

# NAB WELLBEING REPORT Q3 2016



**AUSTRALIANS HAVE REPORTED AN IMPROVEMENT IN THE QUALITY OF THEIR LIVES ACROSS ALL WELLBEING MEASURES.**

*NAB Behavioural & Industry Economics*

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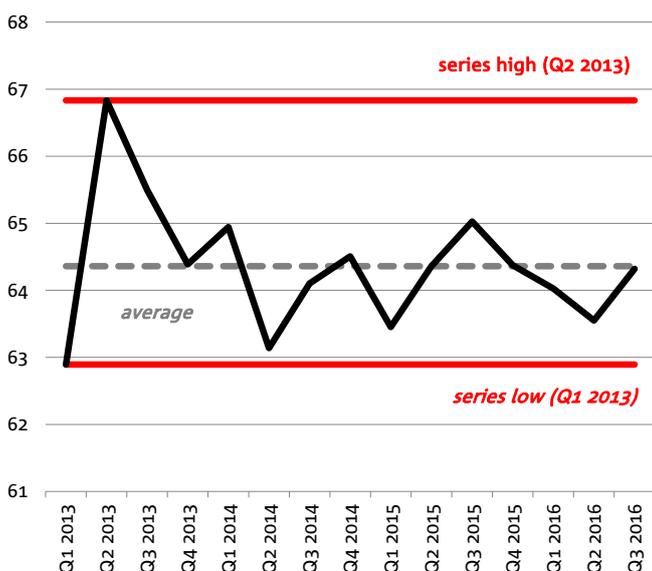
Australian wellbeing has improved, reversing a trend decline in the past 3 quarters. Anxiety still detracted the most from the quality of our lives, but less so than at any time in the past year. Relationships with family and friends, our homes and safety had the biggest positive influence on wellbeing, with access to quality local jobs and affordable housing most often cited as the way to enhance wellbeing in our local communities. Despite some progress, we are still only “moderately” satisfied with our present financial position.

## WELLBEING RISES FOR THE FIRST TIME SINCE Q3 2015

Australians have reported an improvement in the overall quality of their lives, with NAB’s Wellbeing Index rising to 64.3 points in Q3 2016 (63.6 points in Q2). This reversed a trend decline in the previous 3 quarters, with wellbeing now back on par with long-term average levels.

## NAB WELLBEING TRENDS

Australian wellbeing has improved and currently sits at long-term average levels



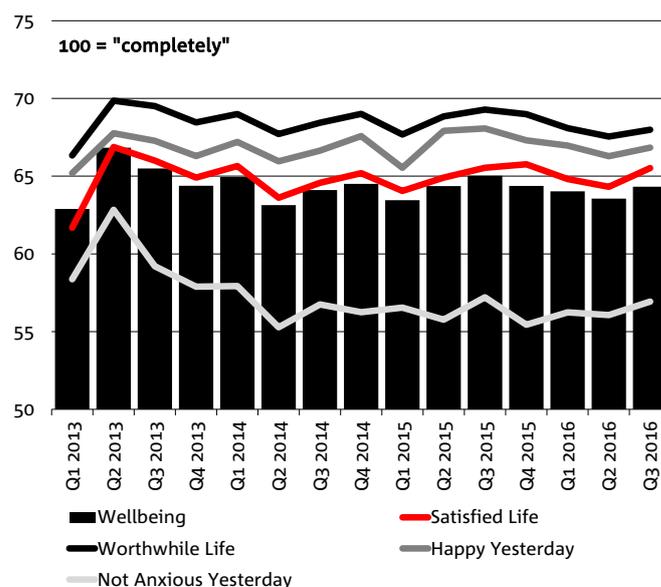
The improvement in overall wellbeing in Q3 2016 was reflected across all four measures - life satisfaction, personal anxiety, happiness and life worth. Wellbeing also improved in nearly all groups. Some noticeable

exceptions included labourers, self-employed and women (50+). Of particular concern was the continued decline in wellbeing among young women (18-29) - already the lowest wellbeing group.

Anxiety is still the biggest detractor from overall wellbeing and more than 1 in 3 Australians (around 35%) continue to report “very high” levels of anxiety. Encouragingly, however, anxiety is currently at its lowest level since Q3 2015, and the number of Australians reporting “very high” levels of anxiety is down from over 38% in the previous quarter.

## NAB AUSTRALIAN WELLBEING INDEX

All aspects of our wellbeing have improved



Wellbeing continues to vary widely across demographic groups. In Q3 2016, it was highest for over 50s - both men (69.1 points) and women (69

points), widows (68.6 points), 2 person households (67.5 points) and high income earners (67.2 points).

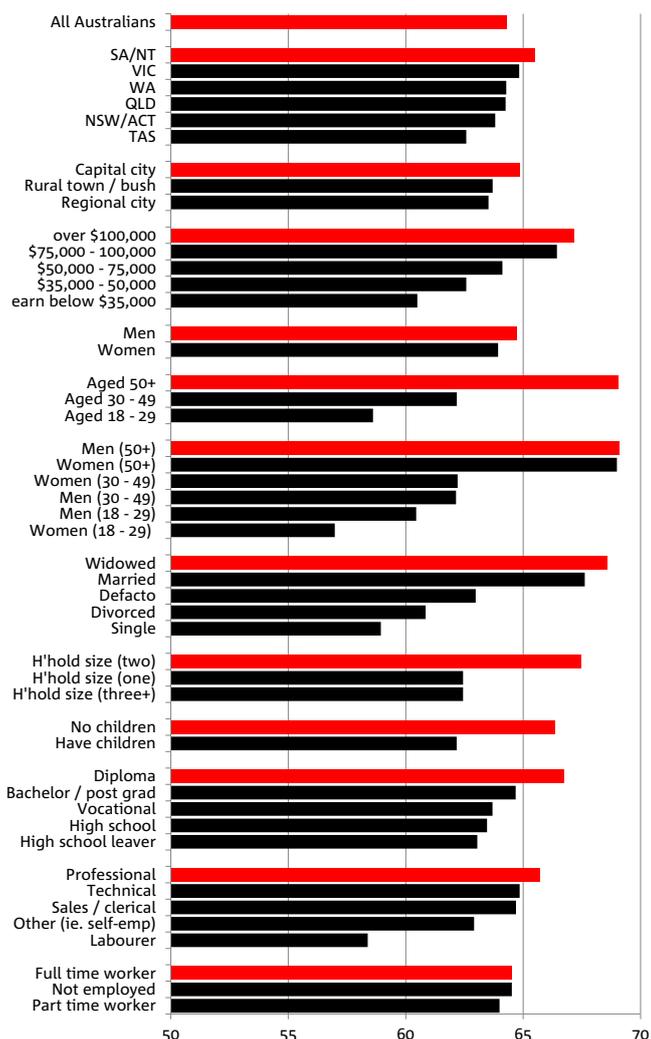
Wellbeing was lowest for young women (57 points) who also rated life worth and happiness lowest of all groups and anxiety highest. Other low wellbeing groups included labourers (58.4 points), singles (58.9 points) and low income earners (60.5 points).

By state, wellbeing was again highest in SA/NT (65.5 points) - also the least anxious and happiest state - followed by Victoria (64.8 points). In contrast, wellbeing was lowest in Tasmania (62.6 points) - and across all measures of wellbeing.

Among other key findings, Australians living in capital cities (64.9 points) reported the highest wellbeing by location. We are also still seeing a strong link between wellbeing and income, with wellbeing highest for those earning more than \$100,000 (67.2 points) and lowest for those earning less than \$35,000 (60.5 points).

## WELLBEING BY GROUP

Wellbeing varies widely across demographic groups



## ISSUES THAT DEFINE OUR WELLBEING

Wellbeing continues to be most positively influenced by our family and personal relationships, the house in which we live and our personal safety.

Other important drivers include our standard of living, feeling part of our community and mental health.

Family and personal relationships had a bigger positive impact on wellbeing for women than it did for men. In contrast, more men said that their homes and personal safety played a bigger role.

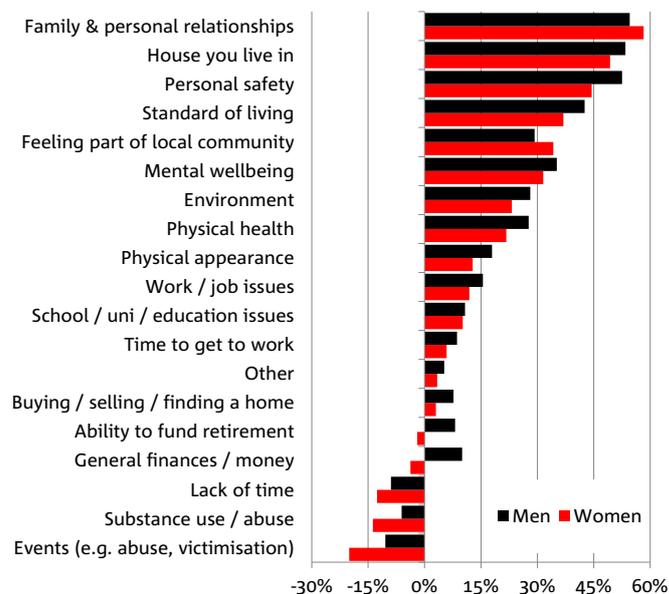
Feeling part of our local community was also a bigger driver of wellbeing for women, whereas their standard of living, environment, physical health and mental wellbeing were more important for men.

On the negative side, events (e.g. abuse and victimisation) detracted the most from our wellbeing (and for more than twice as many women).

Other detractors included a lack of time (particularly for middle-aged women) and substance use or abuse. In net terms, general finances and retirement funding also detracted from wellbeing for women (but slightly less than in Q2), but was positive for men.

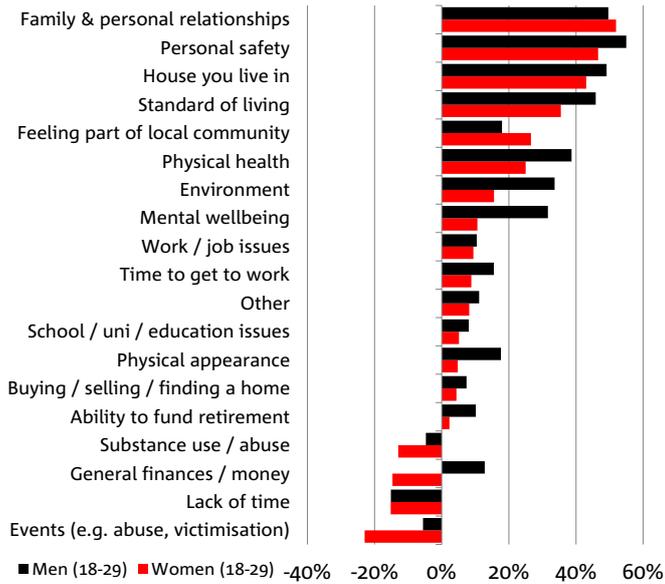
## WELLBEING DRIVERS (NET)

Family, our homes and personal safety contribute the most, with abuse, lack of time and substances the big detractors



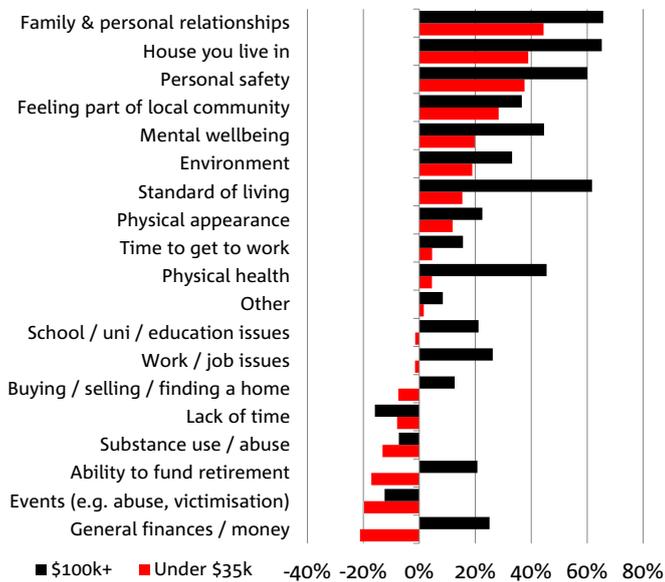
While we continue to see some variation in wellbeing drivers across all demographic groups, these differences are especially pronounced between young men and young women and between the lowest and highest income earners.

## WELLBEING DRIVERS - 18-29 YEAR OLDS



Young men derive noticeably more wellbeing benefits from their mental and physical health, the environment and physical appearance. In stark contrast, events (such as abuse and victimisation) and general finances detract significantly more from the overall wellbeing of young Australian women.

## WELLBEING DRIVERS - HIGH/LOW INCOME



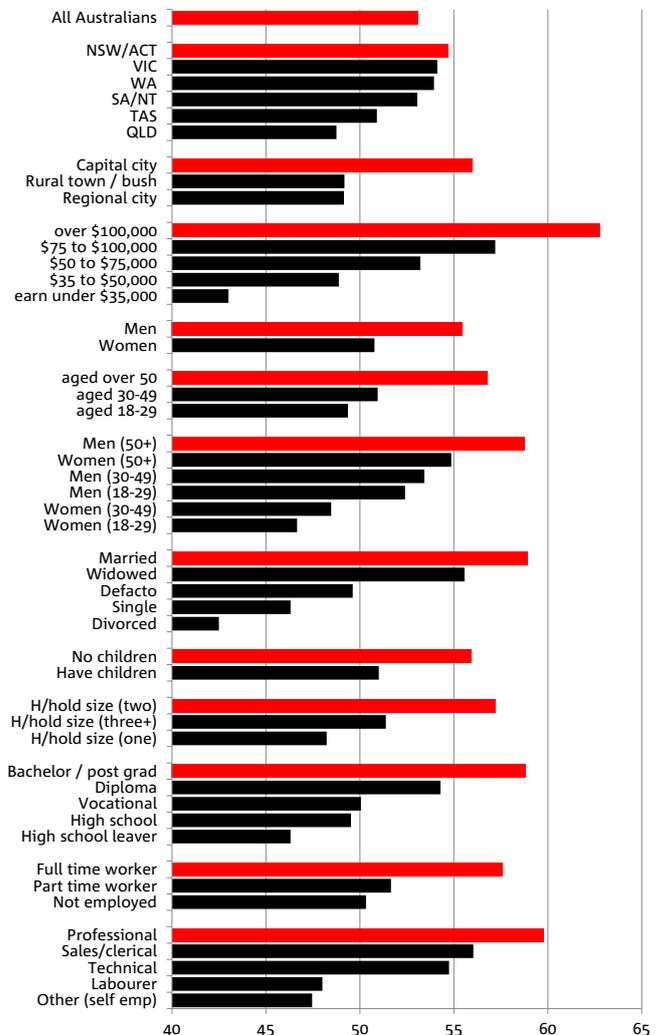
The highest income earners enjoyed greater benefits across all wellbeing drivers (except lack of time) - especially standard of living and physical and mental health. And while their general finances, ability to fund retirement, buying a home and work and school issues contributed positively to their overall wellbeing, these issues detracted from the wellbeing of the lowest income earners.

## OUR FINANCIAL WELLBEING

Financial issues can be an important cause of stress and (as shown above) can detract from our wellbeing. In Q3 2106, Australians were slightly more satisfied with their present financial position. Overall, we scored 53.1 points out of 100 (100 = "completely" satisfied), up from 51.9 points in Q2. However, this also indicates that we are still only "moderately" satisfied. Encouragingly, satisfaction improved in most groups, with women over 50 and those earning between \$35,000-50,000 the most noticeable exceptions.

## WE ARE ONLY MODERATELY SATISFIED WITH OUR PRESENT FINANCIAL POSITION

But our level of satisfaction varies greatly



The level of satisfaction with our present financial position differs greatly by demographic group. By state, NSW/ACT (54.7 points) was the most satisfied and Queensland (48.7) the least. Australians living in capital cities (56.0) were much more satisfied than those in regional towns and in rural areas or the bush

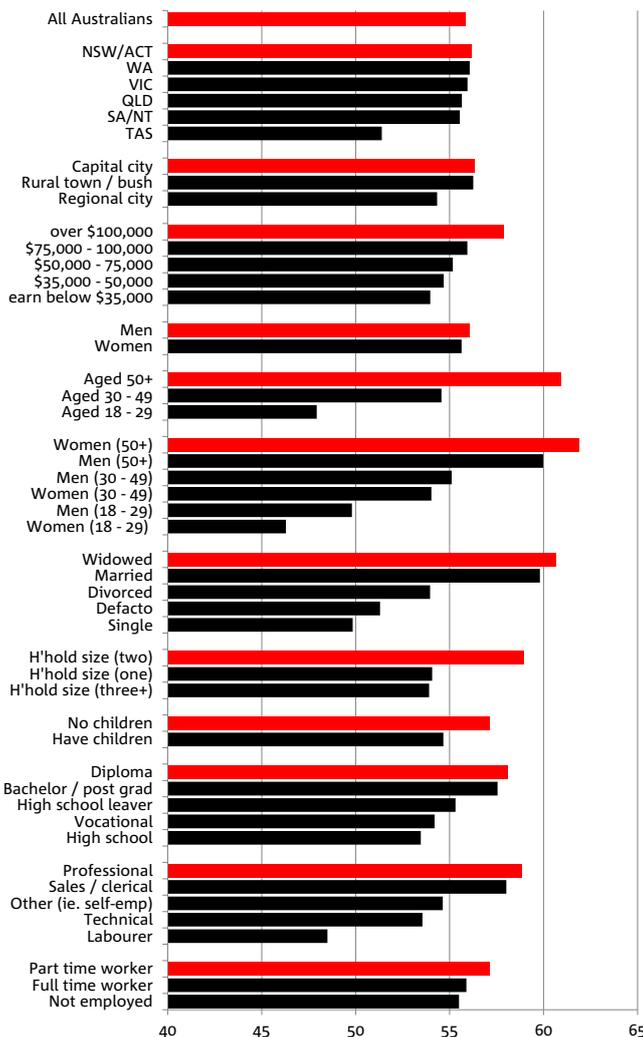
(49.2). Men (55.5) were far more satisfied than women (50.8), especially men over 50 (58.8). Other groups enjoying above average levels of satisfaction included those in professional employment (59.8), married couples (58.9) and full time workers (57.6). There is a very strong link with how much we earn. Those earning \$100,000+ (62.8) are by far the most satisfied across all groups, while the lowest income group (43) are - along with divorced people (42.5) - the least satisfied. Singles (46.3), high school leavers (46.3) and young women (46.7) are also among the least satisfied with their current financial position.

## COMMUNITY CONNECTEDNESS

Community connectedness relates to a person’s sense of belonging within the community and is an important driver of wellbeing. It can enhance their happiness, sense of worth and life satisfaction. Research shows that being connected is also important for our mental wellbeing.

## OUR LEVEL OF CONNECTION IS MODERATE

But it changes a lot, particularly by age



NAB’s latest research shows that we feel only “moderately” connected to our local communities. On average, we scored just 55.8 points out of 100 (100 = “completely connected”) in Q3 2016. This was down from 56.3 points in Q2.

Some groups are more connected than others. Over 50s (61 points) and particularly older women (61.9 points) feel the most connected. This is encouraging as studies show that building and maintaining good connections at any age is important, especially as we get older and connection risks (such as feeling lonely) increase.

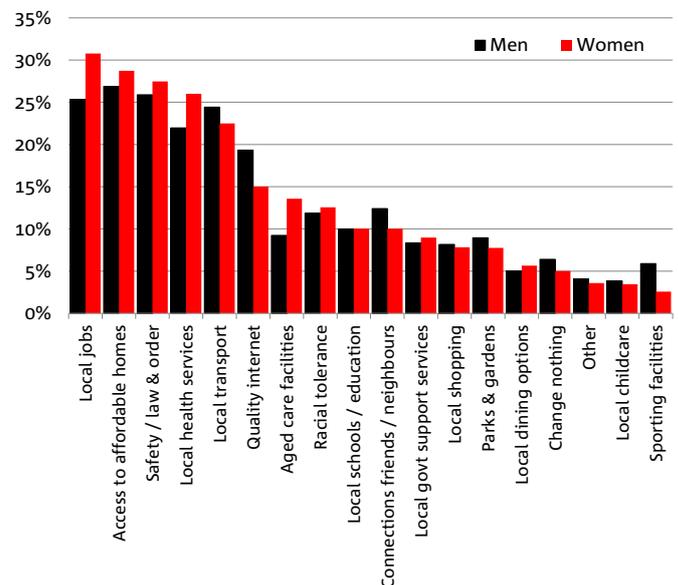
Widows (60.7 points), professionals (58.9 points), households with 2 people (59 points) and high income earners (57.9 points) also enjoy noticeably higher levels of community connectedness. In contrast, community connectedness was lowest for young women (46.3 points), labourers (48.5 points), singles (49.8 points) and young men (49.8 points).

## WHAT WE WOULD CHANGE TO IMPROVE OUR WELLBEING & CONNECTEDNESS

If we could change anything about our local community to improve our wellbeing and community connections, most of us would improve access to quality local jobs and affordable homes. These could also be key reasons why our satisfaction with our present financial position may be weighing more heavily on some of us. Most Australians would also like to improve their personal safety and access to quality local health services and transport.

## WHAT MATTERS MOST

Local jobs, affordable housing and safety are highest on our wellbeing wish list



Although these factors are also ranked equally by women and men, the magnitude of their importance varies. For example, more women (31%) wanted to improve access to and the quality of local jobs than men (25%), whereas more men (24%) wanted to improve local transport than women (22%).

Some other clear differences between women and men included their views on the importance of local health services and aged care facilities (which were much more important for women) and quality internet and sporting facilities (much more important for men).

## ABOUT THE SURVEY

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" - how satisfied are you with your life nowadays; to what extent do you feel the things that you do in your life are worthwhile; how happy did you feel yesterday; and, 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 2,050 respondents participated in the Q3 2016 survey, with weights applied to age, location and gender to ensure that the survey reasonably reflects the Australian population

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