

This is a formal submission from consumer organization Kiwi Saver, Annuities, NZ Superannuation Protection Society Incorporated, known as Kaspanz www.kaspanz.com re the terms of reference above .

We also have

- Two specific suggestions
- Two specific observations

SUMMARY

We are satisfied overall with the terms of reference.

SPECIFIC SUGGESTION (1)

We suggest a specific look at the Statistics definition Collection , relating to definition of whom is considered as being in paid work.

The current definition for inclusion as being in paid work is

“The labour force comprises people aged 15 years and over who regularly work for one or more hours per week for financial gain, or work without pay in a family business, or are unemployed and actively seeking part-time or full-time work.” – From: <https://datainfoplus.stats.govt.nz/item/nz.govt.stats/d3206c15-50ca-4e46-8324-e77221487f33/80>

Kaspanz concern is the low threshold as to be counted as in **regular paid work -one hour per week” and further seeking work** and the definition itself, **camouflages** the real world situation.

We suggest a minimum One day paid work per week, to qualify for the collection (Kaspanz would prefer 3 days minimum to count as qualifying) . The suggested change would be far more helpful to get an understanding of seniors working past 65 yrs, and indeed paid work income for all age groups.

The current 1 hour per week and “seeking work ” lacks common sense, skews stats figures, and we suggest has led to some commentators highlighting seniors, are regularly working, with opportunities readily available to do so.

Our feedback is Seniors find it difficult to get regular weekly/fulltime or comprehensive paid work, with both employers, and recruitment agencies just not interested, unless the individual is highly educated and working in niche market. e.g. Recent publicity concerning a Dr working post 65, and also Martin Hawes a prominent author/Advisor on retirement income issues, gave impression both the opportunities and the norm was for many seniors to work past 65.

Kaspanz challenges this , we believe it is patently untrue.

Rampant bias against seniors in the work force is our constant feedback, and the opportunity for regular meaningful paid work, very spasmodic. Seniors pick up the crumbs often with difficult work conditions.

The reality is little opportunity for regular paid work availability , and balanced against limited income, this has significant social implications and the necessity for NZ Superannuation e.g. as the platform for negating poverty.

What does 'retirement' look like in 2024? Older people Voices, illustrates this point.

<https://retirement.govt.nz/policy-and-research/older-people>

***Reference below, communications with Tom Dunn**

The data in the Business of Ageing report about older people in the workforce is based on the Stats NZ National Labour Force Projections.

This means that *“The labour force comprises people aged 15 years and over who regularly work for one or more hours per week for financial gain, or work without pay in a family business, or are unemployed and actively seeking part-time or full-time work.”* –

From: <https://datainfolplus.stats.govt.nz/item/nz.govt.stats/d3206c15-50ca-4e46-8324-e77221487f33/80>

Regarding your second comment, as the data series is from Stats NZ, from the same link as above: *“The labour force projections indicate the future supply of people, usually living in New Zealand, available for work. However, they do not indicate the extent to which people are available (e.g. number of hours per week).”* And I would also point to the following from the same page: *“These definitions are used in the Household Labour Force Survey (HLFS) and the Census of Population and Dwellings, and conform closely to the international standard definitions specified by the International Labour Organization.”*

We are not aware of any research that would prove or disprove the idea that only educated older people are able to find productive work, but we would be open to be involved in any research about this topic.

Thanks,

Tom



SPECIFIC SUGGESTION (2)

We suggest a political accord between MMP Parties on NZ Superannuation e.g. Goal to achieve enduring political consensus around retirement income policy, specifically NZ

Superannuation principles, would ensure policy consistency, and likely to receive significant community support.

The Retirement Commission to be the co-ordinating body to achieve such an accord.

SPECIFIC OBSERVATION (1)

Kaspanz is concerned re the lack of “Māori/Pacific Voices” on retirement income policy. We suggest the trend over time, from the Māori /Pacific Parliamentary groups, (silence or disinterest) is a worry and needs to be addressed.

SPECIFIC OBSERVATION (2)

Few of the major Political parties appears to have **Retirement Income** as a policy headline/emphasis. See their respective websites. This needs addressing. The exception is the Green Party with their guaranteed income approach.

Since our inception in 2013, Kaspanz remains unimpressed with the focus, or policy development from each of the significant political parties on retirement Income. The trend in both interest, response, knowledge can be best described as follows.

The consumer perspective is consistency and no surprises in retirement income policy

- **NZ First** has been responsive, committed to 65 age of entitlement and willing to listen. Regularly comments “it is there to protect Seniors”.
- **The Green Party** details on their website, a guaranteed income approach, including how funded and achieved. The Greens provide comprehensive details of how they will approach retirement income.
- **National** impulsive, making their own decisions, e.g. March 2017 announcement on raising age of eligibility, indicative of their approach..
- **Labour** appears interested and committed to 65 yrs eligibility for NZ Super but policy follow up often vague.
- **The Act Party** Act disinterested and contradictory, on retirement income issues. David Seymour current leader would take away current policy tools, and is significant threat to sound Public Policy for seniors.
- **The Māori Party** (Te Pāti Māori}has shown complete disinterest on Retirement Income issues. Pacific voices are also silent in this area
 - ❖ Kaspanz suggests the Retirement Commission specifically focus on the Policy advisors and research elements within each of the significant MPP parties, and communicate accordingly with them. A regular newsletter targeting this group, would benefit policy development.

Alec Waugh

Chairman Kaspanz