

# NAB AUSTRALIAN WELLBEING SURVEY Q4 2019

## How Australians think and feel about their emotional and financial wellbeing



*NAB Behavioural & Industry Economics*

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**Wellbeing in Australia declined in the final months of 2019, after rising throughout the first 3 quarters of last year. Overall wellbeing was again rated highest by Australians over the age of 65 - the only age group to report higher wellbeing. New NAB research suggests nearly 1 in 4 Australians also experienced quite high feelings of loneliness. By age, young Australians were the most lonely and older people the least, with the highest concentration of lonely people among the unemployed. Financial anxiety also climbed as the gap between men and women widened. Not having enough to finance retirement remains the top cause of financial anxiety for Australians. Around 4 in 10 people experienced some form of financial stress or hardship over the past 3 months - the highest number reported since Q4 2016. By gender, the number of women experiencing hardship jumped noticeably.**

The NAB Australian Wellbeing Index fell 1.7 points over the quarter to a below average 64.3, but was broadly on par with the same time last year (64.2). Wellbeing fell across all measures of the Index, led by a lower sense of life satisfaction, life worth and happiness. Australians were however only slightly more anxious, but anxiety continues to detract most from our overall sense of wellbeing.

The over 65s enjoyed higher wellbeing for all components of the Index, and were much less anxious than any other age group. Widows also reported very high wellbeing. On the flipside, Australians who rated their wellbeing lowest typically lived in a rented house or had 'other' living arrangements, were single, or aged 18-19 (both men and women). Young people also reported much higher levels of anxiety than any other age group.

Our pets contributed positively to wellbeing for the highest number of Australians in Q4. Personal safety and our homes shared second spot, while the positive impact from family & personal relationships slipped to fourth place (second in Q3). On the negative side, other debts replaced events (such as abuse or victimisation) as the biggest detractor from personal wellbeing in Q4. Mortgages were also significant.

Around 4 in 10 Australians also experienced some form of financial stress or hardship in the past 3 months. The number of women experiencing hardship jumped noticeably (42%), but was broadly unchanged for men (38%). By age, it impacted an equal survey high 57% of 18-29 year olds, but was broadly unchanged in other age groups. Over 1 in 2 people in the lowest income group also experienced some hardship (or almost twice as many than in the highest income group). For those that experienced hardship, not having enough money for an emergency and being unable to pay a bill were the main causes.

Loneliness can affect anyone, and numerous studies show it can have a negative impact on wellbeing - both mental and physical. In this report, NAB asked Australians to self-rate how lonely they felt. Encouragingly, the average Australian reported quite 'low' levels of loneliness in Q4, scoring just 35.5 points out of a possible 100 (where 100 = 'completely' lonely). But a large number reported quite high feelings of loneliness - 1 in 10 (10%) rated their loneliness 'high' (90 plus points) and a further 13% 'medium' (70-89 points).

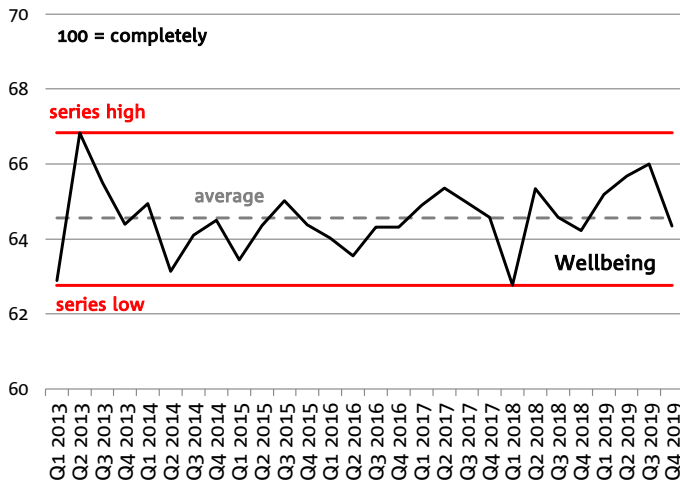
For many reasons (such as loss of partner or mobility), older people are often thought of as being more solitary and lonely. But NAB's survey suggests the inverse is true. Young people aged 18-29 indicated they were loneliest (46.5 points), and loneliness falls as we grow older with the over 65s the least lonely (22.8 points). It is also very significant that over 3 in 10 young people rated their loneliness 'medium' or 'high', more than double the number in the 65+ age group.

Men and women reported similar levels of loneliness. But when looked at by gender and age, men aged 18-29 were the loneliest, and more so than 18-29 year old women. Middle-aged men were also lonelier than similarly aged women. However, this pattern changes in older groups, with women rating loneliness higher than men in the 50-64 and over 65 age groups.

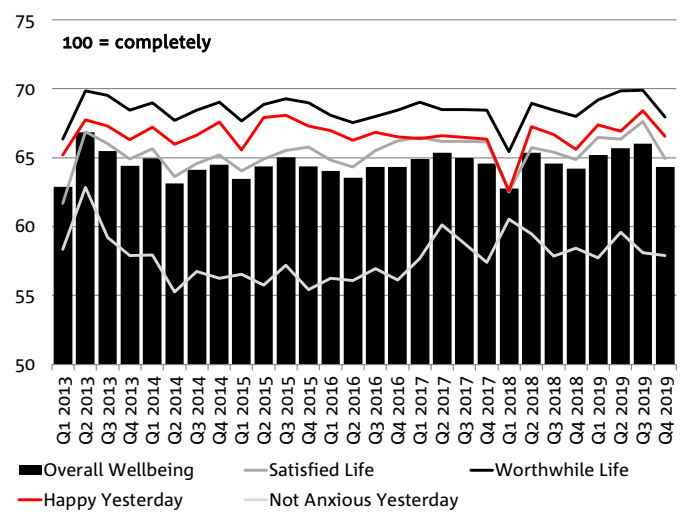
The highest concentration of lonely people was found among the unemployed, with almost 4 in 10 indicating 'medium' or 'high' levels of loneliness. More unemployed people (around 16%) also said felt 'high' levels of loneliness than any other demographic.

# PART 1: OUR PERSONAL WELLBEING

### NAB AUSTRALIAN WELLBEING INDEX



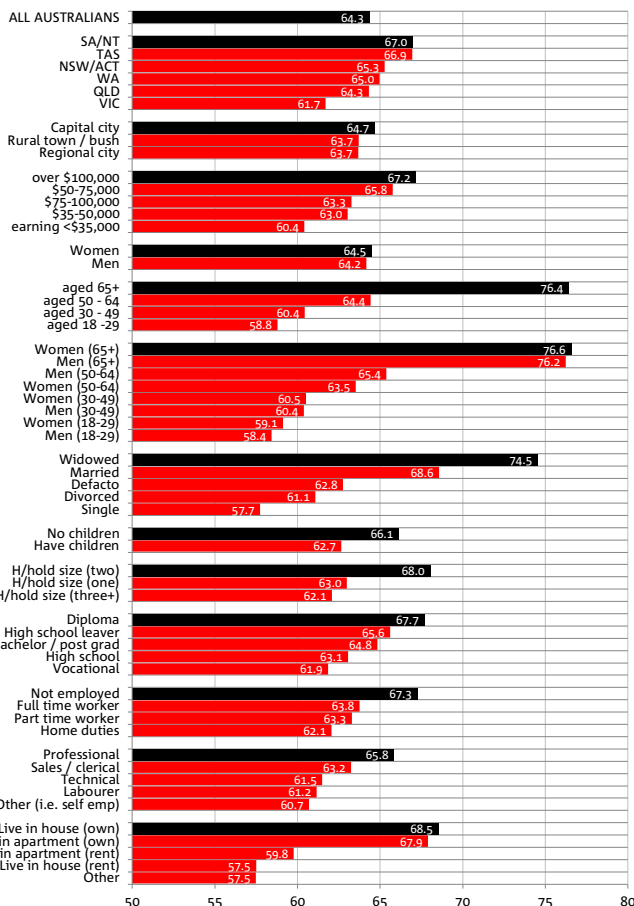
### NAB AUSTRALIAN WELLBEING INDEX



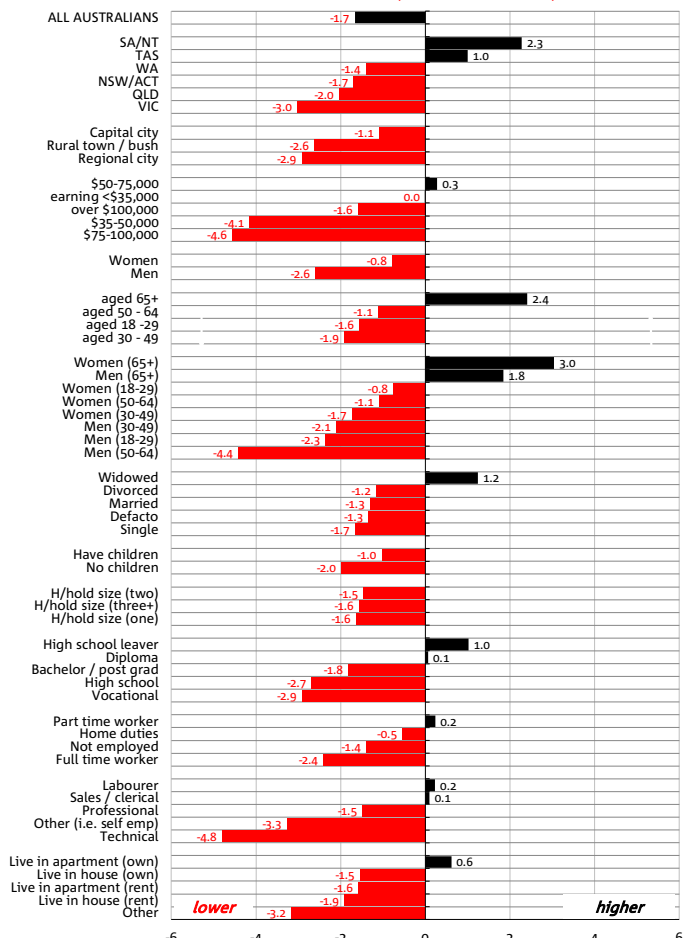
The NAB Australian Wellbeing Index (a broad measure of personal wellbeing based on life satisfaction, life worth, happiness and anxiety) declined in the final quarter of 2019, after rising consistently through the first 3 quarters of the year. Overall, the index fell 1.7 points over the quarter to a below average 64.3, but was broadly on par with the same time last year (64.2). Wellbeing fell across all measures of the Index, led by a lower sense of life satisfaction (down 2.7 points to 64.9), life worth (down 1.9 points to 68.0) and happiness (down 1.9 points to 66.6). We were however only slightly more anxious (down 0.2 points to 57.9), but our anxiety levels continue to detract most from our overall sense of wellbeing.

Wellbeing varied widely in our 58 monitored demographic groups. The chart below on the left ranks overall wellbeing from highest to lowest in each demographic group, and the chart on the right shows how wellbeing in each group has changed over the quarter. Clearly, very few groups reported higher wellbeing during the quarter.

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



### AUSTRALIAN WELLBEING INDEX (QUARTERLY CHANGE)



Overall wellbeing in Q4 was again rated highest by Australians over the age of 65 (up 2.4 points to 76.4) - both men women (up 3.0 points to 76.6) and men (up 1.8 points to 76.2). The over 65s were also the only age group to report higher levels of wellbeing during the quarter. Over 65s enjoyed much higher wellbeing across all components of the Wellbeing Index, and were significantly less anxious than any other age group. Widows (up 1.2 points to 74.5) also reported very high wellbeing.

On the flipside, Australians who rated their wellbeing the lowest typically lived in a rented house or had 'other' living arrangements (57.5), were single (57.7), or aged 18-19 (58.8) - both men (58.4) and women (59.1). Young people also reported much higher levels of anxiety than any other age group.

By state, wellbeing was highest in SA/NT (67.0) and TAS (66.9), with both states reporting much lower levels of anxiety. Wellbeing was lowest and fell most in VIC (down 3.0 points to 61.7), with Australians living in this state reporting notably lower life satisfaction, happiness and life worth over the quarter - see Appendix 1 for individual state charts.

Wellbeing varied little by region. It was marginally higher in capital cities (64.7) than in regional cities (63.7) and rural towns (63.7). Australians reported lower wellbeing for all index measures in all regions except in the city, where anxiety levels fell. In contrast, anxiety levels were noticeably higher in rural towns.

By gender, women (64.5) reported slightly higher levels of wellbeing than men (64.2). But while women were somewhat more satisfied with their lives and had a higher sense of self-worth, men were noticeably less anxious.

We continue to see a significant gap in wellbeing between for Australians in the lowest income group (less than \$35,000 p.a.) and in the highest income group (over \$100,000 p.a.). But the wellbeing gap between the highest and lowest income band narrowed to 6.7 points in Q4, from 8.4 points in the previous survey.

Australians who lived in a 2-person household (68.0) had much higher wellbeing by household size and professional workers (65.8) by employment type. People with no children (66.1), had a diploma (67.7), were not employed (67.3) or lived in and owned their house (68.5) or apartment (67.9) led the way in other key groups.

## WHAT ARE THE KEY DRIVERS OF OUR OVERALL WELLBEING?

The chart on the left looks at key factors that add or detract from our sense of personal wellbeing. It counts the number of people who said the issue added to their wellbeing and subtracts those who said it detracted from their wellbeing (i.e. net balance). A positive result indicates that more people said it contributed positively, while a negative result indicates more people said it detracted from their wellbeing.

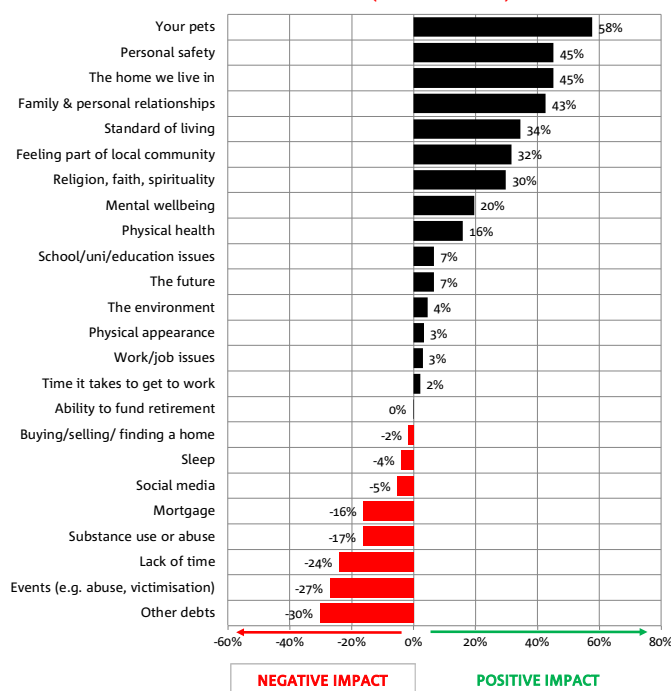
NAB research again showed pets (+58%) contributed positively to the wellbeing of most Australians in Q4 (60% in Q3). Personal safety (+45%) and our homes shared second spot (+45%), while the positive impact from family and personal relations slipped to fourth with +43% (from +53% and second place in Q3).

Other things that contributed positively for many was their standard of living (+34% vs. 42% in Q3), feeling part their local community (+32% vs. +37% in Q3) and religion, faith or spirituality (+30% vs. +40% in Q3).

Other debts (-30% vs. -24% in Q3) replaced events such as abuse or victimisation (-27% vs. -25% in Q3) as the biggest detractor from our personal wellbeing in Q4. Other factors that detracted to the wellbeing of a significant number of Australians included lack of time (-24% vs. -18% in Q3), substance use or abuse (-17% vs. -16% in Q3) and mortgages (-16% vs. -13%). Each of these had a negative impact for more people in net terms than in the previous quarter.

The table below shows the impact of these wellbeing drivers in key demographic groups.

**WELLBEING DRIVERS (NET BALANCE)**



## WELLBEING DRIVERS IN KEY GROUPS

	Overall	Women	Men	18-29	30-49	50-64	65+	Lowest income group	Highest income group
Your pets	58%	62%	52%	55%	57%	64%	55%	54%	65%
Personal safety	45%	47%	44%	41%	42%	41%	59%	30%	54%
The home we live in	45%	44%	47%	38%	35%	44%	71%	27%	53%
Family & personal relationships	43%	45%	40%	39%	36%	39%	63%	26%	49%
Standard of living	34%	34%	35%	33%	27%	25%	58%	4%	53%
Feeling part of local community	32%	34%	29%	20%	26%	31%	54%	22%	37%
Religion, faith, spirituality	30%	35%	24%	24%	27%	30%	40%	25%	30%
Mental wellbeing	20%	14%	25%	4%	12%	13%	54%	5%	27%
Physical health	16%	12%	20%	18%	13%	7%	28%	-1%	28%
School/uni/education issues	7%	5%	8%	5%	9%	6%	3%	-2%	17%
The future	7%	6%	8%	2%	3%	3%	22%	-9%	20%
The environment	4%	5%	4%	11%	0%	-1%	12%	-5%	3%
Physical appearance	3%	-4%	11%	1%	-5%	-3%	27%	-5%	7%
Work/job issues	3%	-4%	10%	-1%	2%	6%	7%	-13%	14%
Time it takes to get to work	2%	0%	4%	1%	5%	3%	-4%	-6%	7%
Ability to fund retirement	0%	-6%	6%	-6%	-7%	-10%	26%	-18%	12%
Buying/selling/ finding a home	-2%	-7%	4%	5%	-2%	-6%	-5%	-16%	8%
Sleep	-4%	-8%	0%	-3%	-14%	-6%	14%	-9%	-8%
Social media	-5%	-5%	-5%	-4%	-6%	-9%	-2%	-7%	0%
Mortgage	-16%	-22%	-10%	-7%	-19%	-19%	-18%	-19%	-14%
Substance use or abuse	-17%	-22%	-11%	-7%	-15%	-19%	-28%	-24%	-12%
Lack of time	-24%	-32%	-16%	-34%	-33%	-21%	2%	-20%	-32%
Events (e.g. abuse, victimisation)	-27%	-32%	-22%	-25%	-27%	-31%	-26%	-31%	-22%
Other debts	-30%	-38%	-23%	-30%	-35%	-28%	-21%	-36%	-30%

## PART 2 - FINANCIAL ANXIETY

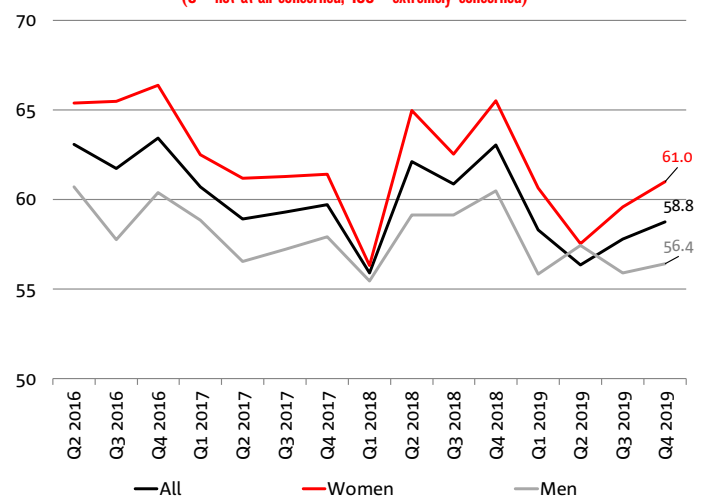
Anxiety is the biggest detractor from overall wellbeing, and concerns over debts, mortgages and ability to fund retirement are among its key triggers - and they detracted from the wellbeing of more people in Q4.

Against this background, NAB's Financial Anxiety Index - based on the level of concern over future spending and savings plans arising from their current financial position - continued to climb. In Q4, the index lifted to 58.8 points, from 57.8 in Q3, but was down from 63.0 at the same time last year.

The gap in financial anxiety between men and women continued to widen. Financial anxiety for women increased to 61.0 (59.6 in Q3), but rose less sharply for men to 56.4 (55.9 in Q3). As a result, the financial anxiety gap between women and men widened to 4.6 points from 3.7 in the previous quarter, and is currently at its highest level since the start of the year.

See table below for financial anxiety levels in key demographic groups.

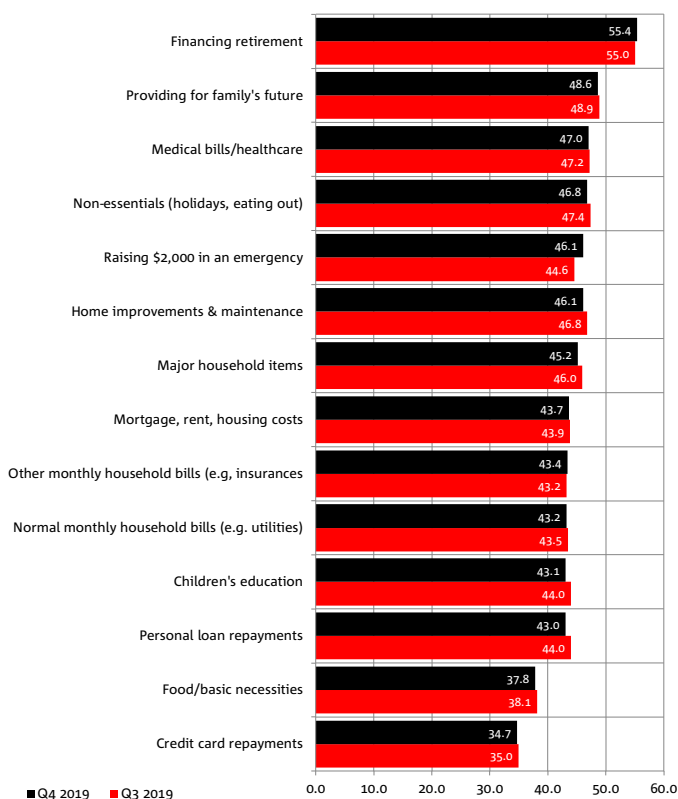
**FINANCIAL ANXIETY: GENDER**  
(0 = not at all concerned; 100 = extremely concerned)



## FINANCIAL ANXIETY IN KEY GROUPS

	Overall	Women	Men	18-29	30-49	50-64	65+	Lowest income group	Highest income group
Q2 2019	56.3	57.5	57.4	61.2	62.0	55.9	44.9	62.1	51.4
Q3 2019	57.8	59.6	55.9	60.8	62.3	62.0	49.4	65.5	54.4
Q4 2019	58.8	61.0	56.4	61.5	64.1	58.7	47.0	67.2	51.9

**KEY DRIVERS OF FINANCIAL ANXIETY**  
(0 = not at all concerned; 100 = extremely concerned)



In Q4, the main driver of financial anxiety increase in was financing our retirement. Not having enough to finance retirement was not only the biggest concern, for all Australians, but their level of concern also increased slightly to 55.4 points out of 100 (55.0 in Q3). A score of 100 signal 'extreme' concern.

Other key drivers included being unable to provide for their family's future (48.6 vs. 48.9 in Q3), not being able to meet the costs of their medical bills and healthcare (47.0 vs. 47.2 in Q3) and not having enough money for non-essentials such as holidays or eating out (46.8 vs. 47.4 in Q3)

The next biggest driver of financial anxiety was the ability to raise \$2,000 if an emergency arose (46.1 vs. 44.6 in Q3). This was only one of only 3 areas (along with ability to fund retirement and other monthly household expenses) where the level of concern increased over the quarter.

Australians continue to be least worried about being unable to meet their minimum credit card repayments (34.7 vs. 35.0 in Q3) or having enough money for food and necessities (37.8 vs. 38.1 in Q3).

See table below for key drivers of financial anxiety in key demographic groups.

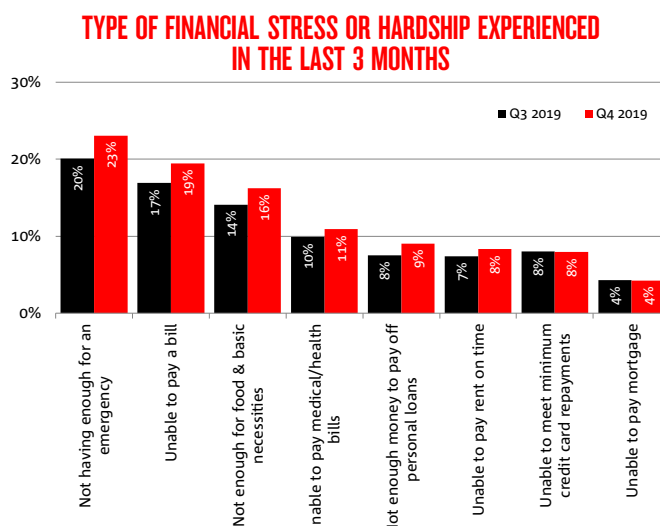
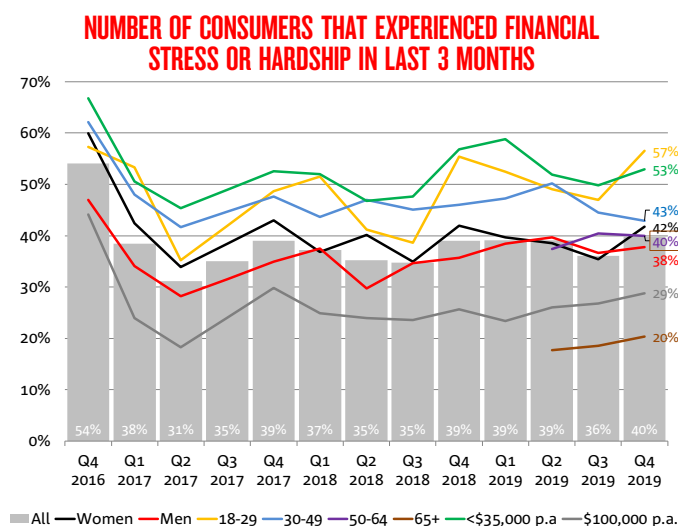
**KEY DRIVERS OF FINANCIAL ANXIETY BY GENDER & AGE**

	All	Women 18-29	Women 30-49	Women 50-64	Women 65+	Men 18-29	Men 30-49	Men 50-64	Men 65+
Financing retirement	55.4	55.8	63.6	62.4	42.6	54.7	62.4	55.0	33.2
Providing for family's future	48.6	57.1	56.2	47.1	27.7	55.9	55.8	44.0	22.9
Medical bills/healthcare	47.0	55.0	54.2	52.3	37.4	49.6	51.1	42.1	24.2
Non-essentials (holidays, eating out)	46.8	55.6	54.8	48.6	35.0	50.3	52.9	39.0	25.6
Raising \$2,000 in an emergency	46.1	57.3	56.5	47.0	32.8	54.1	52.0	36.7	19.0
Home improvements & maintenance	46.1	50.1	54.8	48.8	36.8	50.2	52.9	39.4	23.0
Major household items	45.2	50.1	53.0	46.7	35.4	48.9	51.8	39.9	23.2
Mortgage, rent, housing costs	43.7	50.0	48.7	42.5	31.2	50.9	50.6	33.3	16.4
Oth. month. hhold bills (eg insurances)	43.4	51.4	51.1	44.2	33.0	51.8	48.4	36.9	19.8
Normal month hhold bills (eg utilities)	43.2	49.9	51.2	44.1	32.6	53.2	48.7	35.8	18.9
Children's education	43.1	50.7	48.5	33.7	10.5	52.7	49.4	27.0	12.5
Personal loan repayments	43.0	49.1	47.4	38.7	23.4	52.5	50.0	33.5	19.6
Food/necessities	37.8	44.9	44.4	37.2	27.3	48.7	43.2	31.1	15.8
Credit card repayments	34.7	38.3	40.2	33.2	23.2	49.7	41.7	26.5	13.4

**PART 3 - HOUSEHOLD FINANCIAL HARDSHIP**

The number of Australians who experienced some form of financial stress or hardship in the past 3 months increased to 40% in Q4 (36% in Q3), meaning 4 in 10 Australians experienced some form stress. This was the highest number reported since Q4 2016. By gender, the number of women experiencing hardship jumped noticeably to 42% (35% in Q3), but was broadly unchanged for men (38% vs. 37% in Q3).

By age, the number of 18-29 year olds who felt hardship rose to an equal survey high 57% (47% in Q3) but was broadly unchanged in all other age groups. By income, the number of people in the lowest group that experienced financial stress or hardship rose to 53% (50% in Q3) and remains almost twice as high as the number of people impacted in the highest income group (29% vs. 27% in Q3) - see chart below.



Not having enough money for an emergency was again the most frequently cited cause of financial stress or hardship, and the overall number of people who were impacted by this rose to 23% (20% in Q3). However, this was a bigger problem for young people. Noticeably more people in the lowest income band (29%) were also impacted by not having enough for an emergency than in the highest income group (20%) - see table below.

Being unable to pay a bill was the next biggest cause of hardship, affecting 19% of all Australians (17% in Q3), but around 3 in 10 women under the age of 49 and Australians in the lowest income group. Not having enough for food and basic necessities impacted 16% of people overall (14% in Q3), but 30% of women aged 18-29 and 29% of people in the lowest income group.

In other key findings, noticeably more young men (22%) were not able to pay rent on time than any other age group, and more people in the highest income group (10%) were not able to meet their credit card repayments.

## TYPE OF FINANCIAL STRESS OR HARDSHIP EXPERIENCED IN LAST 3 MTHS: GENDER, AGE & INCOME

	All	Women 18-29	Women 30-49	Women 50-64	Women 65+	Men 18-29	Men 30-49	Men 50-64	Men 65+	Low income group	High income group
Enough for emergency	23%	32%	32%	26%	9%	29%	27%	18%	6%	29%	20%
Unable to pay a bill	19%	32%	28%	20%	7%	24%	23%	11%	5%	27%	13%
Enough for food/ess.	16%	30%	22%	16%	5%	25%	17%	11%	3%	29%	10%
Pay medical bills	11%	16%	17%	12%	4%	15%	11%	7%	2%	15%	8%
Repay personal loan	9%	17%	12%	7%	1%	14%	12%	5%	3%	12%	7%
Pay rent on time	8%	13%	10%	4%	1%	22%	12%	4%	0%	11%	6%
Credit card payment	8%	7%	13%	6%	1%	12%	12%	5%	2%	7%	10%
Pay mortgage	4%	3%	6%	5%	1%	10%	5%	3%	0%	4%	5%

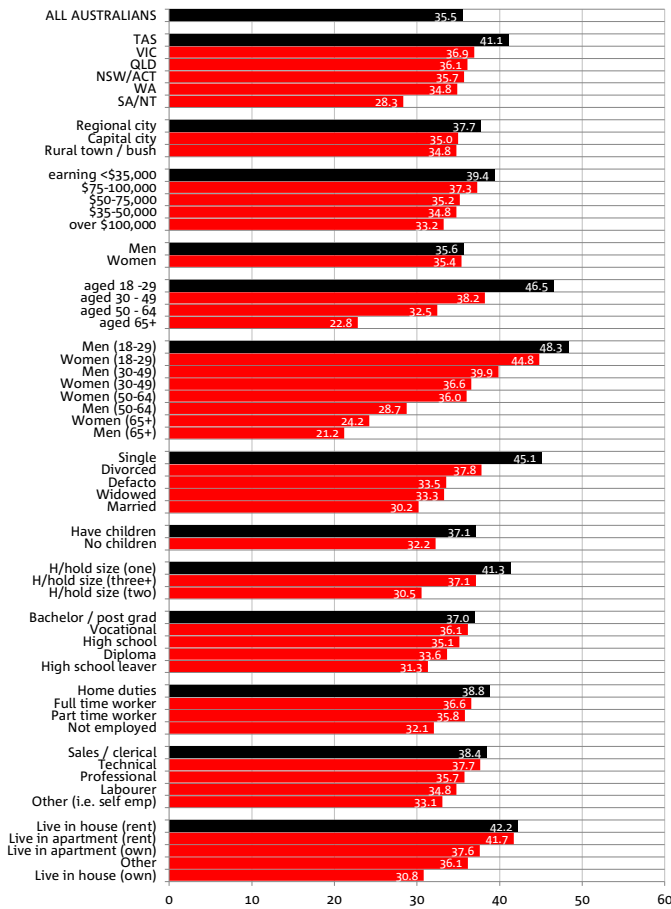
## PART 4 - LONELINESS

Human beings are social creatures and naturally seek the companionship of others as part of their wellbeing. Feeling like we're part of a group and having people we can really talk to is important for our wellbeing. NAB's wellbeing research for example also finds family & personal relationship and feeling part of our local community consistently rate among the main positive contributors to our sense of personal wellbeing.

Many studies have shown loneliness can also have an adverse impact on wellbeing. The 2018 Australian Loneliness Report produced by the APS and Swinburne University found Australians reporting higher levels of loneliness were also found to have significantly poorer mental and physical health than less lonely Australians.

In this report, NAB asked people how lonely they felt. On average, they scored just 35.5 points out of 100 (where 100 = 'completely' lonely). But around 1 in 10 rated their loneliness 'high' (90 points or higher) and a further 13% 'medium' (70-89 points). This suggests nearly 1 in 4 Australians experienced quite high feelings of loneliness.

**HOW LONELY DO WE FEEL?**  
(100 = completely)



**Who are the loneliest people?**

For many reasons (such as loss of partner or mobility), older people are often thought of as being more solitary and lonely, but NAB’s survey findings suggest the inverse is true.

Young people aged 18-29 indicated they were loneliest (scoring 46.5 points). And loneliness falls progressively in each age group, with the over 65s the least lonely (22.8 points). Moreover, over 3 in 10 (31%) young people rated their loneliness 70 points or higher, more than double the number in the 65+ age group (15%)

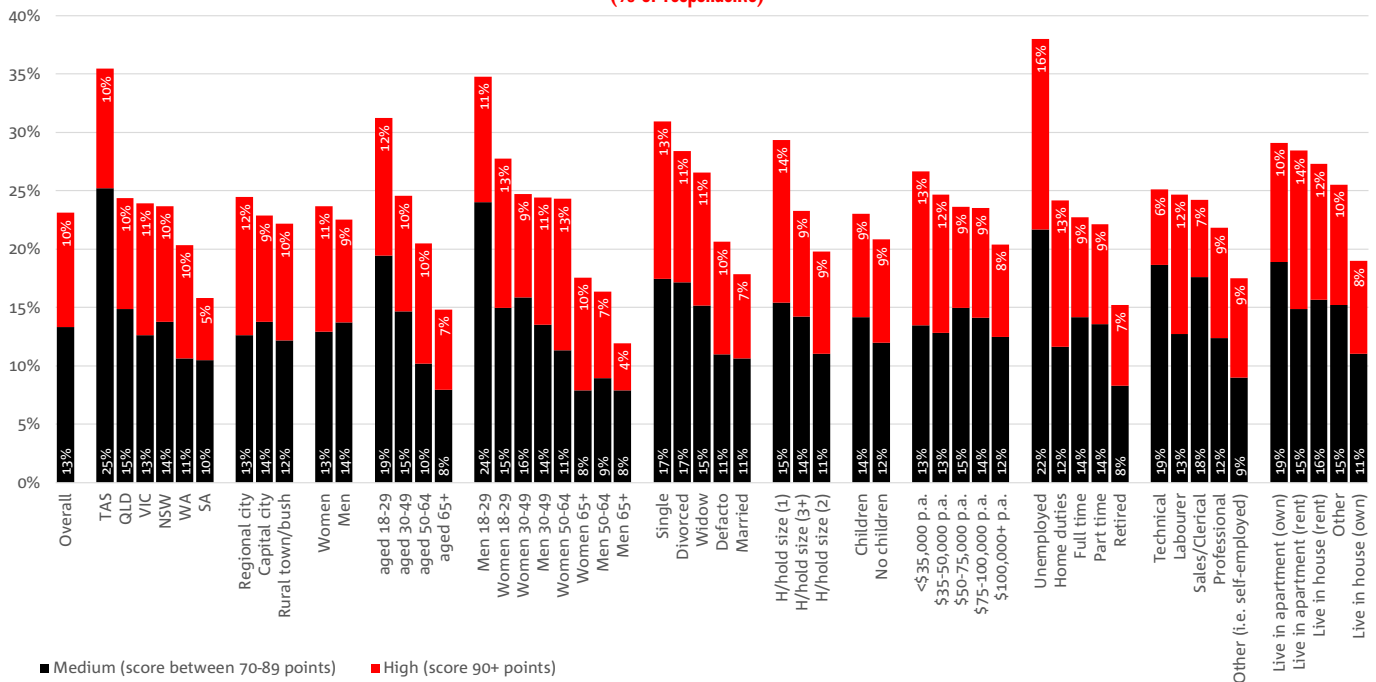
Overall, men (35.6 points) and women (36.4 points) reported similar levels of loneliness. But when broken up by gender and age, men aged 18-29 were the loneliest (48.3), and more so than 18-29 year old women (44.8). Middle-aged men (30-49) were also lonelier than similarly aged women (39.9 men vs. 36.6 women). However, this pattern changes in older groups, with women rating loneliness higher than men in the 50-64 age group (36.0 women vs. 28.7 men) and in the over 65 group (24.2 women vs. 21.2 men).

In other key demographic groups, loneliness was rated noticeably higher in TAS (41.1), in regional cities (37.7), by single people (45.1), by people with children (37.1), and by those who live alone (41.3).

The highest concentration of lonely people was found among the unemployed, with almost 4 in 10 (38%) indicating ‘medium’ or ‘high’ levels of loneliness. More unemployed people also scored ‘high’ loneliness (90+ points) than any other group.

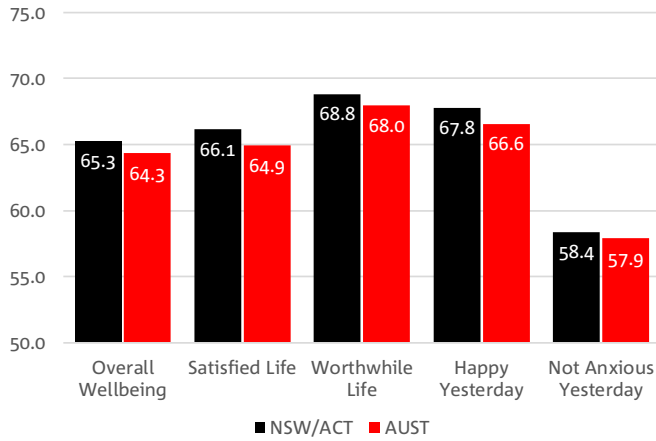
**MEDIUM & HIGH LEVELS OF LONELINESS**

(% of respondents)

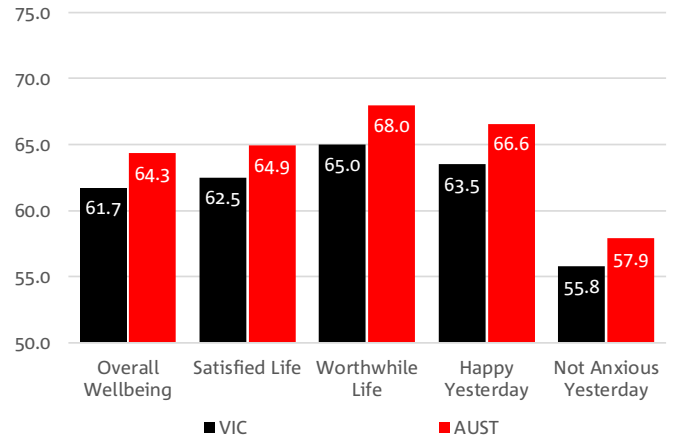


# WELLBEING BY STATE: Q4 2019

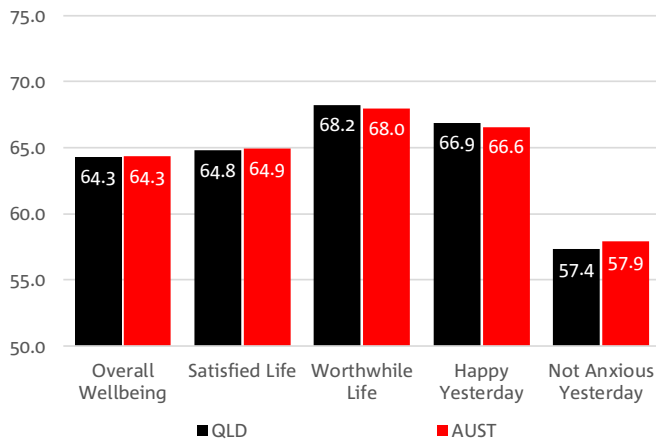
## WELLBEING: NSW



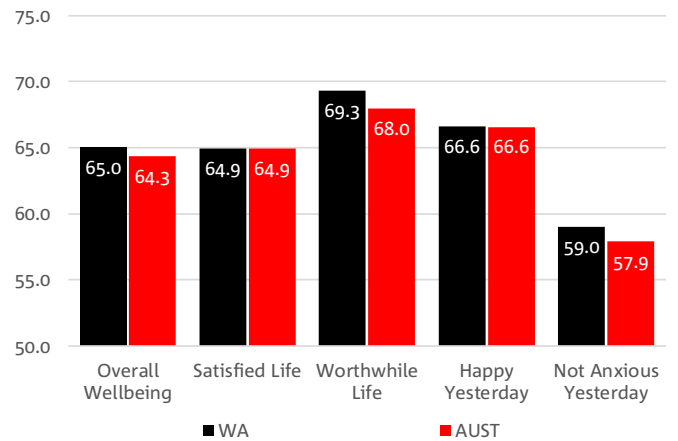
## WELLBEING: VIC



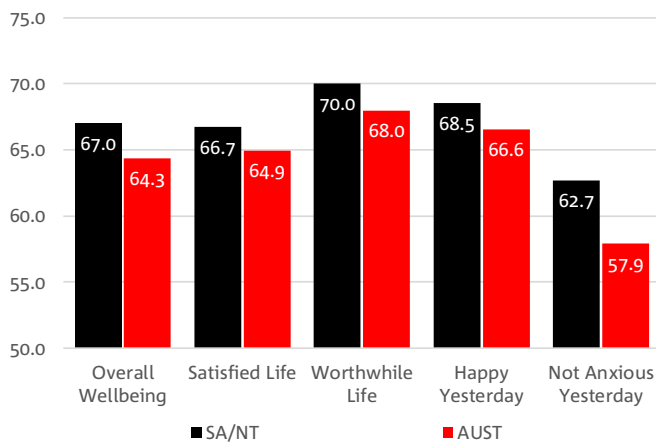
## WELLBEING: QLD



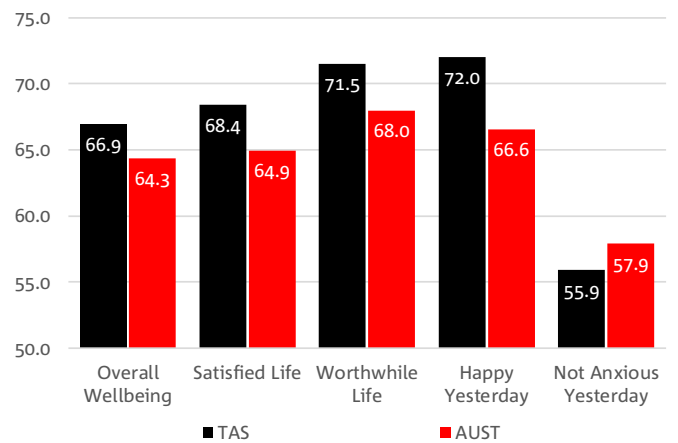
## WELLBEING: WA



## WELLBEING: SA/NT



## WELLBEING: TAS





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