

**Briefing to the incoming Minister for  
Senior Citizens**

**Towards lifelong participation  
and independence**

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# Senior Citizens

## Overview

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## **Introduction**

### ***Scoping the portfolio***

The number of older people in New Zealand is growing both in numbers and as a percentage of the total population. This trend will continue to raise the profile of older New Zealanders as a group of critical importance to the future of New Zealand society.

Persons aged 65 years and older make up 12% of the total population. This will rise to 18% by 2021 and 26% in 2050.

At the end of March 2002 there were 463,000 people aged 65 and over living in New Zealand. Under medium population projections, the older population will number 551,000 by 2010, 1 million by 2030 and will level out at around 1.2 million towards the middle of the century.

### ***Role of the Minister for Senior Citizens***

The role of the Minister for Senior Citizens is to advocate for older people at Cabinet and in other government policy forums. The increasing proportion of older people means that issues within the portfolio are becoming more prominent and are subject to greater political debate and public interest.

The scope of the portfolio is broad, incorporating positive ageing, health, retirement income, housing, security, transport and other issues. The advocacy role of the Minister for Senior Citizens is complicated by the fact that the older population is a diverse group with differing needs and expectations.

These expectations will be different to the expectations of future generations of older people. It is therefore essential that the advice provided to the Minister for Senior Citizens takes into account not only the views of older people today, but also considers the potential impacts of policy decisions on future generations of older people.

The purpose of this briefing is to provide a broad overview of the major issues relevant to the portfolio of Minister for Senior Citizens. Key information and messages are provided in this summary of each chapter.

***There are currently more than 463,000 people aged 65 and over living in New Zealand***

## Contents overview

### **Chapter 1: Portfolio of the Minister for Senior Citizens**

Chapter 1 provides information on the establishment of the portfolio of the Minister for Senior Citizens and outlines the roles and responsibilities of the Minister. It explains the relationships between the Minister and the Office for Senior Citizens, and the work undertaken by the Office. The role of the Advisory Council for Senior Citizens is described, with information provided on the current membership.

#### **Update**

In October 2002 the then Minister for Senior Citizens indicated an interest in reorganising the Advisory Council for Senior Citizens. The Minister considered that as a key source of advice the Council could be structured in a way that enabled timelier, broad based, expert, diverse and cost effective advice. A paper on options for reorganisation has been prepared and will be submitted to the new Minister for her consideration and direction.

The term of appointment for all current Advisory Council members expired on 31 December 2002. The Office for Senior Citizens is well placed to progress the appointment process for Council members early in 2003, should the Minister make a decision to that effect.

*Public interest is increasing in issues relating to ageing and the ageing of the population*

The chapter notes the increasing importance of the Senior Citizens portfolio and a greater public interest in issues relating to ageing and to the ageing of the population. It notes that the effectiveness of the portfolio is dependent on the Minister for Senior Citizens receiving comprehensive advice on a wide range of issues. The chapter advises that the ability of the Office for Senior Citizens to meet this demand, and to undertake work with other agencies and older people's organisations, is determined by the level of Vote funding. The chapter breaks down the components of the Vote: Senior Citizens appropriation.

## **Chapter 2: Profile of the older population**

Chapter 2 provides a demographic profile of the older population and sets the context for the chapters that follow. The statistics provided illustrate the diversity of the current cohort of people aged 65 years and over. Statistical disaggregation of the 65 plus population into the 65-74, 75-84 and 85 and over age groups, and by gender and ethnicity, also indicates considerable variation according to those population groupings.

The chapter analyses the impact that changes to the older population will have on current policies and the challenges they will present in the development of new policies.

The chapter emphasises that there will be changing needs and expectations among older populations in the future, as diversity increases within this group. The fast growth in the numbers of older people aged 85 and over, the increasing numbers of Māori and Pacific people, and the high proportion of women in older age are identified as key factors for policy consideration.

The specific statistical information covered in the chapter pertains to the demographic composition of the older population in New Zealand.

## **Chapter 3: The Positive Ageing Strategy**

This chapter outlines the process for the development of the Positive Ageing Strategy, which is a cornerstone of the Senior Citizens portfolio. The uniqueness of the Positive Ageing Strategy as a real action framework is described, as is the promulgation of the Strategy and the progress that has been made by the Government sector in the years since the first Positive Ageing Action Plan was developed.

The chapter describes a number of recent positive ageing initiatives in the Government sector and notes that changing attitudes about ageing is the first step to promoting positive and productive ageing in retirement years. The role of intergenerational programmes in developing positive attitudes to ageing and older people is also discussed.

The key message is that there are many opportunities for future generations of older people, as they are expected to be healthier, more educated and skilled, and remain longer and more actively involved in the workforce than their predecessors. Older people have the skills, experience and knowledge to contribute to society, and the benefits of positive and productive ageing are described.

*Future generations of older people will be healthier, more educated, skilled and will remain longer in the workforce than their predecessors*

The many ways in which older people participate in and contribute to society are described, including the increased opportunities for workforce participation.

***Update***

On 4 December 2002 the Minister for Senior Citizens released the Positive Ageing Strategy Action Plan for 1 July 2002 to 30 June 2003, and the Positive Ageing Strategy Annual Report for the period 1 July 2001 – 30 June 2002. In December 2002 responsibility for managing the Positive Ageing Strategy, including the preparation of Annual Reports and Action Plans was transferred from the Ministry of Social Development's Equity and Population Policy team to the Office for Senior Citizens.

***Chapter 4: Maintaining independence***

This chapter identifies key policy areas which influence the ability of older New Zealanders to maintain independence and "age in place". Current issues in housing (affordability and appropriateness), home support services, access to the community (older driver licensing, public and other transport and communication technology), and safety and security are outlined.

***Update***

On 18 December 2002 the Land Transport Safety Authority released for public consultation, a draft of the Land Transport (Road User) Rule. Several changes proposed by the rule, which affect the use of mobility scooters, have particular relevance to older people, who are the highest users of these mobility devices. The proposed changes include a requirement that a 'mobility device' may only be operated on a footpath in a careful and considerate manner, and at a speed of not more than 10 km/h. Public submissions on the draft Rule close on 18 March 2003.

### **Chapter 5: Retirement income**

This chapter outlines the impact of changes in the population structure on the level of publicly funded retirement expenditure. It describes the economic well-being of the current 65 plus population as indicated in the *Living Standards of Older New Zealanders 2001* report.

The chapter outlines the current retirement income strategy, in particular the 'Super Fund' established under the New Zealand Superannuation Act 2001. The issues of saving for retirement, factors affecting the sustainability of New Zealand Superannuation, and managing the changes in retirement income policy are also discussed.

The chapter describes the role of the Retirement Commissioner in promoting public education on retirement income issues. Information on current expenditure on New Zealand Superannuation and recipient numbers is also provided.

#### **Update**

In December 2002 the Minister of Social Services and Employment announced the appointment of a new Retirement Commissioner. Diana Crossan has been appointed to the position and replaces Colin Blair. Also announced in December 2002 was the appointment of the Periodic Reporting Group (PRG), which is required under the Retirement Income Act 1993, to be established at 6 yearly intervals. With the assistance of the Retirement Commissioner, the Secretary to the Treasury, the CEO of the Ministry of Social Development and the Commissioner of Inland Revenue, the PRG has until 31 December 2003, to prepare a report on the retirement income policies of the New Zealand government. The Terms of Reference for the PRG require the report to focus of the private provision of retirement income.

**The Senior  
Citizens  
portfolio has an  
advocacy focus**

### **Chapter 6: The health of older people**

This chapter outlines in detail the recently released Health of Older People Strategy. The principles, goals and key actions of the Strategy are described. The Disability Strategy is also described, as older people, particularly those in the 80 plus age group, are disproportionately represented among the disability population.

It discusses in detail how the strategic goal of 'maintaining independence' is being supported in health policy for older people, and provides detailed coverage of residential care issues including residential care services and the residential care subsidy.

The chapter describes the general health characteristics of people in their 60s, 70s and 80s. It notes that as New Zealand's population ages, changes to health services will be required to meet the health needs of the increasing number of people aged 80 and over.

It discusses a number of developments which have the potential to at least partially offset the expected higher health costs of an ageing population. These include public health education strategies, reductions in disability rates, research and technology, and ways of supporting older people at home for as long as possible, to delay entry to residential care.

The chapter identifies the health issues that can be expected to require attention in the next two to three years. These are increases in dementia among the older population, private health insurance costs, availability of new pharmaceuticals, and asset testing for the residential care subsidy.

***Update***

Government has made a commitment to implement by the end of the current parliamentary term, the removal of asset testing from the assessment of residential care subsidy. The removal of asset testing has considerable financial and operational implications. For this reason a range of possible options are being carefully considered.

**Chapter 7: Protecting people's rights and interests**

This chapter outlines key social service, policy, and legislative initiatives aimed at specifically protecting older people's rights and interests. It discusses in detail the Retirement Villages legislation introduced by the previous Minister for Senior Citizens, and work undertaken to date on limiting the misuse of enduring powers of attorney through amendment to the Protection of Personal and Property Rights Act 1988.

The issue of elder abuse and neglect is also looked at and the current status of elder abuse and neglect prevention services in New Zealand is discussed.

**Update**

Following the General Election the report back date of the Justice and Electoral Select Committee on the Retirement Villages Bill was extended to November 2002 and then to 28 March 2003.

Policy work on amendments to the Enduring Power of Attorney Provisions in the Protection of Personal and Property Rights (PPPR) Act has now been completed. It is intended that Cabinet approval for amendments to the PPPR Act will be sought in the near future.

In August 2002 Age Concern New Zealand released an analysis of elder abuse and neglect prevention services referrals for the period 1 July 1998 to 30 June 2001. That report, and a subsequent strategic funding proposal presented by Age Concern to the Minister for Senior Citizens and the Minister of Social Services and Employment, has led to a renewed focus on elder abuse and neglect prevention funding issues in the Office for Senior Citizens work programme.

### **Chapter 8: Volunteer Community Co-ordinators**

This chapter backgrounds the development of the Volunteer Community Co-ordinators Programme which was established in the International Year of Older Persons 1999. Projects that have been undertaken by the Volunteer Community Co-ordinators (VCCs) are described and the factors that have made the programme a success are discussed. This chapter also discusses the role of older people as volunteers and the contribution that older people make to the voluntary sector.

#### ***Update***

During October and November 2002, the Office for Senior Citizens prepared a manual for Volunteer Community Co-ordinators and nominating organisations. The VCC manual provides clear guidelines in terms of the roles and functions of those involved in the programme, and will serve as a resource and reference tool. The manual, developed at the request of the Minister for Senior Citizens was completed and distributed early in December 2002.

### **Chapter 9: Organisations and agencies**

The advocacy focus of the Senior Citizens portfolio, and the growing number and proportion of older people, make it imperative that the Minister is actively aware of the views, concerns and policy interpretation of older people. These are generally reflected in the activities and publicly articulated positions of older people's organisations and groups.

The Office for Senior Citizens has also formed partnerships with older people's organisations and agencies in the policy development process, through consultation and reference group processes. For this reason, this chapter is divided into two sections: government agencies and community organisations. Brief descriptions of the agencies and organisations are provided within each section.

**Chapter 10: Challenges and opportunities**

The final chapter outlines the opportunities and challenges the Senior Citizens portfolio presents to its Minister. The opportunities for the Minister for Senior Citizens to make an important contribution to government policy on behalf of older people are outlined. The mechanisms available to the Minister to make the most of those opportunities are described.

The chapter also describes the potential constraints of an advocacy role with no specific statutory or service delivery functions. The expectations the older population places on the Minister for Senior Citizens as their advocate and champion are described as both a risk and a challenge.

# **Chapter 1**

## **Portfolio of the Minister for Senior Citizens**

## **Key Messages**

- The importance of the Senior Citizens portfolio will continue to increase along with the growth of New Zealand's older population.
- The way in which the portfolio is viewed by older people is influenced by the ability of the Minister to reflect the needs and interests of older people in government policy and decision making forums and to explain policy changes clearly and sensitively.
- The effectiveness of the portfolio is dependent on the Minister receiving timely and comprehensive advice on a wide range of issues.
- The ability of the Office for Senior Citizens to deliver advice on a wide range of issues, to undertake work with other government agencies and community organisations, and to consult with older people and groups representing their interests, is determined by the level of Vote funding.

## **Introduction**

The portfolio of the Minister for Senior Citizens was established in 1990. The role of the Minister is to advocate for older people at Cabinet and in other government policy forums, and to represent their views and concerns at government level.

The scope of the Senior Citizens portfolio is very broad, incorporating positive ageing; health; retirement income; housing; security; transport and other issues. Services to the Minister are provided by the Office for Senior Citizens<sup>1</sup>, which is part of the Ministry of Social Development.

Currently there is no legislation for which the Minister for Senior Citizens is responsible. However, subject to progress and decisions made regarding the Retirement Villages Bill, which was introduced by the Minister for Senior Citizens in 2001, the Senior Citizens portfolio could include responsibility for the Retirement Villages Act.<sup>2</sup>

In the past year, correspondence received by the Minister related primarily to the matters of retirement income including New Zealand Superannuation and supplementary assistance, health services, the retirement villages legislation, older driver licensing and the residential care subsidy.

Correspondence indicates that these are key concerns for older people and their advocates, but most of the issues that concern the population in general are also reflected in submissions and letters received by the Minister.

As part of the portfolio responsibilities, the Minister regularly receives requests to meet with a range of organisations representing the interests of older people.

As noted, while older people's concerns are often about issues that are specifically age related, the matters raised with the Minister cover the range of issues of interest to the general population.

The Minister also receives invitations to address meetings and conferences that cover the matters specifically relevant to the portfolio.

The Minister and officials from the Office for Senior Citizens contribute to policies affecting older people developed by a range of government agencies.

The advocacy responsibility of the Senior Citizens portfolio means that the Minister for Senior Citizens may take a stance on an issue that is different to that taken by other Ministers.

Officials from the Office for Senior Citizens ensure that, in considering other agencies' policy initiatives, any particular implications for older people or matters of relevance to the Senior Citizens portfolio are identified.

The advocacy function of the Minister for Senior Citizens is not based on an assumption that all older people are the same. Older people are generally considered to be those aged 65 years and over, with many older people living into their 90s and some beyond 100 years. This means that the population of older people covers several generations.

There are more than 463,000 people aged 65 years and over currently living in New Zealand. Within that numerically significant population group there is likely to be the same variation of views, needs, interests, cultures, wealth, experience, and lifestyle as in the general population.

Policies that are specifically tailored to the older population will therefore impact quite differently on individual older people, or on particular groups within the older population.

A further consideration is that, while the portfolio responsibility requires the Minister for Senior Citizens to represent the needs and expectations of older people, these must be balanced against the requirements of other age groups and those of future generations of older people. In considering such issues, the focus of the Senior Citizens portfolio is to enhance the wellbeing of older people.

### **Vote: Senior Citizens**

The Senior Citizens portfolio is funded through Vote: Senior Citizens. Currently, the Office for Senior Citizens operates on a budget allocation of \$600,000 (GST inclusive).

*The focus of the Senior Citizens portfolio is to enhance the wellbeing of older people*

*Table 1: Office for Senior Citizens Budget*

Budget	30/06/2003 <sup>3</sup>
	<b>\$'000</b>
Salaries & Personnel	334,688
Training	8,437
<b>Total Personnel</b>	<b>343,125</b>
Administration Costs (including the Advisory Council for Senior Citizens)	54,375
<b>Total Administration</b>	<b>54,375</b>
Volunteer Community Co-ordinators	112,500 <sup>4</sup>
<b>Total Other</b>	<b>112,500</b>
<b>TOTAL OPERATING BUDGET</b>	<b>510,000</b>
<b>OVERHEADS<sup>5</sup></b>	<b>90,000</b>
<b>BUDGET TOTAL (GST inclusive)</b>	<b>600,000</b>

## **Office for Senior Citizens**

The Office currently has a Director, one full-time and one part-time senior analyst, a full time analyst, a Volunteer Community Co-ordinator, and an office administrator. The Office reports to the Minister through the Chief Executive of the Ministry of Social Development. The Office maintains close contact with the Office of the Minister for Senior Citizens.

As well as providing policy advice to the Minister for Senior Citizens, the Office is responsible for ministerial services, including preparing draft responses to ministerial correspondence, Parliamentary Questions and requests made under the Official Information Act.

An annual performance agreement is signed between the Minister for Senior Citizens and the Chief Executive of the Ministry of Social Development. The agreement outlines the parameters of the work for the Office for Senior Citizens and sets performance measures for policy advice and ministerial services.

A six-monthly work programme, identifying the work the Office proposes to undertake, is prepared for the Minister's consideration. The majority of the Office's work is demand driven, comprising requests from the Minister and government agencies to provide advice on policies that affect older

people. While the Ministry of Social Development led the work for the Positive Ageing Strategy, the Office played a significant role in overseeing the development of the Strategy on behalf of the Minister for Senior Citizens.

More recently, at the Minister's request, the Office led the development of the Retirement Villages Bill. The Office has also been working closely with the Ministry of Justice on proposed amendments to the enduring power of attorney provisions of the Protection of Personal and Property Rights Act.

At the Minister's request, the Office has also taken a lead role in developing initiatives to promote positive ageing, with government agencies and community organisations. It has led initiatives such as funding for the establishment of elder abuse and neglect prevention services, planning for the International Year of Older Persons (IYOP) 1999 and responsibility for co-ordinating the celebration of the IYOP, the establishment of the Volunteer Community Co-ordinators programme and the LinkAge guidelines for intergenerational programmes in schools.

### **Advisory Council for Senior Citizens**

The Advisory Council for Senior Citizens comprises five to seven community representatives who provide the Minister for Senior Citizens with independent advice on issues concerning the wellbeing of older people. Members are appointed, as individuals, because of their knowledge of older people's issues and their community involvement and not as representatives of particular interest groups. The Minister seeks Cabinet approval for appointments to the Advisory Council.

The Advisory Council meets every two months for a full day, at the Ministry of Social Development. The Minister generally attends part of the meetings to discuss issues. An annual work programme is developed by the Advisory Council, for the Minister's consideration. Throughout the year, other work is undertaken at the Minister's request, or at the instigation of Advisory Council members. The Advisory Council receives policy advice and secretariat services from the Office for Senior Citizens.

Since its establishment in 1992, the cost of the Advisory Council has been met from within the baseline for Vote: Senior Citizens.

*The Advisory Council for Senior Citizens provides the Minister with independent advice on issues concerning the wellbeing of older people*

## **Current membership**

The five current Advisory Council members have been on the Council for between five and seven years. The current Chair of the Committee was appointed in June 2001. In February 2002, the Chair and members of the Committee were all re-appointed until 1 January 2003. The decision to roll-over existing members, rather than undertake a new appointments process was based on several considerations. The first was that with an election then likely around November 2002, it was considered more fitting to allow a new Minister to make decisions about the membership of the Council within a few months of coming to office. The second consideration was that their reappointment for what is half an ordinary term of office ensured the continuation of advice to the incumbent Minister.

The current members of the Advisory Council are:

- Rt Hon Bob Tizard is the Chairperson. His first term of appointment began in June 2001. Mr Tizard was a Labour Member of Parliament for 30 years and retired from Parliament in 1990. During that time he held a number of Ministerial portfolios, including Deputy Prime Minister, Health, Finance, Defence and Research, Science and Technology.
- Mr Ronald Francis was first appointed to the Advisory Council on 1 November 1994. He served as Chairperson for five years. In 1998 Mr Francis retired as the financial manager of a religious and welfare residential care facility for older people in Wellington. He has completed two full terms on the Advisory Council and since 2000 has twice been re-appointed for partial terms.
- Ms Beverley Chappell was first appointed to the Advisory Council on 1 July 1997. She is highly regarded as a nurse educator and practitioner. Ms Chappell has extensive knowledge of health issues, including those concerning older people.
- Ms Anne Delamere, QSO, was first appointed to the Advisory Council on 1 July 1997. She is of Te Whānau a Apanui and Te Arawa descent and currently works within the Wellington community advocating for Māori women. Ms Delamere is a Life Member of the Māori Women's Welfare League.
- Mr David Dobson was appointed to the Advisory Council on 1 July 1999. He is a past Chairperson of SeniorNet Wellington, a

community organisation providing peer education computer courses to people aged 55 years and over. Mr Dobson has had extensive experience in the corporate sector and was, until 1995, the General Manager of the New Zealand Pork Industry Board.

- Mr John Probert was appointed to the Advisory Council on 1 July 1999. He is an ordained Salvation Army Minister and has a background in human resource management and the development and delivery of services in the non-for-profit sector.

### **The growing profile of the Senior Citizens portfolio**

The profile of the Senior Citizens portfolio has progressively increased since its establishment in 1990, and is likely to increase further with the growth of the ageing population.

Government agencies, community organisations and the public are taking a greater interest in issues related to ageing. Organisations representing the interests of older people are becoming more political and forthright in presenting their views.

The expectations of older people are that the Minister reflects their views and interests at government policy and decision-making forums, and represents and explains policy changes clearly and sensitively.

Financial constraints have made it necessary to restrict the Advisory Council membership mainly to the Wellington area and this has led to older people's groups questioning its ability to represent a national perspective.

Regular consultation with older people's groups is considered to be essential to the Office for Senior Citizens developing good advice. It enables the Office to keep in touch with the issues affecting the older population and ensures that the advice given to the Minister accurately reflects the views of older people. Consultation also raises the public awareness of the Minister for Senior Citizens role and increases knowledge about the portfolio.

The establishment of the Volunteer Community Co-ordinators (VCCs) programme<sup>6</sup> has enabled the Office to work with VCCs on specific community consultation exercises. For example, in 2002 the VCCs carried out an extensive consultation on the Law Commission's recommended amendments to the enduring powers of attorney provisions

*The Senior Citizens portfolio was established in 1990*

of the Protection of Personal and Property Rights Act.

The extent of community and sector group consultation that the Office, or VCCs, can undertake on behalf of the Office, is determined by the funding available.

The VCC programme has in effect overtaken much of the role of the Advisory Council and provides the Minister for Senior Citizens with access to regional, national and cultural perspectives on a wide range of issues.

## **Endnotes**

1. On 1 July 2002 the Senior Citizens Unit became the Office for Senior Citizens. The change in name has not materially affected the functions or output of the agency, but does better reflect the nature of work undertaken and the growing importance of the Senior Citizens portfolio.
2. Details of the Retirement Villages Bill are outlined in Chapter 7.
3. For the period 1 July 2002 – 30 June 2003.
4. Funding for the Volunteer Community Co-ordinators programme falls out of the International Year of Older Persons Budget commitments. The VCC funding is not part of the operating or personnel budget of the Office for Senior Citizens.
5. Overhead costs include occupancy, depreciation, capital charge and support services costs.
6. The Volunteer Community Co-ordinators Programme is outlined in detail in Chapter 8 of the Briefing Papers.

## **Chapter 2**

### **Profile of the older population**

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## **Key Messages**

- At the end of March 2002 an estimated 463,000 people aged 65 years and over were living in New Zealand.
- Older people currently make up 12% of the total population, and will account for 26% by 2051.
- Ethnic diversity among older people decreases with age.
- The proportion of women among older people increases with age.
- Growth within the older population is highest in the 85 and over age group.
- The ageing of the population will accelerate from about 2010.

## **Introduction**

Looking at the older population from a statistical perspective provides a useful picture of the scale and demographic make-up of the people for whom the Senior Citizens portfolio exists. For short term planning, policy development and decision-making there is a wealth of information about the current group of people aged 65 years and over, and those who are approaching older age.

The information provided in this chapter paints a picture of considerable gender, ethnic and age variation within the older population. It also gives a picture of the older population as a whole, which can be generally distinguished by such characteristics as limited ethnic diversity, a high proportion of women, low incomes, a high rate of home ownership, and a high proportion of urban dwellers.

The fact that the proportion of older people is in a long term period of growth is critical to long term planning and policy. This ageing trend will accelerate around 2010, when the first of the baby boomers reach the age of 65 years, so it does not have any immediate implications for the Senior Citizens portfolio. Most salient to the portfolio in the short to medium term is the growth in the number of people aged 85 and over, which will increase by 13%, to 59,000, between now and 2005.

*There is a sustained period of growth in the number of older people*

## **Number and proportion of older people**

At the end of March 2002 there were 463,000 people aged 65 years and over living in New Zealand.

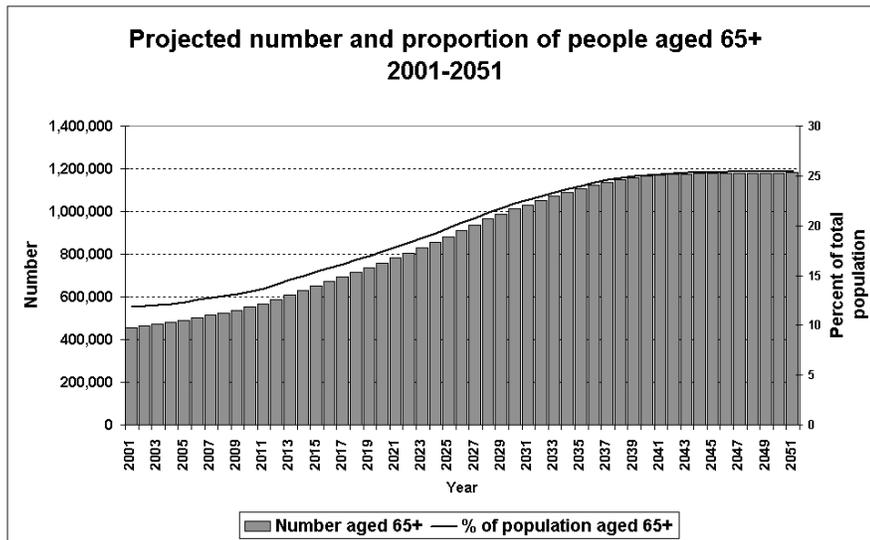
The number of older people is expected to increase to around 490,000 by 2005 and to 551,000 in 2010. The rate of growth in the older population (currently just over 1% per year) will increase over the next decade, accelerating to over 3% per year after 2011 as the oldest members of the post-war baby boom generation begin turning 65.

Under medium population projections, the number of older people will reach one million by 2030, levelling off at around 1.2 million towards the middle of the century (Figure 1).

People aged 65 years and over currently make up 12% of the total population. This proportion will rise to 18% by 2021 and by mid-century, older people will make up around 26% of all New Zealand residents (Figure 1). Older people will also grow as a proportion of all householders, from

around 20% in 2001 to 36% by 2051, under medium household projections.

Figure 1



Source: Statistics New Zealand, 1996-based resident population projections, assuming medium fertility and mortality, and long-term net migration of 5000 per year.

### Age distribution of the older population

In March 2002, over half (54%) of all older people were aged 65-74 years, a third (35%) were aged 75-84 years and 11% were aged 85 years or older. Over the next three years, the numbers in the oldest age group are expected to increase at a faster pace than at the younger ages. By 2005, the number of people aged 85 and over will have grown by around 13%, to reach 59,000. It is the rapid growth in the number of very old people that will place the most stress on health care and community support services as the population ages.

*By 2005, there will be 59,000 people aged 85 and over*

By contrast, the population aged 65-74 is expected to increase by just 3% over the same period.

### Gender distribution of older people

Because women have longer life expectancy than men, they make up the majority of the older population and their predominance increases with age. In March 2002, while women accounted for 56% of all those aged

65 and over, this proportion varied from 52% among 65-74 year olds, to 58% among 75-84 year olds, and 70% among those aged 85 and over. The gender imbalance will continue to lessen at the older ages in future because males have made greater gains in longevity than females in the last two decades.

Table 1: Age and gender distribution of 65+ population, March 2002

Age group (years)	Males	Females	Total	% female	
				2002	2020
65-74	59	50	54	52	52
75-84	33	36	35	58	55
85+	8	14	11	70	63
Total 65+	100	100	100	56	54

Source: Statistics New Zealand, estimated resident population as at 31 March 2002; 1999-based resident population projections, medium series.

### Ethnic diversity in the older population

The older population is less ethnically diverse than the population aged under 65. Only 2% of the older population identified with more than one ethnic group at the 2001 Census. This compares with 10% of those in the under 65 age group.

At the 2001 Census, 93% of people aged 65 and over affiliated with European ethnic groups. Māori comprised 4% of those aged over 65, compared with 16% of the under 65 age group. A further 2% of older people identified as Pacific people, the same proportion who reported Asian ethnicity.

The ethnic composition of the older population has been shaped by patterns of migration in past decades as well as ethnic differences in life expectancy.

For example, in 2001, almost 1 in 7 (14%) of people aged 65 and over said they were born in the United Kingdom or Ireland, compared with 4.9% of people under the age of 65. This reflects the effect of immigration policy, which gave unrestricted access to British migrants until the mid-1970s.

*The older population is less ethnically diverse than the population aged under 65*

In all, 29% of older people counted at the 2001 Census were born overseas, compared with 22% of the population aged under 65.

### **Older Māori population**

The Māori population aged 65 and over numbered approximately 18,000 in March 2001, an increase of 61% (6,700 persons) from 1991. Older Māori made up 3.4% of all Māori in 2001, up from 2.5% in 1991. The number and proportion of older Māori is projected to increase over the next three decades.

The representation of Māori decreases with age; in 2001, they accounted for 6% of all 65-74 year olds, 3% of 75-84 year olds and just 2% of those aged 85 and over.

Almost three-quarters of older Māori (74%) are aged between 65-74 years, a further 22% are aged 75-84 and just 4% are 85 or older.

### **Older Pacific people**

At the 2001 Census, there were 7,600 older Pacific people. The number of older Pacific people doubled over the decade to 2001 and is projected to increase rapidly over the next two decades.

Older Pacific people accounted for 3% of the total Pacific people population in 2001; this proportion will increase to 4% by 2011, and to 8% by 2031. They have a similar age structure to that of older Māori, with 71% aged 65-74, 25% aged 75-84, and 4% aged 85 plus.

Older Pacific people currently account for just 1.8% of all older people. This proportion is expected to rise slowly but steadily over the next three decades. Fewer than 1% of the very old population aged 85 plus are Pacific people, compared with 2% of those aged 65-74. The vast majority of older Pacific people migrated to New Zealand; at the 2001 Census, only 4% were New Zealand born.

### **Older Asian population**

The Asian population in New Zealand is also relatively young, with just 4% aged 65 and over. This is not unexpected, given that many of the Asian groups consist of recent immigrants to New Zealand, who are largely people in the main working ages. In 2001, 93% of the older Asian population were born overseas.

## Languages spoken

While the majority of older people are English language speakers, around 40,000 older people (9%) are able to speak two or more languages (2001 Census). The proportion of multilingual speakers is highest at the younger age groups, declining from 12% among 65-74 year olds, to 7% among 75-84 year olds and 5% of the population aged 85 and over. The most frequent languages spoken after English are shown in the table below.

Table 2

Language spoken	65+
<i>Māori</i>	11,232
<i>Dutch</i>	7,542
<i>French</i>	5,691
<i>German</i>	4,158
<i>Samoan</i>	3,684
<i>Yule (Cantonese)</i>	2,853

Source: Statistics New Zealand. 2001 Census of Population and Dwellings. National Summary. Table 14

A small proportion of all older people were Māori language speakers in 2001 (3%). Among older Māori, more than half (54%) were Māori language speakers, twice the proportion in the 15-64 year age group. At the time of the 2001 Census, 9,771 older people were non-English speakers (2% of the older population).

## Dependency ratios

A dependency ratio compares the size of the working age population with the size of the populations of younger and older people. It makes the assumption that the non-working age population is dependent on the working age population for support.

There are currently 18 people aged 65 and over for every 100 aged 15 to 64 years. By 2011, the older dependency ratio is expected to be 21 per 100, rising rapidly thereafter to reach 38 per 100 in 2031 (Table 3). Over the next decade increased aged dependency will be offset by falling youth dependency. From 2011, however, rising dependency at the older ages will increase the overall dependency within the population. This ratio is then expected to rise from 50 to 67 per 100 by the year 2031. If only

**There are currently 18 people aged 65 and over for every 100 aged 15-64**

those people in the labour force are included in the population on whom the older population is potentially dependent, the ratio rises to 25 per 100 in 2011 and 45 per 100 in 2031.

Table 3: Dependency ratios, 2001 to 2051

	Per 100 persons aged 15-64			Per 100 persons in labour force			Older persons aged 75 plus per person aged 45-64 not in labour force
	0-14	65+	Total	0-14	65+	Total	
2001:	35	18	53	43	23	66	1.0
2006:	32	19	51	40	23	63	1.0
2011:	29	21	50	37	25	62	1.0
2016:	28	24	52	35	29	64	1.1
2021:	27	28	55	34	33	67	1.2
2031:	29	38	67	35	45	80	1.9
2041:	28	43	71	34	52	86	2.4
2051:	27	44	71	33	54	87	2.5

Sources: Statistics New Zealand, 1999-based resident population projections; 1996-based labour force projections (assuming medium fertility, medium mortality, long-term annual net migration 5,000, medium labour force participation rates); Household Labour Force Survey.

The changing ratio of older people to potential carers outside the labour force is an issue that will need to be addressed in the medium future. In the past, middle-aged adult daughters have provided such care on an unpaid basis.

However, changes in women's labour force participation, delayed child-bearing, smaller families and increased geographical mobility among older people have reduced the capacity of daughters to provide such care. There is currently just over one person aged 75 or more for each person aged 45-64 years who is not in the labour force and could potentially provide support.

The ratio will change rapidly from about 2020 and by 2031 there will be almost two people aged 75 and over for each non-labour force person aged 45-64 years. These ratios assume that current labour force participation rates of women and men continue.

**The changing ratio of older people to potential carers is an emerging issue**

## **Marital status**

At the 2001 Census, the majority of older people (88%) were either married or widowed, reflecting the high levels of marriage and lower incidence of separation and divorce among older cohorts.

Over half (55%) were currently married, the proportion being higher at the younger ages and among men. Among those aged 65-74 years, 76% of men and 57% of women were married. Only 9% of men in this age group were widowed, as opposed to 30% of women. Over the age of 85 years, 43% of men were widowed, compared to 81% of women. This difference can be attributed to the longer life expectancy of women, together with the tendency for men to be married to women younger than themselves.

A significant trend in the marital status of older people is the growth in the number of people who are either divorced or separated. Between 1971 and 2001, the proportion of older people who were separated or divorced increased from 3% to 9% among those aged 65-74 years, and from 1% to 2% among those aged 85 and over. These proportions can be expected to grow as the generations of New Zealanders affected by higher rates of separation and divorce in recent decades enter the older age groups.

Another emerging trend is the growth of cohabitation among older people. The number of women and men aged 65 years and over who were living in de facto relationships trebled between 1991-2001. While making up a small proportion of older people overall (2%), this is likely to grow in future decades.

## **Older people who have had children**

The current older population, which includes the parents of the baby boom generation, is more likely to have had children than older people of the previous generation. A question in the 1981 Census showed that 79% of women aged 65 and over had had at least one child; the proportion in the 1996 Census was 87%.

Older people today are also more likely to have had larger families than more recent cohorts of women. In 1996, women aged 60-64 years were estimated to have had 3.24 children on average over their lifetime. This compares with 2.47 children for women aged 45-49 years. To the extent to which children are a potential source of care for parents in older age, the current older population may be relatively favoured in this respect.

## **Education**

The proportion of older people with formal qualifications is likely to increase in future years as younger generations who have benefited from higher participation in education enter the older ages. Just over half of older people (54%) had a formal qualification in 2001, compared with three-quarters of the 15-64 year old population.

Gender disparities in the qualifications of older people are also likely to reduce. In 2001, 49% of older women and 43% of older men had no formal qualifications.

## **Employment**

Prior employment history is likely to influence the economic circumstances of the older population. Since the age of eligibility for retirement income support began rising in 1992, the number and proportion of people in their early 60s who are employed has more than doubled.

Full-time employment has increased more than part-time employment. In March 2002, 55% of men aged 60-64 were employed full-time, an increase from 25% in March 1992. A further 12% of men were employed part-time in 2002, up from 8% in 1992 (Figure 2).

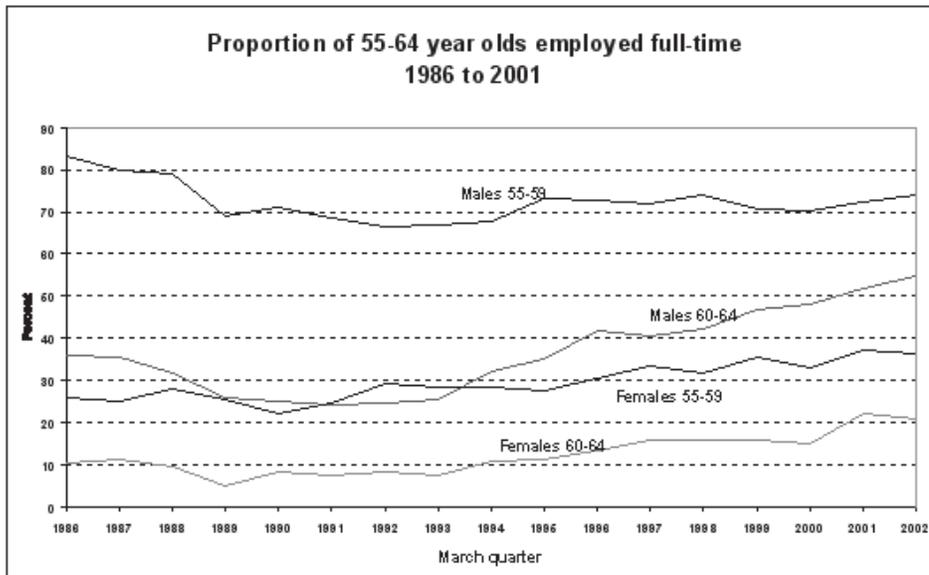
The proportion of women aged 60-64 years who were employed full-time increased from 8% to 21% between March 1992 and March 2002, while the proportion employed part-time rose from 7% to 20%. In total, 41% of women aged 60-64 were employed either full-time or part-time in March 2002, compared to 66% of men.

The full-time employment rate of men in their late 50s has recovered slightly from a low point in 1992-93 but at 74% in March 2002, it was still at a lower level than in 1986 (83%). For women of this age group, the full-time employment rate has increased from 26% in March 1986 to 36% in March 2002.

As a result of the growth of women's employment, the proportion of all 55-59 year olds employed full-time has recovered to 1986 levels (55%). In March 2002, women made up 33% of full-time employed people aged 55-59, an increase from 23% in March 1986.

***Since 1992, the number and proportion of people in their early 60s who are employed has more than doubled***

Figure 2



Source: Statistics New Zealand, Household Labour Force Survey.

The number of people aged 65 years and over in paid employment has more than doubled since 1991. In the week before the 2001 Census, 49,935 people or 11% of those aged 65 and over were in paid employment. Participation was highest at the younger ages with 17% of 65-74 year olds in paid employment, falling to 5% for those aged 75-84 and 3% for the 85 and over population. The proportion of older persons in paid employment has risen considerably since 1991, when only 9% of those aged 65-74 years were employed.

### Unpaid work

Many older people are involved in unpaid activities, either inside or outside of the home. In the four weeks preceding the 2001 Census, 17% of people aged 65 and over had been involved in voluntary work such as for an organisation, group or marae. This proportion is highest (21%) for the 65-74 year age group.

Almost three-quarters of older people had done housework in their own household while 6% had spent time caring for a members of their household who was ill or had a disability. Some older people also spent time caring for children, including a child living in their own household (4%) and a child who lived in another household (9%). Among people aged 65-69 years the proportions are 7% and 16% respectively.

## **Income**

Reflecting their lower levels of employment, older people have lower incomes, on average, than adults in the main working ages of 15-64. In the year prior to the 2001 Census, the median annual income of people over 65 years (from all sources, before tax) was \$13,100, compared to \$18,500 for all adult New Zealanders. One-quarter of older people had annual income of \$10,000 or less, while just 5% received income of more than \$40,000.

The level of earnings among older people varies by gender and across ethnic groups. In the 12 months before the Census, median income for older males was \$13,600 compared with \$12,800 for older females. The gender difference reduces with age, falling from \$1,500 among 65-74 year olds to \$600 among the population aged 85 years and over.

While most of the usually resident population aged 65 and over received New Zealand Superannuation (93%), more than half of older people received income from other sources. This includes income from interest, dividends and rent (40%) and income from other superannuation and annuities (15%). Men were more likely to receive income from other superannuation and annuities (20%, compared with 11% for women).

A small proportion (6%) of older people reported that they had received income from wages and salaries in the 12 months prior to the Census, while 6% had received income from self-employment. The 65-69 year age group was the most likely to have received income from wages and salaries (14%) and self employment (12%).

## **Living arrangements**

Most older people live independently in their own homes, either with a spouse or on their own.

In 2001, one-third of older people were living on their own, and almost three-quarters were women. Around 14,500 women aged 85 years and over were living in a single person household in 2001, or 68% of women in this age group. At the time of the Census, around 50,000 respondents aged 65 or over (13%) said they usually lived with their children.

## **Home ownership**

Home ownership is high among older New Zealanders, with three-quarters

*In the year before the 2001 Census, the median annual income of people aged 65 and over was \$13,100*

of older persons owning or part owning their own home at the 2001 Census. More than half of the 85 and over population owned or part owned their own home in 2001. In part, this reflects past government policies that fostered home ownership through low-interest loans and the capitalisation of family benefit. The proportion of older people who own their own home has declined since the 1996 Census from 81% to 75%.

### **Older people in non-private dwellings**

In 2001, a small proportion (7%) of the older population was living in non-private dwellings. Of these, 81% were living in a retirement home or residential care facility while 9% were living in hospitals. The likelihood of living in non-private dwellings increases with age, rising from 2% of 65-74 year olds, to 30% of the population aged over 85.

Older women are more likely to live in non-private dwellings than older men, reflecting the lower propensity of women to live with a partner at the older ages. At the time of the 2001 Census, 8% of women and 4% of men were living in non-private dwellings such as a retirement village, a residential care facility or hospital.

In 2001, women made up 55% of the 65-74 age group, and 80% of those aged 85 and over, living in a retirement home or residential care facility.

### **Access to telephone and internet**

Virtually all older people (98%) reported that they had access to a telephone in the 2001 Census.

Around one in six older people (15%) were living in households that had access to the internet, with men more likely to report access (19%) than women (12%). Internet access declines with age from 21% among 65-74 year olds to 11% among 75-84 year olds and 7% for those aged 85 and over. At ages 65-69, almost half of Asian and "other" ethnic group older people had access to the internet, compared with 1 in 4 Europeans and 1 in 8 Pacific and Māori older people.

Approximately 1% (5700) of older people stated that they lived in a household that did not have telephone, fax or internet access at the 2001 Census.

## Motor vehicle access

Being able to travel both within the community and to other areas is likely to be an important indicator of the degree of independence among the older population. The majority of older people (84%) stated that they had access to at least one motor vehicle (2001 Census).

The proportion declines with age: 91% of 65-74 year olds have access to a motor vehicle compared with 79% of 75-84 year olds and 55% of people aged 85 and over. Males are much more likely to report having access to a motor vehicle than females (92%, compared with 78%).

## Older people in rural areas

Older people are slightly less likely than the population as a whole to live in rural areas (11%, compared with 14%). At the time of the 2001 Census, more than two-thirds lived in major urban areas, around a fifth in secondary or minor urban areas (Table 4).

The likelihood of living in a rural area was greater among the younger age group 65-74 years than among those aged 85 and over. This may reflect the fact that the very old are more likely to require access to the services and amenities available in urban areas.

Older Māori are more likely than older non-Māori to live in rural areas. In 2001, one quarter of Māori aged 65 and over lived in rural areas, compared with 10% of non-Māori of that age. Access to health and other services is therefore likely to be more difficult for Māori.

Table 4: Urban and rural distribution of older people, 2001<sup>1</sup>

	2001	%
Main urban areas	310,116	69
Secondary urban areas	38,442	9
Minor urban area	52,281	12
Rural areas and rural centres	49,524	11
Total	450,420	100

## **Endnotes**

1. Source: Statistics New Zealand, 2001 Census Regional Summary Table 2 Table 2a. (*Main urban areas*: populations of 30,000 or more; *Secondary urban areas*: population 10,000-29,999; *Minor urban areas*: population 1,000-9,999; *Rural centres*: population 300-999; *Rural other*: includes rural areas with populations less than 300 and other places not included in urban areas.)

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## **Chapter 3**

### **The Positive Ageing Strategy**

## **Key Messages**

- Positive ageing defines older age as a time for continuing contribution and participation in society.
- The purpose of the Positive Ageing Strategy is to promote positive ageing across a broad range of portfolio areas, and thereby improve opportunities for older people to participate in the community in the ways that they choose.
- Changing attitudes about ageing and older people is the first step to promoting positive and productive ageing.
- Continued productivity in older age has benefits for the individuals concerned, their families, the community and government.

## **Introduction**

The growth in the older population has significant policy implications for all nations. In developed countries in particular, much of the debate on the ageing population centres around expected increases in health and retirement income expenditure. But the situation is more complex than the issue of a relatively larger number and proportion of older people. People are living longer, and for a longer period of their old age they are active and healthy.<sup>1</sup>

The discussion of ageing population issues is often focused on the costs and problems generated by a growing number of older people. The picture often painted is one of high dependency ratios, the potential tax burden imposed on working age people, and a large number of perceivably non-productive people.

It is certainly the case that changes in the population structure will have fiscal and other implications that need to be accounted for in policy and planning. However, the ageing population debate rarely occurs alongside a consideration of the impact of changes in other population cohorts, or the potential modifying influences of migration or global economic shifts. The profound importance of human capital and the capacity of individuals, families, communities or populations to adapt or make provision for change are also not explicitly accounted for.<sup>2</sup>

Until relatively recently, consideration of changes within the older people cohort has not focused on the many opportunities to be realised as future generations of older people are expected to be healthier, more skilled and educated and remain more active in the workforce than their predecessors.

Active ageing, positive ageing, productive ageing and successful ageing are all concepts that advance the theory of ageing as a lifelong process, where positive attitudes to ageing and expectations of continuing productivity challenge the notion of older age as a time of retirement and withdrawal from society. The focus is on lifetime experiences contributing to wellbeing in older age, and older age as a time for ongoing participation in society.

The ability to age positively is assisted by good investment in education to provide individuals with a range of skills and an ability to set and achieve goals. It is also dependent on an environment that provides opportunities for older people to remain involved in society.

*Positive ageing  
is a lifelong  
process*

## **The Positive Ageing Strategy**

The New Zealand Positive Ageing Strategy was launched by the Minister for Senior Citizens on 10 April 2001. The purpose of the Strategy is to promote positive ageing across a broad range of portfolio areas, and thereby improve opportunities for older people to participate in the community in the ways that they choose. The Strategy identifies policy principles for positive ageing, priority goals and key actions, and is used in policy planning by over 30 government agencies.

## **Process for development of the Strategy**

The process for the development of the Positive Ageing Strategy reflects the nature of the Strategy and is consistent with what it seeks to achieve. Development of the Strategy involved extensive consultation covering a wide geographical area, and a range of older people's expert and advisory groups, key sector organisations, individuals and communities of interest. Older people were therefore engaged from the outset in shaping and defining the issues and activities covered by the Strategy.

Its success will rely principally on the achievement of the specific activities each government agency carries out each year. Local government will also be important to achieving the goals of the Strategy. Ultimately, the success of the Positive Ageing Strategy will be measured by improvements in the status of older people. Older people are both the purpose for, and the outcome measure of, the Strategy. Their input in its development was therefore critical.

*The success of the Positive Ageing Strategy will be measured by improvements in the status of older people*

## **The Positive Ageing Principles**

The Advisory Council for Senior Citizens developed 10 Principles, which established the basis of the Strategy.

The 10 Principles state that effective positive ageing policies will:

- 
1. Empower older people to make choices that enable them to live a satisfying life and lead a healthy lifestyle;
  2. Provide opportunities for older people to participate in, and contribute to, family, whānau and the community;
  3. Reflect positive attitudes to older people;

4. Recognise the diversity of older people and ageing as a normal part of the lifecycle;
  5. Affirm the values and strengthen the capabilities of older Māori and their whānau;
  6. Recognise the diversity and strengthen the capabilities of older Pacific people;
  7. Appreciate the diversity of cultural identity of older people living in New Zealand;
  8. Recognise the different issues facing men and women;
  9. Ensure older people, in both rural and urban areas, live with confidence in a secure environment and receive the services they need to do so; and
  10. Enable older people to take responsibility for their personal growth and development through changing circumstances.
- 

## **The vision**

Following the preparation of the Positive Ageing Principles, a community reference group, known as the Positive Ageing Reference Group, was set up to oversee the development of the Positive Ageing Strategy. Members of the Reference Group were appointed on the basis of their interest and understanding of positive ageing issues, not as representatives of particular groups or organisations. The Positive Ageing Reference Group developed the vision for the Positive Ageing Strategy, which states:

*Our vision is for a society where people can age positively, where older people are highly valued and where they are recognised as an integral part of families and communities. New Zealand will be a positive place to age when older people can say that they live in a society that values them, acknowledges their contributions and encourages their participation.*

## **Consultation**

Consultation meetings were held around the country to provide feedback on the draft principles for the Strategy, and to identify areas on which government could focus in order to create a society where people can age positively. This process involved over 40 meetings with older people, Māori, Pacific people, non-government and aged care sectors, and various expert and advisory groups. The majority of the focus groups

were organised by the Volunteer Community Co-ordinators who work with the Office for Senior Citizens.

It emerged through consultation that there was general community agreement with the draft Principles. Those consulted also identified specific areas for government action.

### **The goals and priorities for government action**

The identified areas for government action formed the basis for the development of the 10 Positive Ageing Goals. The 10 goals are:

- 
- secure and adequate income for older people;
  - equitable, timely, affordable and accessible health services for older people;
  - affordable and appropriate housing options for older people;
  - affordable and accessible transport options for older people;
  - older people feel safe and secure and can “age in place”;
  - a range of culturally appropriate services allows choices for older people;
  - older people living in rural communities are not disadvantaged when accessing services;
  - people of all ages have positive attitudes to ageing and older people;
  - elimination of ageism and the promotion of flexible work options; and
  - increasing opportunities for personal growth and community participation.
- 

Each goal has a number of specific key actions to be undertaken by central government.

### **Positive Ageing action plans**

The Ministry of Social Development co-ordinates the development of an action plan each year to implement the Positive Ageing Strategy across all areas of government activity. As part of the annual action plans, Chief Executives of government agencies identify and discuss with their Ministers proposed work items that will form their department’s contributions to the Positive Ageing Action Plan. Through this process the annual action plan aligns specific work items with the

*Each year the Ministry of Social Development co-ordinates the development of Positive Ageing Strategy action plans*

goals and principles of the Strategy. This also enables a wide range of government agencies, often with very different roles, functions and policy focus, to make their own contributions to a collective strategic endeavour. The Positive Ageing Action Plan for 2001/02 was released along with the Positive Ageing Strategy. It contained 120 work items across 27 government agencies.

The Ministry of Social Development is responsible for preparing annual reports to Government on progress on each year's action plan. The first report, for those actions undertaken between 1 July 2001 and 30 June 2002 is currently in preparation. Feedback from government agencies indicates very good progress on the 2001/02 Actions, with some agencies having undertaken more activities than agreed.

The action plan for 2001/02 received considerable community interest through meetings held by the Office for Senior Citizens and the Volunteer Community Co-ordinators (VCCs). The VCCs have to date held 262 meetings for the Positive Ageing Strategy, resulting in 5,000 copies of both the Positive Ageing Strategy and Positive Ageing Action Plan 2001/02 being distributed by VCCs<sup>3</sup> and discussed. It is expected that the 2002/03 action plan and the report on the 2001/02 action plan will receive a similarly high level of community interest.

The Ministry of Social Development has collated the contributions from government departments to form an action plan for 2002/03. It provides a larger collective work programme than the previous action plan, and involves a wider range of government agencies. Subject to its approval by Cabinet, the annual report 2001/02 will be released to the public in September 2002. It is intended that the new Action Plan for 2002/03 will also be available in September.

### **Positive Ageing Status Report**

The Positive Ageing Strategy is a living document. This is ensured by the formulation of an annual action plan, and the requirement for annual reporting back to government on progress made on the previous year's action plan. Another mechanism for maintaining the momentum of the Positive Ageing Strategy and keeping its goals on track is the three-yearly Positive Ageing Status Report.

The first Positive Ageing Status Report, *Positive Ageing in New Zealand: He Oranga Kaumātua i Aotearoa*, was launched by the Minister for Senior Citizens on 1 October 2001, the International Day of Older Persons. The

*The Status Report is a three-yearly base-line report for the Positive Ageing Strategy*

Status Report is the three-yearly baseline report for the Positive Ageing Strategy, providing an overview of current policies and programmes encouraging people to age positively, and identifying issues requiring further government action. Ministry of Social Development officials, with the Office for Senior Citizens, worked with expert advisors from the government and non-government sector and with a range of community and government service providers to produce the report.

To ensure the effective measurement of progress on the Strategy, the Status Report has been developed around the 10 Positive Ageing goals and key actions. The sub-title of the Status Report, *Diversity, Participation and Change, Te Kanorau, Te Whaiwāhitanga me Te Whanaketanga*, reflects the following themes that are recognised throughout the report:

- the diversity of older people;
- the continued participation of older people in all aspects of society; and
- the opportunities provided by the changing population.

The first section of the status report provides an overview of data, information and analysis, both demographic and economic, to set the context for discussing specific policy issues. The second section provides specific information on the 'status' of older people in New Zealand, using the 10 positive ageing goals as subject headings.

An important requirement of the Positive Ageing Strategy is to adapt to changing priorities for older people. The Status Report fulfils this requirement by noting emerging issues for each of the positive ageing goal areas. The range of issues identified in the status report include:

- *Retirement income*: The importance of retirement planning for younger generations and the need to consider the affects of the different life histories of future retirees.
- *Healthy lifestyles*: Encouraging healthy lifestyles throughout the lifecycle to achieve important health benefits in older age, especially so that the life expectancy of older Māori and their whānau, and older Pacific peoples can increase.
- *Housing*: The importance of developing housing interventions in conjunction with policies for health and social services for an ageing population who may not have mortgage-free home ownership in retirement.

- *Māori perspectives:* Increasing the understanding, in Government agencies, of the role and significance of kaumātua in Te Ao Māori, the Māori world.
- *Culturally appropriate services:* The need for services appropriate for the growing number of older Māori, Pacific peoples and older people from diverse ethnic backgrounds. The greater ethnic diversity in the older population also requires different opportunities for participation.
- *Communication technology:* The increasing use of information and communication technologies and the importance of telecommunications infrastructures for rural communities.
- *Employment:* The significant impact that unemployment within 10 years of retirement has on the quality of life in retirement. This indicates the importance of employment policies aimed at retaining older workers.
- *Creating opportunities:* Perhaps most importantly, as the final section of the status report relates, the growing number of older people increases the importance of providing opportunities for their skills and experience to be utilised.

The new Action Plan 2002/03 links departmental work to these emerging issues where appropriate.

Chapters in the Status Report conclude with a discussion of current and planned government action towards achieving the positive ageing goals. This provides the baseline from which progress can be measured over the next decade.

### **Attitudes to ageing**

Goal 8 of the Positive Ageing Strategy is that *'People of all ages have positive attitudes to ageing and older people'*. Attitudes to ageing are developed from early childhood and are based on personal experiences of older people, as well as society's views of ageing. Creating positive attitudes to ageing not only reduces the risk of discrimination against older people, but also provides an environment in which older people are encouraged to continue contributing to the community, and where recreation, learning and positive living are promoted throughout older age.<sup>4</sup>

*Attitudes to ageing are developed from early childhood*

The geographic spread and mobility of families today means that many young people do not have grandparents or other family members living nearby. As a result, they may not have opportunities to interact and learn about the unique qualities and skills of other generations.

Role models are an effective way of building positive images of ageing among children and their families. Intergenerational programmes, such as *Wrinkle in Time*,<sup>5</sup> and other initiatives outlined in the *LinkAge* handbook<sup>6</sup> create new opportunities to bring old and young together and provide children with a range of positive role models. Intergenerational programmes in place throughout New Zealand have benefits for both older and young people by providing opportunities to:

- promote the exchange of learning and skills between young and older people;
- utilise the skills, talents and experiences of older people to meet the needs of young people;
- utilise the skills, talents and experiences of young people to meet the needs of older people; and
- increase the awareness and involvement of young and older people in their local community.

### **Continuing participation and contribution**

The concept of 'productive ageing' recognises the life skills and experiences of older people and encourages them to continue to contribute these to society. For some older people this is achieved through paid work, however retirement from the workforce does not mean that people cease to contribute to society. Retirement can provide opportunities for participation in different ways and in a range of roles: as volunteers; family members; neighbours; caregivers; committee and trust members; kaumātua; business mentors and advisors; and members of communities.

Two of the goals of the Positive Ageing Strategy are directly aimed at encouraging and enabling more people to age productively in whatever way they choose. Goal 9 relates to employment: *'Elimination of ageism and the promotion of flexible work options'*. Goal 10 is *'Increasing opportunities for personal growth and community participation'*.

### **Workforce participation**

The choice to work later in life, using flexible part-time arrangements, is of central importance to meeting the active ageing challenge.<sup>7</sup> The

*The concept of 'productive ageing' recognises the life skills and experience of older people*

evidence suggests that those who work longer enjoy better health in their old age. The policy conclusion is clear: it is imperative to maintain people in gainful activity longer. In order to achieve this objective, more emphasis must be given to life-long learning for workers of all ages, so that workers maintain and increase their skills and productivity as they grow older.<sup>8</sup>

For people in their early 60s, full-time employment rates have increased since the age of eligibility for New Zealand Superannuation began rising in 1992.<sup>9</sup> Another change was the introduction in February 1999 of provisions in the Human Rights Act prohibiting compulsory retirement on the basis of age.

The proportion of people aged 60-64 who continue to work full-time has doubled between 1992 and 2002. In March 2002, 55% of men and 21% of women aged 60-64 are in full-time work. The number of people aged 65 years and over who were in paid employment has also doubled since 1991, and in the week preceding the 2001 Census 11% of this age group were employed.

While more older people choose to engage in full- or part-time employment, there are specific barriers to work faced by some older people. Research in New Zealand<sup>10</sup> has found that such barriers can consist of general and/or personal factors.

General barriers can include negative attitudes of employers towards mature workers, the ability to pay lower wages to young people, and employers wanting to 'give younger people a chance'. Personal barriers include lack of confidence, lack of computer skills, being either under- or over-qualified for the positions available, and having to accept lower income levels than previously, and not being able or willing to relocate to take up work opportunities.

Attitudes of employers towards older employees are complex. Research undertaken in New Zealand in 2000<sup>11</sup> found a perception among employers of older workers as change resistant and having problems with technology, but at the same time being dependable and productive. Older workers themselves also reported having these perceptions. Many employers and older employees said that while the introduction of human rights legislation banning discrimination by age in employment had been effective in changing job advertising, it had effected little change to actual recruitment practices. For this reason it is imperative that policies are directed to changing attitudes to ageing across all age groups.

***More and more  
older people are  
choosing to  
work – full-time  
and part-time***

Australian research<sup>12</sup> reports evidence that contends that much early withdrawal from the labour force is involuntary. Further research<sup>13</sup> suggests that unemployment is more serious in older workers, due to their unwillingness to move to other geographical areas to obtain employment, a lack of transferable skills and negative employer perceptions of the abilities of older workers.

New Zealand research<sup>14</sup> has found that older men who have been made redundant are particularly vulnerable. Unskilled men in the 51-55 age group struggle to find jobs, while the skilled may find jobs but generally well below the income levels they have previously received. Older women are more likely to look for part-time work and are therefore usually unemployed for shorter periods than older men.

## **Volunteering**

Older people comprise a significant proportion of the volunteer workforce. Around 15% of all unpaid work is done by older people.<sup>15</sup> In the four weeks preceding the 2001 Census 17% of people aged 65+ had done voluntary work outside their home. The 65-74 age group was most active in the volunteer sector, with 21% reporting they had spent time volunteering.<sup>16</sup>

Older people volunteer in many different ways. They are volunteers in community groups and are advisors and mentors within business. They volunteer on boards, in schools, on the marae and in kohanga reo, within health and support services, as sports coaches and for their churches. Older people report that volunteering can be emotionally and spiritually satisfying, it contributes to their physical and mental wellbeing, and it provides opportunities to learn new skills and to continue to actively contribute to their communities. People of all ages benefit from the talents and knowledge that older people share with many through their voluntary work.<sup>17</sup>

The value of the contribution and skills of older people in retirement are acknowledged in the Positive Ageing Strategy.

*People of all ages benefit from the talents and knowledge that older people share with many through their voluntary work*

## Endnotes

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## **Chapter 4**

### **Maintaining independence**

### **Key Messages**

- Major factors influencing an older person's ability to remain at home and to age positively are an adequate income, a safe and secure community, and access to health and support services.
- Promoting and maintaining the independence of older people is in the social and financial interests of all New Zealanders.
- A key factor for most older people in maintaining independence is remaining in their own home.
- At the time of Census 2001, 98% of people aged 65-74 years, and 70% of those aged 85 years and over lived in private dwellings.

## **Introduction**

In New Zealand, and across the world, people are living longer and the period beyond the age of 65 is increasingly characterised by ongoing independence, continued participation in activities outside work or home, and the uptake of new roles and challenges. There are a number of factors that influence an older person's capacity to maintain independence. These include personal health, income adequacy, safety and security, access to community-based support or social services, and mobility.

For many older people the key to maintaining independence is remaining in their own home.

Governments around the world are responding to their ageing populations by putting policies in place to encourage older people to live at home for as long as possible. Without such an approach, societies miss out on the experience and contributions of their older citizens and governments face higher costs associated with older people becoming dependent earlier and moving into residential settings prematurely.

While independence is an appropriate and laudable goal for older people, it needs to be recognised that not all older people will have the capacity to be fully independent.

This capacity can be influenced positively or negatively by a range of factors. These include personal health, wealth, mobility, access to communications technology, geographical location, previous life experience and engagement in activities outside of work.

Also important is a sense of community, proximity to kinship networks, education, involvement in the paid workforce and cultural, political and religious views of the world.

Maintaining their independence is very important to many older people, but on an individual level, being or not being independent is not the measure of a person's worth.

In New Zealand, the Positive Ageing Strategy, the Health of Older People Strategy, and specific policies, programmes and initiatives in transport, housing, social services, and health are all contributing to an environment that supports older people in maintaining independence.

As stated previously, a number of individual characteristics contribute to

***Maintaining independence is very important to many older people***

the ability of each older person to remain independent. There are also key environmental factors which more generally assist older people to remain living at home as long as possible.

These factors include adequate housing, transport and support services, access to the community, and safety and security. Another highly influential factor in people living in their homes late into old age is contact with family and support from friends and neighbours. The role of social service organisations in providing community and home-based support is also very important.

## **Housing**

For older people to maintain independence, it is important that they have housing appropriate to their needs. This is reflected in Goal 3 of the Positive Ageing Strategy, which is '*affordable and appropriate housing options for older people*'.

The current cohort of older people has a high rate of home ownership. At the time of the 2001 Census, 76% of older people owned their own homes.<sup>1</sup> While home ownership among older people has decreased from 81% in the 1996 Census, home ownership is valued and most older people want to live in their own homes throughout their life. For many older people, their home is also their most significant asset and is a key source of personal and financial security while they are alive. A freehold house is also viewed by some older people as a cashable asset for their inheritors.

Home equity conversion schemes enable homeowners to utilise the equity in their homes as a source of retirement income, but this is not an option that is being taken up by many older homeowners. The range of home equity conversion products on the New Zealand market is limited, and the prevailing culture of retaining ownership is not consistent with the concept of home equity conversion.

### ***Housing availability***

For those older people who do not own their own homes, or who do not live with extended family, there are a range of rental accommodation options. These include Housing New Zealand Corporation, local authorities, social service and community organisations, and private landlords. In 1996, 10% of older people lived in rental accommodation. Among older people renting, more than a third (36%) were living in

***Older people  
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living in their  
own home as  
long as possible***

houses rented from Housing New Zealand or other central government agencies. A further 31% had a private landlord, while 29% were renting from local authorities, and the remainder from businesses, real estate agencies and other organisations.

Overall reductions in public housing stock over the last decade, lowering home ownership rates and an ageing population, mean that in the future more older people are likely to rent from the private sector. If affordable and suitable housing is not available to older people, this will impact on their ability to remain independent.

Changes in the availability and cost of accommodation in the private sector rental market are a product of the relationship between the supply of and demand for rental accommodation. In terms of providing public sector housing for older people, this is a matter in which both central and local governments are involved.

Housing New Zealand Corporation (HNZC) reduced the level of its housing stock from approximately 66,000 dwellings in 1992 to 59,000 in 1999. HNZC have since increased its stock and as at June 2002 had 60,532 properties available for rent. Many local authorities have sold or are planning to sell their pensioner housing units. Subsequent to the Auckland City Council announcement in April 2002 that it would sell its pensioner housing, the Local Government Bill has been amended to designate pensioner housing as a strategic asset. Local authorities are therefore required to undertake meaningful consultation with their local communities before any decision can be taken to sell pensioner housing stock.

### ***Housing affordability***

While most older people wish to remain in their own home, this can become problematic if the home is hard to maintain or becomes unaffordable. Increases in rates can be difficult to meet if an older person is on a low and/or fixed income.

Buying a new home with lower maintenance costs is not always a viable option, as the value of the older home may be less than a smaller, more modern dwelling.

Further, large homes and sections requiring ongoing maintenance can be a liability for older people who are not able to do the maintenance themselves and cannot afford to pay for someone else to undertake the work.

Older people may be eligible for financial assistance from the Ministry of Social Development's Work and Income Service in meeting the cost of insurance or major essential repairs. The Accommodation Supplement is also available for low income people who are renting in the private sector housing market or from a local authority, or who own their own home. Eligibility is subject to an income and asset test and an assessment of weekly accommodation costs. As at 30 June 2002, 3.6% (16,084) of the people in receipt of New Zealand Superannuation (NZS) were receiving an Accommodation Supplement.

Local authorities also offer rates rebates for older people whose rates are high relative to their income, with some providing a rates deferral scheme for older residents. While a number of private sector housing issues for older people can be mitigated through local government initiatives or the policies of central government agencies, others are a result of trends and changes in the private housing market.

On 1 December 2000, income related rents were introduced for HNZC tenants. Under the Housing Restructuring (Income-Related Rents) Act, HNZC rents are now based on the income of the signatories to the tenancy agreement and their partners. Those on low incomes, defined as those with a weekly income less than the rate of New Zealand Superannuation, pay no more than 25% of their income in rent for an HNZC house. Almost 90% of all HNZC tenancies qualify for income related rents.

Over 10,000 primary signatories to HNZC tenancy agreements are aged 65 years or more. In effect this means that at least 17% of all HNZC properties have an older person in residence, and likely more, as many are not the primary signatory to their tenancy agreement.

Older people have identified the cost of electricity as an important factor in remaining at home. In December 2000, the Government issued an electricity industry policy statement. Under the new policy, electricity retailers are now required to offer a low fixed charge tariff option to domestic consumers. The low fixed charge cannot be greater than 10% of the total bill for an average domestic customer,<sup>2</sup> which in practice is likely to be approximately 30 cents per day.

This requirement aims to provide a fairer and more equitable pricing structure for small electricity consumers, many of whom are older people. Irrespective of this concession, there is a strong lobby group of older people who continually advocate for lower fixed electricity charges.

***The cost of electricity is an important factor for older people in remaining at home***

While a relatively small number of older people currently choose to live in a retirement village<sup>3</sup>, for those who can afford such a living arrangement, it often represents a tailor-made mix of independent living within a very close community. The main attractions of retirement village living are often physical security, companionship, and assured access to support or care services. Many residents report great satisfaction with retirement village living, which indicates that villages represent a good structural model in terms of public sector housing design for older people.

### **Support services**

Most older people do not need formal support in order to remain living in their own home. Some older people have pre-existing home based support needs that are disability, not age, related. Others receive support or practical assistance from family, friends and neighbours, which while not necessarily required, can be very important in terms of maintaining networks, saving costs, or having small support needs met before problems become overwhelming. In fact, there is growing evidence that low level support services, like housework, gardening, laundry, and home maintenance, enhance quality of life for older people and help them maintain their independence.<sup>4</sup>

The level of family support available to older people is affected by a range of factors. These include geographical mobility, among both the working age and older populations, smaller families which limit available support, and changing workforce patterns.

In effect, the old paradigm of several generations of the same family living in close proximity is the exception rather than the norm. In terms of the availability of immediate and extended family caregivers there are a number of demographic shifts and labour force changes which are having an impact.

In spite of their increased labour force participation, women continue to provide most of the support to older family members.<sup>5</sup> In general, women are also having fewer children and having them later than their mothers did. This affects intergenerational support patterns in that in each successive generation there are fewer family members available to provide care. Further, the second generation often needs to combine caring for older family members with parenting and with workforce participation.

Home support services for older people, funded through Vote: Health,

*In spite of their increased labour force participation, women continue to provide most of the support to older family members*

focus on personal care and on providing household assistance, including meals and cleaning. Older people who are ill or frail often require additional practical services, such as transport, help with personal shopping, house maintenance and assistance with gardening.

For older people who can afford it, there is an increasing diversity of these kinds of services available from private providers. However, older people who cannot pay for these services have few options. A Disability Allowance, for people with an ongoing disability or health-related condition, is available to help meet the costs of a small range of services, such as gardening. Limited services are also provided by community organisations, which in many cases receive funding assistance from the Lottery Aged Distribution Committee.

Consideration of government's role in funding support services and in providing financial assistance to people on low incomes to purchase the services is an issue of increasing urgency in planning for New Zealand's ageing population. The Positive Ageing goal relating to maintaining independence is Goal 5: '*Older people feel safe and secure and can age in place*'. The Ministry of Social Development and the Ministry of Health are committed to undertaking stocktakes of government policies that assist older people to live at home as long as possible, so that gaps or necessary improvements can be identified and policies developed to address them.

### **Older drivers**

New Zealand society is very mobile, and private cars play an important role in recreation, friendships and access to services. In 1996, 95% of people aged 70 held a driving licence and this percentage decreased with age, with only 17% of people at age 90 retaining their licence.<sup>6</sup> The decision to stop driving is made for a variety of reasons, often related to ill health. Loss of a driving licence can have a significant impact on an older person's ability to access services, friends and family. New Zealand's ageing population means that the number of older drivers on New Zealand roads will continue to increase.

Statistics from the Land Transport Safety Authority (LTSA) demonstrate that, while older people are numerically involved in fewer crashes than younger age groups, the accident rate per kilometres driven is higher for drivers aged 70 years and over than for drivers 25-69 years of age. The increased fragility of many older people also means that it is more likely that an older driver will be killed or injured in an accident than will a

*In 1996, 95% of people aged 70 held a driving licence*

younger driver. New re-licensing provisions for older drivers<sup>7</sup> were introduced in 1999. Older people raised concerns about a number of aspects of the new regime, including:

- the costs of renewing their driver licences;
- that licence renewal fees for younger drivers were subsidised, while those for older drivers were not;
- negative attitudes of some driver licensing agents towards older people; and
- that while there were provisions for conditional licences for older people who fail the older driver test, no conditional licences had been issued.

An independent review of the costs and management of the new driver licensing regime was undertaken by PricewaterhouseCoopers in 2000. After considering the findings of the review, the Minister of Transport made several recommendations for policy changes that could be made to address some of the issues it raised, several of which will have positive effects for older drivers.

As a result of these recommendations, the fees subsidy was moved away from drivers in the general population to older drivers and rural school bus drivers, meaning significantly lower fees for these groups. On 31 December 2001 the licence fee for all drivers aged 75 years and over were decreased as shown in Table 1. The fee for the older driver test remained at \$41.00, rather than increasing to reflect the true cost of the test, which is around \$49.00.

*Table 1: Changes in Full Drivers Licence Renewal Fees from 31/12/01*

Age	Pre-31/12/01	Post-31/12/01
Under 75	\$29.50	\$44.30
75-79	\$37.50	\$18.30
80+	\$36.00	\$18.30

The LTSA began public consultation in June 2002 on proposed amendments to the Land Transport (Driver Licensing) Rule 1999. The changes proposed by the LTSA include several relating to older drivers:

- Older drivers will be allowed one free re-test if they fail on their initial attempt at the older driver test.

- A new conditional licence for older people will be created, which will limit conditional licence holders to driving in areas where the speed limit is less than 80km/h.
- There will be a separate conditional licence test, and older people will be able to choose whether to sit that or the full older driver test.
- A telephone booking system will be put in place for booking driving tests, which will mean people in remote areas will no longer need to travel twice to the testing agent (once to book and once to sit the test).
- Older drivers will be able to renew their licences up to six months before the expiry date.

Older people's advocacy groups have consistently voiced concern at aspects of the older drivers licensing regime, which they perceive as imposing high thresholds for older people relative to the risks they pose as drivers.

### **Alternatives to driving**

While public transport tends to be an important option for older people who do not drive, it is not universally available throughout the country, particularly in rural areas. Furthermore, public transport is only a practical alternative if there are services at the times, and to the destinations, older people want to travel.

Older people who do not drive and cannot access public transport, largely depend on family, friends or community groups to take them to services and social activities. The introduction of more accessible buses in some centres has been of benefit to older people, as well as to younger people with disabilities and parents with young children. Also, some older people utilise the Total Mobility Scheme,<sup>8</sup> which enables people with a disability to travel in taxis for half price.

For older people who do not drive, lack of adequate public transport or other alternatives can have the effect of limiting their access to friends, family and services.

These limitations can in part be mitigated by communications technology, but the loss of actual human contact with family and friends cannot be

*Older people's  
advocacy  
groups have  
voiced concern  
at the older  
driver licensing  
regime*

replaced. Nor can the sense of physical freedom enabled by ready access to transport. New technology in medical alarms can however mitigate the risk of limited transport mobility in a health or medical emergency.

## **Communication technology**

The Internet, email, electronic banking, text messaging, cellular phones, video links, and now ordinary features of home telephones such as voice mail and dialler recall, represent a plethora of communications options that can assist people to maintain contact with friends and family. This allows them to readily access goods and services, and share or obtain knowledge and information.

The benefits and advantages of communication technology are the same for older people as they are for the general population. The exclusions that limited access to communications technology can create are also shared by both young and older people.

Most older people are able to enjoy the convenience and advantages of some communications technology. Very few older people do not have a telephone. In the Living Standards of Older New Zealanders research sample, 1.8% of single people and 0.3% of couples did not have a telephone. Almost half (0.8%) of the single people without a phone reported that they could not afford it. If this 0.8% was applied to the entire population of single people aged 65 and over, it would represent around 1,350 people.

At the time of the 2001 Census, 15% people aged 65 years and over lived in households with access to the Internet. There was gender variation, with 19% of men and 12% of women reporting access. While the Internet and email are very inexpensive, one must own or have access to a computer. Computers are becoming relatively less expensive but they are still a major cost item which many people cannot afford.

An increasing number of older people are recognising the opportunities for participation, communication, and learning that familiarity with computer technology affords. There are now 77 SeniorNet groups<sup>9</sup> throughout the country, which is an indication of older people's interest in becoming computer literate.

***15% of people aged 65 years and over live in a household with Internet access***

## **Safety and security**

Issues of safety and security both in and outside the home affect all people. People who are isolated, physically frail, or unable to tangibly improve the security of their immediate environment can feel, and be, particularly vulnerable. This again applies to all people. According to research, few older people had concerns about their security. This included a high proportion of those living in their own homes.<sup>10</sup> Concerns about safety and security can be a major factor in influencing older people to leave their homes and consider moving into a retirement village or other forms of age segregated housing.<sup>11</sup>

The main home safety issues for older people are prevention of crime, fire and accidents. In order to improve safety, the New Zealand Fire Service installs smoke alarms in homes free of charge.

The ACC has recently redeveloped its fall prevention educational resources for health professionals and older people, established a Fall Prevention in Older Adults Advisory Group, and implemented, in collaboration with the Fire Service, the Falls and Fires programme. The Falls and Fires programme provides installation of smoke alarms and in-home fall prevention education to isolated older people.

For the current older population, safety concerns outside the home include potential dangers associated with street crime, including use of automatic teller machines and skateboards and bicycles on footpaths.

Fear of crime, which can for some older people be out of proportion to the risk, can be moderated by providing older people with practical information about how to reduce the possibility of crime and fire. Programmes that encourage confident living have shown that this type of initiative enhances older people's independence by enabling them to live confidently within the community.

*Fear of crime for some older people can be out of proportion to the risk*

## **Endnotes**

1. Statistics New Zealand. *2001 Census Snapshot 9: Older People*.
2. The average domestic consumer is defined as one who uses around 8,000 electricity units per annum.
3. Around 4.65% of people aged 65 years and over live in a retirement village. This represents approximately 21,000 people.
4. Royal Commission on Long-Term Care Policy. *With Respect to Older Age*. March 1999.
5. Ibid.
6. Figures provided by Land Transport Safety Authority.
7. The age at which older drivers are first required to have a medical check increased from the previous requirement of 71 years, to 75 years of age. The first practical re-test now occurs when drivers turn 80 years of age, rather than 76 years as in the past. The frequency of medical checks for drivers aged 80 and over was reduced from the previous annual requirement to every second year, the same as for the practical tests.
8. This scheme is currently operated by most regional councils.
9. The SeniorNet programme is described in Chapter 9 of these papers.
10. Maire Dwyer, Alison Gray and Margery Renwick. *Factors Affecting the Ability of Older People to Live Independently*. Ministry of Social Policy 2000.
11. Ibid.

## **Chapter 5**

### **Retirement income**

## **Key Messages**

- From around 2011, as baby boomers start to retire, the cost of New Zealand Superannuation will start to accelerate. This, combined with the high number of retired persons relative to the working age population, means that meeting the costs of publicly funded superannuation will be a challenge for future governments.
- The issue of income adequacy in retirement is one that both government and private individuals have a strong vested interest in addressing.
- The present focus of the retirement income strategy is on the retention of current eligibility and entitlement levels for New Zealand Superannuation, and on forward financial provision by government to offset the future costs of this.
- A stable and secure income is essential for older people to be able to age in a positive and productive way.
- As a group, the current cohort of persons aged 65 and over fare relatively well in terms of adequate retirement income, but up to 15% are experiencing some difficulties.

## **Introduction**

An adequate retirement income is fundamental to enjoyment of the opportunities retirement years can bring to older people and enhances their capacity to age in a positive and productive way. Lack of an adequate income has negative effects on health and general wellbeing, and on an older person's ability to remain an active participant in society.

On a range of levels, the issue of retirement income is enduring and critical. There are fiscal challenges for government in meeting the costs of ensuring a basic standard of living for all retired persons. For a minority of retired people there is the challenge posed by quite marked material hardship and limited ability to improve their situation. There is also the challenge for those in the workforce, who have the option, to choose between spending all their disposable income or saving it to augment their retirement income.

The population for whom the Senior Citizens portfolio has key relevance are almost entirely recipients of New Zealand Superannuation, half of whom rely on New Zealand Superannuation as their sole source of retirement income. For this reason, retirement income issues are of particular importance. Retirement income does however have much wider relevance as a matter of public policy and as a key contributory factor in the personal well being of current and future retirees.

In New Zealand, as in many countries, changes in the composition of the population, where a greater proportion of people are moving into the older age groups, generate significant implications for government, retired persons, and the working age population. This means that an enduring and widely acceptable strategy to deal with retirement income issues is increasingly important.

The process for finding a publicly and politically acceptable retirement income strategy has been unfolding in New Zealand for almost 30 years. A specific long term strategy for offsetting the future costs of New Zealand Superannuation is currently being implemented, but there remains no explicit across-the-board political agreement to the strategy.

Current retirement income policy is based on three key components. These are: the maintenance of the New Zealand Superannuation scheme, contributions to the New Zealand Superannuation Fund as

***An enduring and widely acceptable strategy to deal with retirement income issues is increasingly important***

the mechanism to partially pre-fund the future cost of New Zealand Superannuation, and the promotion of private retirement income savings by the Retirement Commissioner.

### **New Zealand Superannuation Scheme**

The present New Zealand Superannuation (NZS) scheme, funded from general taxation revenue on a 'pay as you go' basis, has been the cornerstone of New Zealand's retirement income policy, with limited change in structure<sup>1</sup>, for 25 years. In the 10 years from 1992 the age of eligibility was raised from 60 to 65 years. The transitional provisions put in place at that time to accommodate those who were approaching the age of 60 will be phased out by December 2003.

NZS is neither income nor asset tested, and all persons aged 65 years and over who are ordinarily resident in New Zealand, are eligible. The married couple rate of NZS is set at not less than 65% of the average ordinary time weekly wage<sup>2</sup>, and is adjusted annually to reflect increases in the Consumer Price Index. The married couple rate is in turn used as the threshold for the single living alone and single sharing rates of NZS, which are set at 65% and 60% respectively of the married couple rate.

NZS is based on individual entitlement, which means that for a married couple where one partner reaches the age of eligibility, the non-qualified partner does not automatically qualify.

In such situations however, the qualified spouse has the option of either receiving the married person rate of NZS (and the non-qualified spouse receives no NZS related income), or the couple can choose to receive the married couple (non-qualified spouse) rate of NZS, which is lower than the rate received by a married couple where both partners qualify. If a couple receive the non-qualified spouse rate, their NZS is abated by any additional income of more than \$4,160 per annum (or \$80.00 per week) before tax.

The gross and net rates of NZS as of 1 April 2002 are as follows:

Table 1:

Type	Net Rate (Tax at M*)	Net Rate (Tax at M/S*)	Gross Rate
<i>Single Living Alone</i>	\$238.80	\$227.83	\$288.31
<i>Single Sharing</i>	\$220.43	\$209.46	\$264.90
<i>Married Person</i>	\$183.69	\$172.72	\$218.50
<i>Married Couple (both qualify)</i>	\$367.38 (total)	\$345.44	\$437.00
<i>Married Couple (Non-qualified spouse)</i>	\$350.28 (total)	\$328.34	\$415.28
<i>Married Person (Non-qualified spouse)</i>	\$175.14 (per person)	\$164.17	\$207.64

\*Tax at M is where NZS is the main source of income. Tax at M/S is where NZS is declared as the secondary source of taxable income and so incurs a higher rate of tax.

As at 28 June 2002, 450,456 people were receiving NZS. NZS currently accounts for 14% of total government expenditure and 39% of total welfare expenditure.

While it is the case that NZS is a significant expenditure item for the Crown, it is important that current and future cohorts of retired people are not given a message that they are a burden on the state. Such a message is inconsistent with the goals of the Positive Ageing Strategy and does not usefully contribute to the perennial policy issue of how to support the retired population.

**As at 28 June 2002, there were 450,456 people receiving New Zealand Superannuation**

### Income support

A number of people in the 65 and over age group receive second and third tier income support. The eligibility conditions for such income support are the same for superannuitants as they are for the working age population. This means that while NZS is not income or asset tested, a person's superannuation is counted as income for the purposes of assessing their entitlement to supplementary assistance such as the accommodation supplement, special benefit, and disability allowance.

Of the 450,456 people in receipt of NZS at the end of June 2002, 3.6%

(16,084) were receiving an Accommodation Supplement, 21.8% (98,167) were receiving a Disability Allowance, just 0.1% (261) were recipients of a Special Benefit, and 71.1% (320,461) had a Community Services Card.

## **New Zealand Superannuation Fund**

In 2001, the New Zealand Superannuation Act was passed. It established the financial arrangements for the New Zealand Superannuation Fund, which was set up in 2001 as the mechanism to accumulate sufficient savings to partially pre-fund future payment of NZS.

The rationale behind establishing the fund was that with the growing number of superannuitants and relatively fewer people of working age providing tax revenue, the absence of a reserve revenue pool would potentially require either increases in general taxation, or a lowering of the rate of NZS.

In 2002 an initial contribution of \$600m was made to the fund with assumed transfers for the next three years of \$1.2b, \$1.8b, and \$2.5b respectively. There is not general agreement across political parties in relation to the New Zealand Superannuation Fund.

## **Promoting private retirement savings**

In New Zealand, as in many OECD countries, the focus for policies to provide for future population changes is to encourage self-provision, where possible. This allows better management of future government expenditure on state retirement pensions when changes in the age of the population indicate the greatest call on retirement income.

Among other things, the Retirement Income Act 1993 established the position of the Retirement Commissioner, and specified the roles and functions of the Commissioner in respect to retirement income matters.

The Office of the Retirement Commissioner is funded through Vote: Social Development to, among other things, promote education about retirement income issues and publish information about those issues. In the 2002/03 financial year, the Retirement Commission has been appropriated \$1.68m (GST inclusive) for that function.

Effective public education about the need to make private provision for retirement income is becoming increasingly important. This is because NZS provides a basic income that on its own does not ordinarily provide

*Effective public education about the need to make private provision for retirement income is important*

the recipient with the financial means to enjoy a quality of life that is comparable to those who have private savings. NZS is set at not less than 65% of the average wage. If people want to enjoy the same or a similar standard of living as they did when they were working, it is unlikely that reliance on NZS alone, over an extended period, will enable this.

Currently, a common feature of people in or near retirement is the high proportion who own their own home. This effectively provides them with a financial resource in their retirement, but not generally one which is used by homeowners as a contribution to their retirement income. Reverse mortgages, that provide an annuity secured against a home as a mortgage, have not been widely accepted in New Zealand as a means of income supplementation.

### **Changes in the population**

The rate of growth in the older population (currently just over 1% per year) is expected to increase over the next decade, accelerating to over 3% per year after 2011 as the oldest of the post-war baby boom generation begin turning 65. At the end of March 2002, there were 463,000 people aged 65 years and over living in New Zealand. By 2005 there will be around 490,000, and by 2010 there will be 551,000. This means that over the next three years there will not be any significant change in the older population or dramatic increases in New Zealand Superannuation.

The longer term scenarios in terms of population changes, if current patterns continue, are as follows:

- In the next 50 years it is projected that the number of people aged 65 years and over will be 1.18 million (26% of the population).
- By 2051, the labour force will number around 2.11 million, and persons aged 65 years and over around 1.18 million.
- By 2051, approximately 10.1% of the Gross Domestic Product (GDP) will be spent on New Zealand Superannuation. Currently, superannuation expenditure accounts for 4.5% of GDP.
- There will not only be more people entering the retirement age group, but, as life expectancy continues to rise, people will remain in that age group longer.

## **Potential changes to the Retirement Income Strategy**

Much of the debate on retirement income strategies has been around the statistical evidence of an ageing population. In the main, this has tended to present the population changes in a negative light and portray the increasingly ageing population as a major looming problem.

This has led to many older people taking a defensive attitude to proposals to change New Zealand Superannuation to make it sustainable for future generations. It has also heightened generational differences in the attitudes and expectations of older people regarding retirement income, quite different from those of people of working age.

Notwithstanding the current retirement income strategy outlined above, the debate about the most appropriate long-term arrangements for retirement income has been protracted and, to date, inconclusive. The absence of political consensus on a particular long-term strategy means that any strategy could be reversed or altered.

## **Current retirement income levels**

Research undertaken on the material wellbeing of older New Zealanders indicates that while they have a relatively low income, the majority are managing well.

Data derived from the 2001 Census<sup>3</sup> indicates that there is wide variation in the level and source of income received by the 65 plus population. In the year to March 2001 the median annual income for people aged 65 years and over was \$13,100, whereas the median for all New Zealanders was \$18,500. One-quarter of those aged 65 years and over received annual income of \$10,000 or less, and two-thirds received \$20,000 or less. Only 5% received more than \$40,000 in annual income.

Most people in the 65 and older age group were in receipt of New Zealand Superannuation (93%)<sup>4</sup>, but more than half also received income from other sources. Four in every 10 received income from interest, dividends and rent, while 15% received income from other superannuation and superannuities. Six percent reported income from wages and salaries in the 12 months prior to the Census and 6% also reported receiving income from self employment.

In 1999, the Super 2000 Taskforce initiated research on the living standards of older people.<sup>5</sup> The sample consisted of 3060 people aged 65

*The majority of older New Zealanders are managing well in terms of material wellbeing*

years and over, plus a supplementary sample of 542 Māori aged 65-69 years. There was also a sample of working age people to permit a comparison between the living standards of older people and the population as a whole.

The results of the survey analysis suggest that around 5% of the sample were experiencing quite marked material hardship and restrictions, and a further 5-10% were experiencing some material difficulties. In terms of self assessed income adequacy and overall living standards, around 80% of the sample rated their income as enough (40%) or just enough (37%)<sup>6</sup>, and more than 90% rated their standard of living as medium or better.<sup>7</sup>

The survey also examined the factors that predicate variations in living standards of older people. Those factors were identified as net annual income, value of savings and investments and accommodation costs; exposure to past and present economic stresses; and social background, which includes household composition, age, ethnicity, and socio-economic status.

These factors acted cumulatively so that an individual most at risk of poor material well-being was characterised by a mix of low income, no savings, high accommodation costs, a history of economic stress, being at the younger end of the 65 plus population (65-70 years), Māori or Pacific ethnicity, and having held lower paying jobs.

The survey findings send an important signal in terms of retirement income policy. The findings show that what determines material wellbeing in old age is not only net annual income. An accumulation of factors representing the individual's current circumstances and previous life history have a strong bearing on their living standard as an older person.<sup>8</sup>

### **Future directions**

Retirement income has been an issue of major political, social and economic significance for some 30 years. The increasing influence exerted by the greater proportion of the voting population at or near retirement has ensured retirement income is a public issue.

As public education increases public awareness, retirement income is also likely to become a matter to which individuals give more considered attention, and, to the extent they are able, make provision for private retirement income.

The issue of retirement income involves much more than the Government finding ways to meet the increasing costs of a universal superannuation scheme. It is about the capacity of the current cohort of retired persons to age positively, which in part is contingent on their retirement income. Further, the issue of retirement income is about the economic wellbeing of the generations moving into retirement and consequently their ability to age positively.

The capacity of future generations to supplement a state pension through private income, and to have sufficient accumulated assets to buffer against changes in personal circumstances, will be a significant factor in the development of future retirement income strategies.

Generally we can expect to grow old and in turn contribute to, and be recipients of, state-funded retirement income. In the absence of political consensus, the strategic approach taken to retirement income is exposed to change and amendment. If, in future, changes are contemplated, the way any changes are managed will not only be important from an economic perspective, but will also have social implications.

The approach taken will need to recognise and accommodate the attitudes and expectations of different generations, and take into account the fact that relationships between generations are important to maintaining a cohesive and harmonious society.

***The issue of retirement income involves much more than meeting the costs of a universal superannuation scheme***

## **Endnotes**

1. Changes include raising the age of eligibility from 60 to 65 years between 1992 and 2001, and the introduction of portability provisions. The rate of NZS relative to the average wage has also gone through changes.
2. The married rate of NZS is currently 67% of the average wage. The average ordinary time weekly wage measure comes from the Statistics NZ Quarterly Employment Survey (QES). The QES is designed to measure quarterly estimates of change and levels of average hourly and average weekly (pre-tax) wages, average weekly paid hours, and the number of filled jobs. QES statistics are derived quarterly from approximately 19,000 surveyed business locations in a range of industries and locations throughout New Zealand. Information relates to the pay week ending on, or immediately before, the 20th of the middle month of the quarter (that is, February, May, August and November). Average ordinary time earnings include all shift, penal and other allowances, bonuses, paid leave, and commissions earned in the survey pay week.
3. 2001 Census Snapshot 9 : 2001 Census of Population and Dwellings : Statistics New Zealand: 29 May 2002.
4. This figure is derived from Census night data. The 7% not in receipt of New Zealand Superannuation will be a combination of visitors, tourists, permanent residents receiving an overseas pension who had not applied for New Zealand Superannuation, new immigrants, or others not “ordinarily resident” in New Zealand.
5. In 2000, the Super 2000 Taskforce was disestablished and the research it had initiated was transferred to the Ministry of Social Policy to be completed.
6. There was some variation in how single and coupled respondents assessed their income adequacy and living standards. For instance 38% of single people and 36% of couples assessed their income as just enough.
7. *Living Standards of Older New Zealanders: A summary*: Ministry of Social Policy 2001, pg 29.
8. The text in this paragraph and the preceding three paragraphs is paraphrased or directly quoted from: *Living Standards of Older New Zealanders: A Summary*: The Ministry of Social Policy 2001: pages 49 and 50.

## **Chapter 6**

### **The health of older people**

## **Key Messages**

- People are generally living longer and ageing in better health.
- Older people are a diverse population but share common concerns about health and current and future access to health and other social services.
- Older people, particularly those in very old age, are relatively high users of health and disability support services.
- The healthy ageing of the population is dependent on the effective implementation of a range of general and population specific health strategies.

## **Introduction**

Health is a primary concern of older people. While people are living longer, as a general rule, the older a person becomes the greater the likelihood that they will experience deterioration in their health. This leads to increasing concern about their health and the need for health services.

Older people's sensitivity to health issues, especially to changes in health policies and services, reflects reality and their perceptions. The reality is that there is a greater need for health assistance as people move into older age and experience greater reliance on medical interventions.

The perception is that older people view changes to the health system in terms of their own real or potential reliance on the system and its capacity to deliver to meet their needs. Changes or discussion about proposed changes, including policies to address the increasingly ageing population, are often perceived by older people as discriminatory and threatening.

As people age their need for, and usage of, health services increases. For this reason discussion around older people's health is often focused on their high usage of health services and the financial burden this will create as the proportion of older people increases. Also, age related disability becomes more likely as a person moves into old and very old age. These factors need to be addressed in policy development and in the planning, funding and delivery of health services.

Older people's health is a complex issue. It is significantly influenced by health promotion and illness and disability prevention in earlier stages of life. Health policy for, and health promotion among, older people does not exist in isolation. The effectiveness of public health promotion strategies impacts on the health of people as they enter old age, which can in turn influence the effectiveness of health strategies and policies targeted to the older population.

The cornerstone of ageing policy in New Zealand is the Positive Ageing Strategy. It has as its health goal 'equitable, timely, affordable and accessible health services for older people'. The Health of Older People Strategy sets the policy framework for health sector action to 2010 to support the health and independence goals of the Positive Ageing Strategy. These two strategies provide the vision and policy framework for developing an environment where older people can maintain capacity, contribution and participation for as long as possible but can also receive services if and when they become needed.

***As people age  
their need for,  
and usage of,  
health services  
increases***

## General health characteristics

### General population

There is an accepted view in developed countries that older people are now living longer and are also ageing in better health. The increasing life expectancy of the general population can be verified by statistics.

Table 1: Average Life Expectancy at Birth

	Males	Females
1965/67	68.2	74.3
1980/82	70.4	76.4
1995/97	74.3	79.6
1999/2000	75.7	80.8

Source: Statistics New Zealand

While it is generally accepted that people are living healthier into older age, this view is less easily confirmed and quantified. There is evidence that there is a larger number of very old and frail people in the population than there were several decades ago. For example, residential care providers report that the average age of residents is greater, and dependency levels among residents have increased significantly over the last 15 to 20 years. However the average length of stay is also shorter.

These trends are influenced by a number of factors, including an older age of entry into residential care, improvements in community based health services, and people's ongoing reluctance to leave their homes. The income and asset testing regime that applies to the Residential Care Subsidy results in many older people having to use the equity in their home to pay for their residential care. This can be a disincentive to move into residential care.

The very old and the very young are high users of health services. Per capita health costs increase and accelerate significantly from age 65. While people over the age of 65 make up 12% of the population, they use 37%<sup>1</sup> of total public health expenditure. The population over age 65 is not a homogeneous group in that they all do not have the same general level of need for health services, or a similar health status. There is considerable variation in life expectancy and health status both between and among older women, older Māori, and older Pacific peoples.

### ***Māori population***

The number and proportion of older Māori is projected to increase over the next three decades. The Māori population aged 65 and over numbered approximately 18,000 in March 2001, an increase of 61% (6,700 persons) from 1991. Older Māori made up 3.4% of all Māori in 2001, up from 2.5% in 1991.

In the 2001 Census, those identifying with the Māori ethnic group made up 4% of the 65 years and over age group, but made up 16% of the under 65 years age group. The representation of Māori decreases with age. In 2001 they accounted for 6% of all 65-74 year olds, 3% of 75-84 year olds and 2% of those aged 85 and over. Almost three-quarters of older Māori are aged between 65 and 74 years.

Health issues for older Māori identified from reports and consultations include:

- reduction of the prevalence of respiratory disease, heart disease and diabetes among Māori in the 55+ age group;
- access to primary health care due to older Māori having a lower median annual income than Europeans;
- access to specialist hospital services because of the higher proportion of older Māori who live in rural areas; and
- access to home support services for the older age group requiring support.

While considerable advances have been made in the targeting of health services at Māori, including older Māori, it is expected to be some years before the benefits of such programmes are reflected in statistics.

### ***Pacific people populations***

Pacific people populations are also experiencing the same trends in ageing as the population as a whole, with the proportion in the over 65 age group expected to increase significantly in the next 20 years. Older Pacific people currently account for just 1.8% of all older people. Fewer than 1% of the population aged 85 or older are Pacific people, compared with 2% of those aged 65-74 years. At the 2001 Census, there were 7,600 older Pacific people.

Health issues for older Pacific peoples identified in reports and consultations include:

***Maori make up 4% of people aged 65 years and older***

- access to primary health care due to lower personal incomes and demands on their incomes through involvement in supporting other family members; and
- lowering the prevalence of respiratory disease and diabetes among Pacific peoples.

### **Women**

In the general population, women currently represent 52% of those aged 65-74 years, 58% of those aged 75-84 years, and 70% of those aged 85 years and over.

Given that health needs increase with age, and are highest in very old age, it is a natural consequence that women make up the bulk of those requiring aged care services. For instance, in 1997 women made up three out of four of those living in residential homes.<sup>2</sup> Similarly women are more represented in the proportion of the older age group who require support services in their own homes.

Although women live longer than men, they do not necessarily require health services over a longer period. This is because for both women and men the greatest need for health services occurs during the last 3-4 years of life, irrespective of whether that is between, for instance, the ages of 70-73 years or 95-98 years.

There is considerable debate about whether living longer means that the period between being healthy and requiring secondary and tertiary health care services up to the time of death is extended. It is the case that new medical practices, technology and pharmaceuticals can inhibit or ameliorate certain conditions, and extend life. However, they do not necessarily improve the quality of life, as the end of life approaches. The debate is of particular relevance to women because of their high representation among the very old.

### **Planning for an older population**

Health planning for the ageing population has been undertaken on two main fronts, through addressing health structures and in drawing up appropriate strategies.

#### **Structures**

In 2000, the Ministry of Health established a Sector Policy Directorate within which there is a specific Health of Older People team. This enables

*70% of people  
aged 85 years  
and older are  
female*

the Ministry to maintain a clear and unambiguous focus on the health of older people at all levels of policy, service development, service delivery and monitoring.

In 2001, the Government also made a decision to devolve responsibility for the funding of disability support services for older people to District Health Boards (DHBs). This will allow for greater integration of support services with other health services at the local level and provide a clearer focus on the total health needs of older people.

The process for the transfer of responsibility to DHBs commences in 2002/03 with the Canterbury District Health Board and the Northland District Health Boards acting as lead agencies for piloting population-based health initiatives and processes. This will facilitate the smooth transfer of their responsibilities at a later date.

At public hospital level the focus is on specialist services for older people in assessment, treatment and rehabilitation (AT&R) and access to other specialist services. AT&R services are central to the management of older people's care. Such services also enable a managed interface between disability support services and clinical services and the range of interventions and services that are considered to be in the interests of the person being assessed.

### **Strategies**

The Government's Positive Ageing Strategy, released in April 2001, presents the Government's planning response across the range of its activities that impact on older people.

The Strategy also provides a framework within which those activities can be adapted to the needs of an ageing population in a systematic and coordinated way.

In May 2002, the Health of Older People Strategy was launched, setting out the Government's policy for the future direction of health and disability support services for older people. The Strategy was prepared by the Health of Older People team with substantial input from interest groups.

The Health of Older People Strategy proposes actions and key steps for eight key objectives. These objectives are:

- Older people, their families and whānau are able to make well-informed choices about options for healthy living, health care

and/or disability support needs.

- Policy and service planning will support quality health and disability support programmes integrated around the needs of older people.
- Funding and service delivery will promote timely access to quality integrated health and disability support services for older people, family, whānau and carers.
- The health and disability support needs of older Māori and their whānau will be met by appropriate, integrated health care and disability support services.
- Population-based health initiatives and programmes will promote health and wellbeing in older age.
- Older people will have timely access to primary and community health services that proactively improve and maintain their health and functioning.
- Admission to general hospital services will be integrated with any community-based care and support that an older person requires.
- Older people with high and complex health and disability support needs will have access to flexible, timely and co-ordinated services and living options that take account of family and whānau carer needs.

Other health strategies that will impact on the health of older people have been released:

- Disability Strategy (2001).

Older people are highly represented among people with disabilities, especially sensory and physical disabilities. The Disability Strategy addresses attitudinal, policy and service issues.

- New Zealand Palliative Care Strategy (2001).

The support of people who are dying has clinical as well as physical, social, emotional and spiritual aspects. The Strategy

***The Health of Older People Strategy sets out government's policy for the future direction of health and disability services for older people***

seeks to bring these aspects together in a co-ordinated way, addressing issues of supply, effectiveness and service delivery.

- Mental Health Strategy.

Older people experience mental health problems the same as the community as a whole. At the same time people who have had mental health conditions from a younger age also grow old and continue to need clinical services and support. The interests of older people need to be reflected in the planning for the development of mental health services.

### **Access to health care**

A key element in the effective management of the health of older people is their access to timely and appropriate health services.

#### ***Primary health care***

Access by older people to general practitioner and other primary health care services is subject to the same constraints of income, location and motivation as the community as a whole. However, to the extent that a high proportion of older people are reliant on fixed incomes towards the lower end of the income scale, affordability is a significant issue.

The Community Services Card provides those with little additional income other than New Zealand Superannuation (NZS) with greater government subsidies on GP visits and prescription charges. As at 28 June 2002, 71.1% of people receiving NZS were in receipt of a Community Services Card.

In 2001, the Government announced an intention to eventually replace the Community Services Card with an alternative method of targeting government expenditure on primary health care.

#### ***Secondary health care***

Older people are extensive users of hospital services as outpatients and as inpatients arising from acute or elective referrals. Older people see waiting times as of major importance because of the often debilitating effects of delayed treatment for medical conditions on their health, wellbeing and independence. Some older people interpret delays in treatment as a reflection on the lower value placed on them relative to other population groups.

*In June 2002,  
71% of  
superannuitants  
were in  
receipt of a  
Community  
Services Card*

There is no evidence that older people are disadvantaged when compared with other age groups in terms of waiting times and access to hospital services.

However, because a decline in health and a breakdown in support systems can quickly lead to the need for residential care, it is important to older people that they receive appropriate treatment as soon as possible. The specialist hospital based Assessment, Treatment and Rehabilitation services have proven to be very effective for older people to access clinical services and the full range of community support services to assist them to regain and maintain optimum wellness.

### ***Public health***

Maintaining the health, mobility and independence of older people is a task for public health services, community organisations and for individual decision makers.

Optimum health in older age also reflects attitudes and lifestyles formed and developed much earlier in the lifecycle. It requires not only long-term preventative programmes for the general population but also specific age related short-term initiatives, the key components of which are:

- recreational and exercise activities at local community levels;
- advice on diet, exercise and fitness promoted through primary health care providers and formal and informal community groups;
- special targeted programmes such as the falls prevention programme sponsored by ACC; and
- links with communities by utilising older people's organisations and community groups to publicise health promotion through their periodicals, newsletters and local activities.

While public health strategies can positively influence behaviour and attitudes across all population groups including older people, there are other environmental factors that also play a part in determining an individual's general health. These include quality of housing, climate, geographical location and income.

## **Care and support of older people**

### ***Home-based support***

Most older people wish to remain in their own home for as long as possible. Recognising the wishes of older people and the economics of providing care and support, central government has responded with an 'ageing in

place' policy framework. The goal of 'ageing in place' is to support people to remain in their own homes as long as possible. This is done through a range of programmes within the disability support services currently administered by the Ministry of Health.

Programmes include:

- Home help services (cooking, cleaning, etc) without cost to Community Services Card recipients who have been assessed as requiring that assistance. People who do not have a Community Services Card are expected to pay for their own household management services.
- Home support services that offer personal care (for example bathing and showering) to people who require such assistance. Recipients of these services are not subject to financial means testing.
- Other forms of assistance such as wheelchairs and aids, appliances and equipment that enable the person to remain in their own home.

Where someone is cared for full-time by a partner, family member or any other person, carer relief is available to give the caregiver a break from their caring responsibilities.

These programmes are currently under considerable financial pressure. Up until the early 1990s they were demand driven, then, together with other Disability Support Services (DSS), they were placed within an overall DSS budget. This budget is adjusted annually according to a population based funding formula.

The various components of home support operate according to terms and conditions that have their origins in historical factors now of questionable relevance. For example, some forms of support in the home are income tested while others are not.

The Ministry of Social Development, in association with the Ministry of Health, is undertaking a review aimed at getting rid of inconsistencies in the terms and conditions applicable to people with disabilities, including older people.

### ***Residential care***

***Long-term support for older people is monopolised by residential care***

Long-term support for older people is monopolised by residential care in terms of resourcing, complexity and public profile. Access to residential care is through a strict assessment process that is designed to ensure services are directed to those for whom there is no alternative. In spite of this, the demand for residential care has until recently increased at a greater rate than the growth in the target older population.

Consequently, controls on access criteria and the utilisation of better home support options have been introduced to allow the growth in demand to be kept within target population levels.

### ***Pricing and contracting issues***

When rest homes and continuing care hospitals were administered by Regional Health Authorities they had individual contracts for the payment of Residential Care Subsidies. At that time there were regional differences in the rates of subsidy and the services subsidised. The Ministry of Health has for some time been negotiating on prices and services with the rest home and the continuing hospital care sectors to ensure consistency with costing models.

### ***Residential care standards***

Residential care provides a 24-hour comprehensive service for those who have been assessed as needing it. The Health and Disability Services (Safety) Act 2001 replaces provisions which were focused on a process of registration and licensing of residential care facilities, with one more clearly focused on safety, resident services and outcomes, and the ongoing compliance with quality standards as determined by independent audit.

### ***Other community supports***

Support for older people living in the community also comes from services provided by a wide range of formal and informal community-based organisations. Some services are organised at a national level while others are local initiatives. While effective in their own right, these services can be enhanced where the organisation works co-operatively and in co-ordination with traditional clinical and professional services.

## **Issues**

There are a number of issues that can be expected to require or attract attention in the next two to three years.

### **Dementia**

Dementia is a significant health and service issue for older people. It has been estimated that 7.7% of people over age 65 have dementia. The prevalence increases with age, rising from 3.8% for those aged 65 to 74 years to 40.4% for those aged over 90.<sup>3</sup>

More importantly, the prevalence of dementia is increasing over time. Studies indicate that the prevalence doubles each 5.1 years between the ages of 60 and 90 years.<sup>4</sup> It is estimated that between 1992 and 2016 the prevalence of dementia will increase by 96-100%, compared with a rise in the general population of 18-26%.<sup>5</sup>

The increasing number of people with dementia has implications for specialist support services. There is strong lobbying from consumer groups to make available new pharmaceutical products which may be utilised in the management of the condition.

### **New pharmaceuticals**

The pharmaceuticals industry is rapidly developing, has delivered major benefits to older people, and can be expected to continue to do so. Older people's networks are international. Information on drug developments overseas is quickly picked up and feeds the expectations of those who would benefit, if the drugs delivered what is alleged or expected.

New drugs are often very expensive and issues of affordability frequently arise. Pharmac, the Government agency responsible for managing pharmaceuticals, has policies and processes for screening and approving new drugs for subsidies. The tensions between availability, affordability, expectation and utilisation require careful management.

### **Private health insurance**

For many people, private health insurance represents a financial and psychological safety net. Irrespective of changes to, or pressures on, the public health system, those with private insurance can be confident that they will receive the health service they need, when they need it. The likelihood of requiring health services increases as a person ages, which makes private health insurance an increasingly attractive option as one gets older. The cost of private insurance is becoming prohibitive for many older people. This is due to a combination of general increases in premiums, the relatively higher premiums older people pay because of their higher likelihood of health service usage, and the relatively low and usually fixed income of most people in the 65 plus age group. The net

*The cost of private health insurance is becoming prohibitive for many older people*

effect of increased private health insurance costs is more stress on the public health system.

### ***Asset testing for Residential Care Subsidy***

The current asset testing regime for the Residential Care Subsidy has been a source of considerable public interest for a number of years. The regime has been criticised by some as discriminatory toward older people in that they must pay for their residential care when other sectors of the population who require residential care, have their costs met by the state. Asset testing as a means of targeting the Residential Care Subsidy has also been criticised as a result of being avoided through asset transfer mechanisms and therefore unfair to those who retain ownership of assets and declare them. Older people and their representative organisations have been seeking the removal of the asset test on the Residential Care Subsidy for several years.

The Residential Care Subsidy is a government contribution to a person's residential care. It applies in two forms:

- For those who meet the asset threshold, the subsidy pays the difference between the person's income, including New Zealand Superannuation (less a personal allowance), and the fee that the Ministry of Health has agreed with the residential care provider.
- For those whose income or assets prevents the payment of the subsidy as shown above, a top-up subsidy is payable to ensure that no one in residential care pays more than \$636 a week. With this form of Residential Care Subsidy, the subsidy is the amount by which the fee agreed by the Ministry of Health for the provision of residential care in the particular home or hospital, exceeds \$636 a week. This form of subsidy is paid without regard to the resident's income or assets.

In order to qualify for the Residential Care Subsidy, the person must have assets less than the following limits:

- \$15,000 if the person is single or widowed;
- \$30,000 in combined assets for a couple if both are in long term residential care; or
- \$45,000 in combined assets for a couple if only one partner is in care.

Assets include cash or savings, investments, shares or stocks, and loans made to other people. A family home, chattels and car are counted as assets if the person is single or widowed without a dependent child or, in respect of a married couple, if both partners are in residential care.

Asset testing has been associated with eligibility for government subsidies for rest home care since the early 1960s. It is a long established policy that was introduced to provide assistance to those whose income and realisable asset base was insufficient to cover the cost of residential care. However, increasingly sophisticated income and asset divestment and transfer means that people can now, to all intents and purposes retain access to cash and other assets that would have been factored into their eligibility assessment for Residential Care Subsidy. Consequently, there is a public perception that there is an element of unfairness in the Residential Care Subsidy regime.

Currently, some \$460m a year is spent on Residential Care Subsidy. It is estimated that removal of the asset test would cost an additional \$200-\$300m a year. The removal of asset testing in the assessment of Residential Care Subsidy represents a significant policy change, with major financial implications for the Crown. These financial implications could impact on the ability of a government to fund non-residential care services for older people in the future.

## **Conclusion**

Because of the ageing of the population and the need of older people for health services, the health of older people is a very significant issue for health service planners. Planning for future services for the older age groups has commenced in a systematic manner. However, many of the strategies and structures that are planned to support the health of older people are still in their implementation or developmental stages and will require ongoing and consistent attention if they are to deliver what they promise.

Health has been identified as the number one concern among older New Zealanders. Personal health is a critical component of an individual's capacity to age positively, as is the confidence that health services will be available if and when necessary. For the majority of older people and almost all of the very old, the need for health services is inevitable. For most older people those services will need to be provided through the public health system.

***Health has been identified as the number one concern among older New Zealanders***

## **Endnotes**

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2. Statistics New Zealand (1998). *New Zealand Now – 65 Plus*, Pg 47.
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## **Chapter 7**

### **Protecting older people's rights and interests**

## **Key Messages**

- The Positive Ageing Strategy has raised the profile of older people and has highlighted the importance of recognising their rights and interests in policy development.
- Most older people have the same capacity to pursue and protect their personal rights and interests as younger adults.
- As people age their physical capacities may decrease and the likelihood of an age related degenerative condition increases. Very old age compounds these risks.
- Diminished physical or mental capacity carries risks and vulnerabilities, that need to be recognised and accounted for in social services policy and legislative provisions.

## **Introduction**

Older people, like all citizens, have their rights protected through the generic protective legislation such as the Human Rights Act 1993 and its amendments, and the Protection of Personal and Property Rights Act 1988, and through specific health, social security and consumer law. Similarly, older people's interests and needs, which are various, are not fundamentally different from those of the wider population. Further, most older people have the same knowledge of, and capacity to protect, their personal rights and interests as younger adults.

There are some experiences, conditions, and vulnerabilities that are more common among, or specific to, older people. For instance, very old people or older people with diminished mental or physical capacity require other people to meet their care and support needs. While in most such instances these needs are well addressed, abuse and neglect of vulnerable older people is not uncommon. Age Concern New Zealand reports that abuse or neglect is experienced by 4-5% of the older population.

Another situation in which older people are at risk of their rights and interests being ignored or denied is where another person has been granted the legal right to make decisions on their behalf. There have been many instances where this legal right, exercised as a 'power of attorney', has been misused.

A further area of relevance to the rights and interests of older people is in retirement, if a decision is made to live in a retirement village. More than 21,000 older people currently live in retirement villages, most of whom reside under a 'licence to occupy' arrangement that does not bestow the legal, financial or residency rights of either tenancy or ownership. The financial complexities of the purchase of a 'licence to occupy' arrangement, the fee and services regime that operates within a village, and the way this is presented to intending residents, can expose some older people to unanticipated costs or complicated, misunderstood or harsh financial terms and conditions.

The potential financial vulnerability of retirement village residents, misuse of enduring powers of attorney, and elder abuse and neglect have all been recognised as issues which need to be specifically addressed in legislative provisions or social services policy.

***Age Concern  
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neglect is  
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the older  
population***

## **Retirement villages legislation**

Living in a retirement village is an attractive option for a growing number of older people. It offers security, companionship and access to the services they consider important. A Retirement Villages Association survey in 2000 identified 303 retirement villages in New Zealand, a 13% increase since the previous survey two years earlier. It is estimated that there are 21,000 people over the age of 65 living in retirement villages. This is 4.66% of the over-65 population.

Retirement villages are diverse in target age-groups and facilities. Some villages are large complexes with elaborate facilities while others consist of a few residential units on their own. That diversity is reflected in funding arrangements with costs of residence and services being paid on entry, as a monthly charge, on exit, or a combination of two or more of these options.

While many older people enter a retirement village believing they are purchasing a unit, this is not the case. Approximately 65% are secured by a licence to occupy and even the villages that offer title, do so with an encumbrance on the title or condition of sale that vests control of sale to the village operator.

In the absence of more appropriate protections, buying into a retirement village has been considered to be a contributory financial or security investment and, as such, subject to the Securities Act 1978. The provisions of the Securities Act, with its focus on disclosure at the time an investment is made, does not adequately address the risks that people face when buying what amount to habitation rights to a residential unit in a village. There is also legal uncertainty as to whether or not the Securities Act applies to a number of the different village title structures currently available in the marketplace.

So while retirement villages are an accommodation option that is attractive to many older people, it is an option that carries significant financial and occupational risks for them. These risks are often not well understood.

One government action associated with the housing goal of the Positive Ageing Strategy was to '*Strengthen legal protection for retirement village residents*'. Legislation specific to protecting the interests of retirement village residents was developed and introduced to Parliament in December 2001.

***More than  
21,000 people  
over the age of  
65 live in  
retirement  
villages***

The main measures in the Bill are:

- all villages are covered through the application of an inclusive definition;
- a requirement for a comprehensive Disclosure Statement in a standard format that ensures all prospective residents are fully aware of terms and conditions;
- a cooling-off period of 10 working days during which prospective residents can rescind their decision to buy into a village;
- a Code of Residents' Rights that spells out the rights and responsibilities of both residents and owners/operators, and a robust disputes resolution process;
- every village will be required to engage a Statutory Supervisor to represent the collective interests of the residents;
- every village will be required to register with the Companies Office and provide copies of all the key documentation relating to the village;
- a role for the Retirement Commissioner in monitoring the effectiveness of the legislation as well as information collection and education;
- the development by the industry of an Industry Code of Practice; and
- sanctions and penalties if operators fail to comply with the legislation.

The Retirement Villages Bill had its first reading on 26 February 2002. It was referred to the Justice and Electoral Select Committee, which received 80 submissions on the Bill from a range of sector interest groups, retirement village operators, individual residents, village residents associations, statutory supervisors, and interested members of the general public. The Select Committee heard oral submissions on the Bill during May 2002, and, at the time the General Election was announced, had a scheduled report back date of August 2002.

### **Misuse of enduring powers of attorney**

It is possible, and often prudent, for people, while they have the capacity to do so, to grant authority to another person to exercise powers over their financial and, in some cases, personal affairs. This authority is known as a "power of attorney".

The person giving the power of attorney is called the donor and the person authorised to act is known as the attorney. It is not necessary for

the attorney to be a lawyer. A power of attorney can give powers that are unlimited, it can be of fixed or limited duration, and can be revoked by the donor at any time.

A power of attorney is simply a formal type of agency under which the donor appoints the attorney as an agent to do certain things that the donor has the legal right to do. Until the late 1980s this type of arrangement posed real difficulties. The problem was that once the donor ceased to possess the capacity to perform the delegated tasks, the attorney's powers to do those tasks also came to an end. If the attorney continued to act as if he or she had those powers they ran the risk, if there was a dispute, of the attorney's actions being declared void or the attorney being liable for any losses resulting from their actions.

The solution to this problem was to provide, through legislation, a type of power of attorney that could continue in effect despite the donor's subsequent incapacity. Part IX of the Protection of Personal and Property Rights Act 1988 (the PPPR Act), provides the legal machinery for such enduring powers of attorney, and allows decisions to be made by attorneys on behalf of those unable to manage their own financial affairs or make appropriate personal decisions and choices.

In May 2000, the Law Commission published a discussion paper on the misuse of enduring powers of attorney (EPAs). The paper discussed the absence of adequate safeguards for the protection of donors of EPAs under Part IX of the Protection of Personal and Property Rights Act 1988. After considering the submissions, the Law Commission, on 27 March 2001, submitted Report 71 "*Misuse of Enduring Powers of Attorney*", which examined the adequacy of protection for donors of EPAs.

The Law Commission's report identified five categories of misuse of EPAs:

- Abuses in relation to the initial granting of the EPA; particular problems arise where the execution of an EPA is left until after the effects of senility have begun to become apparent, or where the donor is pressured by undue influence or coerced into creating an EPA, or creating it in favour of a specific attorney.
- Neglect of the donor by the attorney; anecdotal evidence suggests that some attorneys neglect their donors' interests so as to preserve the value of property or cash assets, from which the attorney will later benefit.

***The Law Commission has recommended that there needs to be legislative amendment to curb the misuse of enduring power of attorney***

- Embezzlement and theft of the donor's money; currently, there is a power under the PPPR Act for an attorney to benefit themselves or others, to the extent that the donor might be expected to provide for the needs of the attorney or others. Subject to certain conditions, an attorney may also dispose of a donor's property by way of gifts.
- Bullying and lack of consultation with the donor.
- Problems with the mental incapacity test, which is used to assess donors' capacity to make or communicate decisions.

The Law Commission recommended amendment to Part IX of the PPPR Act as the means to curb the misuse of EPAs and provide additional safeguards for donors.

Age Concern, trustee companies, and law firms are promoting EPAs as a way in which older people can protect their financial and personal interests in advance of any loss of functional capacity. Such moves are to be applauded. However, addressing the misuse of EPAs is important to protecting the integrity of these measures. It is also important in reducing the incidence of elder abuse and neglect.

Work to review and revise legal provisions relating to the misuse of enduring powers of attorney is important for achieving the vision of the Positive Ageing Strategy. Part of that vision is that *'Older people are able to live in a safe and secure environment and receive the necessary support when they can no longer live independently'*.

The Ministry of Justice is currently considering the recommendations in the Law Commission's report. The Office for Senior Citizens has provided policy advice to the associate Minister of Justice on this issue. With the assistance of the Volunteer Community Co-ordinators' network, the Office has also provided feedback to the Ministry of Justice on these recommendations.

### **Elder abuse and neglect prevention**

Elder abuse and neglect is any act occurring within a relationship where there is an existing degree of trust on the part of an older person which results in harm to that older person.

Categories of elder abuse may be identified as:<sup>1</sup>

- *physical abuse* – infliction of physical pain, injury or force;
- *psychological abuse* – behaviour that causes mental or emotional anguish or fear;
- *sexual abuse* – sexually abusive and exploitative behaviours involving threats, force, or the inability of a person to give consent;
- *material/financial abuse* – the illegal or improper exploitation and/or use of funds or other resources;
- *active neglect* – conscious and intentional deprivation by a carer of basic necessities resulting in harmful effects; and
- *passive neglect* – refusal or failure by a carer, because of inadequate knowledge, infirmity or disputing the value of the prescribed service, to provide basic necessities resulting in harmful effects.

Data collected from elder abuse and neglect prevention services show that most incidents of elder abuse usually involve more than one type of abuse and that most abusers are family members.<sup>2</sup> The effects on the victim, his/her carer, family and society are far-reaching and can result in the need for expensive health and other social services.<sup>3</sup>

Preventing and reducing the incidence of elder abuse and neglect therefore has significant benefits not only for the older person concerned, but also for government.

Most research estimates that between 2-5% of the older population experience some form of elder abuse or neglect. In New Zealand this means that based on 2001 Census figures, there may be between 9,000 (2%) and 22,500 (5%) older persons experiencing elder abuse or neglect. In the six months to 30 June 2001, elder abuse and neglect prevention services in New Zealand received around 1500 general enquiries, ran more than 400 community education and awareness programmes, and referred over 620 clients for assessment. Of the clients referred for assessment, almost 400 were found to be cases of elder abuse or neglect.<sup>4</sup>

There are currently 22 elder abuse and neglect prevention services around New Zealand:

- Branches of Age Concern New Zealand deliver the services in Whangarei, North Shore, Auckland, Manukau, Waikato,

***There are 22  
elder abuse  
and neglect  
prevention  
services in  
New Zealand***

Tairāwhiti, Hawkes Bay, Wanganui, Manawatu, Kapiti, Wellington, Nelson, Christchurch, and Invercargill.

- Presbyterian Support Services provides the services in Tauranga, Wairarapa, South Canterbury and Dunedin.
- Tui Ora Ltd provides the service in Taranaki, and Buller REAP in the West Coast/Buller region.
- The remaining two services are provided by Huakina Development Trust in Auckland specifically for Māori, and by TOA Pacific/Methodist Mission in South Auckland specifically for Pacific peoples.

All elder abuse and neglect prevention contracts require the provision of the same range of services. It is important to note that the providers of elder abuse neglect prevention services have a referral and co-ordination role, rather than providing professional, assessment or advisory services. The contracts for elder abuse and neglect prevention include the following components:

- initial assessment of reported incidents of elder abuse and neglect;
- co-ordination of, and referral to, professional services;
- support or arranging support to victims and, where appropriate, their family and carers;
- identification and/or establishment of emergency safe beds;
- monitoring and reviewing individual cases;
- provision of education to a range of professionals about elder abuse and neglect prevention, detection, intervention and treatment;
- raising of community awareness of elder abuse and neglect; and
- provision of statistical data on the services provided.

There is no statutory requirement to report elder abuse or neglect.

International research indicates that mandatory reporting is not usually in the best interests of older people, because it generally results in removing an older person from their usual living situation.

***The abuse and neglect prevention model used for older people is fundamentally different to that which applies to children and youth***

Most older people do not wish to be moved from their place of residence, even if it is where abuse or neglect has occurred. Research suggests that moving an older person is invariably harmful to their physical and emotional wellbeing, and that support and abuse prevention within their home is usually the most appropriate response.

Responsibility for funding elder abuse and neglect prevention services lies with the Minister of Social Services and Employment, and the Department of Child, Youth and Family Services (Child, Youth and Family) is responsible for managing the contracts with service providers. In total, Child, Youth and Family currently purchase elder abuse and neglect prevention services to the value of \$842,000 a year.

The Office for Senior Citizens (then the Senior Citizens Unit) was influential in acquiring funding for the Age Concern programme from Lottery Aged from 1993 and in establishing ongoing government funding for the programme in 1998. The Office had been involved since 1990 in the development and monitoring of the elder abuse and neglect prevention programmes. It is the principal advisor to Child, Youth and Family on issues relating to elder abuse and neglect prevention.

Funding is evenly distributed across all services and differences in workloads are not recognised in the funding formula. Since 1998 the amount of funding per service has not increased, but neither has there been an increase in contractual requirements. Nevertheless, the difference between funding and the actual cost of services being provided has incrementally increased with the service providers covering this increase themselves.

This is due both to increased demand for services, which has been reported anecdotally by service providers, and providers shouldering responsibilities greater than those they are contracted for, in order to maintain quality services.

Simply on a demand for service basis, it is evident that expanded or additional elder abuse and neglect prevention services are needed. There are also indications that additional or expanded services are required to address gaps in the geographical coverage of services.

Expanding the elder abuse and neglect prevention programme would also contribute to the achievement of the goals of current government strategies for positive ageing and family violence.

***More funding is needed for expanded or additional elder abuse and neglect prevention services***

In the Positive Ageing Action Plan 2001/02 the elder abuse and neglect prevention programme is linked to Positive Ageing Principles 5, 6, and 8. These are:

- Principle 5: *“Affirm the values and strengthen the capabilities of older Māori and their whānau”*.
- Principle 6: *“Recognise the diversity and strengthen the capabilities of older Pacific people”*.
- Principle 8: *“Recognise the different issues facing men and women”*.

The programme also contributes to achievement of Goal 5 of the Strategy, *“Older people feel safe and secure and can age in place”*.

Extension of the elder abuse and neglect prevention programme, whether through expansion of existing services or establishment of new services, would also fit well with the vision and goals of Te Rito, the New Zealand Family Violence Strategy.

This strategy, released in February 2002, covers the prevention of all forms of family violence, including intra-family elder abuse and neglect.

Service provider information indicates that more funding is needed for elder abuse and neglect prevention services. It also makes sense from a preliminary cost/benefit analysis perspective. Money spent effectively preventing abuse and neglect among older people is money not spent on the relatively more expensive professional services that are needed to deal with an abused or neglected person. A bid for more funding would be considerably strengthened if it were submitted with both an evaluation of the effectiveness of existing services, and a rigorous cost/benefit analysis.

## **Endnotes**

1. Age Concern New Zealand. *Promoting the Rights and Well-being of Older People and Those who Care for Them*. September 1992.
2. Business and Economic Research Limited. *Report of Evaluation of Elder Abuse and Neglect Programmes*. January 1998.
3. Ibid.
4. Figures supplied by Child, Youth and Family.

## **Chapter 8**

### **Volunteer Community Co-ordinators**

### **Key Messages**

- Community consultation is an integral part of the policy development process.
- The Volunteer Community Co-ordinator programme has become an essential part of the Office for Senior Citizens' approach to policy formation and advice.
- The Volunteer Community Co-ordinator programme is most effective when following a set work plan but can also provide very useful opportunities for discussion and feedback on other issues of interest to older people.

## **Introduction**

The Office for Senior Citizens has a nationwide network of 37 Volunteer Community Co-ordinators (VCCs) to assist with the dissemination and collection of information relating to older people. The VCCs have become an integral part of the portfolio through the consultation process, as they bring together a wide range of individuals and organisations in their geographic areas to discuss topics of interest and report back to the Office on those discussions. This feedback is then used by the Office to assist the formulation of policy advice to the Minister for Senior Citizens. This community consultation model is highly important in the development of policy that is significant to older people.

## **Background**

The Office for Senior Citizens (then the Senior Citizens Unit) was responsible for leading the Government's strategy for the International Year of Older Persons (IYOP) in 1999. The VCC network was developed during 1999 to raise awareness about the Year and to encourage people around the country to be involved in the activities and programmes held during the Year.

The Office discussed the idea of establishing a network of volunteers with representatives from a range of organisations. These included Age Concern, Grey Power, Te Puni Kōkiri, the Mature Employment Service, SeniorNet, the Retired Persons Association, the University of the Third Age, and the Alzheimer's Society. The organisations agreed to invite local groups to nominate a volunteer to work on the project.

Volunteer Community Co-ordinators were appointed in 29 areas. The organisations that nominated the VCCs agreed to provide local support and manage the funds provided by government for the programme.

In November 1999, the Minister for Senior Citizens hosted a function at the Beehive during which Certificates of Appreciation were presented to the Volunteer Community Co-ordinators. At that time, the VCCs reported that the International Year had provided a strong focus for positive ageing and had been successful in bringing communities together. The VCCs also expressed a wish for the network to continue. In late 1999, the incoming Minister for Senior Citizens supported the continuation of the network and funding of \$112,500 (GST inclusive) was approved through Vote: Senior Citizens to establish a permanent VCC programme.

*The Office for Senior Citizens has a network of 37 Volunteer Community Co-ordinators to assist with the dissemination and collection of information relating to older people*

## **VCCs tasks**

Each year, the Minister for Senior Citizens sets the VCCs a task to assist in policy decision-making. The tasks undertaken so far have been promoting local International Year of Older Persons projects (1999), providing opportunities for community input into the development of the Positive Ageing Strategy (2000), organising community forums to promote the Strategy (2001), and arranging for communities to take part in a survey about the misuse of enduring powers of attorney (2002).

The Office has appointed a co-ordinator to provide one-to-one support for Volunteer Community Co-ordinators and to produce information packs and specific guidelines for each task the VCCs are asked to undertake.

### ***International Year of Older Persons***

The Volunteer Community Co-ordinators played a vital role in the success of the Year, which was evident from the number of activities that took place and were recorded in the Year's Calendar of Events. The VCCs' role was to disseminate information about the Year to their communities, encourage groups to organise celebrations, and to provide information to the Senior Citizens Unit about how International Year of Older Persons was celebrated in their areas.

### ***Positive Ageing Strategy – development***

In July 2000, the Minister for Senior Citizens invited the Volunteer Community Co-ordinators to organise focus groups and collect information from participants to assist with the development of the Positive Ageing Strategy. More than 40 meetings were held, involving older people, Māori, Pacific peoples, local government representatives, and older people's community organisations. Participants in the focus groups were asked to comment on the draft principles for the Strategy, and to identify areas on which government could focus in order to create a society where people can age positively.

### ***Positive Ageing Strategy – promotion***

The Minister for Senior Citizens launched the New Zealand Positive Ageing Strategy and Positive Ageing Action Plan 2001/02 on 10 April 2001. The Volunteer Community Co-ordinators were pivotal in raising local awareness about the Strategy and Action Plan. They also provided feedback to the people who were consulted in the development of the Strategy, and encouraged communities to consider ways to promote positive ageing locally. So far over 14,000 copies of the Strategy and

***Volunteer  
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Strategy and  
Action Plan***

Action Plan have been disseminated. The VCCs have distributed approximately 5000 copies of each document in their communities.

### ***Misuse of Enduring Powers of Attorney***

In April 2002, the Minister for Senior Citizens asked the Volunteer Community Co-ordinators to carry out a survey based on the Law Commission's recommendations in its report *The Misuse of Enduring Powers of Attorney*. More than 1200 responses were collected. A questionnaire analysis was referred to the Ministry of Justice, the agency leading the review of the misuse of enduring powers of attorney provisions in the Protection of Personal Property Rights Act.

### ***Services to older people provided by Work and Income***

The next task for the Volunteer Community Co-ordinators will involve carrying out a survey of older people about the quality of the services available to them from the Ministry of Social Development's Work and Income service. The purpose of the survey is to identify practical ways that the services can be enhanced.

## **Policy forums and VCC workshops**

The Office for Senior Citizens has organised two policy seminars, in partnership with Victoria University of Wellington. The seminars were to facilitate networking between the VCCs and representatives of local government, older people's organisations and government agencies, and to inform VCCs of current policy issues and developments.

The seminars focused on issues relating to the themes *Positive Ageing in Action: Communities Working Together* (April 2001), and *Positive Ageing in a World of Diversity* (October 2001).

Each year the Office for Senior Citizens facilitates a workshop for VCCs. The workshop provides an opportunity for the VCCs and the Office to discuss aspects of the VCCs' role, provide feedback on recently completed tasks, and discuss future projects.

At the October 2001 workshop, the Prime Minister presented each VCC with a lapel pin, in recognition of their contribution to positive ageing. The October 2002 workshop will focus on the development of best practice guidelines for the VCC programme and meet government officials from a range of agencies for discussions on current policies of interest to older people.

***The Volunteer  
Community  
Co-ordinators  
undertake  
specific tasks  
on behalf of  
the Minister for  
Senior Citizens***

## **Success factors**

The success of the Volunteer Community Co-ordinators network relies on a good working relationship between the Office for Senior Citizens and the VCCs. This is sustained by the dedicated services provided by the VCC Co-ordinator, who:

- provides continuing support, advice and positive feedback;
- provides information packs and resources that help the VCCs to complete the tasks requested by the Minister;
- discusses ideas or any issues individually with the VCCs;
- arranges group discussions through telephone conferences;
- organises face-to-face workshops, seminars and celebrations, including speakers and information that will assist the VCCs to promote positive ageing;
- provides a process for the VCCs to report back on tasks they have carried out; and
- recognises that each VCC and their community is unique and may carry out tasks differently.

Another important factor in the programme's success has been in the development of strong links with the VCCs' nominating organisations. This involves frequent liaison and keeping the nominating organisations informed of the tasks the Minister has requested. The role of the nominating organisations is to:

- provide local support for their VCC;
- hold and be accountable for the funds provided to cover the VCCs' expenses; and
- liaise with the Office to ensure continuity of the programme.

The Volunteer Community Co-ordinators programme is new and is continually enhanced as it grows. It is essential that all parties to the programme have a clear and shared understanding of its purposes and its capacity. The annual workshop combined with constant communication ensures that everyone who works for the programme feels part of a collective project.

Part of enhancing the programme is looking at ways to expand and consolidate it. It is intended that the nominating organisations will have a more direct relationship with the Minister and the Office for Senior Citizens. This will enable the Minister to achieve better regional coverage through the Volunteer Community Co-ordinators, and improve the

channelling of local advice through the nominating organisations to national levels.

The Volunteer Community Co-ordinators programme has been immensely successful. It is a model that meets the Ministry's need for partnerships between government and the community. It also provides an opportunity for community input into policy development and participation in the Positive Ageing Strategy.

## **Chapter 9**

### **Organisations and agencies**

## **Key Messages**

- The Office for Senior Citizens networks with a wide range of government agencies and community organisations at ministerial and local levels.
- To enable the Minister for Senior Citizens to effectively advocate for the interests of older people, policy advice includes the views, concerns and policy interpretations of older people.
- The Office for Senior Citizens seeks to represent the views and intentions of the Minister for Senior Citizens in discussions and negotiations with other government agencies on matters relevant to the interests of older people.

## **Introduction**

The Office for Senior Citizens works closely with a wide range of government agencies and community organisations. Through these links, the Office maintains an overview of policies impacting on older people's lives and of the issues that concern them.

The small size of the Office, combined with the variety of issues impacting on the lives of older New Zealanders, mean that effective community links are necessary if the Office is to provide expert and timely advice to the Minister for Senior Citizens.

Links with government agencies enable the Office to have effective input into policy development across the government sector on issues affecting the lives of older people. In addition, the Office works with many agencies and organisations to develop specific initiatives which promote positive ageing.

In order to effectively advocate for older people, it is essential that the Minister for Senior Citizens is well informed of the views, concerns and policy interpretations of older people. These are generally reflected in public announcements and publications by older people's organisations and groups.

However, a direct and regular dialogue leading to working relationships between key sector organisations and the Minister can assist in clarifying respective positions and in creating a relationship of mutual trust and understanding.

Another important dynamic, in terms of the Senior Citizens portfolio, is that which exists between the Office for Senior Citizens and other government agencies. There are a number of government departments and ministries whose policy responsibilities intersect with the Senior Citizens portfolio.

The capacity of the Office to represent the views and intentions of the Minister in discussions with other government agencies is important to the particular interests and priorities of older people being taken into account in the policy development process.

Key government agencies, Crown entities and older people's organisations are described below.

*Through its links with a wide range of government and community organisations, the Office for Senior Citizens maintains an overview of policies impacting on older people and the issues important to them*

## **Government agencies**

In order to strengthen its links with the government sector, the Office for Senior Citizens maintains an “Interdepartmental Network” of government officials. The Office hosts quarterly Network meetings, at which officials share information about current policy work that has implications for older people. This provides an effective way of keeping an overview of relevant policies. Routinely maintaining good relationships with other agencies promotes close working relationships with the Office for Senior Citizens on specific issues.

The following agencies and Crown entities work collegially with the Office for Senior Citizens.

### ***Ministry of Social Development***

The Office for Senior Citizens is part of the Ministry of Social Development and reports to the Chief Executive through the Ministry of Social Development executive management structure. The Ministry of Social Development, established on 1 October 2001, provides strategic social policy advice to government and delivers income support, employment services, superannuation, Community Services Card administration, and student allowances and loans to more than one million New Zealanders.

The Ministry’s policy advice areas include supporting and investing in children and young people, active social assistance, sustainable employment, providing for retirement, stronger families and stronger communities.

The Ministry’s income support and employment services are provided in 170 locations throughout the country. Services include job seeking, student allowances and loans, superannuation, and services to employers. The Ministry also works in partnership with communities to help maximise opportunities for employment and promote positive activity and responses to local needs.

### ***Office for Disability Issues***

The Office for Disability Issues began operations on 1 July, 2002. The Office is part of the Ministry of Social Development and is the lead agency for implementation and development of the New Zealand Disability Strategy. The Office is also lead agency for policy advice on inter-sectoral disability issues. The disability sector is quite distinct from the older population, but disability issues are of relevance to many older people. It

is anticipated the Office will become one of the more important government sector agencies with which the Office for Senior Citizens networks.

### ***Office of the Retirement Commissioner***

The Office of the Retirement Commissioner was established under the Retirement Income Act 1993 to develop and promote methods of improving the effectiveness of retirement income policies.

Included in its responsibilities is the development of education and information programmes that focus on encouraging New Zealanders to save for retirement. Largely this is achieved through television campaigns, suitable pamphlets, work with schools and its website, [www.sorted.org.nz](http://www.sorted.org.nz).

The Office of the Retirement Commissioner also promotes research on financial provision for retirement and monitors trends and issues that may have an impact on retirement savings. The Office for Senior Citizens works closely with the Office of the Retirement Commissioner on a range of issues relating to retirement policy.

### ***Office of Veterans' Affairs***

On 1 July 1999, the Office of Veterans' Affairs was established as a separate office within the New Zealand Defence Force. It brings together functions that were previously the responsibility of several government agencies. These include assessment of individual veterans' entitlement to war pension and other financial assistance, policy advice on pensions and services for veterans, maintenance of defence service cemeteries, and provision of information on veterans' medals.

The Office of Veterans' Affairs works closely with veterans, their representative organisations, and government agencies. The payment of veterans' pensions is the responsibility of Ministry of Social Development.

### ***Department of Child, Youth and Family Services***

The Department of Child, Youth and Family Services (known as Child, Youth and Family) was established on 1 October 1999 and reports to the Minister of Social Services and Employment. It was previously the Children, Young Persons and their Families Agency.

The Department is responsible for care and protection of children and young people, youth justice and adoptions, and funding community social services. While the main focus of the department's work is on children and strengthening families, it also purchases, through contracts with non-

government providers, a range of social and welfare services. A number of these have particular relevance to older people, including elder abuse and neglect prevention services, and support services for older people providing kinship care.

### ***Ministry of Justice***

The Ministry of Justice provides policy advice across the justice sector. Justice policy is based primarily on a concern for the rights and responsibilities of individuals in regard to their relationships with other individuals, communities and the state.

The Ministry also provides advice on matters such as democratic processes, the relationships between Treaty partners, dispute resolution mechanisms preventing and minimising the impact of crime, and manages the conduct of the electoral process. The Office for Senior Citizens has worked with the Ministry of Justice on projects including the development of the retirement villages legislation and the review of misuse of enduring powers of attorney provisions in the Protection of Personal and Property Rights Act.

### ***Ministry of Health***

The Ministry of Health provides advice to government on overarching health policy, funds and monitors District Health Boards (DHBs) and other health providers, and administers public health regulations.

In 2001, when 21 DHBs were established, responsibility for Health Funding Authority contracts was moved to the Ministry of Health. Vote Health appropriations for 2001/02 totalled approximately \$7.4b, of which about \$151m (2%) was allocated for the functions of the Ministry and \$5.2b (70%) for the purchase of health services through the DHBs.

The Office for Senior Citizens works with Ministry staff in the policy areas of health of older people, disability support services, Māori and Pacific health, public health, and consumer safety. In 2000, the Ministry established the Sector Policy Directorate Health of Older People team. The team developed, and is responsible for monitoring, the Health of Older People Strategy, which was released in May 2002.

### ***National Health Committee***

The National Health Committee is a forum of prominent New Zealanders and health experts appointed by, and reporting directly to, the Minister of Health. Its secretariat is based in the Ministry of Health. The Committee is responsible for giving the Minister an independent assessment of the quality and mix of public health services, personal health services, and disability services that should be publicly funded. The Committee publishes an annual report to the Minister, which is tabled in Parliament.

### ***Ministry of Pacific Island Affairs***

The Ministry of Pacific Island Affairs promotes the development of Pacific peoples in New Zealand in a way that recognises and reflects Pacific cultural values and aspirations, so that Pacific peoples can participate in and contribute fully to New Zealand's social, cultural and economic life.

The Ministry provides policy advice to Government and other government agencies on key policies and issues impacting on Pacific peoples. The Ministry is also responsible for communicating information and Government policy advice to and from Pacific communities and other government agencies.

The Office for Senior Citizens works closely with the Ministry of Pacific Island Affairs to consult with older Pacific peoples on issues such as positive ageing, health, housing, and income support provisions.

### ***Te Puni Kōkiri***

Te Puni Kōkiri, the Ministry of Māori Development, is the government's principal advisor on the Crown's relationship with hapū, iwi, and Māori on government policies as they affect Māori.

It has 15 regional offices that during the International Year of Older Persons 1999 distributed information on behalf of the Office for Senior Citizens to local iwi/Māori groups. The Office for Senior Citizens has a good working relationship with staff in the Social Policy Branch of Te Puni Kōkiri.

### ***Statistics New Zealand***

Statistics New Zealand is New Zealand's national statistical office. It administers the Statistics Act 1975, and is the country's major source of official statistics. Its Chief Executive is the Government Statistician. Statistics New Zealand provides statistical data useful to the work of the

Office for Senior Citizens, including the Consumer Price Index, Census data, and data from specific surveys such as the Household Economic Survey and the Disability Survey.

***Ministry of Transport and Land Transport Safety Authority (LTSA)***

The Office for Senior Citizens works closely with the Ministry of Transport and LTSA on older driver licensing issues, and also liaises with the two agencies on other issues that affect older people such as the road rules applying to mobility scooters. The main purpose of the Ministry of Transport is to ensure the availability of transport services that meet the current and future needs of New Zealanders, and that are accessible, efficient and safe for both people and our environment.

The LTSA is the Crown entity charged with promoting land transport safety at reasonable cost. The LTSA is responsible for the administration of motor vehicle registration, road user charges and driver licensing. The LTSA also has responsibility for safety issues.

***Lottery Seniors Distribution Committee***

The Lottery Seniors Distribution Committee (formerly Lottery Aged) is one of the nine committees of the Lottery Grants Board which distribute the profits from New Zealand lotteries, such as Lotto and Instant Kiwi.

Lottery Seniors makes grants to non-profit organisations for projects that promote positive ageing by improving the physical, mental and social well-being of older people. It can provide salary subsidies as well as funding for travel, administration, equipment and volunteer expenses. Priority for funding is given to projects that provide services for older people, which support the Positive Ageing Strategy and enable them to continue living at home.

**Community organisations**

The Office for Senior Citizens maintains close links with organisations representing the interests of older people. While the Office has contact with a wide range of community organisations, regular liaison is maintained with the following key community groups that have an interest in older people.

### **Age Concern New Zealand**

Age Concern New Zealand is an independent, charitable, non-profit organisation. Through its 29 local councils Age Concern links with 500 agencies and groups working with older people in New Zealand. Its mission is *Working together to promote quality of life for older people*. Age Concern New Zealand makes representations to government and its agencies and consults with the community sector and general public on older people and ageing issues.

Age Concern recently took over the Senior Achievers Awards Programme from the Senior Achievers Charitable Trust. They secured corporate sponsorship for the Awards from Medical Alarm and Security Systems Healthcare Ltd, and launched the new-look Awards programme at Parliament in March 2002. The 2002 Awards will be held in six regions during August and the national Awards in Wellington on 7 October. The purpose of the Senior Achievers Awards is to recognise the valuable contributions and achievements of older New Zealanders.

Age Concern, including the local councils, is the largest recipient of Lottery Seniors funding. Most of this funding is provided to meet salary and other administration costs.

Age Concern New Zealand receives funding through Child, Youth and Family to provide national co-ordination of local elder abuse and neglect prevention services run by its councils. It also has contracts with the Ministry of Health for the provision of an Accredited Visitor Service to older people who are without family support.

In addition, it receives Ministry of Health funding to develop information resources and programmes covering issues affecting older people, their families and carers. Many of the Volunteer Community Co-ordinators' nominating organisations are local Age Concern committees.

The Chief Executive of Age Concern meets regularly with the staff of the Office, and information and advice is shared and discussed.

### **Grey Power New Zealand Federation**

Grey Power New Zealand is a political lobby group, whose aims and objectives include advancing, supporting, and protecting the welfare and well being of older people. Grey Power was established in Auckland in 1985, as the New Zealand Superannuitants Association. Grey Power currently has over 75,000 members.

While Grey Power subscribes to *promoting the welfare and wellbeing of citizens fifty plus*, it has primarily been a lobby group for maintaining universal, public superannuation, which is not income or asset tested. In recent years, Grey Power has widened its interests to include other issues affecting older people, such as access to health services and changes to drivers licenses.

There are around 80 affiliated Grey Power associations around the country. Each Grey Power association, while affiliated to the national organisation, operates independently, and consequently the approach and strength of lobbying varies between associations.

Grey Power's national body, the Grey Power New Zealand Federation, has five office holders, seven zone directors, and five board members. The Grey Power New Zealand Federation has its office in Auckland and makes regular representation to government and to individual Ministers on issues of concern.

The president of Grey Power meets the Director of the Office for Senior Citizens regularly and keeps close contact with staff in the Office. Grey Power is the nominating organisation for many Volunteer Community Co-ordinators around the country.

### ***Alzheimer's New Zealand***

Alzheimer's New Zealand is a national organisation comprising 22 local groups that provide support and advocacy for people with Alzheimer's disease and to their carers. The national office is located in Christchurch and its resource centre has developed a variety of printed resource material.

The local groups, some of which use the name ADARDS (Alzheimer's and Related Disorders Society), each run their own services which may include field workers, support groups, telephone support, public education, and newsletters. A few also provide 'befrienders', a sitter service, or day care.

### ***Māori Women's Welfare League – Te Rōpū Wāhine Māori Toko i te Ora***

The Māori Women's Welfare League was formed in 1951 to improve the wellbeing of Māori, in particular women and children. Since its establishment, the League has been at the forefront of efforts to improve the health, education, and social and economic status of Māori people.

Recent initiatives include promoting economic and business opportunities for women, encouraging healthy lifestyles, and improving parenting skills. The League has a membership of 5,000 with around 150 affiliated branches in New Zealand and overseas. Many kuia are active members of the League.

### ***Mature Employment Support Association***

The Mature Employment Support Association, until recently known as the Mature Employment Service, is made up of a network of autonomous local organisations who work with unemployed people aged 45 and over.

The Association provides individuals with support and assistance to consider new careers and to identify opportunities both in paid and voluntary work. It utilises both volunteers and paid employees to undertake its work. Several of the Volunteer Community Co-ordinators have been nominated for the role as part of their work for the Mature Employment Support Association.

### ***New Zealand Association of Gerontology***

The New Zealand Association of Gerontology is a multidisciplinary association for the study of ageing. The aims of the Association are to:

- study ageing in all its aspects;
- encourage training of those caring for older people;
- advise interested persons, bodies or groups on aspects of ageing;
- promote gerontological research; and
- stimulate interest and action in all matters concerning the welfare of older people.

### ***New Zealand Institute for Research on Ageing (NZiRA)***

The New Zealand Institute for Research on Ageing (NZiRA) was established in 2002 as an Applied Research Centre at Victoria University of Wellington. It is a multi-disciplinary, multi-sector and multi-ethnic institute, which aims to increase and enhance research on ageing in New Zealand. The Director of the Office for Senior Citizens is a member of the NZiRA Advisory Board. In addition to its research programme, NZiRA administers the TOWER Fellowship programme, which brings an international expert in research on ageing to New Zealand each year to share their expertise with people working in government agencies, academic institutions and community organisations. The TOWER Fellow for 2002 was Professor Jordan Kosberg of the University of Alabama, who is an expert on older

men's issues and elder abuse and neglect.

The Office for Senior Citizens recently provided funding for publication of the updated *New Zealand Bibliography for Research on Ageing* which was prepared by NZiRA members. The Minister for Senior Citizens keeps close contact with the Institute and its research.

#### ***Pacific Older People's Auckland Network***

This network of 50 older Pacific peoples' groups was established under the auspices of the Methodist Mission Northern. The objective of the network is to enhance and celebrate the life and wellbeing of older people. Most groups meet together weekly and opportunities are provided for older Pacific peoples to socialise, exercise, enjoy arts and crafts, access health information, and take part in outings and trips.

#### ***Retired Persons Association of New Zealand***

The Retired Persons Association (RPA) was established in 1983 with the objective of improving the status of older people in New Zealand. There are autonomous RPA branches in the Wellington and Auckland regions that further the organisation's aim of reinforcing the positive aspects of ageing. RPA has initiated several innovative projects, including SeniorNet, the Senior Achievers Awards, and Seniors Abroad, a homestay programme for persons over 50 years of age.

#### ***Retirement Villages Association***

The Retirement Villages Association of New Zealand (RVA) aims to differentiate between members and non-members and to promote this difference in the market. As part of this, the Association has an annual accreditation process that is a prerequisite to renewal of annual membership.

Association villages are promoted as sharing a common objective of providing quality living accommodation and care to residents. The Association also represents the interests of its member villages, in settings such as policy development processes at both central and local government levels. The Office for Senior Citizens has liaised closely with the RVA on the development and introduction of the Retirement Villages Bill, and the Association will continue to be integrally involved in the development of the retirement villages industry Code of Practice required under the Bill.

### **SeniorNet**

SeniorNet is a community organisation that provides opportunities for people over the age of 55 to learn more about information and communication technology. The first SeniorNet centre in New Zealand was established in Wellington in 1992, with support from Telecom New Zealand. There are now 77 SeniorNet groups around New Zealand, including one specifically for Apple Mac users in Christchurch.

Each learning centre is established and run by an independent local committee, which organises its own premises, classes and funding. The courses provided at SeniorNet learning centres are tailored to the learning requirements of older people. The classes are small, and tutors are volunteers aged 55 and over. Courses range from basic computer skills to advanced courses on specific applications.

### **Supergrans**

Supergrans is an organisation of mature women assisting people to learn basic living and household skills. They work with young families on a one to one basis and run courses in the community and for young people in prison. There are currently seven Supergrans groups from Waikato to Southland. Supergrans groups are funded through sponsorship, grants and donations.

### **Third Age Foundation**

The Third Age Foundation is a charitable trust established in 2001 and based in Christchurch, with its activities focused within the Canterbury Regional Council boundaries. The Foundation has strong links with the Canterbury Development Corporation (CDC), and has a Third Age Centre which operates from the CDC building in Christchurch.

The general objective of the Foundation is to raise political and public awareness of the implications of an ageing population. The Foundation aims to achieve these by providing services and activities, and promotional and educational exercises, focusing on six priority areas: health, income and employment, education, leisure, caring and volunteering.

### **University of the Third Age (U3A)**

Informal learning opportunities for older people are provided by the University of the Third Age (U3A) groups around the country. Each U3A group is autonomous and decides on its own structure and venue, which is usually in the homes of members. Members are both pupils and tutors,

drawing on their own skills and knowledge to teach their peers. There are no formal course fees or educational prerequisites and the group sets the curriculum.

### ***Widows and Widowers Association***

The Widows and Widowers Association was established in 1977 by a small group of widowed people, and is a non-profit incorporated association that operates nationally with branches in many areas of New Zealand.

The aim of the Association is to assist people who have been widowed to overcome problems they may face in adjusting to their changed situation, such as bereavement, loneliness and financial stresses. The Association also works to make community organisations, employers and government more aware of the problems faced by widowed people, and monitors new legislation that may affect widowed people and their dependent children.

### **Summary**

The Government and non-government sector networks that the Office for Senior Citizens has developed in the nine years since the portfolio was established have become an essential consultation, environmental awareness and policy development resource.

The Office for Senior Citizens actively maintains its relationship with government agencies through the Interdepartmental Network meetings, and with the broader community sector through regular formal and informal contact.

The limited resources of the Office for Senior Citizens makes it highly reliant on its connections and in particular its good relationships with other agencies. This adds value to the work of the Office and ensures that different perspectives are reflected in advice provided to the Minister.

***The limited resources of the Office for Senior Citizens makes it highly reliant on its connections and good relationships with the Government and community sector***

## **Chapter 10**

### **Challenges and opportunities**

## **Key Messages**

- Older people have high expectations of the Minister for Senior Citizens to effectively advocate for them in several key policy areas.
- Over the next three years there will be opportunities for the Minister for Senior Citizens to progress a number of key issues affecting older people.
- An advocacy focus in a portfolio that does not include statutory responsibilities or service delivery functions can impact on the effectiveness of the portfolio Minister.
- Strategies and programmes such as the Positive Ageing Strategy and the Volunteer Community Co-ordinator programme mitigate against the potential limitations of this advocacy portfolio.

## **Introduction**

Senior Citizens is an advocacy portfolio. The population of older people is fast approaching half a million, and the range of issues relevant to that population is large and diverse. The older population is also a growing political force. There are currently no statutory responsibilities or functions conferred on the Minister for Senior Citizens, and the advocacy role is carried out in a policy environment of competing financial priorities and a range of strategic goals.

The Minister for Senior Citizens can be in both an enviable and an unenviable position. On the one hand, the Minister does not have principal responsibility for delivering on any particular policy programme affecting Senior Citizens. The Minister would normally work with and seek to influence colleagues with policy responsibility for programmes that affect older people. On the other hand, an advocacy role can be frustrating in that while older people may want the Minister to drive a policy issue in a particular direction, the Minister is rarely in a position to lead a policy development process.

The population the portfolio serves is diverse, and continues to grow. This briefing has identified large variations in the age, health and wealth of that population. The diversity of the older population in terms of attitudes, views and expectations on matters of public policy has also been noted. There are several policy issues that are of ongoing priority and interest to older people, and their expectations are high in terms of progress on those issues.

## **Opportunities**

### ***The Positive Ageing Strategy and Status Reports***

The Positive Ageing Strategy and the Status of Older People reports provide useful information for the Minister for Senior Citizens on all of the issues relevant to the portfolio.

The Positive Ageing Strategy is a whole of government initiative, that relies for its ongoing progress on each government department meeting timeframes and delivering on work items that have been signed off by their Chief Executives.

The Positive Ageing Strategy action plan and annual reporting regime represents a model of accountability and delivery. This means that the Minister for Senior Citizens has a dynamic strategic framework for the

***The population the portfolio serves is diverse, and continues to grow, numerically and as a political force***

portfolio that summarises and annually updates work being carried out across the government sector on issues relevant to older people.

The three-yearly update on the Status of Older People also provides the Minister for Senior Citizens with a tangible measure of improvements in the welfare and wellbeing of older New Zealanders. While recognising that welfare and wellbeing are influenced by a range of internal and external factors other than the policies and initiatives generated from central government, the Status report can assist in identifying areas that need particular attention at a central government level.

#### ***Involvement in new legislation***

The previous Minister for Senior Citizens took the lead in the introduction of Retirement Villages legislation, which at the time of the announcement of the 2002 General Election was under the consideration of the Justice and Electoral Select Committee. Subject to its passage into law, decisions will need to be made on which Minister will have responsibility for administering the Act. Irrespective of whether the Minister for Senior Citizens assumes that responsibility, the Minister will have an opportunity to support the implementation and monitor the effectiveness of the Retirement Villages Act.

The review of the enduring powers of attorney provisions in the Protection of Personal and Property Rights Act 1988 is likely to result in legislative amendment. Enduring powers of attorney do not only apply to older people, but the link between elder abuse and neglect and the abuse of power of attorney renders this matter particularly relevant to the Minister for Senior Citizens.

#### ***Input into policy development***

The Office for Senior Citizens provides policy advice to the Minister on matters of relevance to older people. With the exception of the retirement villages legislation, the Office has not to date led policy development projects. This is because most policy issues of particular relevance to older people fall within the portfolio responsibilities of other Ministers or are statutorily prescribed in legislation for which other Ministers have responsibility.

While the Senior Citizens portfolio does not include a specific policy development function, there are several mechanisms available to the Minister to ensure that a senior citizens perspective is reflected in policy development. The Office for Senior Citizens is part of the established

***The Positive Ageing Strategy provides the Minister with a dynamic strategic framework***

network of government agencies all of which are expected to involve other agencies in the policy development process.

This expectation is extremely high if a policy issue in development is of particular relevance to another portfolio. The need for consultation is formalised in the process required for the preparation of Cabinet papers. In being part of the much larger Ministry of Social Development, the Office also has links into policy work being undertaken within the Ministry.

### ***Relationship with the community and older people's organisations***

The Minister for Senior Citizens can consult with, and elicit the views of, older people either directly through contact with older people's organisations, or through the Office for Senior Citizens and the Volunteer Community Co-ordinator programme.

The relationship between the Office for Senior Citizens and a wide range of community groups and older people's organisations is a valuable consultation and networking resource which the Minister for Senior Citizens can utilise. The Volunteer Community Co-ordinators programme also provides a consultation and community education resource that the Minister can access, as and when required.

## **Challenges**

### ***Managing expectations***

The previous government made several undertakings on policy matters affecting older people. One of these was the removal of asset testing in the assessment of eligibility for residential care subsidy. While the Minister for Senior Citizens did not have lead responsibility for this area of policy, older people continue to have high expectations that asset testing will be removed and are likely to view the Minister for Senior Citizens as instrumental in prioritising progress on this issue.

### ***The Office for Senior Citizens***

On 1 July 2002 the Senior Citizens Unit became the Office for Senior Citizens. The change in name reflects the growing importance of the Senior Citizens portfolio. This is due in part to the increasing exposure of issues for older people through the Positive Ageing Strategy and the Volunteer Community Co-ordinators network. It is also a product of several high profile work items including the introduction of the Retirement Villages Bill, and the review of the Law Commission's recommendations on amendment to the enduring powers of attorney provisions in the

Protection of Personal and Property Rights Act.

As the portfolio grows in exposure and expectation, the expectations on the Minister and the Office for Senior Citizens will similarly increase. The operational budget of Vote: Senior Citizens has not increased since it was established in 1992. Accordingly, the challenge for the Office will be to find the balance between effective advocacy, policy coverage, networking, consultation and advice.

### **Conclusion**

In summary, Senior Citizens is a small portfolio covering a wide range of policy issues. Many of the matters of particular concern to older people have a high public profile. The Minister for Senior Citizens is viewed by many older people as being their champion and advocate in progressing policy that is responsive to their views and interests. The Minister for Senior Citizens is therefore expected to advocate effectively for a large and diverse section of the population. This environment contains opportunities and challenges for a Minister.

*The Minister for Senior Citizens is expected to advocate for a large and diverse section of the population*