Future) seem to acknowledge the need for some sort of review.
- Only NZ First supports compulsory private provision and only Act directly opposes tax incentives. Labour, National and Progressive say that they don't really support incentives but are prepared to look at the subject. The Greens, NZ First, Progressive and United Future all favour some form of incentive.

"Superannuation looks like a complicated issue," Michael Littlewood said "but when broken it down into its individual elements, it becomes easier to have a sensible discussion."

Director's Diary

- 16 June Presentation to Residential Care New Zealand Conference, Bay of Islands
- 30 June Presentation to Port Nicholson Rotary Club
- 1 July Meeting with Wellington Kaumatua Council
- 22 July Presentation to Financial Planners *Success Forum*, Auckland
- 30 August Association of Superannuation Funds of NZ Annual Conference. Co-chaired (with Michael Littlewood) politicians' session on their retirement income vision for New Zealand
- 9-11 Sept British Society of Gerontology Conference, London
Presented paper entitled *Population Ageing and the Demand for Health Services: Expanding our view of contributory factors*.
Sally Keeling gave a paper on NZiRA's "combining work and care" research—*Working carers of older people: a case study from New Zealand*.
- 5 October TRIBECA Financial Planning and Advice Forum, Rotorua
- 18 October Presentation to New Zealand Federation of Graduate Women, Wellington
- 30 October Keynote speaker at a New Zealand Social Policy seminar at Rikkyo University in Japan
- 8 November Research presentation to Volunteer Community Coordinators' conference, Office for Senior Citizens
- 19 November Speaker at symposium *Guiding the Visible Hand* in honour of Sir Frank Holmes, Institute of Policy Studies, School of Government, Victoria University
- 22 November Paper at Labour, Employment and Work Conference, Wellington

NZiRA Reports available on-line

Accommodation Options for Older People in Aotearoa/New Zealand

Report prepared by Judith Davey, Virginia de Joux (NZiRA) Ganesh Nana and Mathew Arcus (BERL) for the Centre for Housing Research Aotearoa/New Zealand

Now available online at www.chranz.co.nz.

Combining Work and Eldercare: a study of employees in two City Councils who provide informal care for older people

by Judith Davey and Sally Keeling, for the Future of Work Fund

The report is now available for down-loading from www.dol.govt.nz/futureofwork/workforce-eldercare.asp or directly from the NZiRA web site.

REVIEW OF OLDER DRIVER LICENSING POLICY

The Minister for Transport Safety has announced a review of older driver licensing policy to address issues raised about older driver re-licensing and to plan for future access and mobility for older New Zealanders.

Along with this announcement, the government has released the findings of two research papers profiling issues relating to older drivers. **Older People and Transport: A Scoping Paper** by the New Zealand Institute for Research on Ageing was originally prepared for the Land Transport Safety Authority in mid 2003. A report which reviews statistics on the safety of older drivers by Charles Sullivan has also been released. View these documents at www.transport.govt.nz/current/issues/index.php You can also read the Minister's media statement on the Review at the same address.

Coping without a Car

Prepared by Judith Davey for the Office for Senior Citizens.

A summary report will be available in hard copy from 9th November. The full report will be available online at the Ministry of Social Development web site www.msd.govt.nz on the same date.

A second Multi-disciplinary Research Workshop for Postgraduates working on topics relevant to Ageing and the Well-being of Older People in New Zealand June 21 and 22, 2005, Victoria University of Wellington

NZiRA is planning a second workshop in 2005 along similar lines to the very successful one held in October 2003. This attracted 25 papers and 18 were presented over the two days. Postgraduate students from a variety of universities attended (Waikato, Canterbury, Auckland, Otago, Massey, Victoria University of Wellington, Newcastle, Australia). People from the public, voluntary and academic sectors also attended. The disciplinary areas represented included Management, Sociology, Social Policy, Nursing, Health Science, Marketing, Sport and Exercise Science, Psychology, Anthropology, Social Science and Social Work.

We have received numerous requests for a second workshop and we aim to repeat and build upon the success of the first one. Clearly participants found the event of great value, the workshop achieved its networking and capacity-building objectives, and we expect even greater interest in 2005. The workshop will

- expose participants to multi-disciplinary approaches to research on ageing
- provide a platform for postgraduate students to present their work in a supportive context and to receive constructive feedback
- allow them to network among themselves and make cross-disciplinary contacts
- encourage and support graduate students working on ageing-related topics.

It is not too soon for readers working on, planning or having recently completed postgraduate dissertations to begin thinking about contributing to the workshop.

NZiRA plans to once again to offer free registration and some assistance with travel costs for presenters. Abstracts of the papers will be copied for distribution and the full papers will be published on the NZiRA web site.

Statistical Snippets

Housing types in the future—From the “Accommodation Options” Report (p.116)

These estimates of the housing situation of older New Zealanders in 2021 are based on the assumptions that there will be no changes in tenure patterns and proportions in residential care.

- In **2021**, over 713,700 people aged 65 plus will be in private dwellings and nearly 78,300 in non-private dwellings (including 50,800 in residential care). 582,000 are projected to be homeowners, with 17,300 renting from a territorial local authority (TLA), 23,000 renting from Housing New Zealand Corporation (HNZC) and 91,400 renting from private landlords.
- Over the 20 years between 2001 and 2021, these numbers signal an additional 61,400 older people requiring rental accommodation, including nearly 10,600 more from HNZC and 8,000 more from TLAs. This represents a doubling of 2001 numbers in these categories.
- These projections suggest an additional 26,200 older people in residential care by 2021. This is an increase of 106% on 2001 figures. A large proportion of this increase will be in the 85 plus category, with this age group accounting for 17,400 of the increased numbers.
- In **2051**, nearly 1.06 million older people will live in private dwellings and 157,800 in non-private dwellings (112,400 in residential care). Nearly 860,000 are projected to be homeowners, with 27,500 renting from a TLA, 33,300 from HNZC and 138,000 from private landlords.
- This projection is consistent with an additional 128,900 older people requiring rental accommodation over the coming 50 years - nearly 21,000 more from HNZC, 18,200 from TLAs and 89,700 from the private rental market.
- The projection sees an additional 87,800 older people in residential care over the 2001-2051 period. Nearly three-quarters (64,400 people or 73%) of the increase will be people in the 85 plus age group. Again, this assumes no change in the current proportions of people living in different types of housing and housing tenure.