

## Older Persons' Forum Webinar One - 1 September 2021

After the presentations, the participants entered break-out rooms, and discussed what they had heard and what they thought was relevant for the Terms of Reference for the 2022 Review of Retirement Income Policies. The notes below were collated by members of each break-out room.

### Break-out group 1:

- “Commission for the Future” – mechanism to bring long term challenges and thinking into the public eye.
- Important not to pit one group against the other group (in terms of intergenerational issues)
- Needn't only focus on care and support, rather focus on huge potential that sits with this group of individuals.
- Middle-aged peoples' health is key – health problems are a barrier to working for those aged 50 -75 (chronic anxiety, stress, other health related issues). We should proactively work to manage people's health pre-retirement so that they are able to continue to engage in the workplace later in life.
- Healthy ageing needs to be a key part of the retirement income discussion.

### Break-out group 2:

- Research on older workers indicates a need for flexibility and the right to retire respectfully

### Break-out group 3:

- Importance of Treaty of Waitangi lens, thinking about retirement for diverse ethnicities, e.g. eligibility for NZS
- Need to reframe discussion of older people away from othering them and thinking in terms of 'cost' – we are all part of this continuum. Participant suggested potentially involve older folks in the drafting of ToR itself?
- Disappointment in lack of implementation of previous recommendations from RRIP
- Consider if TAAO website could track govt responses/implementation of recommendations to highlight which had been acted on fully or partly

### Break-out group 4:

- Some repetitive content coming up in the ToR. Perhaps we are not seeing enough changes in policy settings?
- It's a concerning political environment relating to the 'age of eligibility'. We need to have the debate, understand the environment, and ensure sustainability of NZ Super.
- For our older voters, policies are not addressing their current and future needs. For example, are we prepared in the housing and health space?
- Case studies: interesting that retirement planning is not good. Education is very important in this space.
- 'Retirement' needs to be more positive. It's a new life stage with plenty of choices.
- Housing needs to be included in the next ToR. Particularly for older people that do not own a home and may not be able to afford future market rents on NZ super.



### Break-out group 5:

- There is limited choice of housing typology for older people, they are needing to relocate to find suitable housing (1-2 bedroom, single floor); market prefers to provide for well-funded people relocating into 3-4br
- Systemic constraints (rules and costs) prevent realisation of property value through e.g., subdivision
- Reduced choice is not only happening in heated markets e.g., West Coast retirees who can't find buyers for their property
- Not unique to NZ - similar long-standing issues in parts of Australia
- There have been some pockets of success through kaumatua and papakāinga housing but not widespread systemic improvements
- There is a "just when you need it" disconnect between reduced disposable income and increasingly important life matters e.g. health insurance.
- Incomplete discussion in time available: as direct housing costs increase, what is the consequence of reduced disposable income? Lower spend on personal wellbeing (insurance, health, nutrition etc) and reduced spending on goods and services (which is also income for someone else).

### Break-out group 6:

- Concerns around the growing number of people going into retirement not owning a home, it means a lack of stability, and there is a shortage of rentals in general.
- Older renters are reluctant to ask for modifications/alterations on rentals appropriate to make their lives more comfortable for fear of being like a difficult tenant.
- Not enough innovative thinking and action coming from councils and govt around housing issues in general – it's an intergenerational issue. Means that more NGOs, Iwi and Pasifika groups are having to step in to try and assist communities. Examples provided around various iwi building kaumatua housing to free up larger homes currently occupied by kaumatua for families.
- Clear there's a lack of long-term planning across the country – need to be considering these issues with a longer-term view, not just beholden to political cycle. Needs to be cross-party agreements to see issues dealt with that will provide a meaningful step change.
- Treaty needs to be part of the TOR.
- Agreement that people have a personal responsibility to not 'sleepwalk' into retirement but that govt needs to do the same.

### Break-out group 7:

- Disjoint between the need to plan and the failure of the majority to do so
- Concern that in contrast to the many articles and discussions on 'how to make NZS affordable' the emphasis is always on reducing cost, rather than the need to increase per capita productivity in view of the decreasing tax base.
- Means testing as economically inefficient, targeting demonstrably failed to be effective, and the system was open to gaming by those able to sequester wealth.
- The renewed emphasis on personal contribution to retirement income, with both implicit and explicit references to participation in the paid work force as an essential component of retirement planning and accumulation, was once again disadvantaging women.

### Break-out group 8:

- Housing. Can we investigate other options such as exist in Europe? Or the government building not-for-profit housing for seniors with a community focus? Some people will want intergenerational living options. Consider how to remove any barriers for collective ownership housing models.



- Treaty of Waitangi. Who has seniors' policy been designed for? The administration has been explicitly racist in the past and it has not completely disappeared.
- KiwiSaver for beneficiaries (a recommendation of the 2019 RRIP) would help fix the equity divide between those who are regularly in paid work and those who are not.
- Introduce wealth and inheritance taxes to improve equity between generations.
- Remove tax disincentives to save – PAYG on earnings then PIR tax on savings and investments. Consider examples from overseas – and OECD research – as another participant noted that evidence does not indicate this would increase savings.

#### **Break-out group 9:**

- A need to acknowledge diversity of situations and resources in later life and that policy may be better guided by a focus on experiences of groups based on risks, events and experiences across the life course, rather than chronological age.
- This life course perspective would also allow us to acknowledge that the impacts of shocks influence people's needs over the life course, and that capacities to recover from shocks may diminish in later life.
- We also noted a need to acknowledge that individual's ability to deal with shocks is shaped by their life experiences. For example, the structural and social barriers to applying for benefits in later life if this is something a person hasn't had experience with.
- Finally there was concern that given what we are seeing in terms of longevity and asset accumulation in early to midlife, it is likely that younger generations may have greater need for NZ Super and that we should look at how can we preserve New Zealand super for future generations.

