

# The Business of Ageing: 2013 Update

**The update is part of the Business of Ageing Project which highlights the economic contribution people aged 65 or over (older people) will make in next four decades.**

The update incorporates new labour market information and other recent changes to revise the projections in the 2011 Business of Ageing Report.

The updated projections will help decision making by businesses, employers, NGOs, individuals and government.

## **What new information was used in the update?**

The updated projections incorporate:

- higher labour market participation for older people
- updated data on household income sources and participation in unpaid work
- changes to tax rates
- the impact of economic growth on wages and adjusted dollar projections from 2006 to 2011 values

## **What was the outcome?**

***The new research shows older New Zealanders are likely to make an even more significant contribution than outlined in the 2011 report to our productivity, economic competitiveness and living standards.***

## **Updated research highlights**

Older people are projected to:

- make up 12 per cent of the labour force by 2031, up from around 5 per cent in 2011
- have a 31 per cent labour market participation rate by 2031, up from 19 per cent in 2011
- receive employment earnings of about \$13.38 billion by 2051, up from \$2.16b in 2011
- pay tax on employment earnings of \$1.65b by 2051, compared with \$270 million in 2011
- contribute \$25.65b in unpaid and voluntary work in 2051, up from \$6.58b in 2011
- spend about \$60.28b in 2051, up from \$13.48b in 2011. Their food and entertainment spending is projected to increase four-fold.

<sup>1</sup> Values are expressed in real 2011 dollars, adjusted for the expected real growth in the value of wages between 2011 and 2051.

A copy of the update is available on the Publications & Resources section of our website [www.msd.govt.nz](http://www.msd.govt.nz). We recommend people read the update alongside the 2011 report, which contains substantially more figures, analysis and commentary.

Please email any comments on the report to:  
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