

FACTSHEET ON EMPLOYMENT OF OLDER PEOPLE

Definitions

Older people are here defined as being aged 55 years and over. The data is based on the Household Labour Force Survey unless otherwise specified.

Proportion of the population aged 55 years and over participating in employment

Currently 39% of the population aged 55 and over is in paid employment. The table below shows the incidence of employment amongst different groups of older people. Men aged 55 and over are more likely to be employed than women. Further, as people get older they are less likely to be employed. Maori have the highest employment rates for those aged 55 and over.

Employment rates of older people by gender, ethnicity and age

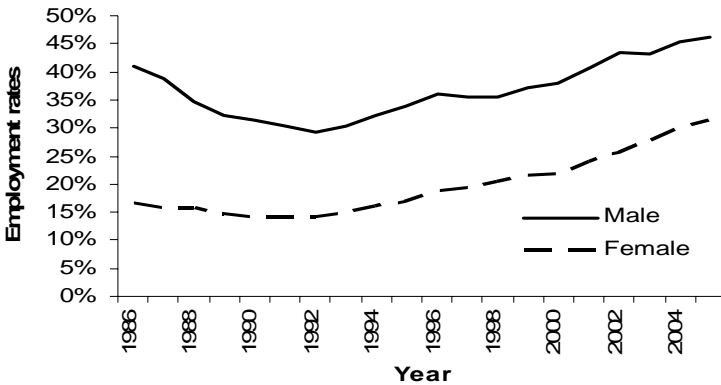
	Proportion of population in employment
Men	47%
Women	32%
Maori	45%
European	39%
Pacific	37%
Other and not specified	30%
55-59	78%
60-64	61%
65 and above	12%
Total 55+	39%

Source: Household Labour Force Survey (March 2006), Statistics New Zealand

Recent changes in the proportion of older people employed

There has been a considerable increase in employment rates of older people in recent years. As can be seen in the graph below, employment rates have increased amongst both older men and women.

Employment rates for the 55+ population by sex, 1986-2005



Source: Household Labour Force Survey, Statistics New Zealand

The trend of increasing rates employment rates of older people is driven by a number of factors including increased economic growth and a decline in unemployment; changes in social expectations about older workers and the age of retirement; wider social changes relating to the role of women; and the increase in the age of eligibility for New Zealand Superannuation that began in 1991 and ended in 2001¹.

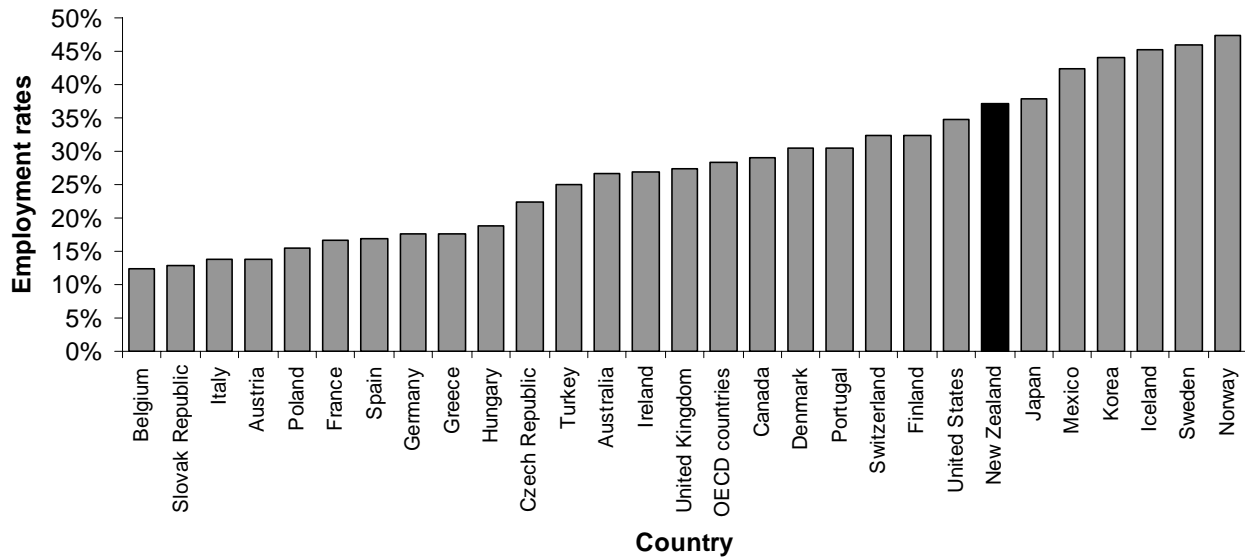
Looking at employment rates in a fifty year perspective we see that employment rates for older women have been steadily increasing. For older men, however, the employment rates are still lower than what they were in the 1950's and 1960's despite the recent increase.

International comparisons

New Zealand has relatively high employment rates for people over the age of 55 compared to many other countries. New Zealand is currently in the top half of the OECD and ranks 7th out of 30 OECD countries.

¹ See for instance 'The effect of New Zealand Superannuation eligibility age on the labour force participation rates of older people', Roger Hurnard, Treasury, 2005

Employment rates among the 55+ population, OECD countries



Source: OECD, 2004

Characteristics of people aged 55 years and over who are employed

About 74% of people aged 55 and over in paid employment work full-time. About 37% of older people are either self-employed or an employer. As can be seen in the table below, older people are represented in a wide range of occupations and industries.

Key characteristics of people aged 55 and over who are in paid employment

	Proportion of those in employment aged 55+
Part-time work	26%
Full-time work	74%
Paid employee	63%
Self-employed/employer	37%
Top Five Occupations Specified	
Legislators, Administrators and Managers	14%
Professionals	13%
Agriculture and Fishery Workers	12%
Clerks	11%
Services and Sales workers	10%
Top Five Industries	
Agriculture, Forestry and Fishing	12%
Manufacturing	11%
Property and Business Services	11%
Retail trade	9%
Health and Community Services	9%

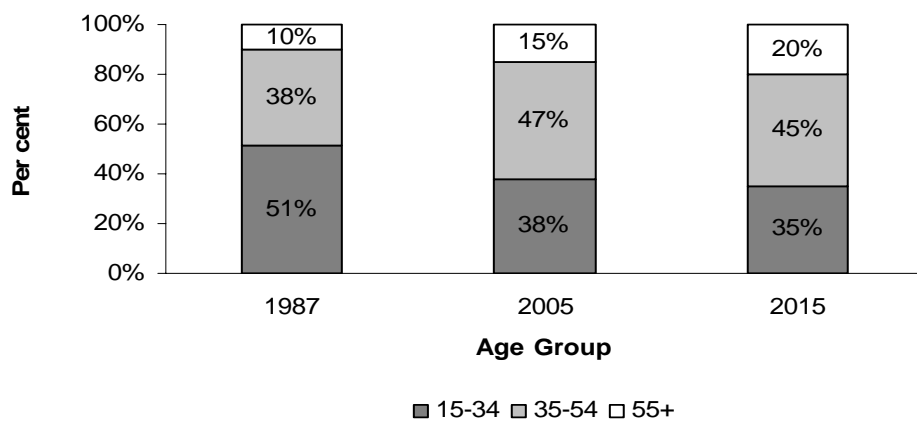
Source: Household Labour Force Survey & Census 2001, Statistics New Zealand

Older people as a proportion of the labour force

Currently older people make up 15% of the total labour force. As a result of population ageing, older people will make up an increasingly large proportion of the total labour force. This will mean that by 2015 20% of people in the labour force will be aged 55 and over.

Over the next 10 years about 70% of the growth in the labour force is projected to be in the older age group.

The age composition of the labour force



Source: Household Labour Force Survey & Labour Force Projections, Statistics New Zealand