

Implications of Population Ageing

Opportunities and Risks

Edited by

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Institute of Policy Studies

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Foreword

Since its formation in 1983, the Institute of Policy Studies (IPS) has joined with the public sector to discuss policy-relevant issues. Typically, we do (or commission) research, hold seminars to discuss the findings with those immediately concerned, and then publish the results for a wider audience. Increasingly, we are loading as much as possible of our work onto our website (<http://www.vuw.ac.nz/ips/>), in an attempt to make available to a worldwide audience the substantial and ongoing IPS contribution to thinking about domestic and foreign policy.

At times we have tackled current issues, stressing our role as a neutral forum. A recent example is the work done by Colin James (2002) on the changing relationships between ministers and departmental chief executives. At other times, we look some distance ahead in trying to shape thinking about longer-term considerations (Harland, 1992). This volume (at number 146 on our list of monographs and books), on the policy implications of an ageing population in New Zealand, is a bit of both. Researchers can look ahead at the likely future shape of our population in, say, 30 years and beyond. They argue that policy-makers have an opportunity to anticipate the implications and take a series of short steps over decades. This will make for easier adjustments politically, financially and socially, rather than suddenly trying to deal with the ageing sun coming up one fiscally starved election morning in 2030.

This makes sense, surely. And thoughtful people persuasively call for this sort of far-sighted-with-immediate-steps action. Richard Hawke's 2005 book showed how this combination could work in relation to retirement income. Since governments always face the immediacy of a three-year re-election cycle, the political focus is likely to be quite shortsighted. But examples in many areas (including defence, prisons, climate change, infrastructure, Treaty of Waitangi policy and savings) show it is often impossible to make credible policy without a longer view. Some might hope eternally for multi-party approaches to long-term issues. But the grounds are contested in pretty much every policy area and our political system drives oppositions, of any sort, to insist that they could and would do things differently. This is reality, not lament. Governments thus have little choice but to look ahead as best they can, constantly trying to avoid losing current political ground against longer term objectives.

One might have thought that the simple fact we are *all* hoping to grow old (and that everything in this volume will apply to *all* the current political actors and their children), would drive stronger policy agreement around the topics set

out in this book. Older people vote too, and in growing numbers and percentages of the electorate – so the politics may change in time. For the present, we can but hope that the logic of the arguments in this volume will indeed command broader support in successive legislatures, so that steady adjustments will be possible across the decades ahead.

The social and economic trends and predictions in this volume may help to reshape policy. For example, there is already substantial evidence that conceptions of ‘work’ and ‘career’ are changing. Today’s toddlers might anticipate a ‘contracting career’, as they drop in and out of paid work as contractors rather than employees umbilically attached to one employer (including ‘the public service’), throughout their working lives. They might work in different cities or even countries each week. If that pattern takes hold, turning 65 is not going to have anything like the impact that it did for 20th century workers. ‘Retirement’ may have a very different meaning, if it survives at all as a distinct life event. Sir Frank Holmes, 82 in 2006, and still thinking and contributing to the IPS programme, may be well ahead of his time (as has been much of his contribution to policy thinking over several decades) (Ladley and Martin, 2005).

A final word relates to our Pacific neighbourhood and changing definitions about who ‘we’ might be as a population. This volume acknowledges some effects from immigration on the ageing demography, but otherwise largely thinks about New Zealand as being the same sort of state/government in 2030 as it is today. That might be right. But it is surely as likely that by then ‘we’ will also think of ourselves as part of a Pacific (or some other) community. For geographic as well as cultural and political reasons, our wider sense of self will probably include both Australia and our saltwater ‘back yard’. The Pacific (especially Melanesia) has a much younger age-shape, with significant numbers of young people emerging from schools with no jobs and few prospects in the decades ahead. There is already concern in the region about the security and stability implications of a bored and demanding cohort, unwilling (and unable) to live their lives and largely disconnected from the globalised world. At some point in the next 50 years, therefore, the population, economic, security, climate and identity imperatives may see a nice balance between both Australia’s and New Zealand’s need for youth and workers, and the Pacific’s need for jobs, hope and economic growth.

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