

Conclusion: Risks and Opportunities

Jonathan Boston, Judith A. Davey

Introduction

Coping with uncertainty is one the many challenges confronted by policy makers. It can thus be a pleasant relief to encounter policy issues where there is relative certainty or at least where some of the key policy parameters are reasonably certain. One such issue is population ageing. As highlighted in previous chapters, New Zealand's population is growing older, and will continue to do so for many decades, almost irrespective of what we do (at least within the bounds of reason and morality). To quote Dunstan and Thomson (Chapter 2, p. 43):

Demographic projections indicate that, regardless of which combination of plausible assumptions is chosen, the population age structure will change significantly. All series project more older people and ageing of the population. These trends are occurring at all spatial levels: globally, nationally and locally.

This slow transition to an older population is largely the product of a shift away from the relatively high fertility and mortality rates during the 19th century and early part of the 20th century. Many factors have contributed to this gradual transformation of the population structure, including higher living standards, changing social attitudes and values, and improvements in nutrition, public health and health services.

Drawing on the latest demographic projections from Statistics New Zealand, Dunstan and Thompson (Chapter 2) provide a fascinating overview of how the structure of New Zealand's population can be expected to change over the coming decades. In summary:

- The median age of the population has already increased from 26 years in 1971 to 36 years in 2005, and could well exceed 45 years by 2045. By this time, the 65 and over age group is projected to comprise over 25% of the population, with a significant increase in the number of people aged 85 and over. Similarly, the 65 plus dependency ratio (that is, the number of people

aged 65 and over per 100 people aged 15–64) is expected to increase from 18 per 100 in 2004 to 45 per 100 by 2051. Although this will be partly offset by a decline in the 0–14 dependency ratio, New Zealand's total dependency ratio is projected to increase from 51 per 100 in 2004 to 73 per 100 in 2051.

- Similar trends are occurring in most other parts of the world, although the rates of ageing vary. Because New Zealand's fertility rates have remained higher than the OECD average, the median age is projected to remain well below that of many comparable European countries.
- Under all the projected scenarios, the natural increase in New Zealand's population is expected to decline, with deaths exceeding births at some point within the next 30–50 years (depending on fertility and mortality rates).
- Significant regional variations in population growth and age structure are likely. Within the next two decades, many local authorities may experience a decline in their population. In some regions (such as the West Coast, Marlborough and Taranaki) more than 25% of population is expected to be aged 65 and over by 2026.
- Greater social and ethnic diversity among the older population can be expected. For instance, the proportion identifying with a European ethnicity is projected to fall, while those identifying as Māori, Pacific or Asian or affiliated to more than one ethnicity will increase.

Bearing in mind these trends and projections, this concluding chapter comments on one of the major themes of this volume – namely the risks and opportunities generated by an ageing population and the implications for policy. Finally, we outline various matters relating to population ageing that require further analysis, evaluation and research.

Risks

As argued in the preceding chapters, population ageing generates both risks and opportunities – for the state, as well as for individuals, families and communities. Some of the risks are well understood while others are not. Here we highlight six important risks that have been raised in the preceding chapters:

- higher fiscal costs;
- slower economic growth;
- shortages of skilled labour, especially in particular services;
- inadequate levels of formal and informal elder care;
- greater inequality of wellbeing among older people; and
- risks arising from policy shifts and discontinuities.

Higher fiscal costs

The analyses by Wilson and Rodway (Chapter 4) and Paul, Rashbrooke and Rae (Chapter 5) identify significant fiscal risks associated with an ageing population. For instance, as the population ages it is highly likely that public expenditure on health care and New Zealand Superannuation (NZS) will increase. Drawing on the analysis contained in the Treasury's first statement on the long-term fiscal position published in June 2006, Wilson and Rodway suggest the changing age mix (moderated by changing health status) can be expected to contribute to an average annual growth in real per capita government spending on health of about 0.8% between 2005 and 2050. This growth, combined with other influences on health expenditure (such as higher real incomes and changes to the cost and coverage of the public health system), is projected to result in a doubling of government spending on health as a proportion of gross domestic product (GDP) – from about 6% in 2005 to over 12% in 2050. On this basis, health expenditure could exceed 30% of total government spending within four decades. In relation to NZS, payments are projected to increase (assuming no policy changes) from around 4% of GDP in 2005 to just under 9% of GDP by 2050.

Against this, it is expected that the changing population mix will result in a fall in public expenditure (as a proportion of GDP) on education and possibly on welfare benefits over the coming decades. Such a fall, however, will not offset the large increases in expenditure on health and NZS. Hence, total spending is projected to rise by around 7 percentage points of GDP, from about 30% in 2005 to 37% in 2050, with the main impact occurring after 2020. Further, it is expected that, in the absence of policy changes, the core Crown operating balance will move from a surplus to a deficit in the early 2030s, with gross debt rising five-fold by 2050, from around 20% to 100% of GDP. On the other hand, the government's net debt position is likely to deteriorate less markedly by 2050 because of the projected rise in the assets of the New Zealand Superannuation Fund (NZSF).

As Wilson and Rodway point out, if future governments continue to follow the principles of responsible fiscal management, as embodied in Part 2 of the Public Finance Act 2004, policy changes to avert the outcomes outlined above will be necessary over the coming decades. Broadly speaking, such changes could take the form of tax increases or revenue reductions, or some combination thereof. Given the impact of population ageing on health expenditure and the cost of NZS, it is highly likely that these two policy areas will be the focus of specific attention – at least on the spending side of the equation. Experience over recent decades, both in New Zealand and other OECD countries, suggests

that curbing the growth of health expenditure on a permanent basis will be a daunting challenge. In particular, significant changes to the coverage of, or access to, health services are likely to meet significant resistance, all the more so in a context where a higher proportion of the population is aged 65 and over (see Chapter 13). Against this, it might be politically feasible – as was demonstrated during the 1990s – to make some modest and durable changes to the policy framework surrounding NZS, as long as these are the product of multiparty agreement and introduced over a sufficiently long period. Among the policy options that could be considered are:

- raising the age of eligibility (for example, from 65 to 67) or linking it in some way to life expectancy;
- introducing a work test;
- changing the indexation formula;
- means-testing payments until, say, the age of 70; or
- some combination of the above.

Alternatively, the government could increase the level of its contributions to the NZSF, thereby ensuring a larger offset for the costs of NZS. Of course, all the available options have advantages and disadvantages, and whatever changes are made should ensure the interests of the least advantaged are protected properly.

Moreover, the evidence presented in Chapters 4 and 5 suggests there is no fiscal case for major policy changes in the immediate future. Equally, it is significant that as recently as 2003, the Periodic Report Group, reviewing retirement income policies, concluded that NZS, in its present form, is sustainable, given good economic performance.¹ Nevertheless, younger cohorts face several risks that may impact on their saving behaviour and hence retirement income. These include high debt levels, student loans, changes in relationship status and later childbearing. These may well contribute to lower levels of mortgage-free homeownership on retirement. And changes of this nature will need to be carefully considered in any evaluation of how New Zealand might best cope with the fiscal challenges generated by population ageing.

Slower economic growth

According to Stephenson (Chapter 6), and Wilson and Rodway (Chapter 4), a distinct possibility exists that population ageing will reduce New Zealand's rate of economic growth, through lower government and household saving rates (which could result in the cost of capital rising, thus reducing investment) and the likelihood of a smaller workforce. However, Stephenson's analysis suggests

that any impacts will be modest, and there is certainly no prospect of unsustainable savings–investment imbalances; nor does he believe the mere fact of an ageing population provides any grounds for policy action to increase saving rates.

Nevertheless, if average growth rates were slower as a result of population ageing, the fiscal risks would likewise be higher: on the one hand, revenue growth would be lower while, on the other hand, public expenditure would be higher. Two primary options are available to address the risk of slower growth. The first is to expand the supply of labour; the second is to increase labour productivity.

In relation to labour supply, an obvious possibility would be to extend labour force participation up to and beyond age 65. Davey's analysis (Chapter 7) indicates that this is certainly feasible, given some attitudinal change and moves to increase workplace flexibility. However, it also prompts questions about the kinds of policy changes that might be required to encourage older people to remain in, or rejoin, the workforce.

The challenge of increasing labour productivity is rather more daunting and complex. New Zealand productivity growth rates have been low by OECD standards for many decades, notwithstanding comprehensive policy reforms designed to improve business conditions and investment opportunities, reduce regulatory costs and constraints, increase expenditure on research and development, and enhance the range and level of skills across the workforce (through increased investment in tertiary education and training, and changes to immigration policies). In the absence of a sustained and successful economic transformation, it appears unlikely that labour productivity will grow at a faster rate in the coming decades.

Shortages of skilled labour

Population ageing will have significant implications for the labour market. Participation rates among those aged 65 and over have increased since the early to mid 1990s, so that about 16% of males and 8% of females are in the labour force. While uncertainty exists about how these rates will change over the coming decades, it is clear that policy considerations (such the eligibility criteria for NZS and the tax treatment of investment income) will be significant factors. Participation rates will also be influenced by health status and wellbeing, the attitude of employers towards older workers, labour market conditions, the level and pattern of savings, and the value placed on leisure time.

On the demand side, there can be little doubt that population ageing will result in a reduction in the demand for services associated with younger people

and a corresponding rise in the demand for services associated with older people, most notably health and disability services, with subsequent shifts in the demand for labour and skills. The magnitude of the task of recruiting and retaining an adequate supply of health-care workers should not be underestimated (Chapter 8). As Cornwall and Davey (2004, p. 80) have argued, “workforce issues may prove to be the greatest challenge facing health systems in the future”. The projected increase in the demand for labour across the health and disabilities services is well above the projected increase in the supply of health-care professionals. New Zealand must compete on the international market for doctors, nurses and many other health-care workers; there are already serious skill shortages in certain medical fields; and most developed countries will be seeking to expand their health workforces over the coming decades, thus intensifying the competition.

There appear to be no easy solutions to these expected labour shortages. Possible options include: enhancing the number of training positions (for example, in medicine and dentistry); changing the definitions and boundaries of particular occupational groups; improving labour productivity; increasing remuneration levels in the interests of improving recruitment and retention; and changing the configuration of service provision.

Inadequate levels of formal and informal elder care

In addition to uncertainties about labour supply for formal health services in the future, there are also questions about family and informal elder care, with several tensions inherent in current policies. On the one hand, the government is keen to encourage higher female labour force participation and higher private retirement savings. On the other hand, other policies assume that most parents will support their children well into their 20s and that informal family care will be available to enable greater numbers of older people to age in place (Chapter 10). As Petrie’s analysis (Chapter 11) highlights, these competing policy imperatives could well generate difficulties for adults in mid-life and early old age who will be faced with elder-care responsibilities at the same time they are in part-time or full-time work and being encouraged to extend their labour force participation. The same group may also encounter work–life balance tensions arising from the competing demands of paid work and caring for grandchildren. Equally, current social trends (such as more emphasis on individual choice and higher female labour force participation) and economic trends (such as higher real wages and the increased opportunity cost of informal care) could put more stress on the availability of informal (unpaid) family care for older people. This

is in addition to demographic changes reducing the potential supply of family carers.

Policies in this area have the potential to support or undermine family care provided to older people. In welfare states, such as New Zealand, there is ongoing debate about how the responsibility for the support of frail older people should be allocated among the family, state and voluntary sectors. The evidence suggests formal services encourage family help rather than crowding it out, so policies are best based on a mixed-responsibility approach. Research by the OECD (2005) suggests that unpaid informal care for dependent older people, by family members, neighbours and friends, is likely to remain the most important form of support, especially with the encouragement of ageing in place. However, policies must take care not to assume that family members can and will supply informal care for older people on a voluntary basis (Finch and Mason, 1993).

Having said this, Dwyer's analysis (Chapter 12) suggests that, because the 'young' elderly are generally healthier, better educated and richer than previous generations, there could be increased capacity for retired people to serve as volunteers. Hence, notwithstanding the probable reduction in formal volunteering by older women (linked to greater participation in paid work), there is no evidence thus far that these changes will necessarily result in inadequate levels of volunteers (for example, through unpaid service in the non-profit sector) – although there is certainly the potential for shortfalls for specific organisations or less attractive activities.

Greater inequality of wellbeing among older people

It is probable (but not inevitable) that older people will, on average, be somewhat richer in future decades than hitherto. There are several reasons for this, including higher workforce participation rates, more significant savings, larger inheritances and a smaller number of children to divide estates among. Also, if NZS remains linked to real wages, and if real wages rise, then the real value of the state pension will likewise increase.

Against this, particular groups are already vulnerable to persistent material disadvantage continuing into old age. These include older Māori and Pacific people whose numbers are expected to increase significantly. Gender differences in life expectancy mean that many older women are living alone and vulnerable, even though older men, who have lower levels of contact with family, run a higher risk of loneliness and isolation. Many people reaching old age in the future will have fewer offspring to potentially provide support, and a larger proportion will have no children at all. Increased rates of repartnering

may partially offset this. But even while support networks may be wider, the bonds of kinship may be weaker.

There will be increasing diversity of circumstances among oncoming cohorts, in terms, for example of partnering, homeownership, social networks, financial resources, and asset accumulation. The net result of these trends and developments is likely to be greater inequality in income and wealth, as well as more varied levels of social contact, interaction and support among and between the generations. This may well prompt the need for greater levels, and more flexible forms, of public assistance, including more government support for informal carers.

Projected changes in *subnational* age structures and their implications for the social and economic sustainability of certain regions provide another potential source of inequality in the wellbeing of older people. Regions will vary in their capacity to maintain good quality, cost-effective services, notably in relation to community facilities, and health-care and disability services. Complicating efforts to maintain such services (for example, in rural communities) are the projected shortages of health-care professionals (as noted above). It will be critically important to develop policies that ensure the appropriate level, range and quality of services not merely in the major population centres but also in smaller and more isolated communities.

A key issue, of course, is what is 'appropriate': it will never be feasible to supply the full range of health and elder-care services in every location across the country. Trade-offs are thus inevitable, and some communities will doubtless feel they are being short-changed. In some cases, there may be no choice but for older people to move (as they already do) to larger centres if they are to receive the level and kind of services that they require.

Risks arising from policy shifts and discontinuities

In addition to the fiscal and other risks for the state as a result of population ageing, there are also risks for individuals, families and communities arising from abrupt policy changes. For instance, in New Zealand the policy framework for retirement income and other forms of social assistance has undergone dramatic shifts since the mid 1970s. State assistance has been variously tightly targeted, lightly targeted and provided on a universal basis. Likewise, the level of assistance has fluctuated between relatively generous and rather modest. Equally, there have been significant shifts in policies towards the voluntary sector (for example, in relation to funding levels, modes of contracting, and so forth). These policy shifts have not only reflected the changing fortunes of the New Zealand economy, but also major philosophical disagreements among

policy elites over the respective roles and responsibilities of the state, communities and families (and conflicting views over how the state should 'purchase' services from the voluntary sector). Such policy changes have created considerable social stress, uncertainty and discontent.

As the population ages it will be even more important to ensure that sharp policy discontinuities of the kind witnessed between the mid-1970s and mid-1990s are avoided. After all, older people are among the most vulnerable groups in the community and the least able to adjust. While the high political costs associated with these previous discontinuities continue to have a salutary affect on political elites, there is no guarantee that the lessons of history will be remembered by future generations of politicians. Against this, proportional representation reduces the risks of abrupt policy change, as ministers need to secure the support of two or more parties for any legislative or budgetary initiatives (Chapter 13).

From risks to opportunities ...

While the state must manage and mitigate the risks associated with an ageing population, it also needs to ensure that the opportunities generated are appropriately identified and seized. Two possible approaches to mitigation are through increasing immigration levels and attempting to turn around falling fertility rates.

The possibility of 'replacement migration' to counter the impact of population ageing is often canvassed, but immigrants themselves age, and there is little prospect that practicable levels of immigration could prevent demographic ageing. As pointed out in Chapter 7, there is a qualitative dimension. New Zealand will be competing with many other developed countries for skilled workers and currently has difficulty retaining its own. Hence, while migration patterns can affect the overall size of the population, it is very unlikely that population ageing can be slowed significantly by higher immigration.

As highlighted in Chapter 2, New Zealand is some decades away from experiencing population decline as a result of falling fertility rates (or higher mortality rates). Nonetheless, there is the question of whether the government should have a view on the optimal population size. Should policies provide additional incentives for women to have children (and/or reduce the current disincentives to childbearing)? Pro-natalist policies have achieved only mixed success elsewhere in the OECD and run against current social norms and expectations that encourage increased economic activity by women. Higher

rates of childbearing would reduce women's abilities to earn, while at the same time increasing demands on family incomes. They would also raise fiscal costs as a result of more expenditure on education, child health and other family-related services.

A more fruitful approach would be to maximise the potential of an older population and to celebrate its positive aspects. As noted in Chapter 1, the extension of life expectancy and the prolongation of active, independent and healthy life is a major achievement. Whereas in the early 20th century the time between the end of working life and death was short, people may now enjoy several decades in retirement. The challenge is to ensure that this period of life is characterised by ongoing community participation and opportunities for meaningful contribution, both social and economic – in other words, that the vision of positive ageing is fulfilled. Linking this to the ageing of the baby boom generation and the numerical increase in the older age groups suggests that a significant resource will develop among older people. The challenge is for this to be used for the betterment of society as a whole.

In the future, society will be increasingly dependent on the contributions of older people in ways signalled in the preceding chapters. Economically active older people will contribute through increasing tax revenue and helping to meet labour and skill shortages. Employers will rely to a greater degree on an older labour force, and we are likely to see the prolongation of participation in paid work. Important initiatives to increase labour force participation by older people, signalled in Chapter 7, include employer education, training opportunities and changes in working conditions.

Older people's contribution as informal carers in families and communities will improve the labour force participation rates of younger workers, especially mothers of dependent children, and reduce health costs in terms of care for people who are ill or disabled. Many families will rely on grandparents for child care and general support, and older people are making a significant contribution in terms of custodial care of their grandchildren, often in difficult circumstances. As suggested in Chapter 12, communities will rely on older people's participation as volunteers in a range of activities.

Initiatives to support independent living will not only meet the aspirations of most older people but also ease pressures on health expenditure by reducing the need for residential care. Increased investment in preventive measures, where they have been shown to help keep people well for longer and reduce crisis interventions, offer significant benefits to the wider society as well as older people.

Increasing numbers of older people have the potential to create many opportunities for New Zealand. Responding to the potential opportunities as well as the challenges of population ageing will require pro-active policies that value older people, promote more positive attitudes to ageing and challenge unhelpful perceptions about what older people can do and what quality of life they should expect, and encourage, their engagement and participation in community and family life and hence support positive ageing.

Policy research issues

The data and analyses presented in the previous chapters leave no doubt that the population will indeed age and that serious implications arise from this. However, many uncertainties remain. For instance, we do not know how changes to the age structure of the population will affect social attitudes, values, norms and behaviour, such as attitudes on what it means to be ‘old’ and ‘very old’, approaches to intergenerational obligations, views on death and dying, and patterns of intrafamily giving, care and support. Equally, of course, it is impossible to predict with any accuracy how improvements in medical knowledge and technologies will impact on the health status and levels of disability among older people. Much uncertainty also remains over key social and economic variables, including economic growth, the distribution of income and wealth, housing and financial markets, changes to family structures, and labour force participation rates by gender and age group.

Ideally, public policies should be based on a sound understanding of evolving social norms and expectations, together with solid empirical evidence on interactions between informal and formal care, and between the various providers of care, including the public, private, voluntary and family sectors. Where there is a divergence between the government’s view of family obligations and community norms, policies are likely to be less effective and particular groups and individuals are bound to be adversely affected.

Work contributed to this volume from a variety of disciplinary and sectoral perspectives highlights various priorities for policy-relevant research in the context of population ageing.

Priorities for policy-relevant research

Supporting ageing in place

Measures to support ageing in place include ensuring appropriate forms and quality of housing, whether existing housing or specialised developments; ensuring community-based support and care services are available; ensuring a

balance between formal and informal care and the appropriate sharing of responsibilities in this area; and ensuring social connectedness among older people, even those experiencing reduced physical or mental capacity. The congruence of policy objectives and personal preferences suggests that in the future more very old people (proportionally and numerically) will remain living in mainstream housing in the community, but with significant disabilities and care requirements.

Much of the research carried out on ageing in place concentrates on service provision and health-care issues, with less attention to contextual factors. Often older people's voices are not sufficiently heard. In most cases older people are in a good position to assess what helps and what hinders their ability to age successfully and positively, either in place or in another environment of their choice.

Encouraging and facilitating older people's economic and social participation

Encouraging and facilitating economic and social participation by older people to the benefit of society as a whole. Measures to increase labour force participation by older people must be matched by adjustments in working conditions, and may require attitudinal changes by employers, human resource managers, the workers and their representatives. Despite anti-age-discrimination measures and emerging labour shortages, there is still evidence of age discrimination in the labour force, especially in hiring and access to education and training. Working with employers to challenge myths about older workers and combat negative stereotypes would help to ensure older people's employment potential is recognised.

Measures to facilitate older people's community involvement and to challenge ageist attitudes are required so older people can play a full part in families and communities in the ways already discussed. The form and meaning of social participation and contribution may differ between social groups and indeed between individuals. Little New Zealand research is available on aspects of participation and contribution by older people other than paid work. These include voluntary and caring work, grandparenting, mentoring and 'work' relating to cultural transmission and generativity. How do older people themselves define integration, participation and contribution? What barriers do they confront and what opportunities do they see (or would like to see)?

Ensuring safety and security for older people

There are several dimensions to ensuring better safety and security for older people as we look to the future. Oncoming cohorts face several risks that may

impact negatively on their financial security. These include high debt levels, student loans, difficulties in attaining homeownership, changes in relationship status and later childbearing. Living standards research has shown that experiences in mid-life are an important influence on wellbeing in later life. The financial situation of the large baby boom cohort now in mid-life requires monitoring and research, especially with respect to their labour force participation levels, their intentions and choices regarding retirement, and their savings and asset accumulation patterns. Sustaining NZS, including monitoring the performance of the NZSF, is a key policy concern (Chapter 5); another is the implementation of the KiwiSaver work-based contributory savings scheme, which will come into operation in 2007.

As discussed in Chapter 10, questions related to physical safety for older people arise in relation to transport (for example, older drivers, passengers and pedestrians). Home safety, such as the prevention of falls and fires, is essential to older people's ability to successfully age in place. Older people are also potentially subject to serious consequences if they become the victims of crime or elder abuse. The incidence of elder abuse and neglect is unknown, but it occurs in both residential and institutional settings and may take the form of psychological and financial as well as physical abuse. Older people may experience multiple types of abuse and family members are the leading perpetrators. In all these areas older people deserve protection through appropriate policy and other measures to preserve their dignity and quality of life.

Being able to access services to promote and maintain good health is a key indicator of older people's wellbeing and independence and an aspect of their security. Research on health status and health policy tends to focus on age-related illness and degeneration (for example, strokes, dementia and arthritis), assessment, treatment, management and preventive measures, and service delivery and workforce issues. Much less research focuses on how the social context influences older people's health and their ability to age positively. What does 'healthy' mean for a person in their eighties, nineties and beyond? How can we develop a holistic view of health in the context of rapid growth in numbers of very old people and extending life expectancy?

Acknowledging and exploring diversity in an ageing population

In examining the implications of ageing, it is important to disaggregate the older population, first by age, as the 65 and over age group will include more than one generation. The life experiences of different cohorts (Chapter 2) influence their

opportunities, attitudes and expectations and policies need to acknowledge the effects of poverty and deprivation throughout the life cycle.

Ethnic and cultural differences are significant in terms of material security and social integration, requiring exploration of the situation of older people in Māori, Pacific, Asian and other ethnic groupings and in migrant and refugee populations.

Gender differences are important with respect to incomes, health status and living arrangements – requiring that gender analysis is undertaken in research and policy development (even in areas where it might not be considered relevant, such as in technology take-up).

Three perspectives for research on ageing

Research needs and policy issues in an ageing population relate not only to the population aged 65 and over, but also to the whole of society. In summary, research on the implications of an ageing population should encompass three broad perspectives.

1 Late-life issues:

- Appropriate housing, service and transport options to support ageing in place.
- Community participation, social and family contact, spiritual and cultural expression for the very old.
- Successful planning and implementation of health and elder-care services, including preventive services.
- Diversity among very old people in terms of gender, ethnicity, location and socioeconomic status.
- What very old people consider works best to enable them to remain safely and comfortably in their own homes.

2 Mid-life issues and workforce transitions:

- Individuals: How people make decisions about workforce transitions. People's options for flexible and gradual changes. The work–life balance implications of such options. How experiences in mid-life impinge on and influence wellbeing in later life.
- Business: How businesses can maximise the potential and contribution of older workers.
- Society and economy: The policy implications of an ageing workforce and the movement of the baby-boom generation through mid-life and into later life.

3 Intergenerational issues:

- How changes in population structure relate to dependency among older people and the allocation of responsibility for care and service provision.
- How competing demands for government expenditure between different cohorts can be managed, while avoiding intergenerational conflict and maximising intergenerational equity.
- Family dynamics as social norms and practices change, including the role of grandparents.
- Informal care within families and how this relates to formal provision.
- Inheritance patterns and intergenerational wealth transmission, including changing patterns of home ownership.
- Cultural maintenance and transmission.
- The status of older people in families and in communities.

Conclusion

It is to be hoped that the government will encourage and support research on these and related matters, increase its contribution to the creation and dissemination of relevant knowledge about the changing needs and circumstances of New Zealand society, and promote discussion on research findings and the implications for policy that will emerge from them. The better we understand such matters, the better we will be able to plan for, and cope with, the many challenges that lie ahead.

Notes

- 1 The Periodic Report Group's role has been taken over by the Retirement Commissioner, who will report in 2007 and subsequently at 3-year intervals.

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