

# NAB AUSTRALIAN WELLBEING REPORT Q2 2018



Australian wellbeing rebounded in the June quarter (and in nearly all demographic groups) after falling to a survey low. Overall our happiness, life worth and satisfaction improved, but we're more anxious. Lack of time, events, substance use/abuse, retirement funding and buying, selling or finding a home remain the key detractors of wellbeing. When compared to the UK, wellbeing in Australia appears to be much lower and across all aspects, particularly anxiety. And, while wellbeing in the UK has been steadily improving in recent years, there's been little change in Australia.

## WELLBEING TRENDS

### How is Australia's wellbeing tracking?

Overall wellbeing bounced in Q2 after falling to a survey low in Q1. The NAB Wellbeing Index rose 2.6 points to 65.3 in Q2 but was unchanged from the same period last year.

### What is driving this change?

Our sense of happiness, life worth and satisfaction improved, but we were more anxious.

### In which groups did wellbeing improve most?

Wellbeing improved in nearly all demographic groups. Labourers, those living in TAS, widows and single person households reported the biggest improvements.

### And for whom did it fall most?

Wellbeing fell in only 2 demographic groups - self-employed workers and among those earning \$75-100,000 p.a.

### Who reported the highest wellbeing?

Widows, men over 50, those who live in TAS, earn over \$100,000 p.a., live in and own their house and women over the age of 50.

### Who had the lowest wellbeing?

By far the lowest for single people and women aged 18-29. Other low wellbeing groups included people who rent an apartment to live in, self-employed workers and those who rent a house to live in.

### What are the main positive influences on wellbeing?

Our homes, family and personal relationships, personal safety and standard of living.

### What is detracting most from wellbeing?

Lack of time, events, substance use/abuse, retirement funding and buying, selling or finding a home.

### How do Australians use and value their time?

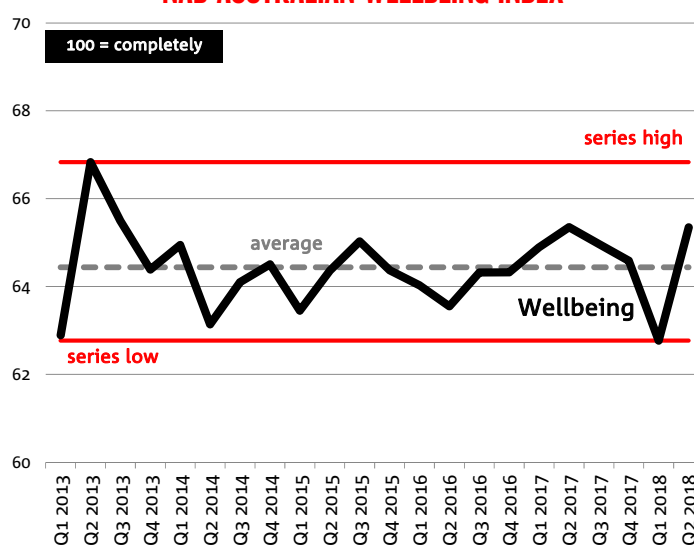
In a separate Special Insights Report (Time: How We Use it and How We Value It - August 2018), we take a closer look at time. While we all value our time, those under the most time pressure would pay a lot more to have more time for themselves. Some of us are finding time by outsourcing common household tasks, but this of course comes at a cost.

### How does Australia's wellbeing compare to the UK?

NAB's Wellbeing Index is based responses to 4 questions developed by the UK Office of National Statistics. Given this alignment in approach, it's possible to compare how the two countries have been tracking against each another. This comparison clearly shows that people in the UK rate their personal wellbeing much higher than Australians, and across all aspects of wellbeing, particularly in regards to anxiety. It also shows that while wellbeing has been steadily improving in the UK, there's been little progress in Australia.

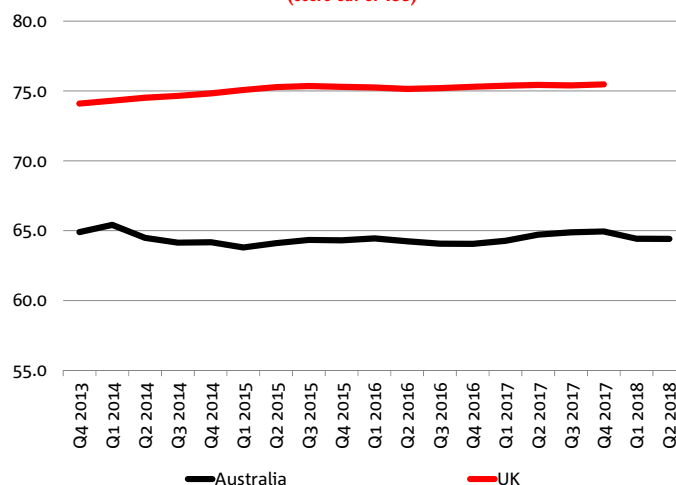
*Australian wellbeing bounced sharply in Q2 2018, with higher wellbeing reported across all key measures except anxiety...*

## NAB AUSTRALIAN WELLBEING INDEX



*UK residents rate their personal wellbeing much higher than do Australians\**

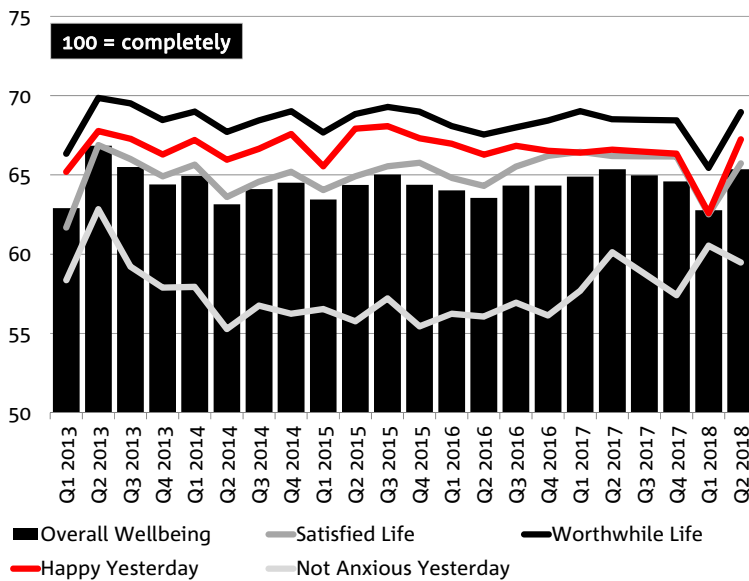
## OVERALL WELLBEING (score out of 100)



*\*The NAB Wellbeing Index has been smoothed (rolling 4-quarter average) to line up with UK results.*

# MAIN REPORT

## NAB AUSTRALIAN WELLBEING INDEX



The NAB Australian Wellbeing Index rose to 65.3 points in Q2 2018. This was up from a survey low 62.8 points in Q1 2018 and now sits well above its long-term average level (64.4 points).

Higher wellbeing was driven by higher levels of happiness (up 4.6 points to 67.2), life worth (up 3.5 points to 69.0 points) and life satisfaction (up 3.2 points to 65.7 points).

This was however partly offset by higher anxiety, with Australians scoring “not anxious yesterday” just 59.5 points in Q2 2018 (60.5 points in Q1).

Wellbeing improved in most key groups in Q2 2018 - it was higher in 52 of 54 monitored categories.

It improved most for labourers (+12.1 points), in TAS (+8.0), for widows (+7.2), single households (+7.0), men aged 18-29 (+5.1), those not employed (+4.6) or living in rural towns or the bush (+4.4). Wellbeing fell in only 2 groups - self-employed workers (-4.2) and earning \$75-100,000 p.a. (-2.1).

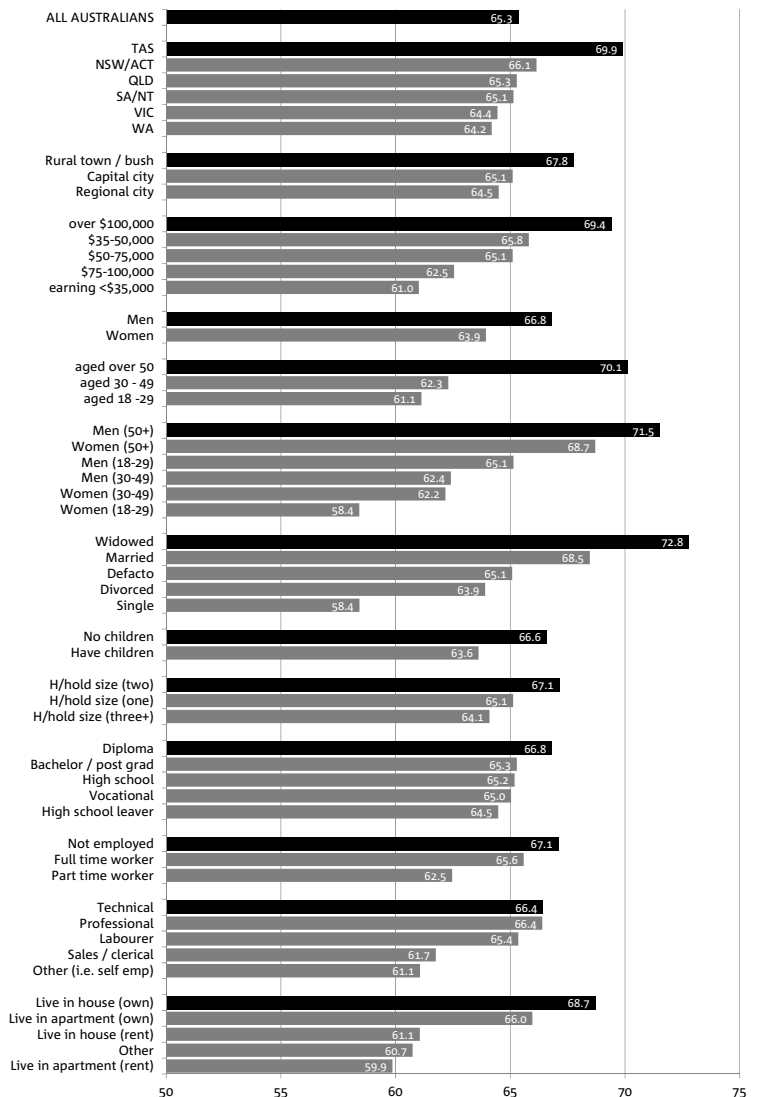
Overall wellbeing in Q2 2018 was highest for widows (72.8), men over 50 (71.5), in TAS (69.9), for those earning over \$100,000 p.a. (69.4), who live in and own their house (68.7) and live in rural towns or the bush (67.8).

Women aged 18-29 (58.4) and those living in single person households (58.4) had the lowest wellbeing. Other low wellbeing groups included those who rent an apartment to live in (59.9), have ‘other’ living arrangements (60.7), earn less than \$35,000 p.a. (61.0), rent a house to live in (61.1) or are self-employed (61.1).

Among some other key findings, by state wellbeing was highest in TAS (69.9) by some margin and lowest in WA (64.2) and VIC (64.4). By region, rural towns and the bush (67.8), with regional cities (64.5) replacing capital cities (65.1) for the lowest wellbeing.

The gap between men (66.8) and women (63.9) widened. Women reported smaller improvements in all age groups, underpinned by heightened levels of anxiety, particularly among women over 50.

## NAB AUSTRALIAN WELLBEING INDEX - ALL CATEGORIES (100 = completely)



# FACTORS THAT IMPACT OUR WELLBEING

For the average Australian, the home they live in (net 46%), family and personal relationships (42%), their personal safety (40%) and standard of living (35%) contributed the most to their overall sense of personal wellbeing in Q2 2018.

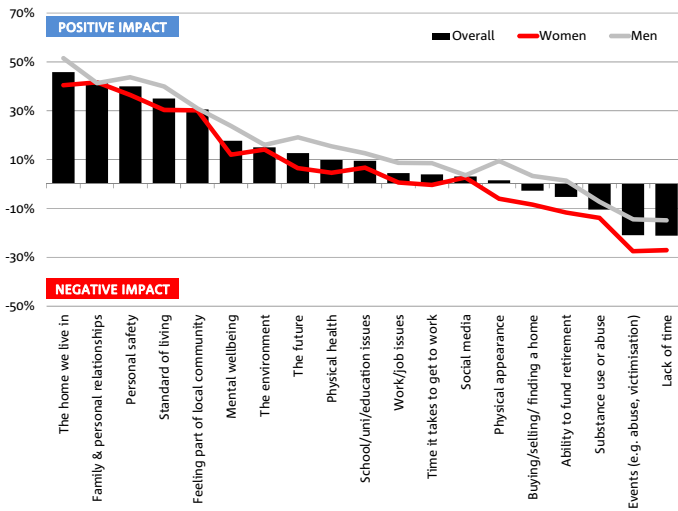
The key detractors from their wellbeing were a lack of time (net -21%), events like abuse, victimisation (-21%), substance use and abuse (-10%), the ability to fund their retirement (-5%) and buying, selling and finding a home (-3%).

By gender, almost all key drivers of wellbeing impacted men more positively (or less negatively) than women in Q2 2018, except when it came to family and personal relationships, feeling part of their local community, the environment and social media, where the impact was broadly the same.

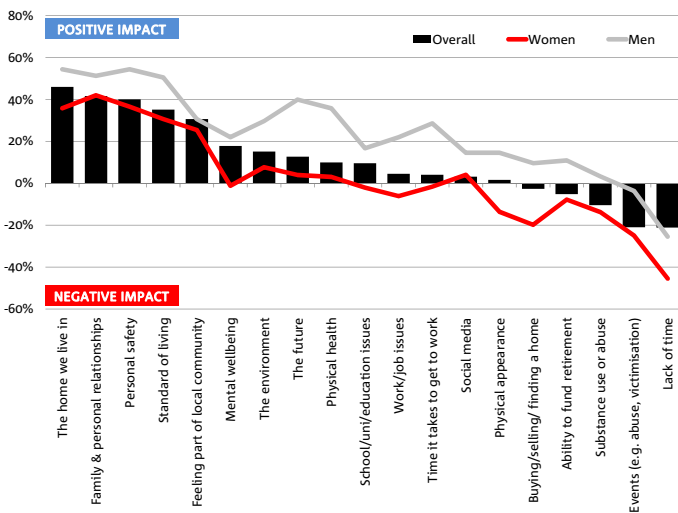
Some drivers contributed positively to the wellbeing of men, but detracted from the wellbeing of women - most notably physical appearance and buying, selling or finding a home.

Lack of time and events were the biggest detractors of wellbeing for both women and men. However, the negative impact was significantly greater for women than for men.

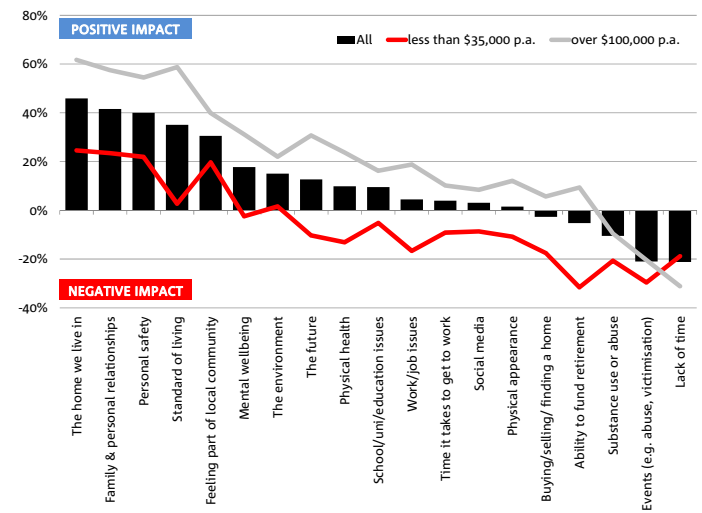
WELLBEING DRIVERS - BY GENDER



WELLBEING DRIVERS - 18-29 YEAR OLDS



WELLBEING DRIVERS - LOW VS. HIGH INCOME

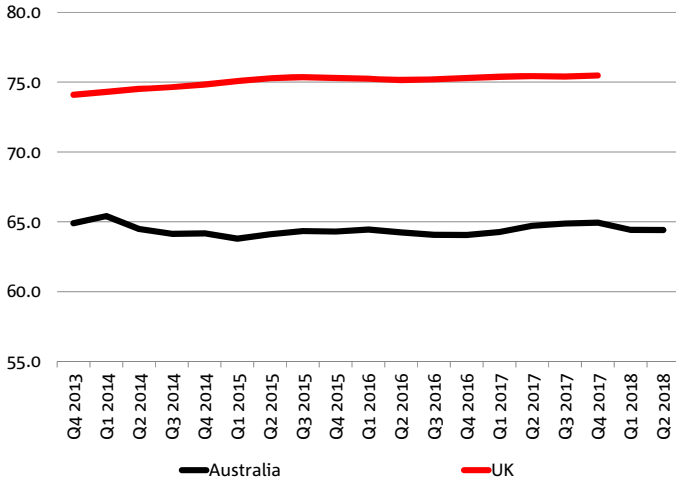


The opinions of men and women differed most among 18-29 year olds. A lot more young men derived wellbeing benefits across all key drivers, particularly when it came to the future, physical health, time it takes to get to work, finding a home, physical appearance and work and job issues. And while lack of time was by far the biggest detractor of wellbeing for both genders, it impacted significantly more young women (-45%) than men (-26%).

There are also some very big differences between low and high income earners. Significantly more high income earners enjoyed higher wellbeing benefits (or were less negatively affected) across almost all wellbeing drivers, particularly when it came to standard of living, the future and ability to fund retirement. Lack of time was the exception and it had a far bigger negative impact on the wellbeing of high income earners (-31%) than it did for low income earners (-19%).

# AUSTRALIA'S WELLBEING: HOW WE COMPARE TO THE UK

## OVERALL WELLBEING (score out of 100)

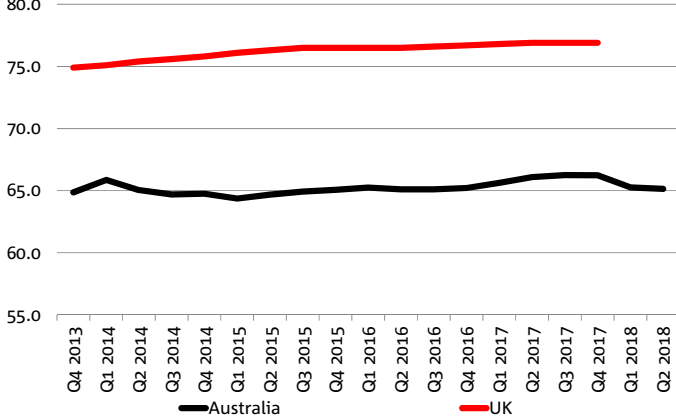


NAB's Australian Wellbeing Index has been running since early 2013. It is based on a representative sample of people and their responses to four questions developed by the UK Office of National Statistics (2011). Given this alignment in approach, we thought it was time to compare how the two countries have been tracking against each another.

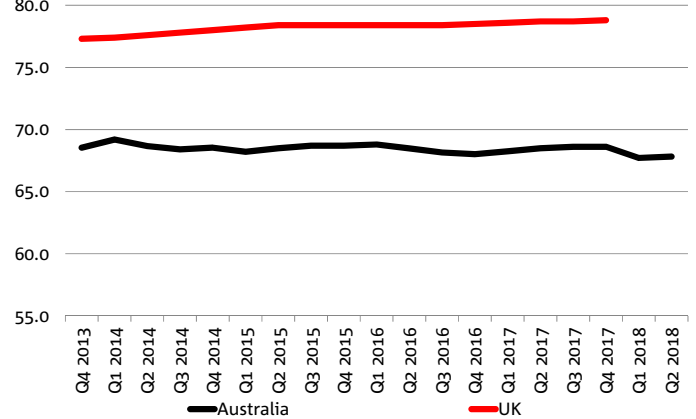
As UK results are reported through the year to the end of each quarter (e.g. latest UK survey for 12 months from Jan 17 to Dec 17), we have smoothed our quarterly historical data (rolling 4-quarter average) to line up with UK results. As UK results are based on a score of 10, we multiplied the results to line up with NAB's (out of 100).

The comparison clearly shows that people in the UK rate their personal wellbeing much higher than Australians, and across all aspects of wellbeing, particularly in regards to anxiety. Australians are closest when it comes to happiness, but still lagging by some margin. It also shows overall wellbeing has been steadily improving in the UK and across all aspects of the wellbeing. But there has been little progress in Australia, with wellbeing largely unchanged since late-2013.

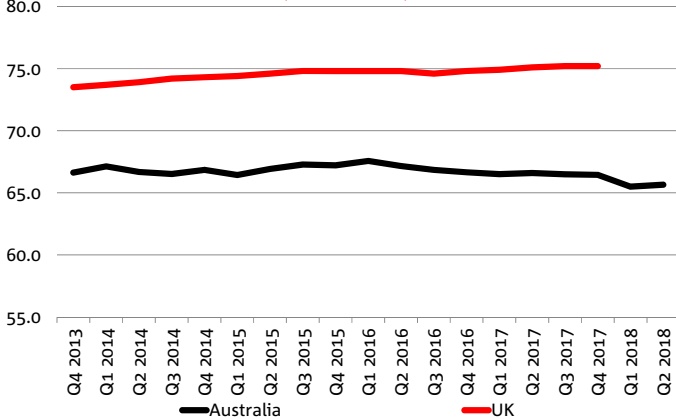
## WELLBEING: SATISFIED LIFE (score out of 100)



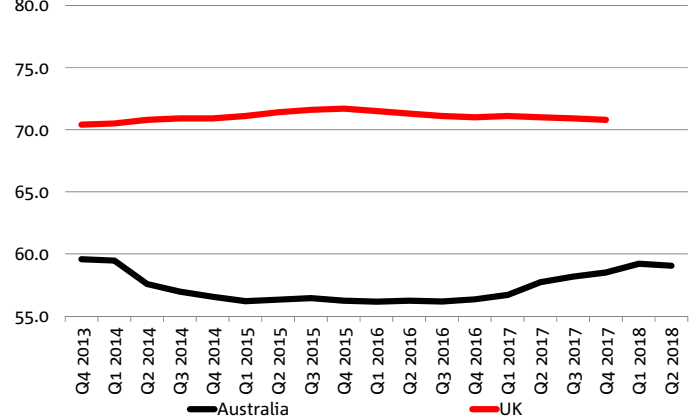
## WELLBEING: WORTHWHILE LIFE (score out of 100)



## WELLBEING: HAPPY YESTERDAY (score out of 100)



## WELLBEING: NOT ANXIOUS YESTERDAY (score out of 100)



## 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'.

Over 2,000 Australians participated in the Q2 2018 survey, with weights applied to age, location and gender to ensure that the survey reasonably reflects the Australian population.

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