pensioncommentary

An article from the Retirement Policy and Research Centre

A commentary on older workers and some HR issues facing employers

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New Zealand's baby boomers, born between 1946 and 1966, have started reaching age 65. Increasingly, as the workforce ages, reaching the state pension age does not mean stopping work so there will be a growing difference between the present *pension* age and average *retirement* ages.

Separately, New Zealand faces a skill shortage as a consequence of falling birth rates and emigration. Employers will need to engage with older workers to maintain access to this important resource. There are some signs of that happening.

1. Introduction

The *state pension age* is the eligibility age for the state pension payable at the 'normal' rates. In some countries (such as in the US), state pensions can start at a reduced rate from an earlier age or at an increased rate from a later age.

The *retirement age* is when workers stop their paid employment and start to depend on income from pensions or other resources. There is often no clear break between 'work' and 'retirement', with some workers gradually reducing their paid hours in the transition from full-time work to 'full-time' retirement. Also, many change 'careers' as part of the work/retirement transition. Nevertheless, some workers have no choice about 'retirement' as sickness, unemployment or family duties force the transition.

In recent decades, the retirement age in the developed world tended to be earlier than the state pension age as labour force participation rates amongst older workers reduced. The gap has narrowed recently[3]. In part, that has been caused by economic conditions but changes to state pension systems have also directly influenced change. Longer healthy lives are also a factor.

As New Zealand's baby boomers are now starting to enter the retirement 'window', what they decide to do about retirement will have very large fiscal, labour force and investment consequences. Baby boomers have had significant impacts on New Zealand's social, economic and fiscal experiences since the first of them were born in 1946. As New

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[2] An RPRC *PensionCommentary* is an opinion piece designed to provoke discussion on an issue of public significance. This *PensionCommentary* is based on work done by the author for presentations to the remuneration clients of AON Hewitt in April 2012. The author thanks Susan St John and M. Claire Dale for their helpful comments and suggestions on earlier drafts but the views expressed are the author's alone.

[3] For example, in Europe, the employment rate of the 55-64 age group increased in the EU-27 from 37.7% in 2001 to 46.3% in 2010. (European Commission, 2012)

Zealand experiences the process of their retirement, we must anticipate similar impacts on pensions, savings decumulation, housing and age-care services.

2. What do we know about older workers?

We do not know enough about older New Zealanders. The five yearly Census was last done in 2006. Table 1 shows 20 years of Census data on labour force 'participation rates' amongst New Zealanders over age 65[4]. This measures the numbers in paid employment or seeking work at the Census date, with 'employment' defined as being at least one hour a week of paid work. 'Participation' excludes unpaid voluntary work.

Table 1

Labour force participation rates 1986-2006, age 65+

Census year	Population age 65 & over	Participation rate			
		All		Males	Females
		Rate	Number		
1986	342,111	6.4%	21,895	11.2%	2.9%
1991	379,767	6.0%	22,786 (+4.1%)	10.3%	2.8%
1996	422,667	9.2%	38,885 (+70.6%)	14.4%	5.2%
2001	450,423	11.6%	52,249 (+34.4%)	17.5%	7.0%
2006	495,603[5]	17.1%	84,748 (+62.2%)	23.9%	11.6%

Source: Statistics New Zealand.
Note: there should have been a Census in 2011 but it was delayed to 2013 because of the Christchurch earthquakes.

Table 1 shows that the participation rate of those aged 65 and over approximately trebled over the 20 years 1986-2006[6]. In 2006, about 85,000 people were in this group of 'participants', about four times the number of 20 years earlier.[7] As explained in *PensionCommentary 2012-3 – We all have to talk about New Zealand Superannuation* (Retirement Policy and Research Centre, 2012) one contributor to that change was the increase in the state pension age from 60 to 65 between 1992 and 2001.

Participation rates vary amongst different groups. For example, Table 2 shows there were about twice as many male 'participants' in each of the age groups in 2006:

Table 2

Labour force participation 2006, age 65+ by males/females

Age group	Participation rate	
	Males	Females
65-69	42.9%	25.3%
70-74	22.5%	11.0%
75-79	12.7%	5.4%
80-84	8.4%	3.8%
85-89	6.5%	3.3%
90+	6.9%	2.8%

Source: Statistics New Zealand, 2006 Census data

[4] The 'participation rate includes those who are 'unemployed' or seeking work. At March 2012, there were about 1,700 in this category amongst the age 65+ group (Statistics New Zealand, 2012b)
[5] According to the latest estimates, there are now 605,800 aged 65+ or 13.7% of the total estimated population of 4.4 million at 31 March 2012 (Statistics New Zealand, 2012a).
[6] The participation rate of each of the age groups 65 and over (65-69, 70-74, 75-79, 80-84 and 85+) also approximately trebled over the 20 years 1986-2006 (Khawaja and Boddington, 2009, p.80).
[7] During the same 20-year period, the population aged 65+ grew by 45% (see Table 1) and the population as a whole increased by only 26%.

White collar workers are more likely to continue working past age 65, while those engaged in physical labour often struggle to keep working up to the state pension age (Khawaji & Boddington, 2009, p. 88)[8]. However, of the total employees age 65+, about 34% have no qualification, a higher proportion than applies to the working age population, indicating, perhaps, a greater need to work on financial grounds. In 2006, 25% of all New Zealanders age 15+, not just workers, had no qualification (Statistics New Zealand 2006, p. 4).

Table 3 shows that, in 2006, overall participation rates for all aged 65+ also varied by ethnic groups as follows:

Table 3

Labour force participation 2006, age 65+ by ethnicity

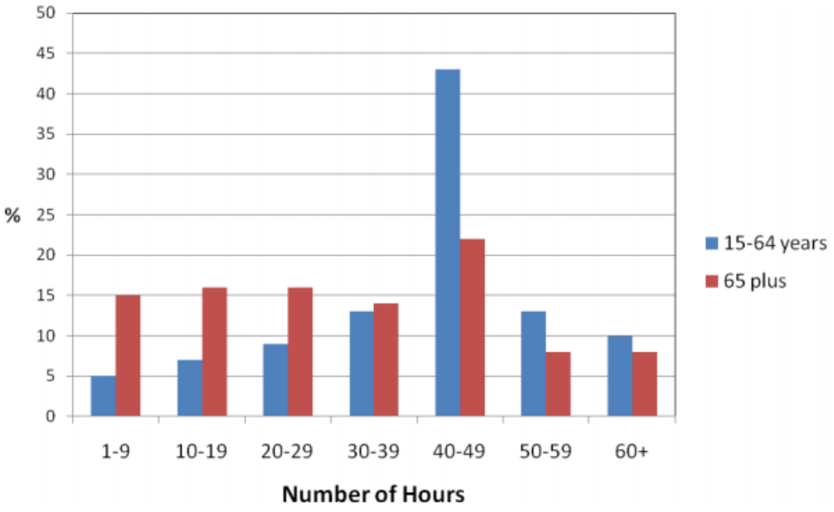
Ethnicity	Participation rate
Maori	23%
European	17%
Pacific	14%
Asian	10%
Other	13%

Source: Statistics New Zealand, 2006 Census data

Chart 1 shows the hours worked in 2006 by those who were employed, compared with those of 'working age' (age 15-64).

Chart 1

Hours worked each week: employees age 65+ in 2006



Source: Statistics New Zealand, 2006 Census data (accessible here)

In 2006, as Chart 1 shows, 52% of those aged 65 and over who were employed (about 44,000 people in 2006) worked for at least 30 hours a week. Of the 85,000 in all who worked at least one hour a week in 2006, 57% of men and 35% of women worked at least 30 hours.

Looking at just those over-65s who worked, in the 20 years 1986-2006, the proportions of over-65 men who worked full-time (at least 30 hours a week) fell to about half in 1996 but increased by about a sixth in the ten years to 2006. Table 4 overleaf shows a different pattern for women.

[8] In 2006, about one in three older men with a university qualification worked in contrast to only one in five men with no qualification (Khawaja and Boddington, 2009, p.84).

Table 4

'Full time' employment rates of the over-65s who worked: 1986-2006

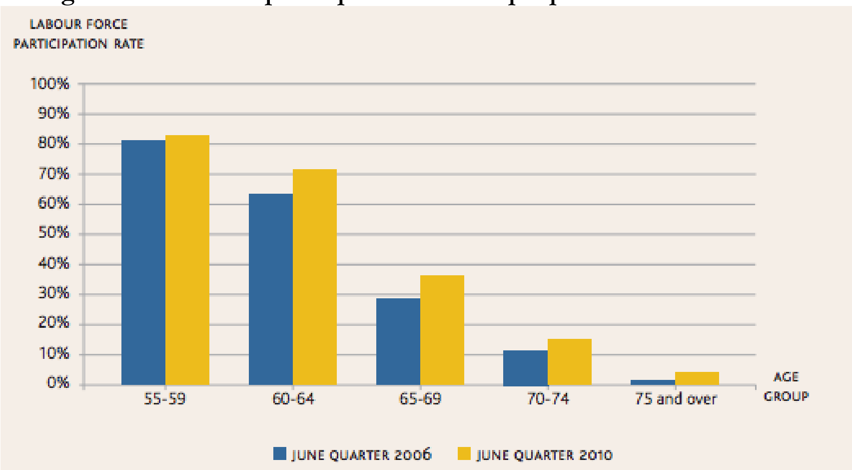
	1986	1991	1996	2001	2006
Male	64%	61%	49%	54%	57%
Female	45%	41%	32%	32%	35%

Source: Statistics New Zealand, 2006 Census data (accessible here)

The *Household Labour Force Survey* gives more recent data on participation rates. Chart 2 (commissioned for the Retirement Commission's *2010 Review of Retirement Income Policy*) shows that by 2010, the proportions working in each of the five-year age groups over age 55 had increased since the 2006 Census.

Chart 2

Change in labour force participation of older people between 2006 and 2010



Source: Crossan 2010, p. 68

Chart 2 obscures the numbers of people involved. Not only are the proportions higher (as the chart shows) but there are also larger numbers in each age group. The numbers of 'participants' over the four-year period increased in each age group shown in Chart 2 by about:

- age 55-59: +20,700
- age 60-64: +51,900
- age 65-69: +20,700
- age 70-74: +8,000
- age 75+: +8,200

In all, that is about 37,000 more 'participants' in the over-65 group over only four years.

The March 2012 *Household Labour Force Survey* shows some significant changes in employment by different age groups in just 12 months:

- **increases**: ages 50-54 up by 2.8%; 55-59 up by 5.4% and 65+ up by 11.5%.
- **decreases**: ages 35-39 down by 3.2%; ages 40-44 down by 3.0%. (Statistics New Zealand, 2012a, p.5).

In *The Business of Ageing* (2011, p. 1), the Ministry of Social Development and the Office for Senior Citizens predict that by 2031, the number of New Zealanders aged 65+ will exceed 1 million, almost double the current number; and if the labour force participation of older people continues to increase, the over 65s will become an increasingly important source of labour in New Zealand.

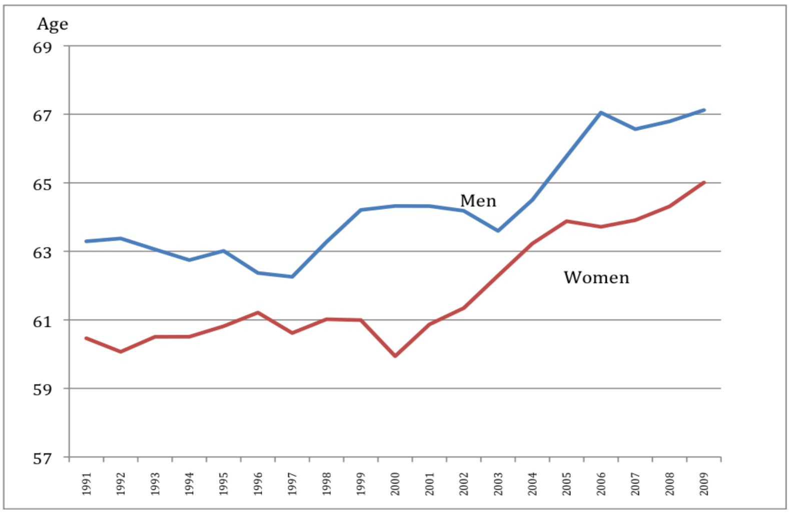
3. 'Effective retirement ages'

In its member countries, the OECD tracks the 'effective retirement age', a weighted average of net withdrawals from the labour force at different ages over a five-year period for workers initially aged 40 or more.

> "Conceptually, the average effective age of retirement can be thought of as the average age of all persons withdrawing from the labour force in a given period, whether during the course of any particular year or over any five-year period. The average age of retirement… is thus simply the sum of each year of age weighted by the proportion of all withdrawals from the labour force occurring at that year of age." (Keese, 2009, p. 1)

Chart 3

Effective retirement ages in New Zealand: 1991-2009



Source: OECD, 2010[9]

Chart 3 shows that New Zealanders are, on average, stopping paid employment at later ages than 20 years ago. The lowest point in Chart 3 for males was in 1997 when the effective retirement age was 62.3. For females, it dipped just below age 60 in 2000.

The increases in effective retirement ages may be connected to the 1998 abolition of the income test for New Zealand Superannuation. The increasing state pension age between 1992 and 2002 from 60 to 65 would also have contributed though by 1997, that increase had been underway for the preceding five years.[10]

Another contributing factor was the change to the Human Rights Act that, from February 1999, prevented employers from imposing a 'compulsory retirement age'.

According to the OECD, New Zealand's effective retirement age in 2009 was 67.1 for men and 65.0 for women, an increase of 4.8 years for men and 4.4 years for women over only a 10-year period. If the trend has continued, the ages will be higher again in 2012.

[9] The OECD report also shows estimates from 1970 to 1991 but, as the OECD points out, the New Zealand data are less reliable for the earlier period as they are extrapolated from Census returns. Chart 3's data are from labour force statistics.

[10] Hurnard (2005) suggests that being becoming eligible for New Zealand Superannuation dropped the participation rate for males by about 21 percentage points and by 7 percentage points for females. For females, there is another inflection point that sees another "drop of a further 11 percentage points" a few years before the state pension age. This presumably reflects the typical age difference between partners where the older male reaches state pension age first. Hurnard also suggests that, because of the relative generosity of New Zealand Superannuation, the state pension age may have a larger influence on the retirement age than in other countries with a relatively larger private component to retirement incomes.

Recent work to understand the main drivers for New Zealanders' 'retirement' decisions used three waves of data (2006, 2008 and 2010) from the Survey of Family Income and Employment (SoFIE). Gorman, Scobie and Towers (2012, p. 34) concluded:

> "In summary, we find poor health and eligibility for benefits or pensions to encourage exit from the labour force for both males and females; whilst continued employment of a spouse is associated with further participation for males. For females, financial security appears to be a relatively important factor: higher household net wealth is associated with earlier retirement, and the dissolution of marriage with a higher likelihood of participation. Additionally, we find that unobservable effects, specific to the individual, explain a substantial proportion of the retirement decision."

Other influences beyond individual circumstances include:

> "…growth of service industries, increased opportunities for part-time or contractual work, skill shortages and a more buoyant economy in the early years of the new millennium…" (Khawaja and Boddington, 2009, p.75)

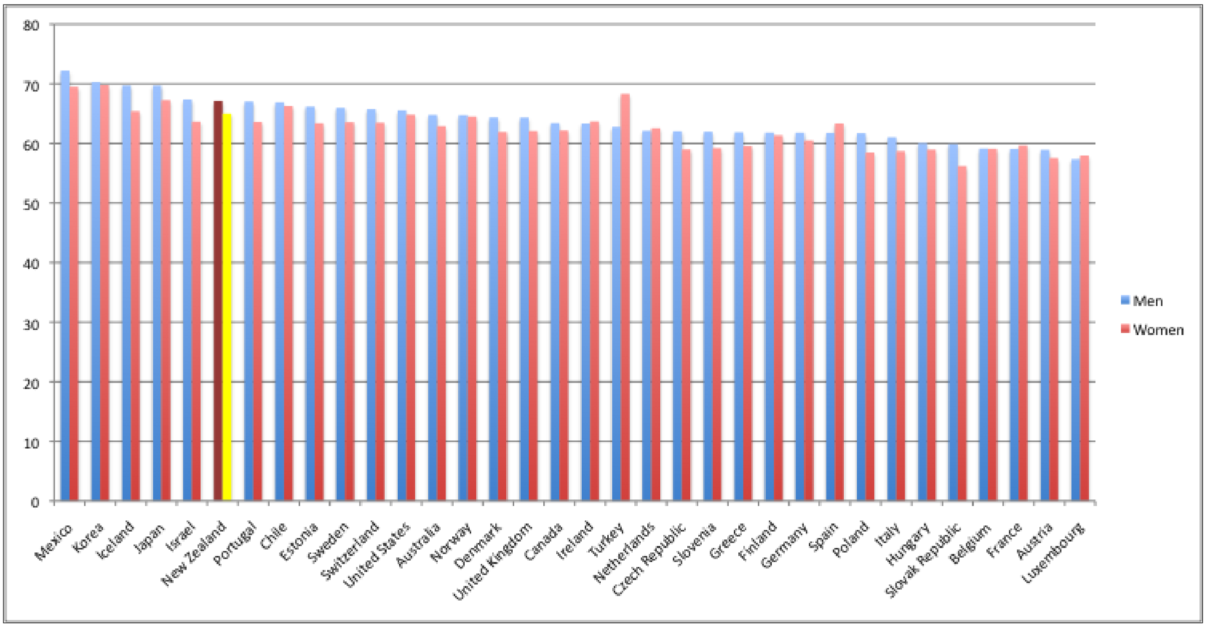
US evidence suggests that the state of the local job market also has an influence. The higher the local unemployment rate, the lower the rate of voluntary retirements. That is possibly because retirees want different or part-time work as part of their transition to retirement and if that isn't available, they prefer to stay put. As a consequence, the lower the rate of voluntary retirements, the higher is the rate of 'forced' retirements (Friedberg, Owyang and Webb, 2008).

4. International comparisons

New Zealand's effective retirement age is relatively high as Chart 4 shows in the OECD's 2009 comparison.

Chart 4

Effective retirement ages: an international comparison, 2009



Source: OECD, 2010: chart is sorted by men's effective retirement ages, the highest being Mexico.

Across the 34 countries compared by the OECD in 2009:

- Sorted by males, New Zealand has the 6th highest effective retirement age, after Mexico, Korea, Iceland, Japan and Israel.
- Sorted by females, New Zealand has the 7th highest age, after Korea, Mexico, Turkey, Japan, Chile and Iceland.

Table 5 details a selection of countries from Chart 4.

Table 5
Effective retirement ages: sample OECD countries, 2009

Country	Males	Females
Japan	69.7	67.3
New Zealand	67.1	65.0
US	65.5	64.8
Australia	64.8	62.9
UK	64.3	62.1
France	59.1	59.7
Luxembourg	57.3	58.0

Source: OECD, 2010

The international comparison deserves comment:

(a) Japan gains an average of nearly 2½ years more working life from older workers than New Zealand and that is probably connected to Japan's older overall population. Japan's state pension age is currently 64 for males and 62 for females but is increasing to 65 by 2026 (men) and 2031 (women).

(b) Australia 'loses' an average of over two years' working life for both older males and females by comparison with New Zealand's experience. The propensity of Australians to retire 'early' has been the subject of academic and official concern. The structure of the public and private retirement provision arrangements and changes to those seem to promote retirement before the state pension age[11]. The current gap between the 'preservation age' of 55 (from when access to the compulsory private savings is available) and the state pension age is also thought to contribute to this[12]:

> "We find that for men, the Australian retirement system provides financial incentives to retire, while for women financial incentives are less significant, as the factors that influence women's retirement behaviour are more commonly found to be health and family related, rather than financial incentives. When those who have already reached age pension eligibility age are considered separately, the financial incentives to retire for men are stronger than before, indicating that, for those who are eligible to receive the age pension, there are strong incentives not to continue in paid work past age pension eligibility age." (Warren and Oguzoglu, 2009, p. 37)

The Australian government has announced financial incentives called *More Help for Mature Age Workers*. The Treasurer Wayne Swann suggests that the incentives will "unlock the economic potential" in this group:

> "*More Help for Mature Age Workers* is one of a suite of new programs available to help mature age people remain in employment and to share their skills with others. These programs are known collectively as *Experience+*." (Australian Government 2012)

[11] Australia's state pension age is 65 for males and, by 2013 will also be 65 for females. The government announced an increase for all to age 67 between 1 July 2017 and 1 July 2023 (see here for more details).
[12] From 2015, the 'preservation age' in Australia starts increasing so that by 2024, it will be age 60 for everyone born after 30 June 1964.

(c) United Kingdom had state pension ages of 65 for men and 60 for women but, from 2010, the women's age is increasing and both will be at age 66 by 2020. Employers will be no longer be able to retire an employee at a fixed age, a change that happened in New Zealand in 1999. Table 5 shows that older men and women each have effective retirement ages about three years earlier than New Zealanders.

(d) United States has effective retirement ages of 1-1.5 years earlier than New Zealand's, despite having a state pension age of 66 (it will increase further to 67 by 2027). Social Security rules allow retirees to collect their pensions from as early as age 62, with an appropriate actuarial reduction to reflect the longer expected period of payment. US Social Security data show that, in 2010, 43.6% of men and 49% of women claimed the pension at age 62; only 25.8% of men and 21.3% of women waited until age 65 or later. Those proportions have all fallen since 1998 when 50.8% of men and 55.9% of women claimed the pension at age 62. (Social Security Administration, 2012 at 6.20)

(e) France: the effective retirement age in France has been relatively flat for the last 20 years but has gradually reduced from 60.1 for men and 60.2 for women down to the 59.1 for men and 59.7 for women shown in Table 5. On average, there is a seven gap between France and New Zealand for men and a five-year gap for women. The French experience is probably driven by the state pension age that was supposed to be increased from 60 to 62 but has been cut back to age 60 for some workers by the new French government of M. Hollande.

(f) Luxembourg is one of the wealthiest countries in the OECD. The effective retirement age for Luxembourgian females is seven years lower than in New Zealand and for males is nearly a decade less, and represents about a quarter of the average male working life of 45 years. That is probably influenced by the state pension age of only 60 (men and women).

The average state pension age in 2010 for all OECD countries was 62.9 for men and 61.8 for women. By mid-2012, Australia, Denmark, Iceland, Norway, the US and the UK were expecting to have a state pension age of more than New Zealand's current age of 65 by 2050 (OECD, 2011). More countries are expected to announce reviews of their state pension ages and the OECD expects the average state pension age will be 64.6 for men and 64.4 for women by 2050.

5. Older baby boomers: an economic force for the good?

Discussions about the future fiscal consequences of New Zealand's ageing population tend to focus on the costs – universal New Zealand Superannuation, health, and long-term care - and the falling proportions of 'workers' who will be funding these costs. There is, however, another side to this story. The increasing participation rates of older New Zealanders have already been noted. The Ministry of Social Development and Office for Senior Citizens looked at the 40 years to 2051 (Ministry of Social Development, 2011) and estimated that, by 2051:

- The age 65+ proportion of the labour force will more than double to between 7% and 10% of all workers.
- Pay from employment amongst the age 65+ will grow by about ten times.
- Tax on those earnings will grow about nine times.
- Unpaid voluntary work is expected to grow about four-fold.
- Consumer spending by those aged 65+ will also grow about four-fold, as will spending on food and entertainment.

> "Not all baby boomers may want to remain in paid work, but flexibility and changing attitudes will be key to harnessing the potential of those who do. New Zealand's economic competitiveness over the next 40 years will hinge on how we build on skills, knowledge and economic power of its older people." (Ministry of Social Development, 2011, p. 2)

The 2011 report also pointed out that the changes and influences are unlikely to be homogeneous with different workforce participation experiences across industries and regions. The impact of health on work/retirement decisions will be significant (and variable); and the different cohorts of baby boomers will have different experiences and expectations.

The report looked at a number of population projections that saw participation rates of the over 65s vary, at the low end, from a participation rate of 18% in 2051[13] to a 'high' projection of 26%, a figure the report describes as "optimistic but not totally implausible". (Ministry of Social Development, p. 20):

> "The work of Paul, Rashbrooke and Rea (2006) suggests that increasing labour force participation rates among older New Zealanders could make a substantial contribution to funding the incremental increase in New Zealand Superannuation payments to older people expected over the next 40 years – through the flow-back in PAYE (pay as you earn) tax and GST. Their calculations were based on projected participation rates of mature and older workers (aged 55 and over)[14]." (Ministry of Social Development, p. 23)

6. Employers' concerns

Some employers are starting to think about the HR implications of their ageing workforces. A 2012 survey of 1,212 Australian employers (Australian Human Resources Institute 2012) found that:

- 77% said retaining older workers was a 'necessary preparation' against loss of essential knowledge & skills.
- 46% of respondents said that the departure of older workers in the last year caused a 'loss of key knowledge'.
- 83% reported they should be trying to retain older workers.
- 61% said they "…oppose the idea of the government raising the retirement age[15] to retain greater numbers of older workers."

There are likely to be large changes caused by an ageing workforce and it would seem sensible for employers to find out what might motivate older employees to stay connected to the workforce. The things that matter to them are likely to be different from drivers for younger employees.

Anecdotal evidence suggests some important issues for older employees:

- Respect, support and fair pay
- A sense of involvement
- Recognition for skills and experience
- Flexible hours/days/weeks
- Specific, time-limited, significant projects

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[13] As already noted (Table 1 above) the participation rate was already 17.1% in 2006.

[14] Paul, S, Rashbrooke, G, & Rea, D (2006) *Retirement Incomes.* In, Boston, J & Davey, JA (Eds) *Implications of Population Ageing: Opportunities and Risks*, Institute of Policy Studies, Wellington.

[15] Though the survey referred to the "retirement age", 'state pension age' was intended.

- Mentoring opportunities for the benefit of younger employees
- Developing personal projects that may not be directly connected to the employer's business.

Some older workers will be less tied to a job by financial necessity and that flexibility will tend to shape attitudes. Some employers might find older, independent workers uncomfortable to deal with.

7. Myths and realities

There are some myths, the dispelling of which might comfort employers as they contemplate ageing workforces. Three key myths were dismantled in *The 'Silver Tsunami': Why Older Workers Offer Better Value Than Younger Ones* (*Knowledge@Wharton*, 2010).

- **Myth 1: Older workers cost more and are less productive**
  - **Truth:** Not so – US evidence suggests that older workers take longer to recover from injuries but that they take fewer sick days and time off on family issues. There are also lower levels of absenteeism; lower turnover along with better interpersonal and customer skills. According to Peter Capelli, Director of Wharton's Center for Human Resources "The evidence is unbelievably huge. Basically, older workers perform better on just about everything."
- **Myth 2: Older workers lose interest in jobs**
  - **Truth:** *Knowledge@Wharton* cites a US report *Working in Retirement: A 21st Century Phenomenon* (Brown, Auman et al., 2008). It found that those who worked past retirement age became more, rather than less engaged. They also rated 'job challenge and learning' as a top source of satisfaction with their work:

    > "Contrary to the assumptions of some that older workers want to "coast" until they can permanently exit the labor force, we find that when those working in retirement have jobs that are challenging and provide learning opportunities, they are most likely to be engaged in their jobs"
- **Myth 3: They shut younger employees out and deny them job opportunities**
  - **Truth:** This is an old worry for which there is no evidence across countries. It is based on what economists call the 'lump of labour' fallacy; that there is a fixed 'lump' of work available to be shared out amongst all workers; if older people are working the fallacy suggests that younger people cannot work. Belgium spent large amounts of money encouraging early retirement in order to clear the way for young workers. However:

    > "We could not observe any positive link between early retirement and youth unemployment." (Jousten, Lefèbvre and others, 2008).

    In fact, it seems that encouraging early retirement on this basis damages youth employment opportunities. As Jousten *et al* put it:

    > "On the contrary we observe a negative link indicating that the activity rates of both young and elderly workers are sensitive to business cycles."

Knowledge@Wharton suggests that US employers have some way to go in their attitudes to hiring older employees but "…some far-sighted companies around the world are working to recruit, retrain and otherwise engage older workers."

8. Some issues for local employers to think about

Our Human Rights Act makes age discrimination in relation to employment matters illegal, but there still seems to be a bias in New Zealand against hiring older people (Wilson and Kan, 2006). That probably hurts employers because of the value older employees can add.

Manpower Inc., with over 3,900 offices in 82 countries, surveyed 30,000 employers over 25 countries in 2006-2008 to find out whether, over the next ten years, they would be actively recruiting employees over age 50. Globally, only about 13% of employers were actively hiring older workers, despite the potential benefits.

Separately, employers were asked whether they had developed a strategy to retain employees past the 'retirement age'. Only 20% of respondents were actively aiming to keep staff past retirement age.

Those averages disguise significant differences across countries. Singapore had the most positive answers to both questions: 48% of employers had strategies to recruit older employees; 53% to retain them.

Table 6 shows the results from a selection of 25 countries Manpower Inc. surveyed.

Table 6

Policies to recruit older workers; retain employees past 'retirement age'

Country	Policies to recruit?		Policies to retain?	
	Yes	**No**	**Yes**	**No**
Australia	18%	73%	28%	63%
Greece	5%	91%	10%	79%
New Zealand	19%	75%	33%	59%
Poland	3%	95%	5%	93%
Singapore	48%	48%	53%	41%
Sweden	4%	92%	8%	88%
United Kingdom	13%	82%	24%	69%
United States	18%	78%	28%	65%
Mean	**13%**	**82%**	**20%**	**74%**

Source: Manpower Inc. (2008)

Australia, New Zealand and the US have broadly similar results on the 'recruitment' question. New Zealand seems a bit more active on the 'retention' question.

Of the 25 countries covered, Poland stands out with the lowest 'yes' on the question of recruitment (3%) and the lowest 'yes' on the retention question (5%).

The survey also found significant variations across industries and regions within each country. For example in New Zealand, the 'yes' on recruitment was as much as 41% for the 'transportation & utilities' sector and as low as 7% for both 'finance, insurance & real estate' and 'mining & construction'. By city, 'yes' on recruitment ranged from 9% for Auckland, up to 23% for Wellington and 25% for Christchurch. The 'yes' answers on the retention question ranged from a low of 20% for 'mining & construction' up to 55% for 'transportation & utilities'.

9. An Australian example

Westpac Banking Corporation's 'Age Balance' initiative illustrates how an employer can approach this issue positively. It seems to be built around a business insight: as the population is ageing, so too are Westpac's employees and banking customers.

Westpac introduced Age Balance in Australia in 2002: "[a] range of programs to suit the career life cycle of this valued group of employees". It was apparently one of the first Australian employers to "target mature age workers".

Westpac aimed to hire at least 900 employees over age 55 but in fact, hired 1,100 as a result of the initiative and by 2008 had 1,600 in the target group. In New Zealand, 11% of Westpac's employees are over age 55.

"Some of the programs that we currently offer and are implementing are:

- The market leading CREATE program offered to all mature aged employees to help them understand their career and person goals - and what support they need from the Westpac group to achieve these goals.
- Retirement transition options and the opportunity for all mature aged employees to work flexibly if desired.
- Grandparental Leave
- Mentoring opportunities for mature-aged team members to share their knowledge;
- Assessing structured knowledge capture solutions for employees who are leaving our Group;
- Targeted recruitment of mature aged people into customer facing roles (if required);
- Partnering on a research study with Monash University to understand the needs of retiring women.
- An Employee Action Group which helps to promote awareness of mature aged workers' interests at corporate, community, and individual levels." (Westpac Banking Corporation)

10. Conclusion

Baby boomers will change everything as they move through their late careers, the transition to retirement and retirement itself. Their numbers alone make that inevitable. They present a human resources' challenge to employers on at least two grounds: their retirement will leave labour and skill gaps that will need filling, and they will change the whole process of retirement. Employers able to harness those two challenges will probably fare better as the 'silver tsunami' moves through New Zealand's age groups.

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