

NZ nears top of world aged worker index

Wednesday Jul 1, 2015 NZ Herald



Relaxing in retirement might look nice, but New Zealanders tend to work later in their lives than most other countries. Photo / Thinkstock

A higher proportion of New Zealand workers are staying in employment longer than almost all of their counterparts in other OECD countries, according to a PwC index.

New Zealand is continuing to "harness the economic power" of its older workers, according to professional services firm PwC which today released its latest version of its "Golden Age" index.

The country ranked second on this index behind Iceland - the same it scored in 2007.

The reason for New Zealand's position appears mostly due to the fact that a higher proportion of its workers are staying in employment when compared to other countries in the index.

The Golden Age index is a weighted average of how countries perform on labour market indicators, including employment rates, the gender gap in work and full-time earnings relative to those of younger workers.

New Zealand, according to PwC, has the second highest employment rate of 55 to 64 year-olds in 2013 out of the 34 OECD countries and the third highest rate for 65 to 69 year-olds. These two indicators have the most weight when working out rankings on the Golden Age index.

Close to 40 per cent of those aged 65 to 69 were still in work in 2013, up from around 30 per cent in 2007.

New Zealand was better than most when it came to comparing the gender gap in employment across the countries. A higher ratio of men to women aged 55 to 64 and in work was a negative factor in the index.

New Zealand, however, performed more poorly on another of the indicators. It was fourth from the bottom in rankings that compared full time earnings of those aged 55 to 64 with those aged 25 to 54.