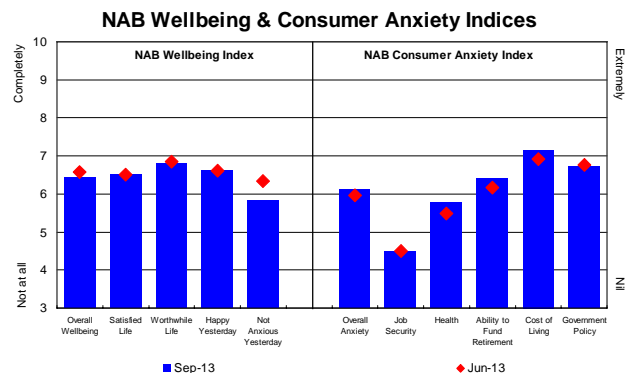
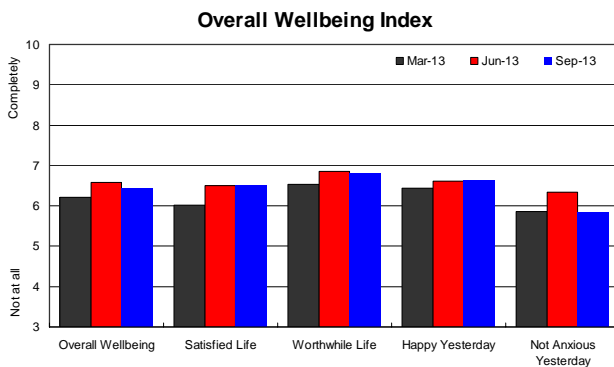


NAB Quarterly Australian Wellbeing Index: September 2013

National wellbeing deteriorates slightly in line with more subdued economic conditions with significant fall in WA driven by much higher levels of anxiety. The NAB Australian Wellbeing Index fell to 6.4 points in Q3 (6.6 points in Q2), with a big increase in anxiety in WA a key contributor to lower national wellbeing. Life satisfaction and happiness levels were unchanged, but more Australians rated the worthwhile life and not anxious yesterday questions lower (survey conducted one week before the Federal election). Wellbeing fell in nearly every demographic category, except those living in Tasmania and regional cities, earning \$75-100K, widowers and married couples, those without kids and employed in sales/clerical roles. Wellbeing is now lowest in WA - a big turnaround from the highest level of wellbeing in the last quarter. **NAB's Consumer Anxiety Index** (released today, measuring consumers' concerns about their future spending and savings plans) also increased in Q3 with the cost of living still the main concern.



In Q3, wellbeing was typically highest for those...

- residing in rural towns or the bush
- earning over \$75K
- aged 50+ and female
- widowed or married
- without children
- living in a household with 2 people
- with diplomas or tertiary qualifications
- retired
- living in Tasmania

Some of the big changes since our last survey...

- ✗ wellbeing is now lowest in WA (best state in Q2)
- ✗ anxiety in WA up notably, driving fall in WA wellbeing
- ✓ Tasmania now the best state (worst state in Q2)
- ✗ wellbeing lowest in capital cities (regional cities in Q2)
- ✓ \$75-100K group highest wellbeing (+\$100K in Q2)
- ✗ anxiety rises more for men; women also more anxious
- ✗ notable fall in wellbeing for 18-29 year old males
- ✓ wellbeing higher for those without kids than with kids
- ✗ 3+ household significantly more anxious

A deeper look at the data highlights some significant developments...

- Just over 17% of those surveyed rated their wellbeing "high" with regards to satisfied life, up from 14.6% in Q2. This compared to 15.4% who rated it "very low", which was broadly unchanged from the Q2 survey (15.9%).
- Around 24% of Australians rated the worthwhile life question "high" in Q3, up slightly from 21.1% in Q2. A bigger change was noted in the number who rated it "medium", which fell from more than 43% to just below 36% and in those who rated the worthwhile life question as "low", which increased to 28.2% from 23.6% in Q2.
- There were only marginal changes in quartile values for the happy yesterday question, leaving the overall happiness measure unchanged in September.
- In contrast, there was a notable increase in anxiety during Q3. More than 31% of Australians rated the not anxious yesterday question "very low", up from 26.4% in Q2, while only 21.5% rated the not anxious yesterday question "high" in Q3, down from 26.4% in Q2.

Wellbeing Indicator Categories (%)

	Very Low (0-4)	Low (5-6)	Medium (7-8)	High (9-10)	Average (mean)
Satisfied Life					
Q2 2013	15.9	24.7	44.7	14.6	6.5
Q3 2013	15.4	27.2	39.9	17.4	6.5
Worthwhile Life					
Q2 2013	11.9	23.7	43.3	21.1	6.9
Q3 2013	12.2	28.2	35.6	24.0	6.8
Happy Yesterday					
Q2 2013	17.4	23.6	36.4	22.3	6.6
Q3 2013	17.7	22.2	36.8	23.9	6.6
Not Anxious Yesterday	Very Low	Low	Medium	High	Average
Q2 2013	26.4	21.3	26.0	26.4	6.3
Q3 2013	31.4	25.3	21.7	21.5	5.8

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Wellbeing Indicators: directional change since last quarter

Overall Wellbeing	☹️
Satisfied Life	☹️
Worthwhile Life	☹️
Happy Yesterday	☹️
Not Anxious Yesterday	☹️

	Overall Wellbeing	Satisfied Life	Worthwhile Life	Happy Yesterday	Not Anxious Yesterday
State & Location - wellbeing declines in all states/regions except Tasmania and regional cities					
NSW/ACT	☹️	☹️	☹️	😊	☹️
Queensland	☹️	😊	☹️	☹️	☹️
SA/NT	☹️	☹️	☹️	😊	☹️
Tasmania	😊	😊	😊	😊	😊
Victoria	☹️	☹️	😊	☹️	☹️
WA	☹️	☹️	☹️	☹️	☹️
Capital City	☹️	☹️	☹️	☹️	☹️
Regional City	😊	😊	☹️	☹️	😊
Rural Town/Bush	☹️	☹️	☹️	☹️	☹️
Income - those earning \$75-100K the only group to report higher wellbeing					
Over \$100k	☹️	😊	☹️	😊	☹️
\$75-100k	😊	😊	😊	😊	☹️
\$50-75k	☹️	😊	☹️	😊	☹️
\$35-50k	☹️	😊	😊	😊	☹️
Under \$35k	☹️	☹️	☹️	☹️	☹️
Gender - women rated life satisfaction question higher but men slightly happier					
Male	☹️	😊	☹️	☹️	☹️
Female	☹️	☹️	☹️	😊	☹️
Age - all age groups report lower wellbeing					
18-29	☹️	☹️	☹️	☹️	☹️
30-49	☹️	☹️	☹️	😊	☹️
50+	☹️	😊	😊	☹️	☹️
Marital Status - wellbeing higher for widows and married couples					
Defacto	☹️	☹️	☹️	☹️	😊
Divorced	☹️	☹️	☹️	☹️	☹️
Married	😊	😊	😊	😊	☹️
Single	☹️	☹️	☹️	☹️	☹️
Widowed	😊	😊	😊	😊	☹️
Household Status/Size - overall wellbeing improved for those without kids					
Children	☹️	☹️	☹️	😊	☹️
No Children	😊	😊	😊	😊	☹️
One	☹️	☹️	☹️	☹️	☹️
Two	☹️	☹️	☹️	☹️	☹️
Three +	☹️	😊	😊	😊	☹️
Education - wellbeing lower for all groups except diploma (unchanged)					
Bachelor/Post Grad	☹️	☹️	☹️	😊	☹️
Diploma	☹️	☹️	☹️	☹️	☹️
High School	☹️	☹️	☹️	☹️	😊
Vocational	☹️	☹️	😊	😊	☹️
DNF High School	☹️	😊	😊	😊	☹️
Employment Type - wellbeing improves for sales/clerical workers and other workers					
Professional	☹️	☹️	☹️	☹️	☹️
Technical	☹️	☹️	☹️	☹️	☹️
Sales/Clerical	😊	😊	😊	😊	☹️
Labourer	☹️	😊	☹️	☹️	☹️
Other	😊	😊	☹️	😊	☹️

LEGEND: 😊 = up ☹️ = down ☹️ = unchanged

NAB Quarterly Australian Wellbeing Index - Main Findings

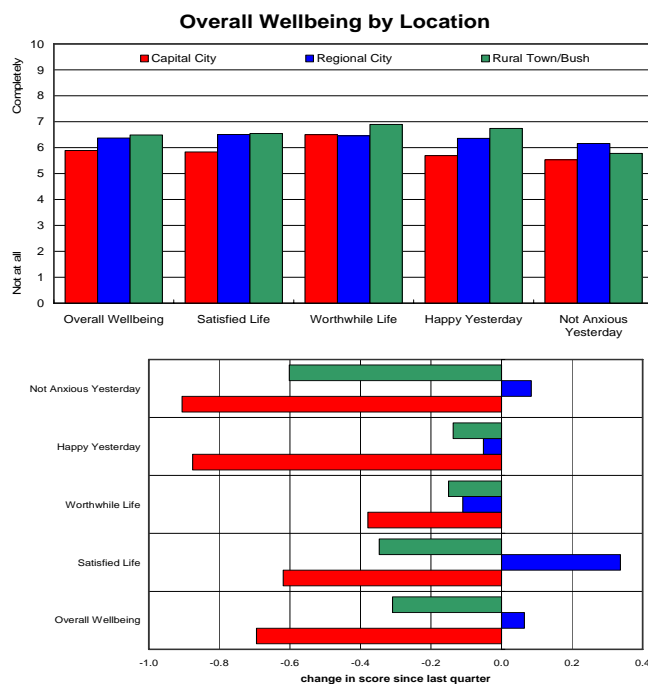
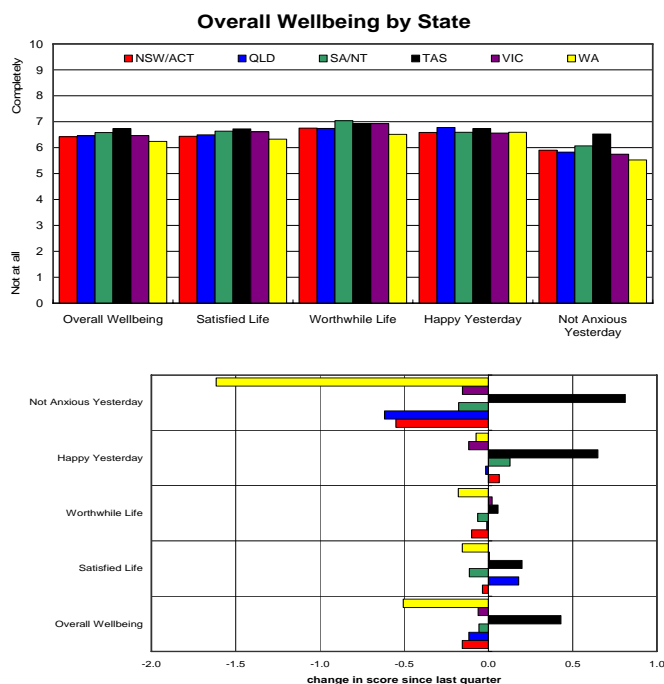
Main Findings

- The NAB Australian Wellbeing Index fell to 6.4 points in Q3 (6.6 points in Q2). Wellbeing was unchanged for the satisfied life and happy yesterday questions, but lower for worthwhile life and not anxious yesterday questions. More detail on consumer anxiety is in our Australian Consumer Anxiety Index (also released today).
- Wellbeing fell in all states except Tasmania in Q3 which also reported the highest overall levels of wellbeing. Tasmania was the only state to report lower anxiety and a large increase in happiness compared to Q2. In contrast, wellbeing was much lower in WA (now the weakest state in Australia) where respondents reported significantly elevated anxiety. Wellbeing rose marginally in regional cities, but it fell substantially in capital cities particularly with respect to happiness and anxiety.
- Those earning \$75-100K were the only group to report higher wellbeing in Q3 and this group also replaced the +\$100K group for the highest overall wellbeing. This result was mainly due to a large improvement in happiness, worthwhile life and satisfied life scores in the \$75-100K group. Wellbeing fell most for those earning less than \$35K, who also reported lower scores for each survey question.
- Women rated their overall wellbeing slightly higher than men in Q3. Women rated the life satisfaction question higher in Q3, rated higher for worthwhile life and were less anxious than men overall. Men reported much higher levels of anxiety in Q3 than women, but reported an improvement in happiness.
- By age cohort, women in both the 18-29 and 30-49 age groups reported higher overall wellbeing than men, whereas wellbeing in the 50+ group was slightly higher for men. A positive correlation between wellbeing and age was again noted in Q3, with wellbeing lowest in the 18-29 age group and highest in 50+ age group.
- Wellbeing among widows improved in Q3 to again rate highest, along with married people. However, widows also reported the sharpest deterioration in anxiety, followed by the divorced group. Single people rated lowest for overall wellbeing. Households with 2 people rated their overall wellbeing highest, while those with without children also reported higher wellbeing than those with children.
- Those with diplomas rated their overall wellbeing highest in Q3, followed by those with bachelor or post graduate qualifications. Those that did not finish high school rated lowest and reported much higher anxiety.
- Employed persons rated their wellbeing higher than those not employed or not retired. Wellbeing among retirees was highest overall but this group was considerably less happy in Q3. By employment type, wellbeing was highest for sales/clerical and professional workers and lowest for labourers.

NAB Quarterly Australian Wellbeing Index - Main Charts

Wellbeing declined in all states except Tasmania in Q3 (now the highest state for overall wellbeing) with higher scores for all survey questions. Wellbeing fell most in WA, mainly due to much higher anxiety.

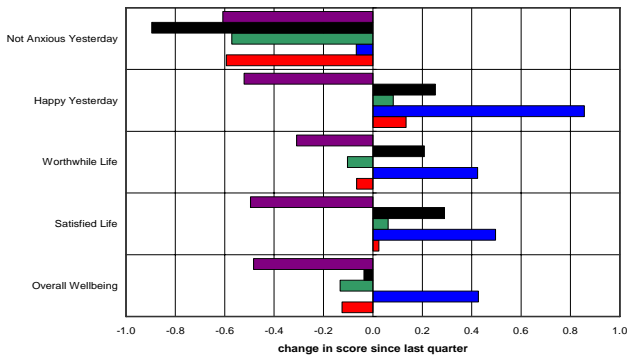
Regional cities reported higher wellbeing in Q3 (due to higher life satisfaction). Rural towns/bush still report the highest wellbeing overall. Wellbeing in capital cities fell due to elevated anxiety and a large drop in happiness.



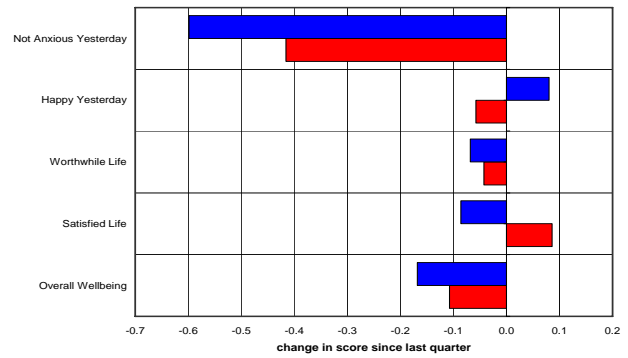
Those earning \$75K-\$100K were the only group to report higher wellbeing in Q3, and reported higher scores for all questions except anxiety. Consequently, overall wellbeing in this group is now slightly higher than for those earning +\$100K. Wellbeing fell most for those earning less than \$35K

Women rated their overall wellbeing slightly higher than men in Q3. Women rated the life satisfaction question higher, whereas men were slightly happier. However, men also reported a bigger increase in overall anxiety levels in Q3 and were slightly more anxious than women overall.

Overall Wellbeing by Income



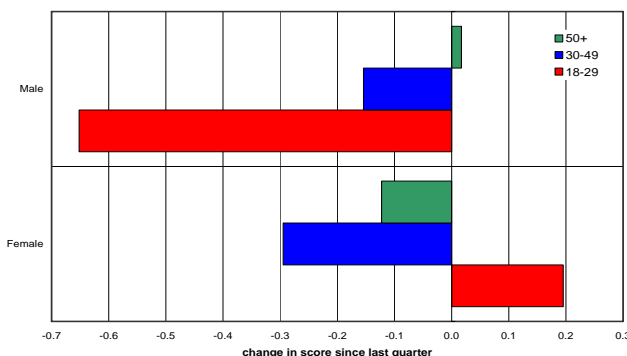
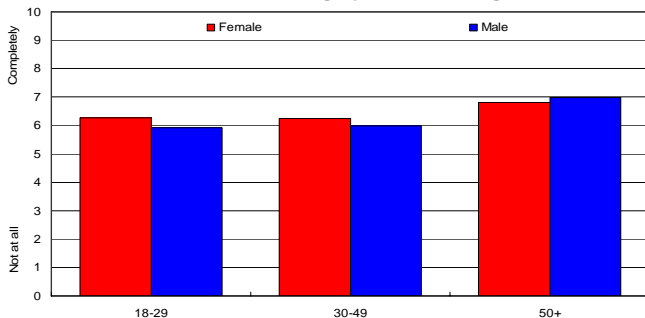
Overall Wellbeing by Gender



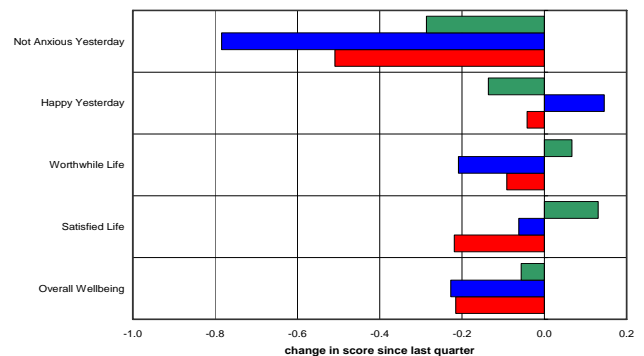
In contrast to our last survey, males in the 18-29 age group reported much lower levels of overall wellbeing in Q3, whereas women in this age group reported slightly higher wellbeing. Males also reported lower wellbeing in the 30-49 age bracket, but continued to report slightly higher levels of wellbeing in the 50+ age group.

Overall wellbeing declined across all age groups in Q3. Wellbeing continues to be highest in the 50+ age group and lowest in the 18-29 age group. The 50+ group reported a smaller increase in anxiety compare to other groups and an improvement in life satisfaction and worthwhile life. Anxiety rose most in the 30-49 group.

Overall Wellbeing by Gender & Age



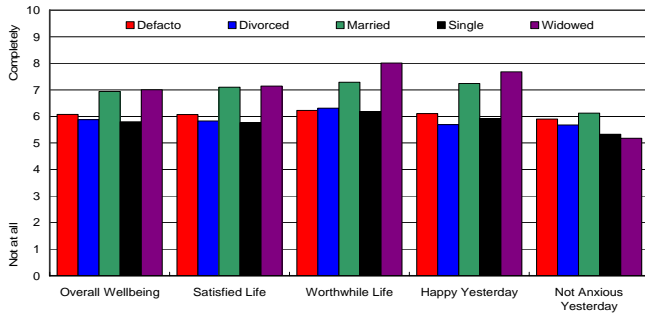
Overall Wellbeing by Age



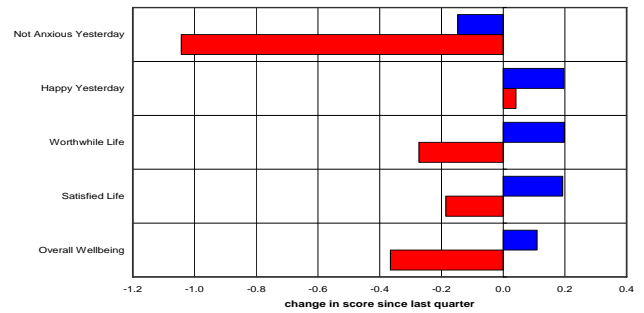
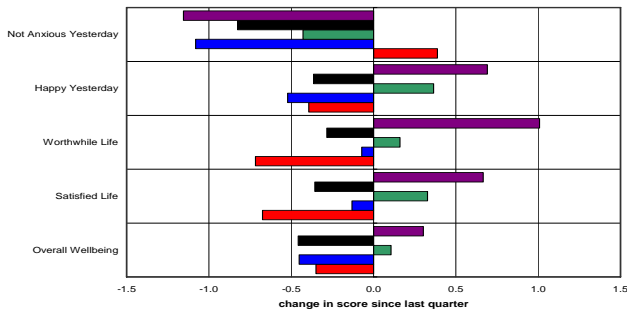
Widowers reported the highest levels of overall wellbeing in Q3 (slightly ahead of married couples). Despite a large increase in anxiety, widows reported higher scores for all other survey questions. Single people rated lowest for overall wellbeing and reported the lowest scores for life satisfaction and worthwhile life. Defactors were the only segment to record an improvement in anxiety.

Overall wellbeing improved for those without kids and was higher than for those with kids. Those without children reported higher wellbeing scores for all survey questions bar anxiety, which rose slightly this quarter. In contrast, households with kids reported a decline in their overall wellbeing, influenced by a big increase in their anxiety scores and lower ratings for the satisfied and worthwhile life questions.

Overall Wellbeing by Marital Status



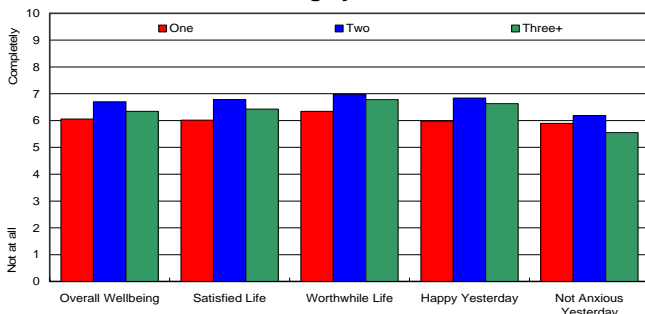
Overall Wellbeing by Household - Kids



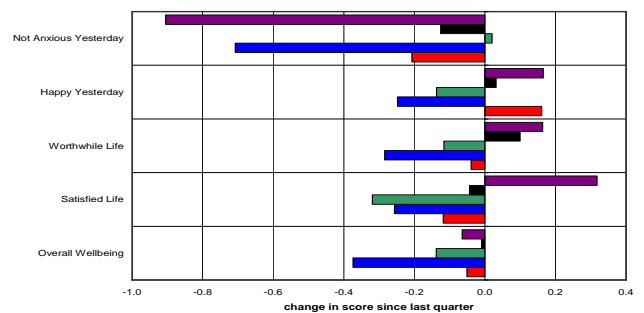
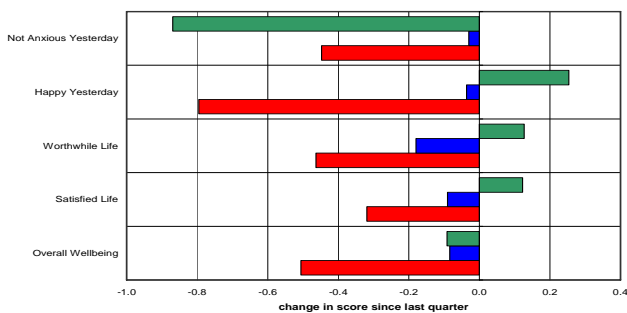
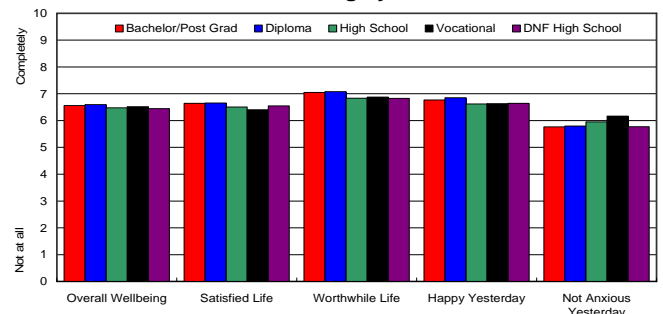
Single person households saw the biggest decline in overall wellbeing in Q3 and rated lowest among all groups, especially with regards to the happy yesterday, worthwhile life and satisfied life questions. Overall wellbeing remains highest in 2 person households and across all survey questions. Despite an improvement in the happy yesterday, worthwhile life and satisfied life questions, anxiety in households of 3 or more people rose sharply in Q3.

Overall wellbeing by educational attainment was broadly similar across all groups in Q3. Those with a diploma reported the biggest decline in their overall wellbeing this quarter and rated all four survey questions lower. Those that did not finish high school rated lowest for overall wellbeing in Q3. Despite reporting much higher anxiety this quarter, this group also reported the biggest gains for the satisfied life, worthwhile life and happy yesterday questions.

Overall Wellbeing by Household Size

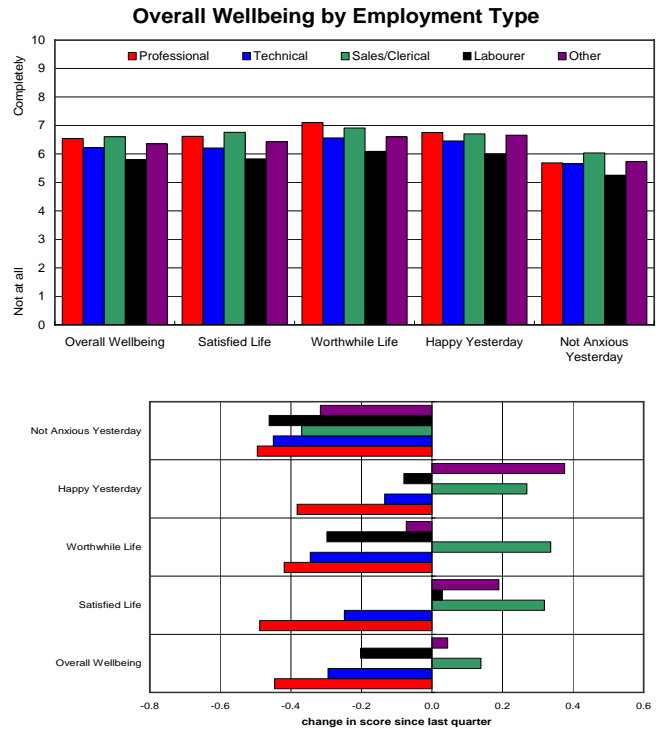
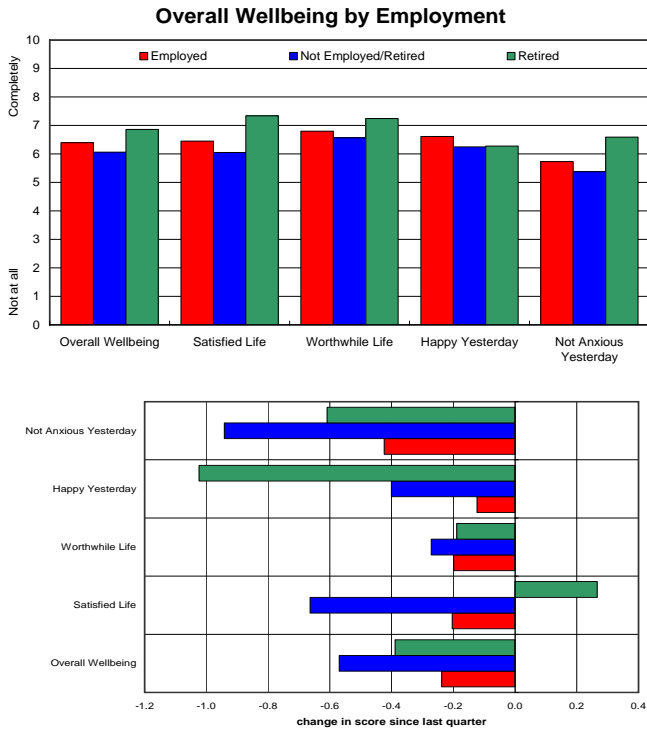


Overall Wellbeing by Education



Retirees continue to report the highest levels of overall wellbeing. However, overall wellbeing in this group fell slightly in Q3, underpinned by much lower scores for the happy yesterday question and elevated anxiety. Nevertheless, this group rated highest for all survey questions (by some margin) except happiness. Wellbeing fell for those not employed/retired in Q3, especially with regards to anxiety and life satisfaction. Those with jobs also rated their overall wellbeing slightly lower, but they were the happiest group overall.

Sales/clerical workers rated highest for overall wellbeing in Q3. Slightly elevated anxiety in this group was offset by higher scores the worthwhile life, satisfied life and happy yesterday questions. Wellbeing was next highest for professional workers, although this group also reported the biggest declines in overall wellbeing scores across all survey questions in Q3. Overall wellbeing continues to be lowest among labourers across all survey questions (and by some margin), although this group reported slightly higher scores for life satisfaction.



Appendix 1: About the Survey

The NAB Australian Wellbeing Index was launched in April 2013 in conjunction with the NAB Australian Consumer Anxiety Index with the aim of assessing perceptions of wellbeing and consumer stress.

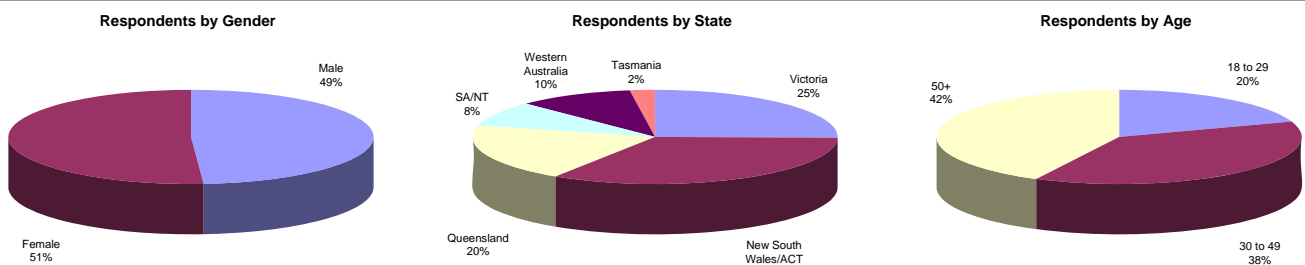
The NAB Australian Wellbeing Index is based on survey participants' responses to four questions (developed by the UK Office of National Statistics) related to how people "think and feel about their own lives":

- Overall, how satisfied are you with your life nowadays?
- Overall, to what extent do you feel the things that you do in your life are worthwhile?
- Overall, how happy did you feel yesterday?
- Overall, how anxious did you feel yesterday?

All questions were answered on a scale of 0-10 where 0 is "not at all" and 10 is "completely".

Around 2,062 respondents participated in the September 2013 survey, with weights applied to age, location and gender to ensure that the survey reasonably reflects the Australian population.

The breakdown of our survey respondents - by age, location, and gender - is shown in the charts below.



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