

NAB Special Report: Q2 2015

The issues that define our personal wellbeing: Key Findings

by NAB Group Economics

17 July 2015



NAB has been tracking Australia’s wellbeing (as measured by anxiety, life-satisfaction, happiness, and life-worth) since early-2013. The definition of wellbeing can vary widely from person to person. In an effort to better understand why Australians feel the way they do, this survey now provides a deeper insight into the key factors that broadly detract or add to our personal wellbeing as well as a more localised perspective as determined by where we live and our local community.

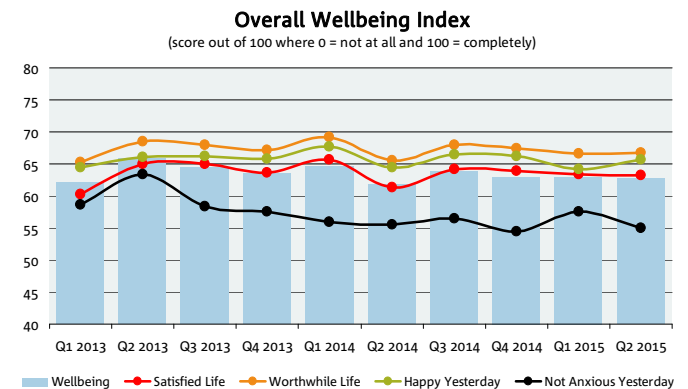
Key Findings

1. Australian wellbeing fell slightly in Q2 2015 as heightened levels of anxiety & lower life satisfaction offset improved happiness & life worth.
2. Anxiety is still the biggest detractor of wellbeing - almost 40% of Australians rate their anxiety “high”.
3. Wellbeing is most positively influenced by: family & relationships, our home, safety & local community. Events (such as abuse & victimisation), substance abuse and a lack of time, detract most.
4. Wellbeing is higher for women than men. But, young women (18-29) have the lowest wellbeing of any demographic. Young women are notably less happy. Their big concerns are: a lack of time; events; general finances; substance abuse & job/work issues.
5. Tasmanians remain among the most satisfied, happiest, and have the highest life worth of all states. TAS ranks slightly ahead of VIC for overall wellbeing. NSW/ACT is lowest.
6. Wellbeing doesn’t typically correlate with income, but the lowest income group (<\$35k) have by far the lowest level of wellbeing. Wellbeing does correlate with age. Older Australians (50+) have the highest wellbeing. Widows have the highest wellbeing of any group.
7. Almost all facets of wellbeing are more positive for high income earners than the lowest income earners. Big detractors of wellbeing for low income earners include: finances & money; funding retirement; buying, selling, finding a home; & work or job issues.
8. The key detractors of wellbeing, such as events (e.g. abuse) & and substance use/abuse, transcend income.
9. Where you live is a key determinant of wellbeing. Safety, shops, parks, gardens, neighbours, health facilities, internet access & dining are key factors. These “community” aspects of wellbeing are particularly important to women.
10. High income earners also generate much greater wellbeing from community factors (particularly good local jobs, housing affordability, safety & dining options) compared with low income earners.

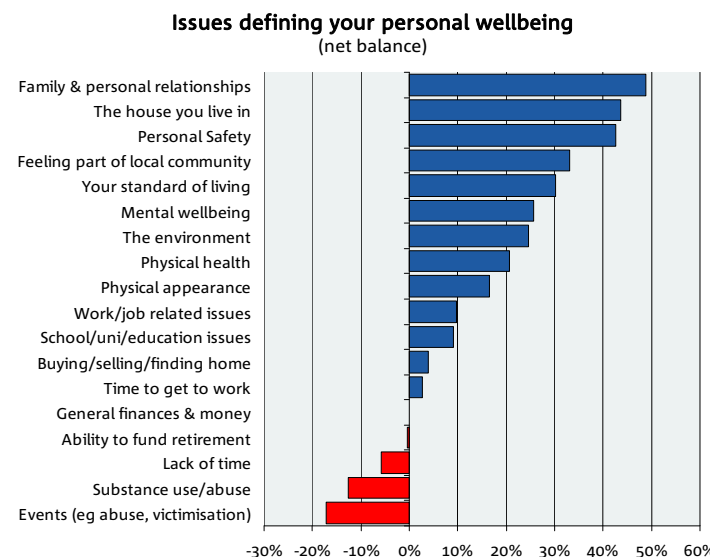
CONTACT:

Alan Oster, Chief Economist (0414 444 652)
Dean Pearson, Head of Behavioural & Industry Economics (0457 517 342)
Robert De lure, Snr Economist, Behavioural & Industry (03 8634 4611)
Karla Bulauan, Economist - Behavioural & Industry (03 86414028)

Wellbeing falls in Q2; anxiety still the big detractor...

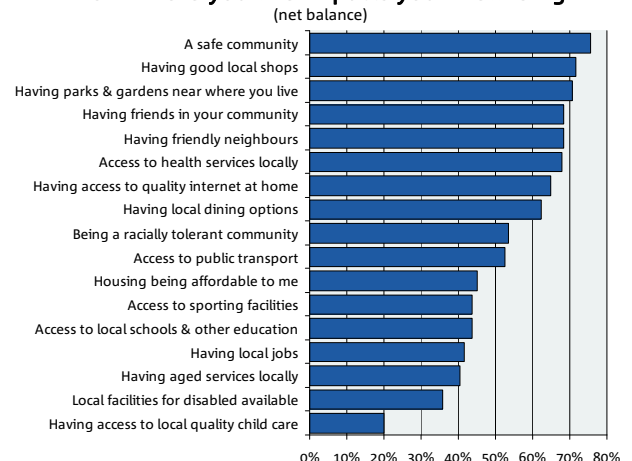


Wellbeing most positively influenced by: family & relationships, our home, personal safety & local community. Events (abuse/victimisation), substance use & a lack of time, detract most...



In our local communities, we derive most wellbeing from: local safety, good shops, parks, gardens, neighbours, health facilities, internet access & dining.

How where you live impacts your wellbeing

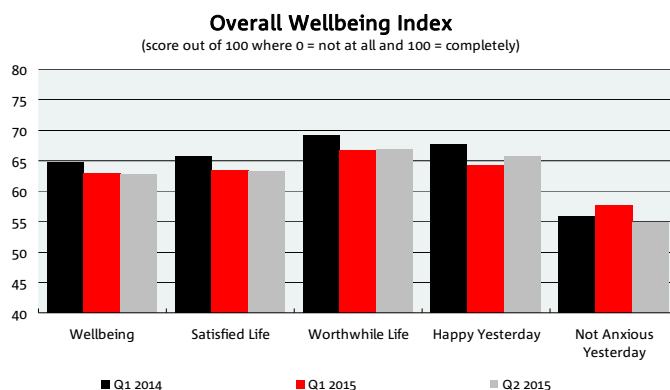


How is wellbeing tracking in Australia?

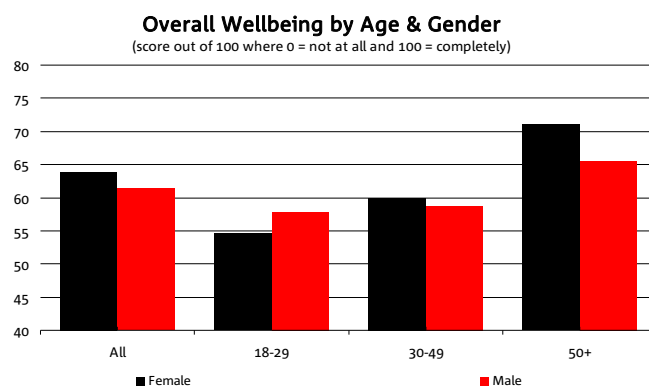
- NAB’s Australian Wellbeing Index fell slightly in Q2 2015 edging down to 62.7 points (out of a possible 100) from 63 pts in Q1.
- Heightened levels of anxiety and lower life satisfaction, offset increases in happiness, and life worth.
- A closer look at the index reveals some deep divides in Australia.
- While over 1 in 5 Australians (22%) rated their happiness “high” in Q2’15, 17% rated their happiness “very low”.
- Even fewer Australians were satisfied with their life. Only 13% rated their life satisfaction “high”, compared with 18.5% “very low”.
- Most worryingly, almost 40% of Australians rate their personal anxiety levels “high” and only 23% “low”.
- Wellbeing varies across demographics.
- Among the states, wellbeing fell in NSW/ACT, SA/NT and TAS, but rose in VIC, QLD and WA.
- TAS continues to rank highest for overall wellbeing, with NSW/ACT lowest.
- Wellbeing was also higher for women than men (although women 18-29 continue to rank lowest in all categories); capital cities; high income earners; widows; 2 person households; no children; and professionals.
- Wellbeing for income earners in the \$35k to \$50k bracket are now almost on par with those earning \$100k+.
- This compares to the lowest income earners who continue to rank the lowest in overall wellbeing.
- Wellbeing was also typically higher for those who:
 - Reside in a capital city;
 - Live in a two person household;
 - Do not have children;
 - Whose highest educational qualification is a diploma;
 - Work in professional jobs;
 - Are not employed.



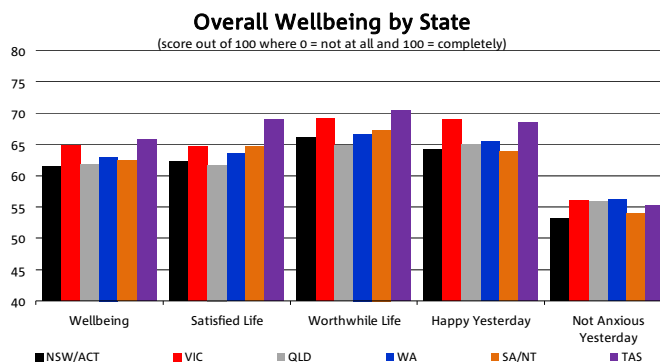
Wellbeing fell slightly as higher anxiety & lower life satisfaction offset a lift in happiness & life worth...



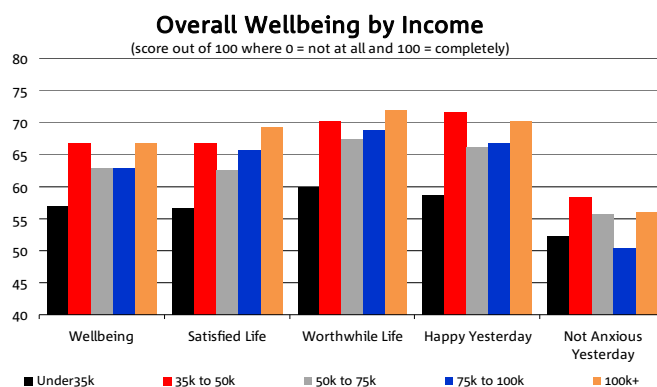
Young women have the lowest wellbeing, not just by age but across all demographics...



Tasmanians have the highest wellbeing of any state...



The lowest income earners continue to have the lowest in overall wellbeing...



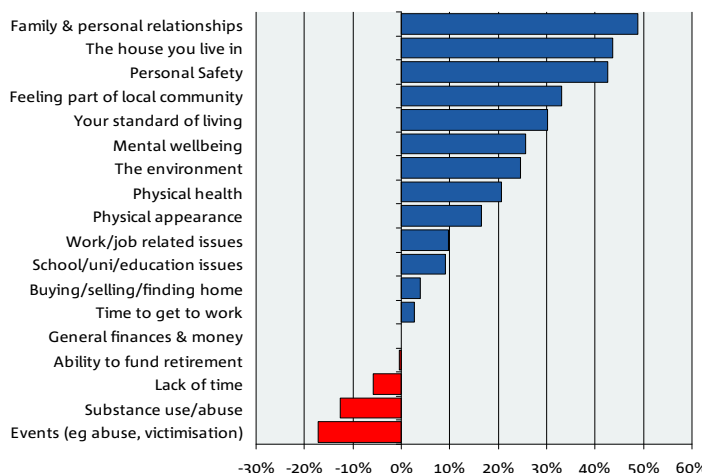
What defines wellbeing in Australia?

- Wellbeing is most positively influenced by family and personal relationships, your home, personal safety & your local community. Events (such as victimisation), substance abuse and a lack of time, detract most.
- While there is strong consensus between women & men - these factors (both positive and negative) are much more important to women.
- There are also notable differences by state. For example, family and personal relationships are much bigger drivers of wellbeing in TAS than in WA. Events (such as abuse), detracted much more in TAS than in VIC.
- There are also disagreements by age. For example, older Australians value family, personal relationships, their homes and personal safety most.
- For younger women (18-29) many key detractors of wellbeing (e.g. lack of time, events, general finances, substance abuse, jobs) impact young men much less.
- This may help to explain why young women consistently report the lowest levels of overall wellbeing across all demographic groups.
- By income, almost all issues contribute positively (and add more) to wellbeing in the highest income group - particularly their home, family/personal relationships, their standard of living, and their personal safety.
- For low income earners there are several big detractors that do not feature for higher income earners including: general finances and money; ability to fund retirement; buying/selling/finding a home; and work or job related issues.
- Interestingly, for both higher and low income earners events (abuse, victimisation) and substance use/abuse are both key detractors of wellbeing.



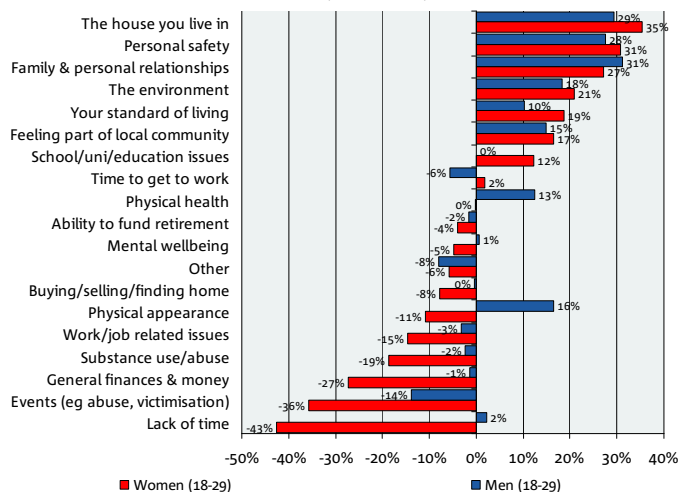
What defines our wellbeing?

Issues defining your personal wellbeing (net balance)



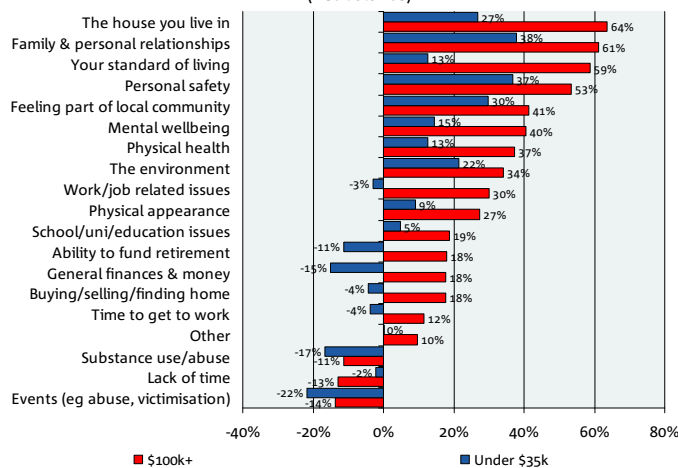
Young women report the lowest levels of overall wellbeing. Key detractors: lack of time; events such as abuse; general finances; substance abuse; and jobs....

Issues defining your personal wellbeing: 18-29 year olds (net balance)



Most issues are positive among high income earners (much less so for low income earners). Detractors unique to low income earners include: finances, funding retirement, home & work issues....

Issues defining your personal wellbeing: higher v low income (net balance)

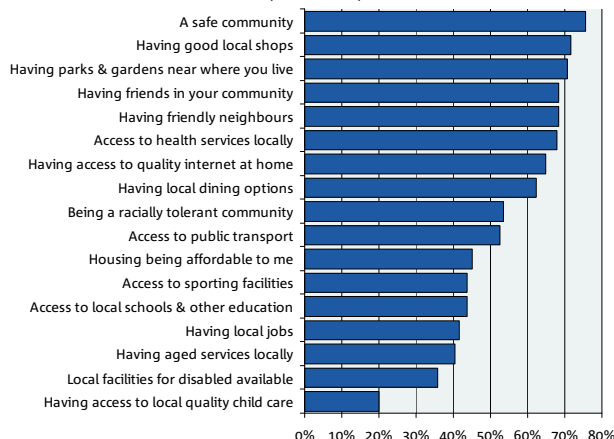


How does your local community impact wellbeing?

- Your local community can play a key role in determining your wellbeing, but some things matter more than others.
- In general, Australians derive more wellbeing from: safety, good local shops, parks, gardens, neighbours, health facilities, internet access and local dining.
- Once again, there are notable differences by state. The biggest discrepancies are seen in relation to housing affordability, which contributes more to wellbeing in WA than in SA/NT and having a local job, which again contributes more to wellbeing in WA compared to SA/NT.
- When it comes to gender, there is consensus in regards to positive community wellbeing drivers (these include: safety; good local shops, parks, gardens, friends, health services and neighbours).
- On balance however community factors contribute more to the personal wellbeing of women than men, except for access to sporting facilities.
- There is general agreement by age, with a safe community contributing most to wellbeing across all age groups.
- Older Australians enjoy a bigger positive impact on their wellbeing from most factors.
- Not surprisingly, access to public transport contributed most to the personal wellbeing of younger Australians.
- For most young women, living in a safe community, good local shops, parks, dining and friends contributes most to their overall personal wellbeing.
- Similarly for men, a safe community is the key factor, but much less so than for women.
- Thereafter, some big differences emerge. Young men value much more highly: access to health services; public transport; schools & other education.
- By income, there is typically broad consensus as to what matters most in regards to community wellbeing.
- However, high income earners generate a greater contribution to their wellbeing from nearly all community factors compared with lower income earners.
- For example, good local jobs was a much bigger contributor to wellbeing for the highest incomes earners compared to low income earners, as was housing affordability and having local dining options.
- While important to both categories, high income earners also generate significantly more wellbeing from a feeling of “safe community” than did the lowest income earners.
- Low income earners enjoyed greater wellbeing benefits from having aged care services locally than did the highest income group.

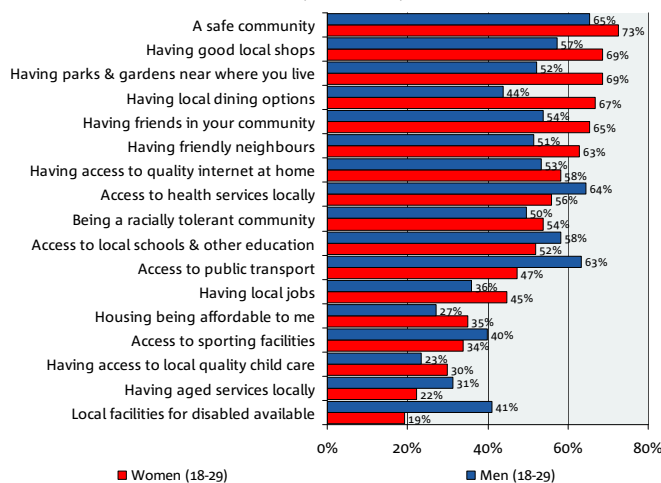
In our local communities, we derive most wellbeing from: safety, good local shops, parks, gardens, neighbours, health facilities, internet access & dining.

How where you live impacts your wellbeing (net balance)



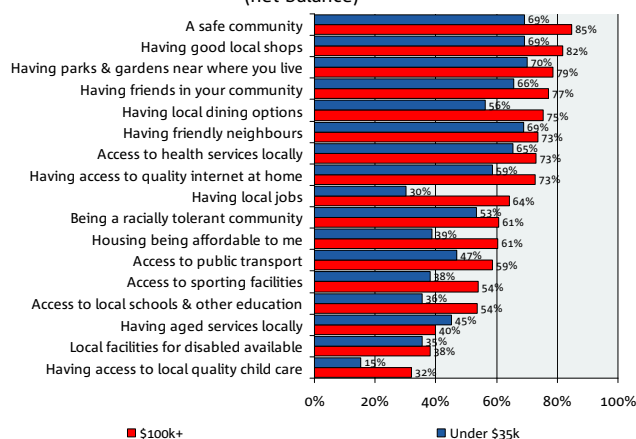
For young women safety; shops, parks, dining & friends, are the biggest community drivers of wellbeing. For young men it is: safety; health services; and access to public transport.

How where you live impacts your wellbeing: 18-29 year olds (net balance)



High income earners derive wellbeing in much broader terms (& more highly) across nearly all community factors compared to low income earners.

How where you live impacts your wellbeing: higher vs lower income (net balance)



Group Economics

Alan Oster
Group Chief Economist
+61 3 8634 2927

Jacqui Brand
Personal Assistant
+61 3 8634 2181

Australian Economics and Commodities

Riki Polygenis
Head of Australian Economics
+(61 3) 8697 9534

James Glenn
Senior Economist - Australia
+(61 3) 9208 8129

Vyanne Lai
Economist - Australia
+(61 3) 8634 0198

Amy Li
Economist - Australia
+(61 3) 8634 1563

Phin Ziebell
Economist - Agribusiness
+(61 4) 55 051 024

Behavioural & Industry Economics

Dean Pearson
Head of Behavioural & Industry Economics
+(61 3) 8634 2331

Robert De Iure
Senior Economist - Behavioural & Industry Economics
+(61 3) 8634 4611

Brien McDonald
Senior Economist - Behavioural & Industry Economics
+(61 3) 8634 3837

Karla Bulauan
Economist - Behavioural & Industry Economics
+(61 3) 86414028

International Economics

Tom Taylor
Head of Economics, International
+61 3 8634 1883

Tony Kelly
Senior Economist - International
+(61 3) 9208 5049

Gerard Burg
Senior Economist - Asia
+(61 3) 8634 2788

John Sharma
Economist - Sovereign Risk
+(61 3) 8634 4514

Global Markets Research

Peter Jolly
Global Head of Research
+61 2 9237 1406

Australia

Economics

Ivan Colhoun
Chief Economist, Markets
+61 2 9237 1836

David de Garis
Senior Economist
+61 3 8641 3045

Tapas Strickland
Economist
+61 2 9237 1980

FX Strategy

Ray Attrill
Global Co-Head of FX Strategy
+61 2 9237 1848

Emma Lawson
Senior Currency Strategist
+61 2 9237 8154

Interest Rate Strategy

Skye Masters
Head of Interest Rate Strategy
+61 2 9295 1196

Rodrigo Catril
Interest Rate Strategist
+61 2 9293 7109

Credit Research

Michael Bush
Head of Credit Research
+61 3 8641 0575

Simon Fletcher
Senior Credit Analyst - FI
+61 29237 1076

Distribution

Barbara Leong
Research Production Manager
+61 2 9237 8151

New Zealand

Stephen Toplis
Head of Research, NZ
+64 4 474 6905

Craig Ebert
Senior Economist
+64 4 474 6799

Doug Steel
Senior Economist
+64 4 474 6923

Kymerly Martin
Senior Market Strategist
+64 4 924 7654

Raiko Shareef
Currency Strategist
+64 4 924 7652

Yvonne Liew
Publications & Web Administrator
+64 4 474 9771

UK/Europe

Nick Parsons
Head of Research, UK/Europe, and Global Co-Head of FX Strategy
+44207710 2993

Gavin Friend
Senior Markets Strategist
+44 207 710 2155

Derek Allassani
Research Production Manager
+44 207 710 1532

Asia

Christy Tan
Head of Markets Strategy/Research, Asia
+852 2822 5350

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