

Seniors Sentiment Index

A report by
**National Seniors Australia
and Challenger**

December 2012

National Seniors
Australia

challenger 

nationalseniors.com.au

© National Seniors Australia 2012

National Seniors Australia owns copyright in this work. Apart from any use permitted under the Copyright Act 1968, the work may be reproduced in whole or in part for study or training purposes, subject to the inclusion of an acknowledgement of the source. Reproduction for commercial use or sale requires written permission from National Seniors Australia. While all care has been taken in preparing this publication, National Seniors Australia expressly disclaims any liability for any damage from the use of the material contained in this publication and will not be responsible for any loss, howsoever arising, from use or reliance on this material.

Publisher National Seniors Australia Limited – ABN 89 050 523 003

ISBN 978-0-9872894-7-6

Seniors Sentiment Index

December 2012

Foreword

As the number of Australians aged 50 years and above increases, it is becoming more important to understand how these senior Australians view their own lives, as well as life in Australia more generally. National Seniors Australia is uniquely placed to gain insight to the wellbeing of older Australians, being the largest membership body of over 50s in Australia and the fourth largest in the world. In partnership with Challenger, National Seniors has developed the **Seniors Sentiment Index** to assess the wellbeing of senior Australians with respect to their social, financial and health wellbeing now and in the future.

Specifically, this report presents results from the National Seniors Social Survey Wave 2, a nationally representative survey of 2,000 older Australians. The Seniors Sentiment Index, constructed from these data, shows that senior Australians are broadly positive about their life (Index of 65.9%). Around 70% are of good or excellent health, and over 60% are very or somewhat satisfied with their social wellbeing, in terms of their personal relationships, satisfaction with community and sentiment towards Government institutions. Also, just over half are very or somewhat satisfied with their financial wellbeing. Senior Australians are even more positive when asked separately about their satisfaction towards their life as a whole, with 82% very or somewhat satisfied. Interestingly, of the three domains, social wellbeing has the largest impact on overall life satisfaction.

However, despite the generally positive sentiment of senior Australians, there are some areas of concern. The Seniors Sentiment Index is highest for people with certain characteristics, such as high income earners, those with a high education, and people married or in a de facto relationship; the Index is particularly high when these factors are combined. Senior Australians display concerns about how they see their life progressing over the past five years and the next five years, especially in terms of financial wellbeing. In particular, the cost of essential items (eg. health care, medicine, and food) is a major worry, as well as returns on financial investments and superannuation. There is also low satisfaction with the Australian political system. Overall, this report provides valuable insights into the sentiment of senior Australians across a range of areas of their lives. Importantly, the Seniors Sentiment Index will be conducted annually in future to enable their sentiment to be tracked over time.

Michael O'Neill
CEO
National Seniors Australia

December 2012

Contents

Foreword	ii
Introduction	1
Indexes of wellbeing	1
What does evidence of recent trends of wellbeing in Australia show?	2
What does evidence of differences in wellbeing across socio-economic and demographic groups in Australia show?	2
Report outline	2
Data and methodology	3
National Seniors Social Survey Wave 2 sample selection, data collection, response rates and survey weighting.....	3
National Seniors Social Survey Wave 2 questionnaire	3
Sentiment Indexes.....	3
Domain components	4
Predicted probabilities	4
Tables	4
Results	5
Sentiment Index.....	5
Retrospective Sentiment Index	6
Prospective Sentiment Index	7
Overall life satisfaction.....	7
Alternative Sentiment Index.....	7
Socio-economic and demographic differences in Sentiment Index.....	8
Social wellbeing	11
Financial wellbeing.....	15
Health domain.....	21
Discussion	25
Concluding comments	27
References	29
Appendix	31

Introduction

The ageing of the Australian population presents numerous opportunities and challenges in many areas of society. It is important to understand how senior Australians view different aspects of their own lives, as well as life in Australia more generally. A summary index is a valuable means of understanding the sentiment of mature age people, and it can be tracked across time as well as across different socio-economic and demographic groups in the population. In this report we present findings from the Seniors Sentiment Index to provide insight into the lives of senior Australians in the past, present and future.

Previous research measuring aspects of the lives of senior Australians has focused on economic issues, such as income replacement ratios and other economic indicators, with less consideration given to health and social issues. For example, the Association of Superannuation Funds of Australia (ASFA) Retirement Standard presents the annual budget needed by Australians to live comfortably or modestly after retirement, given their place of residence and marital status.¹ Similarly, Treasury have projected income replacement rates to compare spending power before and after retirement for a hypothetical individual given a range of assumptions.²

Although these measures are very useful for financial planning for retirement, they miss many other important aspects of the lives of mature age people. This is the focus of the Seniors Sentiment Index. With this Index, we plan to decompose the aspects important to wellbeing in later life – such as social wellbeing and health – in addition to financial wellbeing. Further, we will assess differences across a range of socio-economic and demographic characteristics and, importantly, use this first measurement of the Index as a baseline from which we can track the Index over time. Assessment of trends in the Index will illustrate how the circumstances of senior Australians change through successive governments, policy changes and exogenous policy shocks.

Indexes of wellbeing

Previous international and Australian studies have utilised different methodologies to measure the sentiment or wellbeing of the population. Of particular note, the Australian Bureau of Statistics (ABS) has developed a framework for the measurement of wellbeing.³ The ABS considers that wellbeing should encompass a range of aspects of life that can influence a person's quality of life as well as the cohesion of society. Using previous research by the OECD, the ABS chose some key aspects of life that contribute to wellbeing, including: family and community, health, education and training, work, economic resources, housing, crime and justice and culture and leisure.⁴

A prominent measure of wellbeing in Australia is the Australian Unity Wellbeing Index developed with the Australian Centre on Quality of Life at Deakin University.⁵ The index examines both personal wellbeing and national wellbeing using subjective responses to questions from a national survey of 2,000 Australians. A Personal Wellbeing Index is derived from answers to eight questions representing a range of domains, and a National Wellbeing Index is computed from responses to six questions.⁶ An index is derived for each question, and the Personal Wellbeing Index and National Wellbeing Index are computed as the average of each domain index. Overall, the Wellbeing Indexes show how various aspects of life, both personal and national, affect Australian's wellbeing, and have been used by various studies and was applied in different countries.^{7 8 9 10} Another index, the Herald Age Lateral Economics (HALE) index of Australia's wellbeing, takes a national accounts approach to both economic and non-economic wellbeing (eg, environment, health, political and social capital).¹¹

Internationally, an index of economic wellbeing based on objective data has been created by Osberg and Sharpe.¹² Although focused solely on economic wellbeing, it takes a broader approach than GDP by measuring consumption flows, capital and health, inequality and risk of hardship (eg, unemployment or poverty) equally. Another index, the United Nations Human Development Index (HDI), is a prominent measure of national wellbeing.¹³ Using widely available objective measures, the HDI is computed from a life expectancy index (i.e. life expectancy at birth), education index (i.e. adult literacy rate and gross enrolment ratio) and GDP index (i.e. decent standard of living based on GDP per capita in US\$), standardised to a value between 0 (min) and 1 (max). The HDI is determined by the average of these three indexes. In the US, the Gallup-Healthways Well-Being Index has focused on the domains of life evaluation, emotional and physical health, healthy behaviour, work environment and basic access to services such as food and water.¹⁴

While many of the indexes have used data applicable to the whole population regardless of age, there has been surprisingly limited work focusing specifically on people over 50 years. The Stanford Center on Longevity and Population Reference Bureau's (SCL/PRB) Index of Wellbeing studies overall wellbeing of older people across 12 countries.¹⁵ The index comprises 12 subjective and objective measures of wellbeing, scaled from 0 to 100 and distributed across four domains: material, physical, social and emotional. The final index is calculated as an average

of the 12 measures. Data from studies conducted between 2004 and 2006 show that people aged 65 years and above in the US have the highest wellbeing of 12 countries surveyed, with Spain having the lowest wellbeing.¹⁶

What does evidence of recent trends of wellbeing in Australia show?

The Australian Unity Personal Wellbeing Index has remained between 73% and 76% since 2001 (where 100% represents the highest possible satisfaction and 0% the lowest), increasing from 74.0% in 2001 to peak at 76.3% in late 2009 before falling to 75.4% in April 2012 (the latest available measure).¹⁷ The peak in 2009 has been attributed to Australia not being as adversely affected by the early stages of the Global Financial Crisis when compared with other countries.¹⁸ The National Wellbeing Index, which varies more than the Personal Wellbeing Index, increased throughout the first half of the 2000s, also peaking following the GFC in late 2009 at 64.1%. However, as with the Personal Wellbeing Index, it has fallen to 60.4% in April 2012.¹⁹ A major factor in influencing the decline in the National Wellbeing Index in the previous three years has been dissatisfaction with Government in Australia.²⁰ Satisfaction with the economic situation and business conditions in Australia have also fallen in that time.

What does evidence of differences in wellbeing across socio-economic and demographic groups in Australia show?

The Australian Unity Wellbeing Index has found that Australians most likely to be satisfied with their lives are the elderly, married, no children, high income earners, and females. In contrast, younger age groups, those separated, those living alone, low income earners and males are least likely to be satisfied with their lives.²¹ Specifically, surveys show that women are more satisfied about their lives and more likely to think life in Australia was getting better. Older people (66-75 years), compared with their younger counterparts (36-45 years), are more satisfied with their future security, being part of the community, and with their personal relationships, but are less satisfied with their health.²² Those living in regional areas are found to be more satisfied with their personal lives than city residents. A higher personal wellbeing amongst married people indicates that marriage provides an additional source of support and companionship when spouses share leisure time with each other.²³

Income has a significant relationship with overall wellbeing.²⁴ In Australia, the personal wellbeing increases with household income, but with diminishing returns as income rises. In the United States, individually self-reported wellbeing is also correlated with individual income, although again there were decreasing wellbeing returns as income increases.^{26,27} Statistically, the relationship between income and wellbeing is not linear and essentially is flat for high levels of income.

Report outline

A clear conclusion to be drawn from these studies is that a range of factors need to be considered when measuring wellbeing – not just *financial* resources. A person's interaction with society, whether in terms of relationships with family and friends, satisfaction with living in their community, and sentiment towards Government, is undoubtedly important in terms of impacting their wellbeing. Similarly, health is a major factor influencing quality of life, especially in old age. Financial wellbeing also remains important, by providing resources of people to afford basic necessities, to provide confidence for the future, and achieve a good quality of life.

In this report, we have taken an approach of measuring sentiment of Australians aged 50 years and above across three domains:

- Social (including personal relationships, satisfaction with their community and sentiment towards Government),
- Financial (including cash flow difficulties, ability to save and confidence in retirement income), and
- Health (including personal health and experiences with health services).

This report provides valuable insights into the sentiment of older Australians through the National Seniors Social Survey Wave 2 (NSSS2), which included questions covering sentiment and experiences on a range of issues. Sentiment Indexes are produced to summarise the findings from these data. The report details the NSSS2 and the methodology used in constructing the Indexes. The Indexes and findings from each domain are firstly presented in the findings, and then the relative influence of each domain is analysed. Differences in the sentiment of a diverse group of older Australians are then analysed. Next, each domain is focused on, in terms of the key components influencing that domain, and the findings from specific questions in each domain. Finally, the results are discussed and key findings presented.

Data and methodology

National Seniors Social Survey Wave 2 sample selection, data collection, response rates and survey weighting

The data in this report are taken from the National Seniors Social Survey Wave 2. This survey was conducted in August 2012 amongst members of National Seniors Australia aged 50 years and over. A total of 10,000 members were selected to complete the survey. The sample was stratified by age (50-64, 65-84, 80+ years), sex and state/territory. The number of respondents allocated to each of the 48 strata (3 age groups x 2 sexes x 8 states/territories) was calculated proportionally to reflect the Estimated Resident Population in Australia aged 50 years and over in June 2010. The respondents within each stratum were selected randomly from the database of over 200,000 National Seniors Australia members. Selection was undertaken ensuring two members from the same family were not chosen.

A paper survey questionnaire was mailed to each of the selected members at the beginning of August 2012. Respondents had the option to complete the paper questionnaire and return by mail, or to complete the questionnaire online. Surveys were completed and returned by 31 August 2012. Data entry was conducted at the Canberra office of National Seniors Australia in September 2012. Results from a total of 1,993 questionnaires were entered.

Table A.1.1 shows the response rate for each combination of age, sex and state/territory. There were 17 cases with no information on at least one of these characteristics, reducing the sample to 1,976 cases that could be used in the analysis. The overall response rate was 20%. The highest response rate, according to age and sex, was 30% for males aged 80 years and above, and the lowest was 15% for males aged 50-64 years. Survey weights were applied to each combination of age, sex and state/territory, to adjust for differences in response rates by these population groups and to make the results representative of the Australian population aged 50 years and over.

Although stratifying by age, sex and region increases the representativeness of the sample considerably, characteristics of the NSA membership have been shown to differ from the broader over 50 population.ⁱ

National Seniors Social Survey Wave 2 questionnaire

The National Seniors Social Survey Wave 2 comprised a module for each of the three domains – financial, health and social – as well as a range of demographic and socio-economic measures.ⁱⁱ

Each module comprised a summary question relating to that particular domain. The questions were as follows:

- Financial: At present, how satisfied are you with your overall financial wellbeing? (Very satisfied, somewhat satisfied, neutral, somewhat dissatisfied or very dissatisfied)
- Health: In general, how is your present health? (Excellent, good, fair, or poor)
- Social: At present, how satisfied are you with your overall social well-being (considering satisfaction with your community, relationships and your sentiment towards institutions)? (Very satisfied, somewhat satisfied, neutral, somewhat dissatisfied or very dissatisfied)

Each of these questions was used to construct a Domain Index, from which the Seniors Sentiment Index (hereafter referred to as 'the Sentiment Index') was computed (see below). The financial and social wellbeing questions were asked after questions exploring a range of issues on that particular domain. There was also a question asking respondents to report their satisfaction with their life as a whole, which is used to compare to the Sentiment Index.

Each summary domain question was also asked in terms of how respondents' present wellbeing compares with 5 years ago, and how respondents' think their wellbeing will be five years from now compared with the present. These data were used to construct a Retrospective Sentiment Index and Prospective Sentiment Index, to gain insights into how people think their wellbeing is changing over time.

Each module of the NSSS2 included a number of questions which provide information on specific issues within each domain, and we analysed these data to provide evidence of what factors are influencing the sentiment of older Australians. For financial, these included ease with which they cover expenses and confidence in retirement income; for health, these included interaction with the health system and affordability of medicines; for social, these included satisfaction with their community, personal relationships, and sentiment towards Government institutions. Questions were also asked to elicit information as to reasons for people stating why their wellbeing for each domain has change in the last five years, and will change in the coming five years.

Sentiment Indexes

The indexes produced in this report are the Sentiment Index, Retrospective Sentiment Index and Prospective Sentiment Index. Each of these Indexes can be tracked over time. A Domain Index was measured for each of the social, financial and health domains. The Sentiment Index is the average of the three Domain Indexes.

ⁱ McRae, Yen et al (2012)²⁸ show that the NSA population has generally higher levels of education, as well as higher levels of health insurance coverage. These selection biases should be kept in mind when interpreting the results.

ⁱⁱ The National Seniors Social Survey Wave 1 was conducted in February 2012.

Each Domain Index was computed from a variable on a five-point scale. For example, financial wellbeing was answered on a scale of (1) Very dissatisfied, (2) Somewhat dissatisfied, (3) Neutral, (4) Somewhat satisfied, and (5) Very satisfied. The following formula was used, adapting the approach from the Australian Unity Wellbeing Index:²⁹

$$\frac{X - k^{\min}}{k^{\max} - k^{\min}} \times 100$$

where X is the mean score of all respondents, k^{\min} is the minimum score on the scale (ie, 1 on a scale of 1 to 5), and k^{\max} is the maximum score on the scale (ie, 5 on a scale of 1 to 5).ⁱⁱⁱ

The Index was standardised to a distribution of 0% to 100%, where 0% is the lowest possible satisfaction and 100% is the highest possible satisfaction. For example, a score of 100% is achieved if all respondents answered “very satisfied”. If the mean score is 3.5, the Index is 62.5%.

The Retrospective Sentiment Index was constructed with the same method as the Sentiment Index, but computed as the average of an Index computed from the question, for each domain, of how respondents’ present wellbeing compares with 5 years ago. The Prospective Sentiment Index was constructed using the same method, and using questions of how respondents’ think their wellbeing for each domain will be five years from now compared with the present.

An Alternative Sentiment Index was also computed to validate the Sentiment Index being computed as the average of the Domain Indexes. The Alternative Sentiment Index is based on the weighting of the relative importance of each domain in determining overall wellbeing. The relative importance of each domain was ascertained by conducting a regression analysis of overall life satisfaction, with covariates being the financial, health and social domain summary variables, as well as age and sex. Standardised coefficients produced from the regression demonstrate the impact on the outcome variable of a one standard deviation increase in the covariate. The weighting of each domain is the domain standardised coefficient expressed as the percentage of the sum of the three standardised coefficients. The weighting was then applied to each Domain Index to produce the Alternative Sentiment Index. In subsequent versions of the NSSS, the weighting of each domain can be tracked to determine if the relative importance of each domain changes over time. As shown below, the more sophisticated Alternative Sentiment Index is highly comparable to the Sentiment Index – providing strong validation for the methodology employed.

Domain components

The report also examines how the components of each domain are related with the Domain Index. This analysis provides insight into the relative importance of a range of factors in influencing the wellbeing of senior Australians for each domain. Further, such analysis can be conducted in subsequent versions of the NSSS to ascertain if the relative importance of each component changes over time. The relative importance of domain components was conducted based on the standardised coefficients from regression analysis, with the domain summary variables as the outcome variable and the domain components, as well as age and sex, as the covariates.

Predicted probabilities

The report uses the extensive data of the NSSS2 to demonstrate how the wellbeing of senior Australians varies across socio-economic and demographic characteristics. Ordinal logistic regression models were fitted using each domain summary variable, as well as the overall life satisfaction variable. Demographic and economic factors such as age, sex, income, marital status, employment status, education and place of residence were entered into the regression equations. Resultant predicted probabilities from the regressions show the likelihood of a person with a given set of characteristics to respond to each category, eg, state they are very satisfied with their financial wellbeing. To illustrate the findings from the predicted probabilities, vignettes of three examples of Australians with diverse characteristics of age, sex, income, marital status, employment status and education, are presented.

Tables

In all tables, only answers from people who completed each question were included in the denominator. Below each table, the percentage of eligible respondents answering each question is reported. In some questions, this proportion is relatively low because of the self-completed nature of the questionnaire.

All analyses were conducted using Stata 11.1.³⁰ The Appendix contains some results only described in the text, as well as additional tables from the NSSS2 (A4.2-4.5, A5.1-5.7, A5.9-5.10, A6.1-6.5).

ⁱⁱⁱ Can't say responses are not included.

Results

Sentiment Index

The Sentiment Index is 65.9%, indicating an overall positive sentiment amongst Australians aged 50 years and over towards their life across the three domains (Figure 1). The highest Domain Index is health (70.1%)^{iv}, followed by social (68.1%) and financial (58.9%). Approximately 70% of people rate their health to be excellent or good, 62% of people are very or somewhat satisfied with their overall social wellbeing, and 52% of people are very or somewhat satisfied with their overall financial wellbeing (Figures 2-4). Dissatisfaction is highest for financial wellbeing (24% very or somewhat dissatisfied), and lower for social wellbeing (9%). Less than five per cent of people report they are of poor or very poor health.

Figure 1: Domain Indexes and Sentiment Index (%)

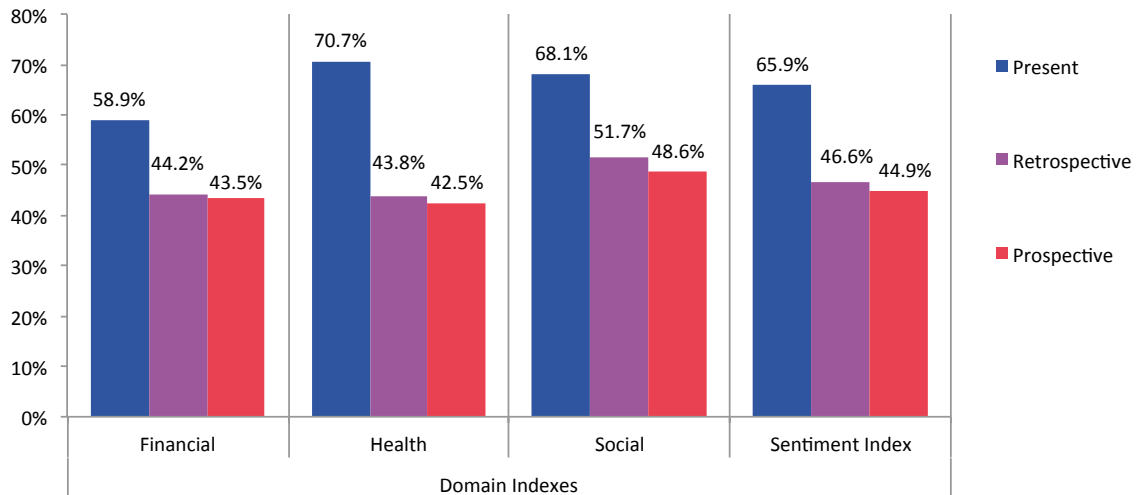
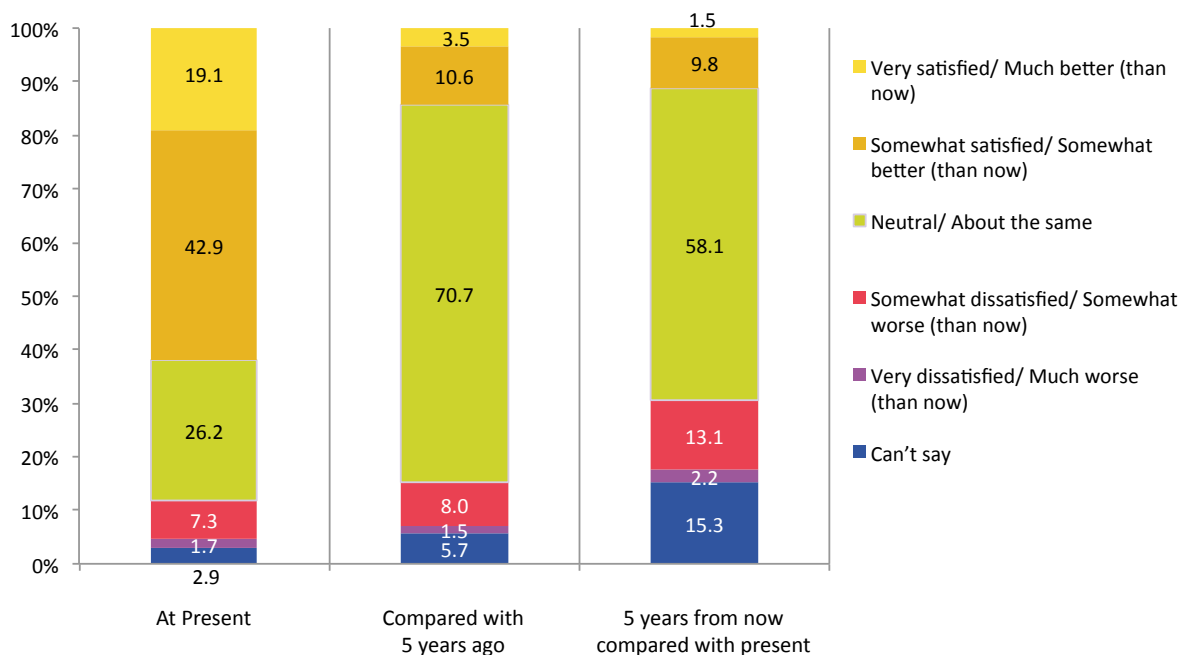


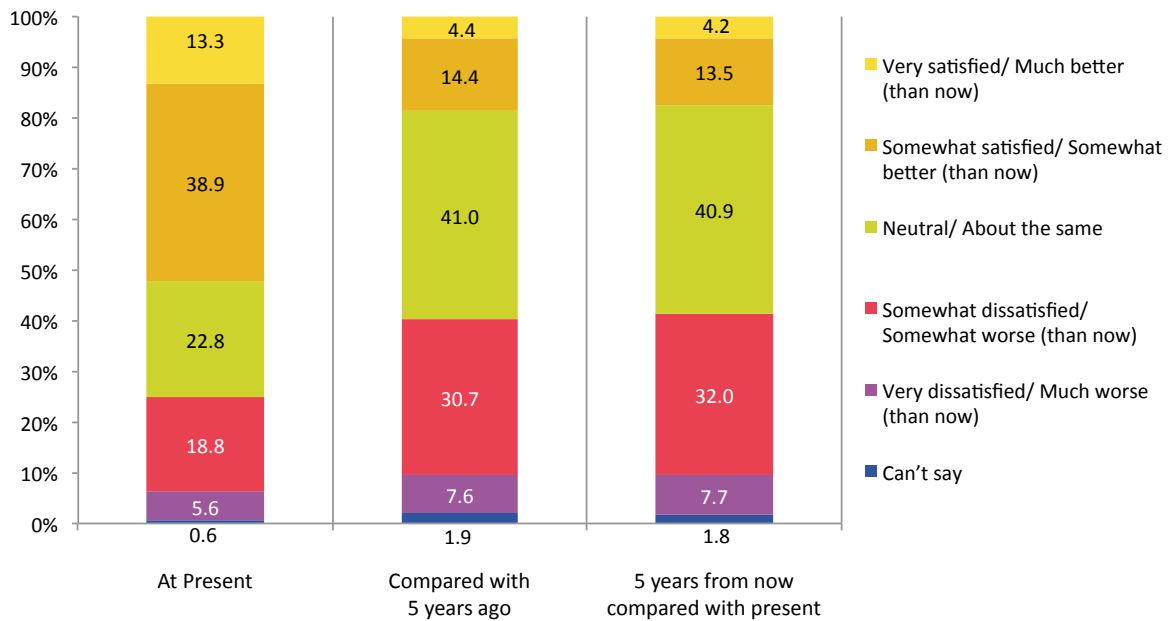
Figure 2: Present satisfaction with overall social wellbeing, present satisfaction overall social wellbeing compared with 5 years ago, rating of how think overall social wellbeing 5 years from now will be compared with present (% of total population)



95-99% of eligible respondents answered each question.

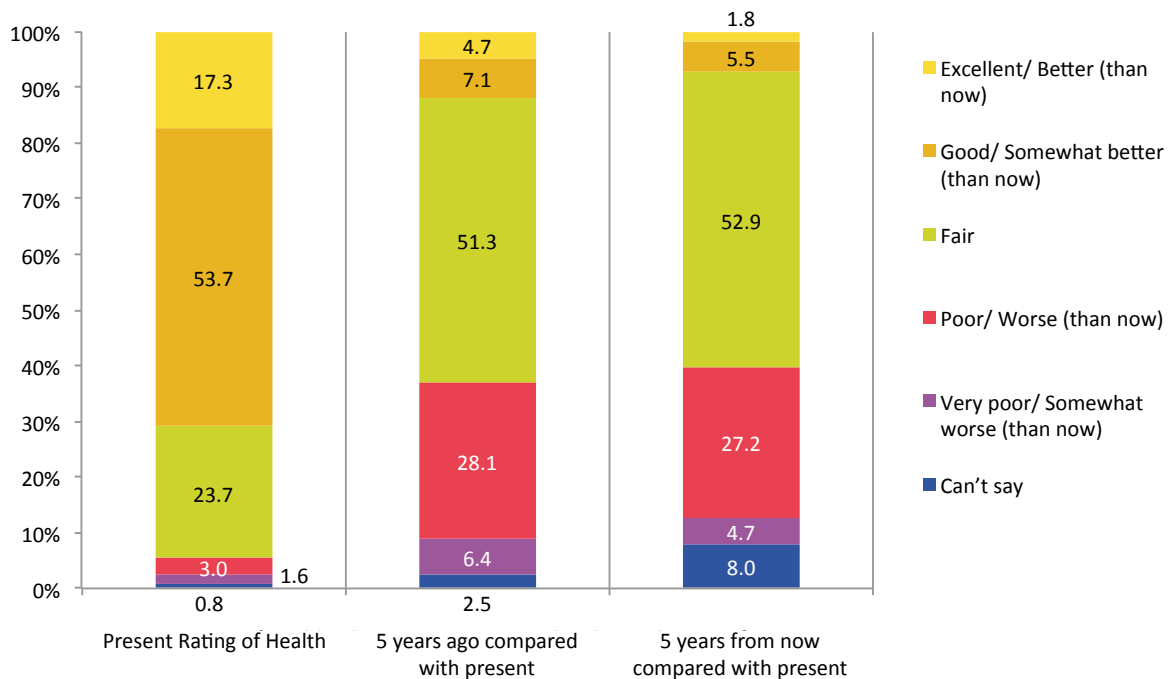
^{iv} The health domain variable is converted to a 5-point scale using data from the National Seniors Social Survey Wave 1. In the National Seniors Social Survey Wave 1, the results for self-rated health are 22.0% 'excellent', 47.4% 'good', 25.4% 'fair', 3.1% 'poor', 1.7% 'very poor', 0.3% 'can't say'. In the National Seniors Social Survey Wave 2, the results are 17.3% 'excellent', 53.7% 'good', 23.7% 'fair', 4.6% 'poor', 0.8% 'can't say'. The proportion reporting each category is very similar. 4.8% of people in Wave 1 report poor or very poor health, and 4.6% in Wave 2 report poor health, the lowest category on the scale. We use this evidence to create a new category in the Wave 2 data, 'very poor' by multiplying ('very poor'/'poor' + 'very poor') in Wave 1 (35%) by 'poor' (4.6%) in Wave 2. This results in 'very poor' in Wave 2 being 1.6% and 'poor' being 3.0%.

Figure 3: Present satisfaction with overall financial wellbeing, present satisfaction with overall financial wellbeing compared with 5 years ago, rating of how think overall financial wellbeing will be 5 years from now compared with present (% of total population)



99-100% of eligible respondents answered each question.

Figure 4: Present rating of health, rating of health compared with 5 years ago, rating of how think health will be 5 years from now compared with present (% of total population)



97-99% of eligible respondents answered each question.

Retrospective Sentiment Index

The Retrospective Sentiment Index is 46.6%, indicating that people overall have a slightly negative sentiment regarding their lives over the past five years. The most positive sentiment over the past five years has been towards social wellbeing (51.7%), with lower Indexes for financial (44.2%) and health (43.8%). Overall, the proportion of people reporting each domain to have improved over the previous five years is low, with only 14% of people thinking their social wellbeing is much or somewhat better, 19% thinking their financial wellbeing is much or somewhat better and 12% thinking their health is much or somewhat better. Thirty-eight per cent of people think their financial wellbeing is much or somewhat worse than five years ago, and 35% think their health is much or somewhat worse.

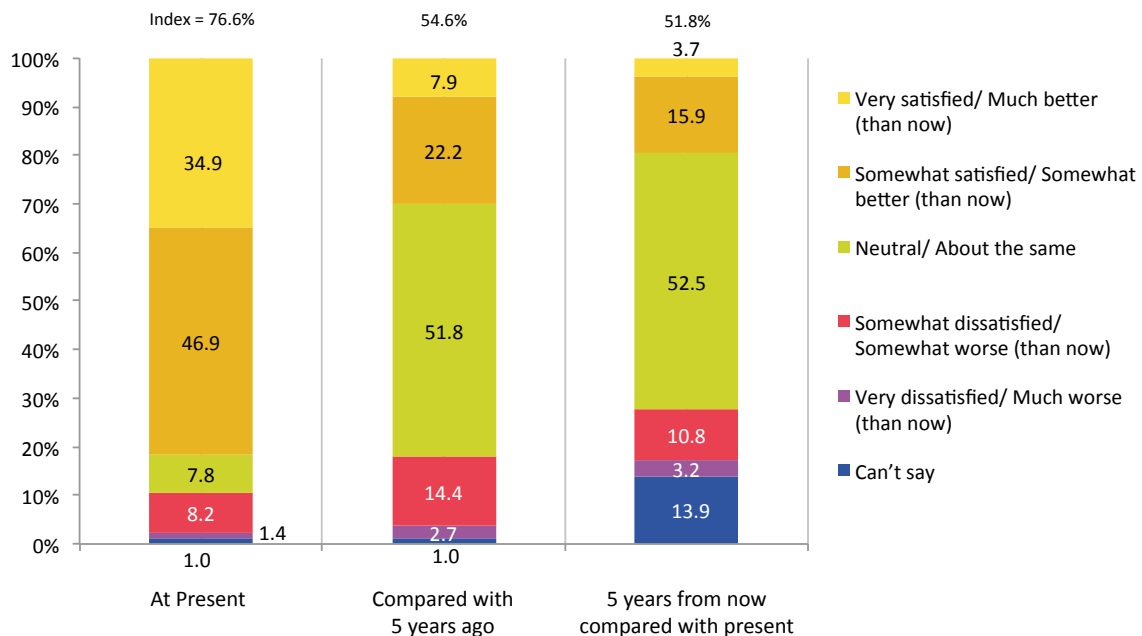
Prospective Sentiment Index

The Prospective Sentiment Index is 44.9%, suggesting senior Australians see their future lives in a slightly less optimistic way. The Prospective Domain Index is very similar for each of the three domains. Only small proportions of people think their lives will get better across the domains, with the highest being for financial (18% much or somewhat better than now). About one-third of people see their health getting worse compared with the present, while 40% think their financial wellbeing will get somewhat or much worse.

Overall life satisfaction

When asked about their present satisfaction with their life as a whole, senior Australians are broadly positive. Over 80% of people report they are very or somewhat satisfied with their lives, with only 10% somewhat or very dissatisfied (Figure 5). An index computed from this question 76.6%, somewhat higher than the Sentiment Index. Respondents report their life satisfaction over the previous five years to have improved slightly (index computed as 54.6%), with almost one-third saying their life satisfaction is much or somewhat better compared with five years ago. Prospective life satisfaction over the next five years is slightly positive (index computed as 51.8%).

Figure 5: Present satisfaction with life as a whole, present satisfaction with life as a whole compared with 5 years ago, rating of how think life satisfaction as a whole will be 5 years from now compared with present (% of total population)



93% of eligible respondents each answered question.

Alternative Sentiment Index

The analysis of the relationship of the three domains with life satisfaction reveals that social wellbeing has the largest impact on life satisfaction (a weight of 42%), with financial and health domains having a similar impact (29% each) (Table 1). When these weights are applied to create Alternative Sentiment Indexes, there is very little difference with the Sentiment Indexes created by averaging the three Domain Indexes.

Table 1: Alternative Sentiment Indexes (%)

	Present	5 years ago	5 years from now	Weight
Social	68.1	51.7	48.6	41.7
Financial	58.9	44.2	43.5	29.1
Health	70.7	43.8	42.5	29.2
Weighted Sentiment Index	66.2	47.2	45.4	
Unweighted Sentiment Index	65.9	46.6	44.9	

Weights sum to 100%. Unweighted Sentiment Index refers to Sentiment Index in Figure 1. Full regression analyses are shown in Table A.2.1.

Socio-economic and demographic differences in Sentiment Index

There are some key differences in the Sentiment Index and Domain Indexes across socio-economic and demographic groups. The Sentiment Index is highest for people earning the highest income of \$60,000 or more per year (70.9%), those who have finished high school (68.3%), are married or in a de facto relationship (67.1%), and living in a capital city (67.6%) (Table 2). It is similar for males and females, and increases with age (67.4% for those aged 75 years and above). It is lowest for those earning less than \$20,000 per year (59.3%).

Table 2: Domain Indexes and Sentiment Index by socio-economic and demographic characteristics (%)

	Domain Indexes			Sentiment Index
	Social	Financial	Health	
Age				
50-64	66.6	57.2	72.3	65.4
65-74	70.2	58.2	70.2	66.2
75+	70.2	66.0	66.0	67.4
Sex				
Male	66.9	60.4	69.8	65.7
Female	69.3	57.6	71.4	66.1
Personal income				
Less than \$20,000	67.5	46.8	63.6	59.3
\$20,000-\$39,999	67.7	58.5	70.2	65.5
\$40,000-\$59,999	68.0	59.9	71.7	66.5
\$60,000+	70.0	66.4	76.4	70.9
Place of residence				
Capital city	69.6	60.9	72.3	67.6
Not capital city	66.8	57.2	69.3	64.4
Employment status				
Not employed	69.1	61.0	67.9	66.0
Employed	67.0	56.9	74.4	66.1
Marital status				
Married/ de facto	69.1	60.0	72.3	67.1
Not married/ de facto	66.5	57.5	67.9	64.0
Country of birth				
Australia	67.9	59.8	70.9	66.2
UK/ NZ	70.5	59.0	71.6	67.0
Other	67.8	52.5	70.0	63.4
Highest level of education				
Not finished high school & no other qual.	65.0	57.4	68.2	63.5
Not finished high school & other qual.	65.7	58.1	69.3	64.4
Finished high school	71.1	60.4	73.4	68.3
Total	68.1	58.9	70.7	65.9

The tables of the variables and demographic characteristics are shown in Tables A.6.2-A.6.5.

The Social Domain Index is similar across most characteristics, although is higher for females than males, and is highest for those who have completed high school. Financial wellbeing is, understandably, highly correlated with income, and is also higher for ages 75 years and above (66.0%) than 50-64 years (57.2%). Interestingly, financial wellbeing is higher for those not employed (61.0%) than employed (56.9%), likely due to the strong age correlation. Self-rated health falls with age, and is also highest for those married or in a de facto relationship, earning \$60,000 or more per year, and those who have finished high school.

The Diversity of Wellbeing in Later Life

To illustrate the diversity of wellbeing of senior Australians, predicted probabilities of the domain summary measures of are presented for three examples of senior Australians (regression analyses for these analyses are shown in Table A.6.6).

The three examples are:

- Maria, a married 57 year old school principal.
- Mike, a single 68 year old retiree who receives the Age Pension.
- Gordon, an 82 year old retiree who receives the Age Pension, and has been married for 60 years.

Maria has the highest level of social wellbeing, with her being 75% likely to be either somewhat or very satisfied with her social wellbeing at present (Figure 6). Social wellbeing is lowest for Mike (51% likely to be either somewhat or very satisfied), while Gordon is 61% likely to be either somewhat or very satisfied.

Figure 6: Predicted probabilities of social wellbeing (%), Maria, Mike and Gordon

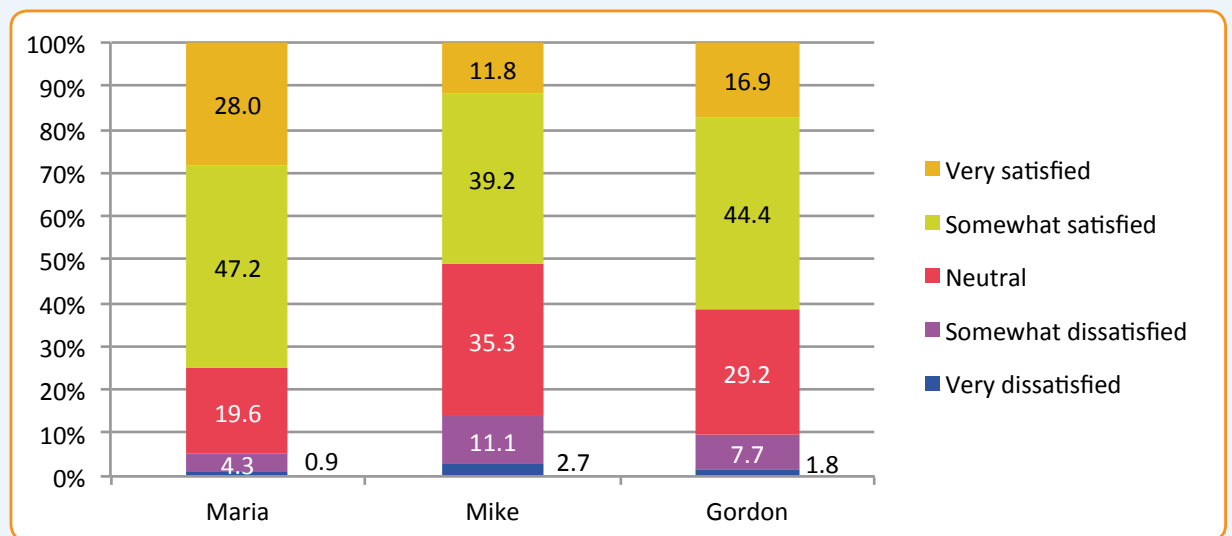
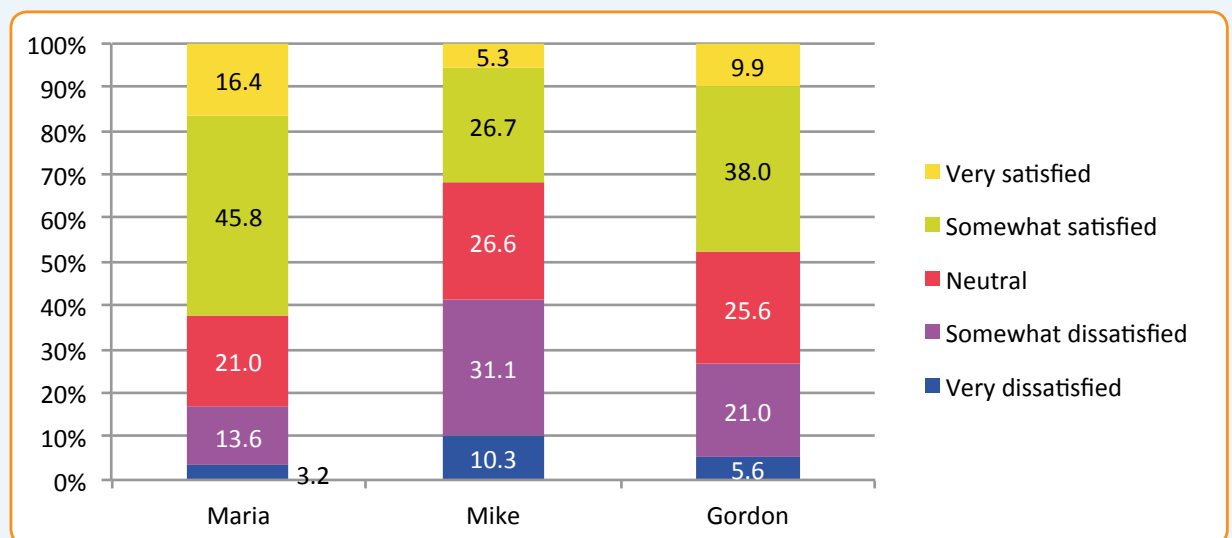


Figure 7: Predicted probabilities of financial wellbeing (%), Maria, Mike and Gordon



Maria also has the highest financial wellbeing, being 62% likely to be somewhat or very satisfied (Figure 7). Financial wellbeing is much lower for Mike (32% likely to be somewhat or very satisfied) and Gordon (48%).

There are also substantial differences in self-rated health between the three examples. Maria is 90% likely to report excellent or good health, while Mike is only 42% likely and Gordon 45% likely (Figure 8).

This domain findings result in a Sentiment Index for Maria of 73.6%, compared with 55.1% for Mike and 60.6% for Gordon.

The results are reflected in responses to the overall life satisfaction question. Maria is 89% likely to be very or somewhat satisfied with her life, while Mike is 70% likely and Gordon 84% likely (Figure 9).

These probabilities are based upon variations in each persons demographic and economic characteristics – for example, Maria’s higher income and younger age relative to Gordon’s lower income and higher age.

Figure 8: Predicted probabilities of self-rated health (%), Maria, Mike and Gordon

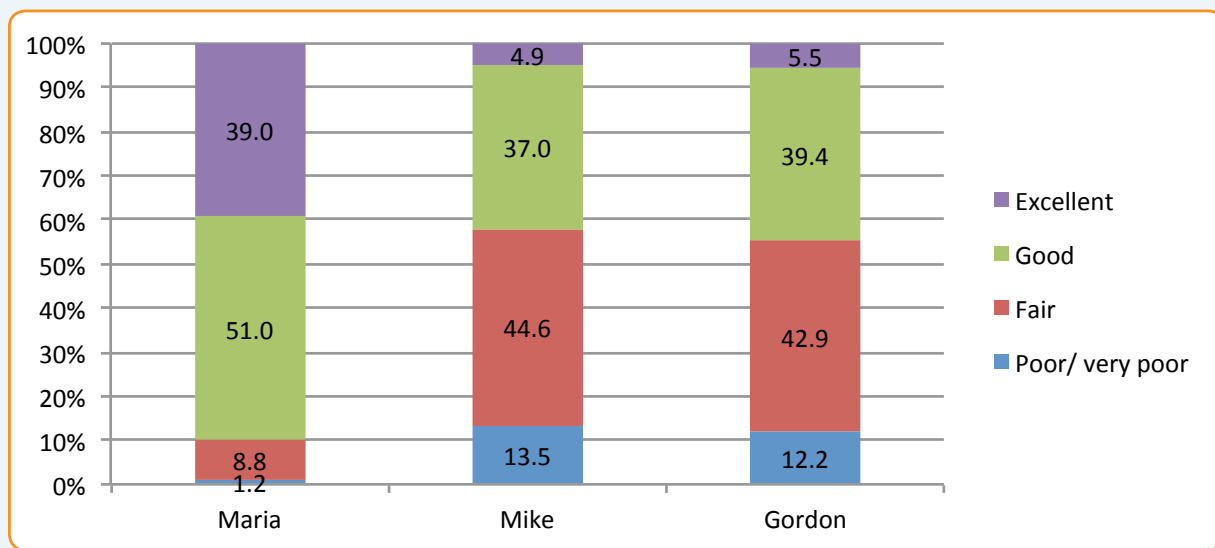
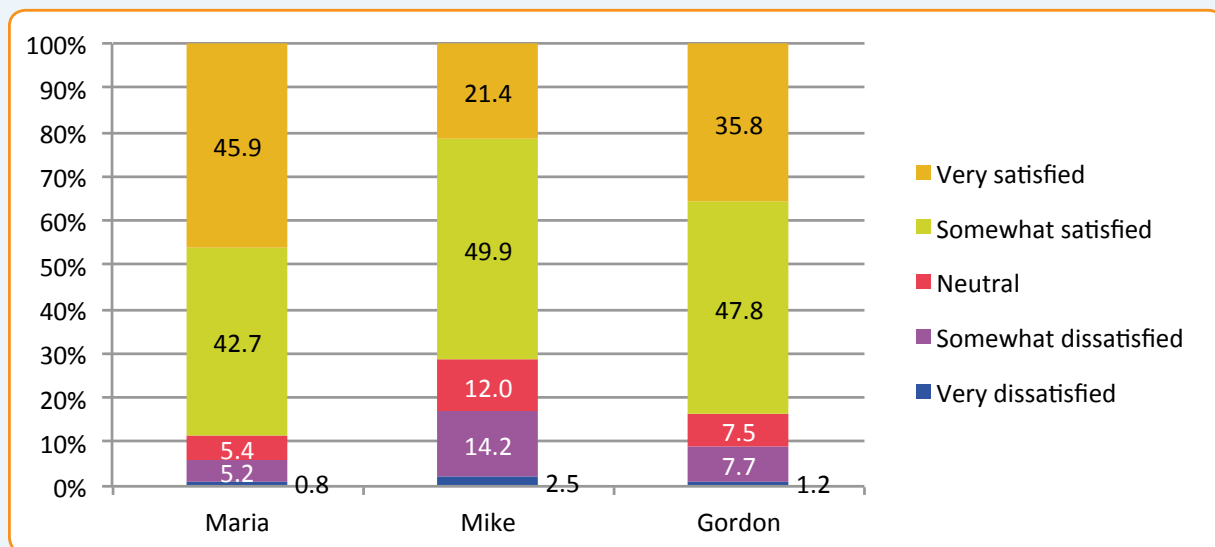


Figure 9: Predicted probabilities of satisfaction with life as a whole (%), Maria, Mike and Gordon



Social wellbeing

Analysis of the components of social wellbeing reveals that community satisfaction, personal relationships and satisfaction with Government impact social wellbeing fairly equally (Table 3). This finding supports the use of social wellbeing as a measure of the sentiment of senior Australians towards community, personal relationships and Government institutions.

Table 3: *Components of social domain (%)*

	%
Community satisfaction	31.5
Personal relationships	34.3
Satisfaction with Government	34.3
Total	100.0

Variable used for each component: Community satisfaction - Satisfaction with living in your community. Personal relationships - How often feel lack of companionship or feel lonely. Satisfaction with Government institutions (aggregated variable) – Accessibility of Government services, quality of Government services, satisfaction with local political representatives, satisfaction with Australian political system. Full regression analyses are shown in Table A.2.2.

A wide range of reasons are cited as to why social wellbeing is presently better than five years ago, with the most popular reasons being having more time with children, having more friends around and more time to go out with friends (Table A.3.1). Conversely, the main reasons for social wellbeing getting worse is less involvement in community events, lack of friends and lack of involvement with groups/ organisations (Table A.3.2). There are similar reasons given for why social wellbeing will get better or worse in coming years, with a notable reason for people thinking it will get worse is lack of community support for older people (55%).

Senior Australians have a high satisfaction with their community, with two-thirds being very satisfied with living in their community, and only 3% being somewhat or very dissatisfied (Table 4).

Table 4: *Satisfaction with living in your community (% of total population)*

	%
Very satisfied	66.0
Somewhat satisfied	25.5
Neutral	4.9
Somewhat dissatisfied	2.4
Very dissatisfied	0.7
Can't say	0.6
Total	100.0

96% of eligible respondents answered question.

When questioned about security in their community, over half of senior Australians feel either very or somewhat safe. However, there is a higher proportion (24%) of people feeling less safe than five years ago, compared with 13% who feel safer (Table 5). Petty crime is reported to be very common by 14% and somewhat common by 42%, with 33% reporting it has increased in incidence in the past 5 years. The incidence of serious crime is stated as very common by 7%, and somewhat common by a further 27%. One-quarter of respondents believe has become more common over the past five years.

Table 5: Perceptions of security in community (% of total population)

At present		Compared to 5 years ago	
Feeling of safety in community	%	Feeling of safety in community	%
Very safe	21.9	Much safer	2.9
Somewhat safe	35.6	Somewhat safer	10.4
Neutral	11.7	About the same	57.6
Somewhat unsafe	19.4	Somewhat less safe	15.3
Very unsafe	9.6	Much less safe	9.1
Can't say	1.9	Can't say	4.6
Total	100.0	Total	100.0
Incidence of petty crime in community	%	Incidence of petty crime in community	%
Very common	14.2	Much more common	11.6
Somewhat common	42.4	Somewhat more common	21.9
Neutral	13.3	About the same	50.5
Somewhat uncommon	21.3	Somewhat less common	8.1
Very uncommon	6.7	Much less common	2.8
Can't say	2.2	Can't say	5.2
Total	100.0	Total	100.0
Incidence of serious crime in community	%	Incidence of serious crime in community	%
Very common	7.4	Much more common	8.4
Somewhat common	26.7	Somewhat more common	16.4
Neutral	19.6	About the same	56.8
Somewhat uncommon	27.2	Somewhat less common	7.6
Very uncommon	15.8	Much less common	3.5
Can't say	3.4	Can't say	7.3
Total	100.0	Total	100.0

Percentage of eligible respondents answering each question ranged from 92% to 96%.

Senior Australians have a high overall confidence that their neighbours would help in a time of need. Half are very confident and a further 32% are somewhat confident that their neighbours would help (Table 6). Respondents also see their neighbour as trustworthy, with 61% saying they are very trustworthy and one-quarter somewhat trustworthy. Only 2% say their neighbours are not very or not at all trustworthy.

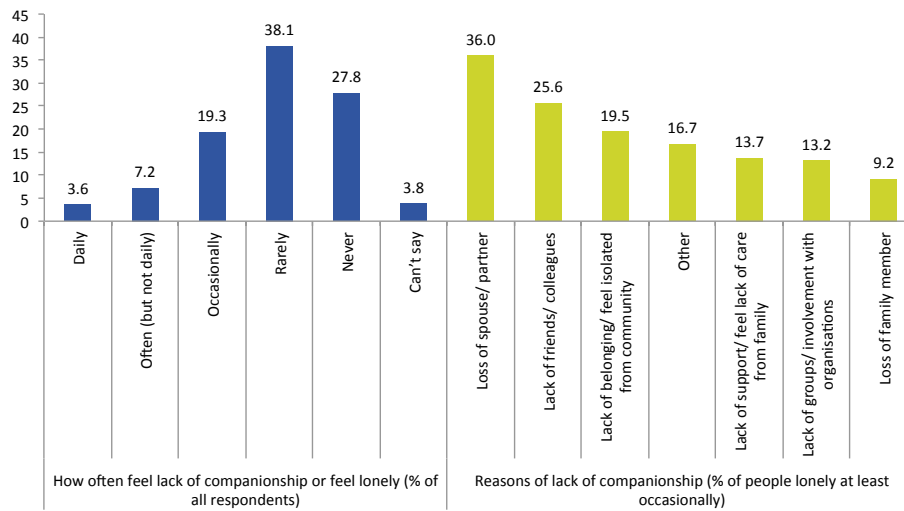
Table 6: Confidence neighbours would help in time of need, and trustworthiness of neighbours (% of total population)

Confidence neighbours would help	%	Trustworthiness of neighbours	%
Very confident	50.1	Very trustworthy	60.8
Somewhat confident	31.5	Somewhat trustworthy	25.4
Neutral	6.3	Neutral	8.1
Not very confident	7.1	Not very trustworthy	1.5
Not at all confident	3.4	Not at all trustworthy	0.6
Can't say	1.6	Can't say	3.7
Total	100.0	Total	100.0

96% of eligible respondents answered each question.

The findings regarding personal relationships unsurprisingly show the importance of children and grandchildren as a source of support for senior Australians (Table A.4.1). When asked about how often they lack companionship or feel lonely, 11% say often or daily, with 38% stating rarely and 28% never (Figure 10). The most common reason for lacking companionship is the loss of a spouse/partner (36%), followed by lack of friends/colleagues (26%).

Figure 10: How often feel lack of companionship or feel lonely (% of total population), and reasons why lack companionship (% of people at least occasionally lonely)



99% of eligible respondents answered each question. How often feel lack of companionship: Answers sum to 100%. Reasons lack companionship: Answers sum to more than 100% because respondents could select more than one answer.

Unfair treatment because of age has been experienced in different places by senior Australians. Over one quarter have experienced it at least sometimes when contacting Government agencies, 23% in the workplace (if employed), and less than 20% in other listed situations (Table 7).

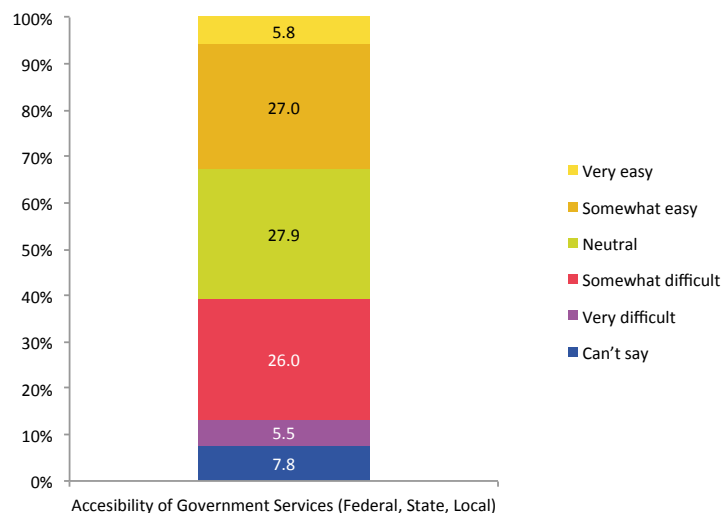
Table 7: How often experienced unfair treatment in the following situations because of age (% of total population)

Situation	Always	Often	Sometimes	Rarely	Never	Can't say
In the workplace (if employed)	1.1	4.3	17.7	29.1	46.1	1.6
Shopping	0.3	3.1	16.2	31.9	46.3	2.3
In seeking health care	0.3	1.8	10.9	26.8	57.8	2.5
Contacting Government agencies	1.8	6.2	18.9	23.8	42.3	7.0
Dealing with bank/ financial institution	0.5	2.6	11.5	27.2	56.0	2.2
On public transport	1.1	3.7	11.2	24.8	48.0	11.3

93% of eligible respondents answered each question. Each row sums to 100%.

The accessibility of Government (Federal, State, Local) services is rated as very or somewhat easy by about one-third of respondents, while a similar proportion state they are very or somewhat difficult to access (Figure 11).

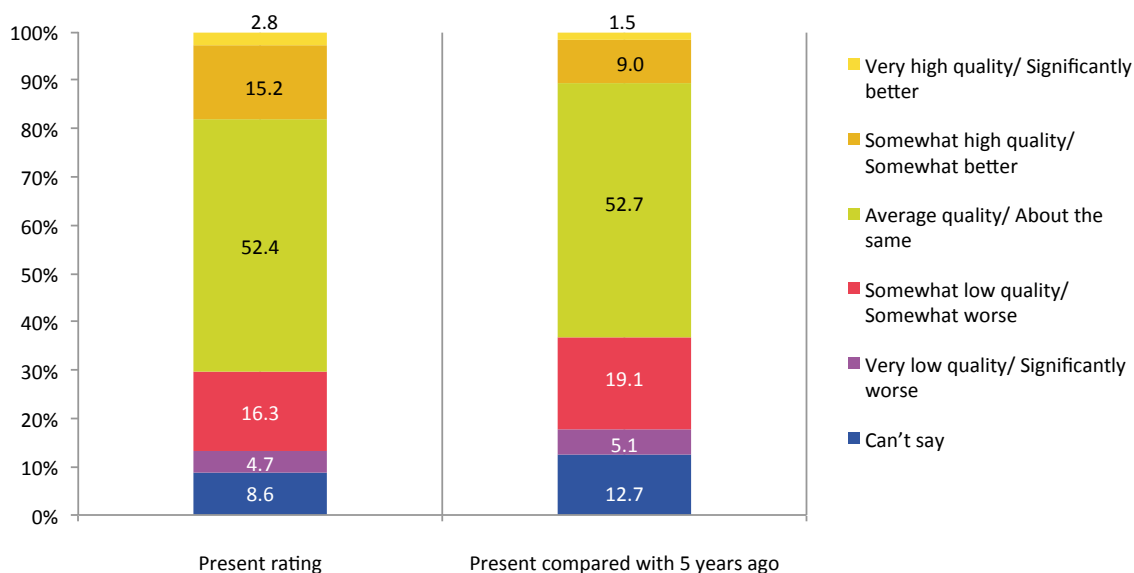
Figure 11: Accessibility of Government (Federal, State, Local) services (% of total population)



95% of eligible respondents answered question.

The present rating of the quality of Government (Federal, State, Local) services by Senior Australians results in approximately equal proportions thinking they are of very or somewhat high quality (18%) and very or somewhat low quality (21%) (Figure 12). About half think they are average quality. However, compared with five years ago, more senior Australians think the quality of Government services is getting worse (24%) than better (11%).

Figure 12: Present rating of quality of Government (Federal, State, Local) services, and comparison with 5 years ago (% of total population)



95% of eligible respondents answered each question.

A significant proportion (38%) of senior Australians has raised an issue with a local political representative in the last 5 years (Table 8). About 40% of those who raised issues (15% of all senior Australians) said their view or concern was heard, while about 18% (7% of all senior Australians) said it was not heard.

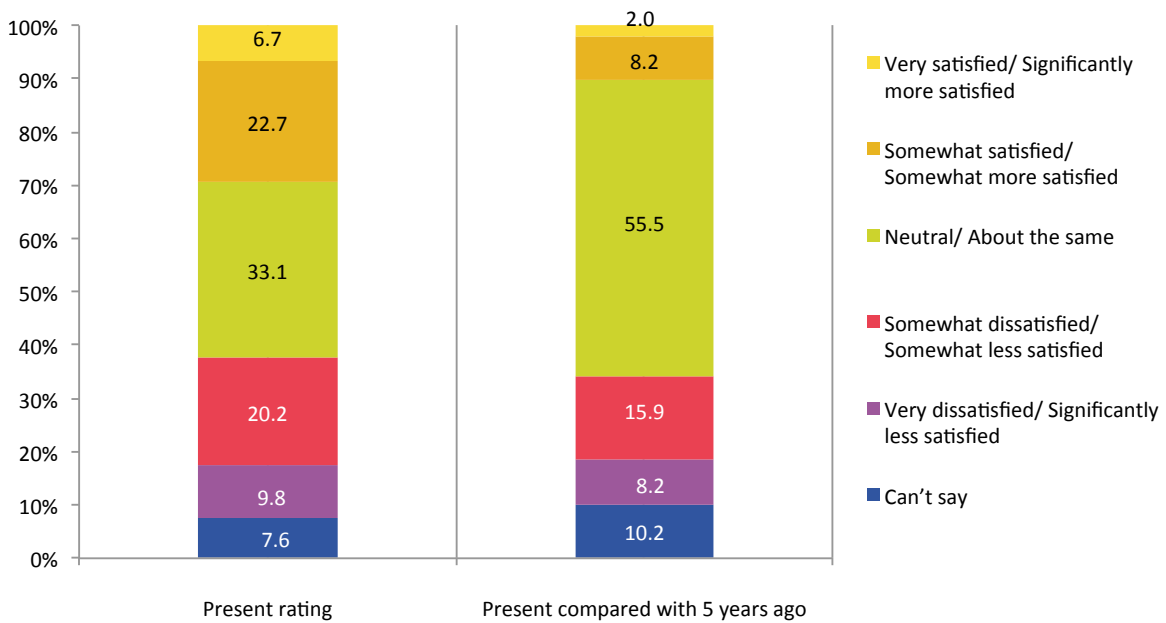
Table 8: Raised issue with local political representatives in last five years (Federal or State Member of Parliament, or Local Councilor) & response (% of total population)

	%
Yes & view/concern was accommodated/ heard	15.0
Yes & view/concern maybe accommodated/ heard	14.7
Yes & view/concern not accommodated/ heard	7.1
Yes & don't know if view/concern accommodated/ heard	1.4
No, did not raise issue	57.0
Can't say	4.8
Total	100.0

99% of eligible respondents answered question.

When asked to rate their local political representatives, 29% of senior Australians are very or somewhat satisfied, and a similar proportion are very or somewhat dissatisfied (30%) (Figure 13). However, compared with five years ago, there is a higher proportion who are somewhat or significantly less satisfied with their local political representatives (24%) compared with more satisfied (10%).

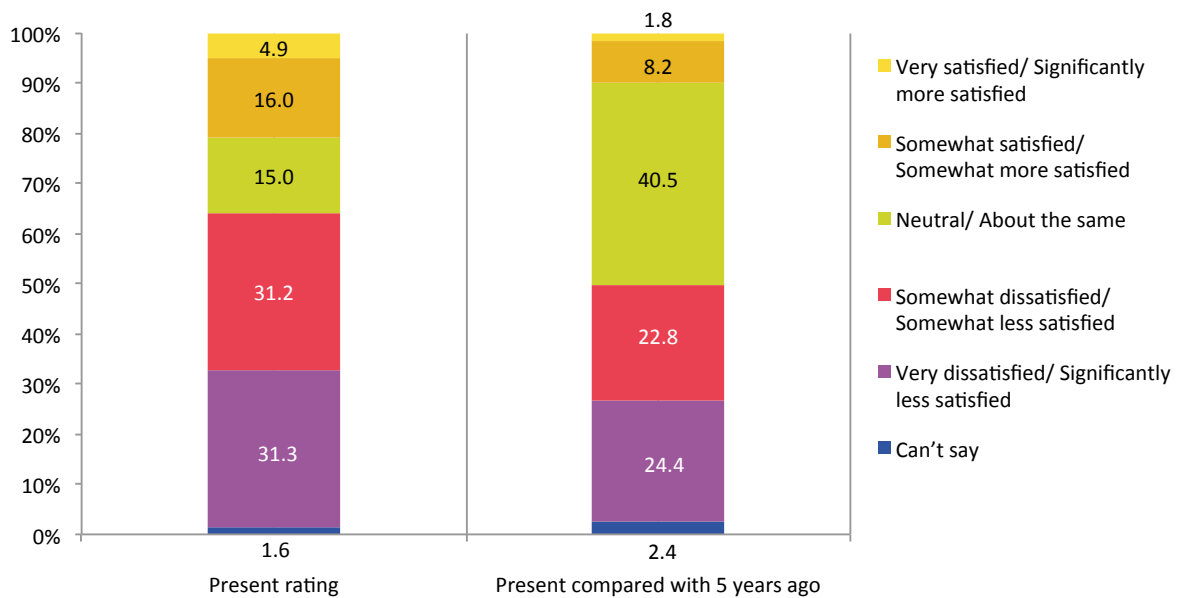
Figure 13: Present rating of local political representatives, and comparison with 5 years ago (% of total population)



94% of eligible respondents answered each question.

Sentiment towards the Australian political system is low, with 62% somewhat or very dissatisfied, compared with only 21% somewhat or very satisfied (Figure 14). When compared with five years ago, almost half of senior Australians are somewhat or significantly less satisfied (47%), compared with only 10% more satisfied.

Figure 14: Present rating of political system in Australia, and comparison with 5 years ago (% of total population)



96% of eligible respondents answered each question.

Financial wellbeing

Analysis of the components of financial wellbeing show that the ability to save for future needs and the confidence in having adequate income for retirement are the two factors with the most impact on financial wellbeing (Table 9). The next most important factors, which are equally important, are the ability to cover basic expenses and cover non-essential expenses. Interestingly the results from the question of the impact of Federal and State Government policies on financial wellbeing have very little influence on overall financial wellbeing.

Table 9: Components of financial domain (%)

	%
Ability to cover basic expenses	20.0
Ability to cover non-essential expenses	20.2
Ability to save	26.8
Confidence in adequate retirement income	28.8
Impact of Federal/State Government spending	4.2
Total	100.0

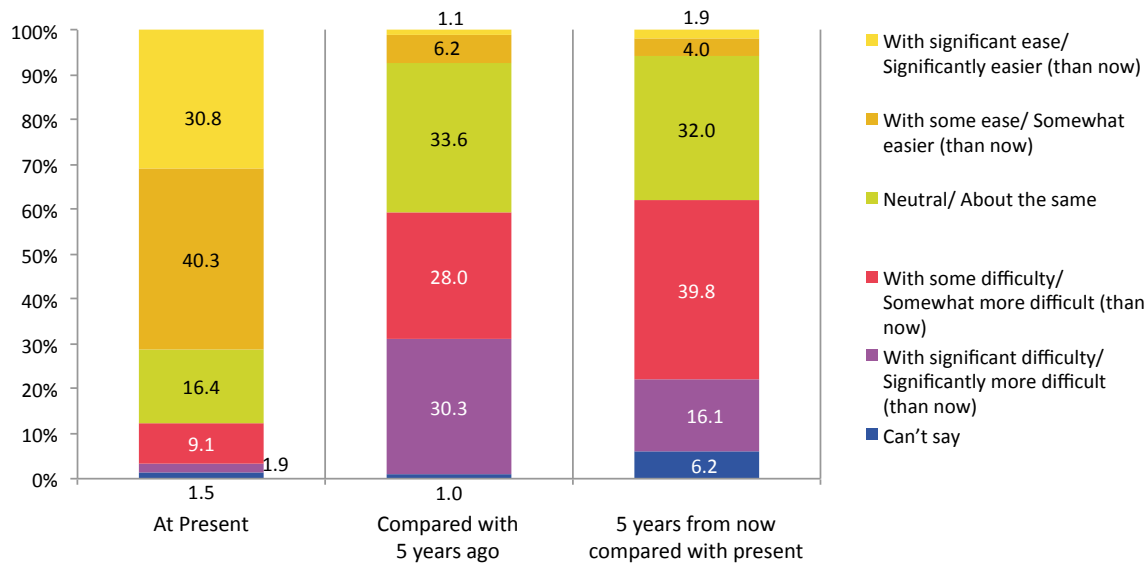
Variable used for each component: Ability to cover basic expenses - Ability to cover basic household expenses at present. Ability to cover non-essential expenses - Ability to cover non-essential household expenses at present. Ability to save - Comfort at present with saving for future needs. Confidence in adequate retirement income - Confidence in all income sources to provide adequate income in retirement. Impact of Federal/State Government spending (aggregated variable) - Impact of Federal and State Government policies on financial wellbeing presently. Full regression analyses are shown in Table A.2.3.

The primary reasons for improved financial wellbeing over the past 5 years are decreased mortgage or household debt (25% main reason), more income or secure income from work (22%) and partner's work (8%), and increased household wealth (9%). Higher returns from superannuation are cited by 36% as a reason (Table A.3.3). Similar reasons are given for improved financial wellbeing looking forward, including decreased mortgage or household debt (25% main reason), more income or secure income from work (22%) and partner's work (8%), and increased household wealth (9%) (Table A.3.4). Thirteen per cent cite better economic conditions as the main reason, and 15% cite higher returns from superannuation.

For reasons for declines in financial wellbeing over the past five years, lower returns on superannuation is the most commonly cited main reason (15%, 54% a reason), with a decrease in household wealth cited as a reason by 46% of people and the main reason by 11% (Table A.3.5). Other key reasons are prices of utilities (77% a reason), prices of food and groceries (65% a reason), less affordable health care (49%) and lower returns on shares (37%) and cash savings (43%). Concerns around prices of utilities, prices of food and groceries, less affordable health care and decreases in household wealth, lower returns on superannuation and retirement are the key reasons for people thinking their financial wellbeing will decline in the next five years (Table A.3.6).

Almost one-third of senior Australians have significant ease with covering basic expenses at present, while 11% have some or significant difficulty (Figure 15). Overall, senior Australians are finding it more difficult to cover basic household expenses over time. Fifty-eight per cent state that it is significantly or somewhat more difficult to cover basic household expenses presently compared with five years ago, and only 7% find it easier. Looking forward, there is a similar sense of items being more difficult to afford, with 56% of saying it will be more difficult to cover basic household expenses five years from now.

Figure 15: Ability to cover basic household expenses at present, at present compared with 5 years ago, and how think will be 5 years from now compared with the present (% of total population)



98% of eligible respondents answered each question.

Auto and house repairs or maintenance and electricity are the most commonly cited items that senior Australians have difficulty paying for at least sometimes (7-8% of all senior Australians) (Table 10). The next most common items that senior Australians at least sometimes have difficulty paying for are health care/medicines, food/groceries, phone and water (6%).

Table 10: Frequency of experiencing difficulties paying for items (% of total population)

	Regularly	Sometimes	At least sometimes
Auto repairs/ maintenance	2.9	5.0	7.9
House repairs/ maintenance	2.8	4.6	7.4
Electricity	2.2	4.9	7.1
Health care/medicines	1.5	4.5	6.0
Food/ groceries	1.1	4.6	5.7
Phone	1.7	4.0	5.7
Water	1.6	3.9	5.5
Gas	1.5	3.0	4.5
Other loans	0.9	2.0	3.0
Rent	0.5	0.7	1.2
Mortgage	0.5	0.7	1.2
Other	0.6	0.2	0.8

98% of eligible respondents answered question.

Over the next five years, senior Australians are most worried about difficulties paying utilities (69% rated in top 3 concerns), followed by difficulties paying health care & medications (62%) and high prices of food and groceries (58%) (Table 11). House and automotive repairs and maintenance, which were rated as major difficulties in paying presently are rated as relatively less important over the next five years.

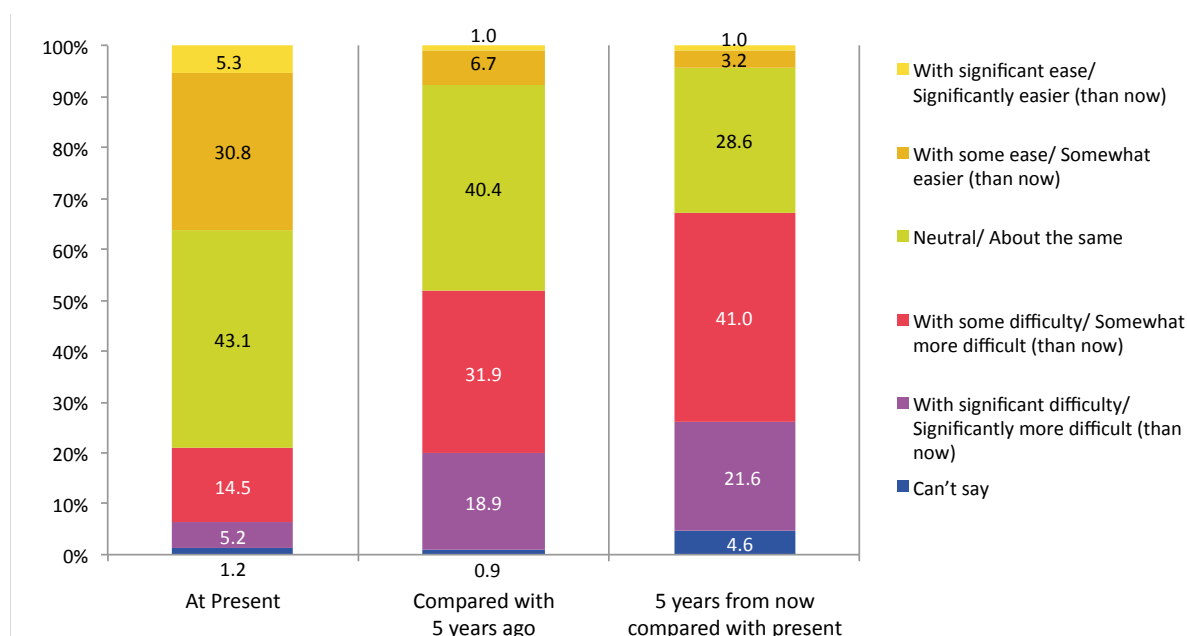
Table 11: Rating of issues worried about over next five years (% of all people very or somewhat worried about being unable to cover basic household expenses five years from now)

	Concern			
	1st	2nd	3rd	Top 3
Difficulty paying utilities	39.3	21.4	8.3	68.9
Difficulty covering health care & medications	18.7	23.2	19.7	61.6
High prices of food/ groceries	14.6	18.1	25.3	58.0
Difficulty covering house repairs/ maintenance	9.4	16.0	15.0	40.5
Difficulty covering auto repairs/ maintenance	1.9	9.5	16.6	28.0
Difficulty paying mortgage	7.3	1.3	1.8	10.4
High cost of rent	4.3	1.0	0.4	5.7
Difficulty paying other loans	1.9	2.4	1.2	5.6
Other	2.4	1.5	2.1	6.0

61% of eligible respondents answered question.

Senior Australians report a lower ability to cover non-essential expenses at present compared with basic household expenses. Only five per cent have significant ease with covering cover non-essential expenses, while 31% have some ease. In contrast, 20% have some or significant difficulty. Again, senior Australians are finding non-essential expenses more difficult to cover over time (Figure 16). Half of people think that it is presently more difficult to cover non-essential expenses at present compared with five years ago, while 63% think it will be more difficult five years from now. Only a small proportion finds it easier over time.

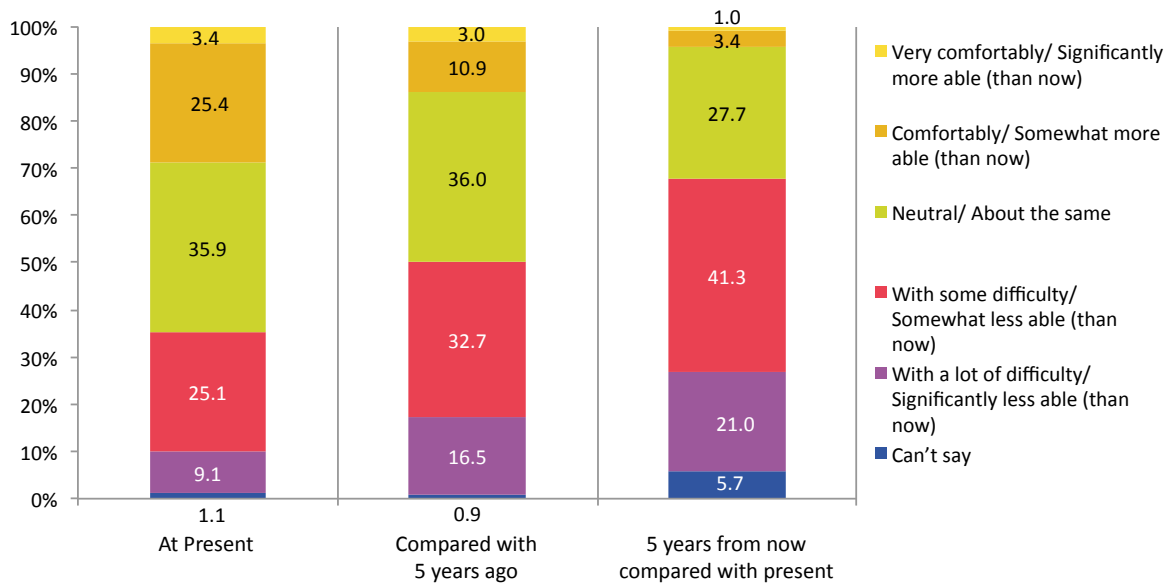
Figure 16: Ability to cover non-essential household expenses (eg dining out, travelling, shopping) at present, at present compared with 5 years ago, and how think will be 5 years from now compared with the present (% of total population)



97-98% of eligible respondents answered each question.

Twenty-nine per cent of senior Australians are at least comfortably able to save for future needs at present, compared with 34% who have at least some difficulty (Figure 17). Just under half of people (49%) are somewhat or significantly less able at present to save for future needs compared with five years ago, while 14% are at least somewhat more able. Looking forward, a low sentiment towards increasing difficulties to save money exists, with 62% thinking they will be somewhat or significantly less able to save for future needs five years from now.

Figure 17: Comfort at present with saving for future needs, ability to save for future needs at present compared with 5 years ago, and how think will be 5 years from now compared with the present (% of total population)



98-99% of eligible respondents answered each question.

Confidence in superannuation is as expected higher amongst people for whom superannuation is their main source of income in retirement. For non-retired people expecting superannuation to be their main source of income, there are similar proportions of people at least somewhat confident and either not very or not at all confident that superannuation will provide adequate income in retirement. Where superannuation is a source of income (ie, not only the main expected source) more than half of people are either not very or not at all confident (Table 12). Confidence is higher amongst those who are retired, with 56% with it as their main source of income somewhat or very confident of it providing adequate income in retirement, compared with 28% not very or not all confident. For those with superannuation as a source of income, the respective figures are 44% and 27%.

Table 12: Confidence in superannuation to provide adequate income in retirement (% of non-retired people intending to receive/ retired people currently receiving superannuation – main source of income and a source of income)

	Not retired		Retired	
	Main source	A source	Main source	A source
Very confident	5.8	4.0	16.5	11.3
Somewhat confident	35.7	26.6	39.5	32.6
Neutral	14.2	12.2	13.3	14.2
Not very confident	24.9	25.6	21.3	24.3
Not at all confident	18.4	30.0	7.1	13.2
Can't say	0.9	1.7	2.3	4.3
Total	100.0	100.0	100.0	100.0

96% of eligible non-retired and 91% of eligible retired respondents answered question. Sources of income for retirement are shown in Table A.5.8.

Confidence in all income sources to provide adequate income in retirement is higher for retired than non-retired people (Table 13). Almost half (45%) of retired people are somewhat or very confident in all income sources providing adequate income in retirement, compared with 34% of non-retired people. Further, 50% of non-retired people are not very or not all confident, compared with 34% of retired people.

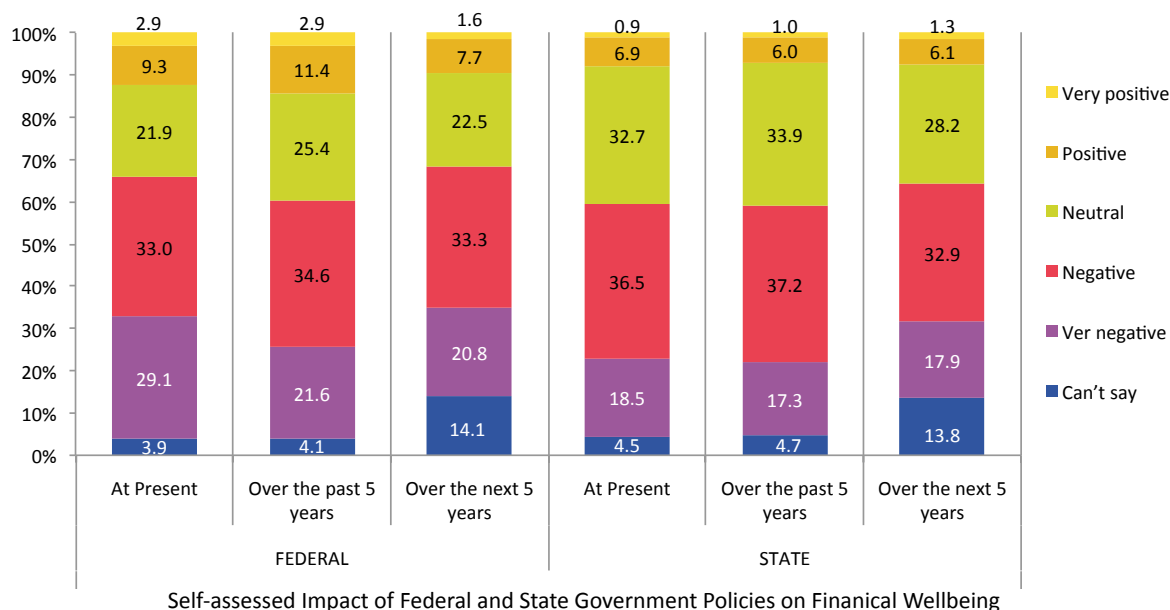
Table 13: Confidence in all income sources to provide adequate income in retirement (% of not retired/ retired people)

	Not retired	Retired
Very confident	4.5	10.5
Somewhat confident	29.6	34.8
Neutral	12.8	16.7
Not very confident	31.0	24.1
Not at all confident	19.5	10.0
Can't say	2.7	3.9
Total	100.0	100.0

99% of eligible non-retired and 94% of eligible retired respondents answered question. Sources of income for retirement are shown in Table A.5.8.

There is a general negative sentiment towards both Federal and State Government policies in terms of their impact on financial wellbeing over the past five years, presently and over the next five years. Around one third have a negative sentiment towards both forms of government over each time period, with 17-22% having very negative sentiment, except for present negative sentiment towards the Federal Government which is 29% (Figure 18). Positive or very positive sentiment is low, remaining less than 10% for State Government over the three time periods.

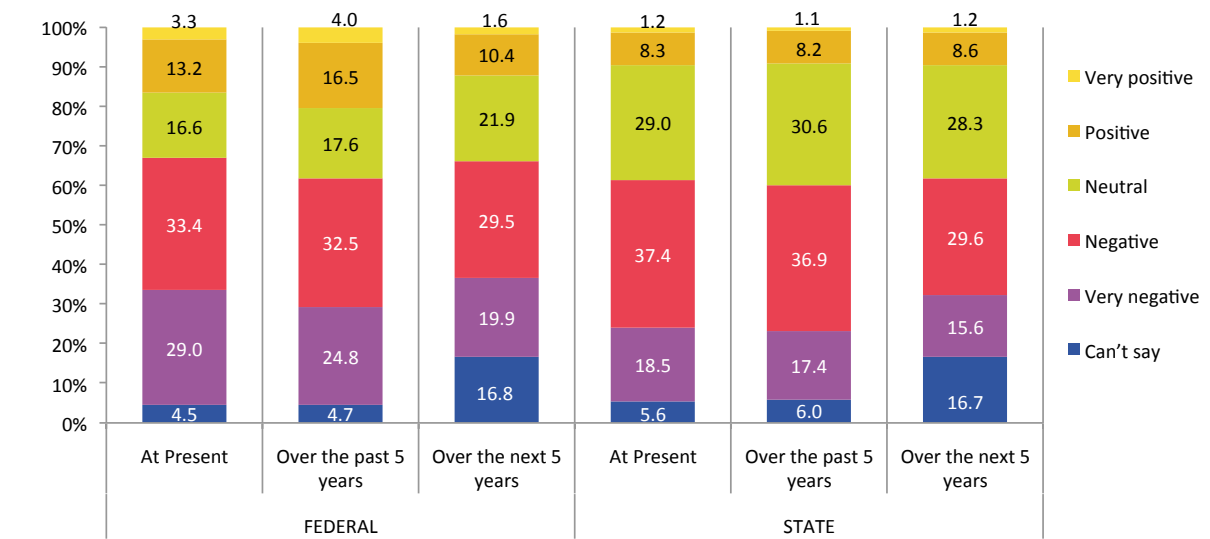
Figure 18: Impact of Federal and State Government policies on financial wellbeing over past 5 years, presently and over next 5 years (% of total population)



95% of eligible respondents answered each Federal question and 95% answered each State question.

Sentiment towards the Federal and State Government policies on Australian economy over time is also generally negative. Sixty-two per cent of people think Federal Government policies have a negative or very negative impact on the Australian economy at present, compared with 56% for State Government (Figure 19). However, there is a higher proportion of people with believing there is a positive or very positive impact of the Federal Government compared with State Government on the economy.

Figure 19: Impact of Federal and State Government policies on Australian economy over past 5 years, presently and over next 5 years (% of total population)



94% of eligible respondents answered each Federal question and 94% answered each State question.

When asked about their present worry about a range of issues, senior Australians listed affordable utilities as their primary worry, with 83% very or somewhat worried about this issue (Table 14). Next, 37% are very worried about economic reliance on China, 33% very worried about national debt, 33% very worried about affordable health care and 28% very worried about revenue dependence on mining. Other issues where more than half of people are either very or somewhat worried are financial market stability, affordable food or grocery prices, Government fiscal stability, and standard of living or quality of life.

Table 14: Present worry about issues (% of total population)

	Very worried	Somewhat worried	Neutral	Somewhat not worried	Not worried at all	Can't say
Affordable utilities	42.2	40.7	9.2	4.4	2.6	1.0
Economic reliance on China	36.5	35.1	17.9	5.8	2.6	2.1
National debt	33.2	31.8	21.2	7.6	4.2	2.1
Affordable health care	32.6	47.4	11.0	4.9	3.6	0.6
Revenue dependence on mining	27.8	40.8	19.9	6.7	2.8	1.9
Financial market stability	26.2	45.3	19.3	5.2	1.6	2.5
Affordable food/ grocery prices	23.0	45.2	21.0	6.0	4.3	0.5
Government fiscal stability	22.5	38.9	23.4	8.0	3.6	3.5
Standard of living/ quality of life	22.5	42.3	24.2	6.7	3.9	0.5
Job security	18.3	23.4	29.7	6.4	15.1	7.2
Affordable housing	13.3	29.7	28.0	7.8	17.9	3.4

Percentage of eligible respondents answering each question ranged from 91% to 96%. Each row sums to 100%.

Health domain

When assessing the factors that impact a person’s health, there are numerous factors to take into account. Factors such as history of illness and injury, diet and physical exercise can all impact a person’s health. In this report, we have limited our analysis of the components of health wellbeing to health system factors that have been experienced by people who have a health condition requiring them to visit a doctor or specialist on a regular basis, which is 60% of senior Australians.

Analysis of the components of the health domain reveals that the extent to which respondents think hospital staff take concerns seriously, as well as their ability to access medications, are equally related with the self-rated health of those with a health condition (Table 15). The ability to pay health expenses are somewhat less important. However, it must be remembered that the direction of these relationships is difficult to ascertain.^v

Table 15: Components of health domain (%)

	%
Interaction with health system (staff take concerns seriously)	38.8
Ability to access medications	38.8
Ability to pay health expenses	22.4
Total	100.0

Variable used for each component: Interaction with health system – Feel hospital staff take concerns seriously. Ability to access medications – difficulty accessing medications. Ability to pay health expenses – Frequency of experiencing difficulties paying for health care/ medications. Full regression analyses are shown in Table A.2.4. Ability to get appointment with doctor/medical professional and satisfaction with Government health spending were originally included in regression model, but were non-significant and so excluded from final analysis.

The most common reasons cited for health getting better over the past five years is more affordable access to doctors/ specialists and other health professionals, higher quality of health care and more exercise (Table A.3.7). A wide range of reasons are given for why health has declined in recent years, including less affordable access to doctors/ specialists, less affordable health insurance, lack of government support for the health system, long waiting times and general ageing (Table A.3.8). Looking forward, the reasons given for why health will decline in the next five years are similar, with less affordable quality aged care also an issue.

Just over half (55%) of senior Australians state that they can always get an appointment with a doctor when necessary, with 3% saying they can rarely or never (Table 16). A slightly smaller proportion of seniors can always get an appointment with other health professionals when necessary, with 5% stating rarely or never. Just under half of people (46%) feel that hospital staff always take their medical concerns seriously, with this happens 3% saying rarely or never and 17% not able to say. Just over half of people have never had difficulties accessing medications (54%), with 3% saying this happens often or always.

Table 16: Frequency of experiencing the following in health system (% of those with health condition requiring them to visit a doctor or specialist on a regular basis)

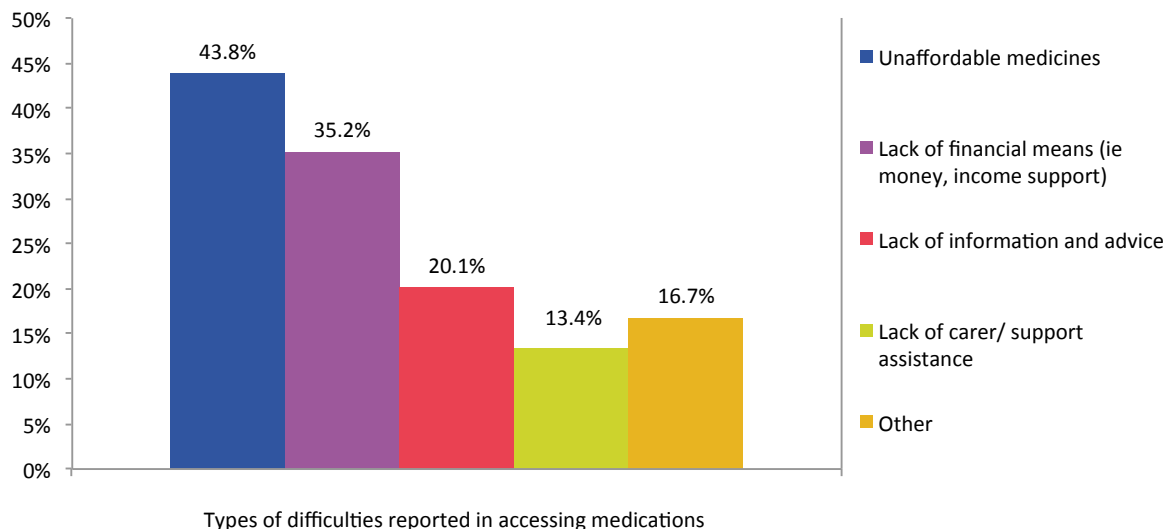
	Always	Often	Sometimes	Rarely	Never	Can't say
Can get appointment with doctor when necessary	54.6	29.3	12.5	2.7	0.6	0.4
Can get appointment with other health professionals when necessary	42.0	32.1	18.1	4.4	0.5	2.8
Feel hospital staff take medical concerns seriously	46.2	18.6	14.9	2.3	0.9	17.1
Difficulty accessing medications	1.4	1.7	7.3	31.0	54.0	4.6

Percentage of eligible respondents answering each question ranged from 98% to 100%. Each row sums to 100%.

The most common type of difficulties reported in accessing medicines are unaffordable medicines (44%), and a lack of financial means (35%), followed by a lack of information and advice (20%) (Figure 20).

^v Although this analysis only includes people with a health condition, the direction of the relationship with these components is unclear because the seriousness of the health condition (as represented by self-rated health) may influence some components, such as the ability to access medications. Therefore should be considered when interpreting the results.

Figure 20: Types of difficulties reported in accessing medications (% experiencing difficulties accessing medications at least sometimes)



95% of eligible respondents answered question. Answers sum to more than 100% because respondents could select more than one answer.

The affordability of health insurance and health care are primary issues of concern for senior Australians. Approximately one-third rate each of these issues as the main concern regarding health services in Australia (Table 17). Lack of health benefits (regarding the Pharmaceutical Benefits Scheme and Medicare Safety Net) is rated as the top concern by 9% and in the top three concerns by 45%. Long waiting times are rated in the top 3 concerns by 34% and staffing levels in the top three concerns by 30%.

Table 17: Rating of concerns regarding health services in Australia (% of total population)

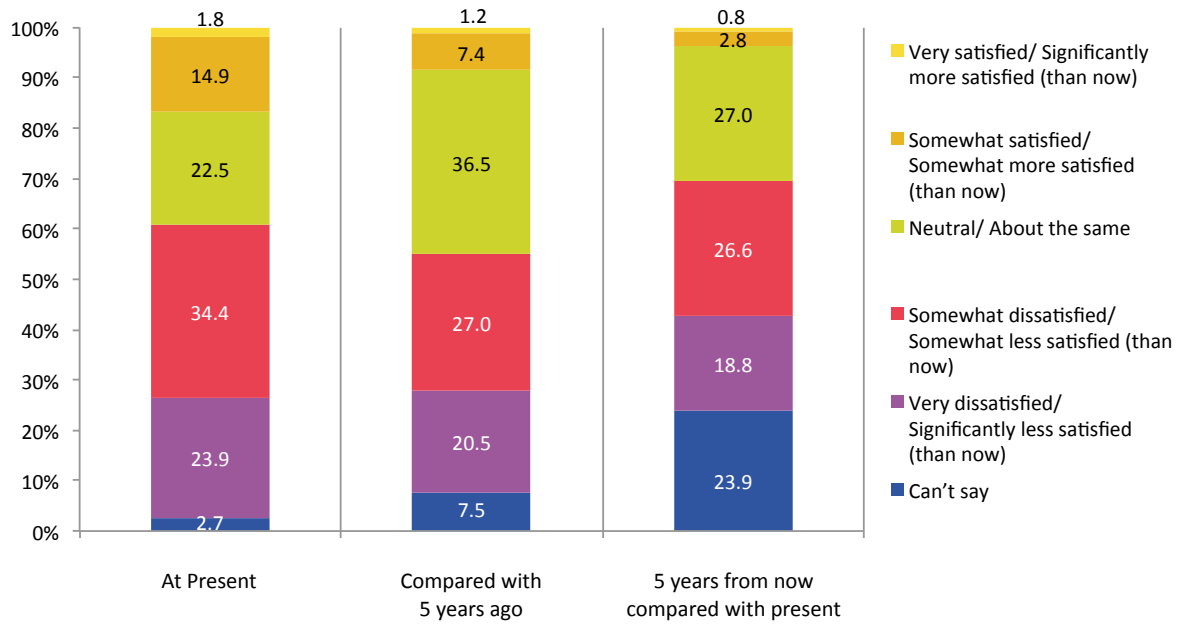
	Concern			
	1st	2nd	3rd	Top 3
Unaffordable health insurance	33.6	24.1	9.7	67.4
Unaffordable health care	30.7	18.6	12.6	61.9
Lack of health benefits (eg access to Pharmaceutical Benefits Scheme, Medicare Safety Net)	8.8	15.8	20.7	45.2
Long waiting times for treatment	9.5	11.6	12.9	34.0
Staffing levels	7.8	8.8	13.2	29.7
Confusion about public and private provision of health care	2.2	5.9	11.8	19.9
Discriminatory attitudes towards older people	4.2	5.9	7.8	17.9
Difficulties in making appointments	2.5	4.2	4.0	10.7
Poor medical counselling and support	2.1	2.7	3.6	8.4
Poor treatment from hospital staff	0.7	2.1	1.9	4.7

73% of eligible respondents answered question.

There is dissatisfaction with the Government’s level of spending in the health system amongst 58% of senior Australians, with only 2% very satisfied (Figure 21). Almost half (48%) of senior Australians are somewhat or significantly less satisfied with the Government’s level of spending in the health system at present compared with five years ago. In contrast, only 9% are more satisfied. Looking ahead, only 4% of people think they will be more satisfied

with Government spending in the health system five years from now, while 45% think they will be less satisfied. Almost one-quarter of respondents could not state their opinion on this question.

Figure 21: Present satisfaction with Government's level of spending in health system, compared with 5 years ago, and how think will be 5 years from now compared with the present (% of total population)



96% of eligible respondents answered each question.

Discussion

The Seniors Sentiment Index, measured at 65.9%, shows that Australians aged 50 years and over are broadly positive about their life. The Index, which is an average of the Domain Indexes for social, financial and health wellbeing, is constructed on a scale of 0% to 100%, whereby a score of 50% would indicate a neutral sentiment towards their life. Senior Australians are particularly positive about their health, with 71% stating they are of good or excellent health. Further, over 60% of senior Australians are very or somewhat satisfied with their social wellbeing, in terms of their personal relationships, satisfaction with community and sentiment towards Government institutions. Just over half are very or somewhat satisfied with their financial wellbeing. When asked separately about their satisfaction towards their life as a whole, senior Australians are even more positive, with 82% very or somewhat satisfied, which converts to an index of 76.6%.

Closer analysis using regression modelling finds that the social domain has the largest influence on overall life satisfaction, with the financial and health domains having very similar impacts. Construction of an Alternative Sentiment Index using weightings from this analysis results in an Index of 66.2%, almost identical to the original Sentiment Index of 65.9%. This validates the simple approach of averaging the three domain Indexes to construct the Seniors Sentiment Index.

The sentiment of senior Australians varies across different socio-economic characteristics of the population. The Sentiment Index is highest for those earning the highest income, those who have finished high school, are married or in a de facto relationship, and living in a capital city. The Sentiment Index is also highest at older ages, especially over 65 years. These findings are broadly consistent with those of the Australian Unity Personal Wellbeing Index. There are particularly significant differences when these factors are combined; for example the Sentiment Index for a married high income female aged 50-64 and earning a high income is 62.1%, while for a single male aged 65-74 and earning a low income it is just 42.1%. Health and financial wellbeing in particular differ by income, while females have a higher health and social wellbeing than males. Of interest is that financial wellbeing is highest amongst the oldest cohorts, perhaps because those aged 65 years and above are less likely than younger cohorts to have dependents, and also they may have more certainty about how much financial resources they require to have a preferred standard of living.

Despite the overall positive sentiment of senior Australians, responses to questions of how they see their life progressing over the past five years and the next five years are less positive. Both the Retrospective and Prospective Sentiment Indexes are less than 50%. Seniors are particularly concerned with how their financial wellbeing is progressing over time. Health wellbeing is also declining, although this is to be expected with natural ageing. The findings are consistent with recent findings from the Australian Unity Wellbeing Index suggest that wellbeing has declined amongst all Australians in recent years (see Introduction section).





The NSSS2 provides detailed information on the three domains that can provide valuable insights into what is important to the wellbeing of senior Australians. Analysis of the social domain reveals that personal relationships, community satisfaction and sentiment towards Government institutions are all equally important in influencing social wellbeing. Social wellbeing has the strongest influence on overall life satisfaction, demonstrating the importance of senior Australians' relationships with family and friends, community engagement and attitudes to Government in influencing their overall wellbeing, in addition to personal health and financial factors. Respondents are very satisfied with their community and in general find their neighbours trustworthy and helpful, however there are some concerns with perceptions of worsening crime. The findings re-iterate the importance of immediate family in supporting wellbeing. However, there is a small proportion experiencing loneliness, especially if there has been the loss of a spouse or partner. Sentiment towards Government institutions is less positive. There is an average sentiment towards the accessibility and quality of Government services and satisfaction with local political representatives, with but this has declined over the last five years. The Australian political system receives particularly poor sentiment, with almost two-thirds of people at least somewhat dissatisfied with it, and only one-fifth at least somewhat satisfied. This is consistent with findings from the Australian Unity National Wellbeing Index (see Introduction section).

Financial wellbeing amongst senior Australians is most impacted by factors directly affecting their financial future, such as the ability to save money and confidence in retirement income. The ability to cover basic and non-essential expenses is also important. Interestingly, Government policies are perceived as only having a small direct impact on financial wellbeing. Some of the concerns amongst senior Australians at present, as well as over time, centre on the cost of living, such as utilities (especially electricity), automotive and house repairs/ maintenance, health care and medicine, and food prices. Most people see declines in their ability to save and the affordability of basic and non-essential expenses over the next five years. There are also concerns, both over the last five years and in the next five years, about lower returns on superannuation and financial investments and decreases in household wealth. More general concerns also include the economic reliance on China, national debt, revenue dependence on mining, and financial market stability.

Although the majority of senior Australians report themselves to be of at least good health, there are concerns about affordability of doctors and specialists, health insurance and medicines, with these worries increasing over time. There are also concerns about the lack of government support for the health system, long waiting times and quality aged care. Also, most senior Australians are less satisfied with spending on the health system now compared with five years ago. On a more positive note, a significant number of respondents anticipate seeing improved health improve due to more exercise and physical activity.

Concluding comments

This report has assessed the sentiment of senior Australians using results from the National Seniors Social Survey Wave 2. Broadly, senior Australians are positive with their lives, but there are concerns with some financial issues such as the cost of living and returns on financial investments, as well as low satisfaction with the Australian political system. Unlike much previous research measuring aspects of the lives of senior Australians, which have focused on economic issues, the Sentiment Index takes a broader look at their lives by encompassing health and social wellbeing. This has provided valuable insights into how senior Australians view their own lives and life in Australia, which is important given the increasing proportion of the population aged 50 years and above.

Assessment of how senior Australians' lives are progressing can potentially encompass even more areas, some of which were not covered in this report. Some of these issues include more detailed measurement of health status, including mobility, disability, and mental health. Other aspects of life that can be measured include the nature of paid and voluntary employment, caring responsibilities, more details about the nature of personal relationships and lifelong learning. Some of these issues can be explored in future National Seniors Social Surveys.

The next Seniors Sentiment Index will be measured using the National Seniors Social Survey in 2013. This will show how the sentiment of senior Australians has changed over a 12 month period, and will be of particular interest given that 2013 will be a Federal election year. Other factors that will likely influence sentiment of senior Australians are ongoing issues affecting their lives, including policy changes at the local, state, and national level, as well as global economic issues.

References

- ¹ The Association of Superannuation Funds of Australia (2012) 'The ASFA Retirement Standard', http://www.superannuation.asn.au/ExternalFiles/rs/ASFA_RetirementStandard.html.
- ² Treasury (2009) 'Australia's future tax system. The retirement income system: Report on strategic issues', Commonwealth of Australia: Canberra.
- ³ Australian Bureau of Statistics (2001) 'Measuring wellbeing: frameworks for Australian social statistics' Cat. no. 4160.0, Australian Bureau of Statistics: Canberra.
- ⁴ Australian Bureau of Statistics (2001) op. cit.
- ⁵ International Wellbeing Group (2006) 'Personal wellbeing index: 4th edition' Australian Centre on Quality of Life, Deakin University: Melbourne.
- ⁶ International Wellbeing Group (2006) op. cit.
- ⁷ Ganglmair-Wooliscroft, A., & Lawson R., (2006) 'Applying the international wellbeing index in New Zealand: preliminary results' *31st Annual Macromarketing Seminar*, eds. R Latin, M Layton, B Wooliscroft, Queenstown, New Zealand, p. 349-368.
- ⁸ Lau, A.L.D., & Cummins R., (2005) 'Test-retest reliability of the personal wellbeing index' The Hong Kong Polytechnic University, Hong Kong.
- ⁹ Liqing, H. & Zhanjun, X. (2005) 'An initial research on wellbeing index applied to citizens in China' *Chinese Journal of Behavioural Medical Science* 14: 464-465.
- ¹⁰ Tiliouine., H., Cummins, R. & Davern, M. (2006) 'Measuring wellbeing in developing countries: the case of Algeria' *Social Indicators Research* 75: 1-30.
- ¹¹ Lateral Economics (2011) 'The Herald/Age-Lateral Economics index of Australia's wellbeing: final report', www.lateraleconomics.com.au/outputs/Fairfax%20Lateral%20Economics%20Index%20of%20Australia's%20Wellbeing%20Final%20Report.pdf.
- ¹² Osberg, L., & Sharpe, A., (2002) 'An index of economic well-being for selected OECD countries' *Review of Income and Wealth* 48(3): 291-316.
- ¹³ United National Development Program (2007) 'Fighting climate change: human solidarity in a divided world' in *Human Development Report 2007/2008*, Watkins: New York, USA.
- ¹⁴ Gallup-Healthways (2009) 'Gallup-Healthways Well-Being™ Index: Methodology Report for Indexes' <http://well-beingindex.com/files/Gallup-Healthways%20Index%20Methodology%20Report%20FINAL%2003-25-08.pdf>.
- ¹⁵ Kaneda, T., Lee, M., & Pollard, K., (2011) 'SCL and PRB index of well-being in older populations' Washington DC: Population Reference Bureau.
- ¹⁶ Kaneda, T., Lee, M., & Pollard, K., (2011) op. cit.
- ¹⁷ Cummins, R., Woerner, L., Weinberg, M., Collard, J., Hartley-Clark, L., Perera, C., & Horfiniak, K., (2012) 'The wellbeing of Australians: quantity and quality of Sleep: Report 27' Australian Centre on Quality of Life, Deakin University: Melbourne.
- ¹⁸ Cummins, R., Collard, J., Woerner, J., Weinberg, M., Lorbergs, M., & Perera, C., (2009) 'The wellbeing of Australians: who makes decisions, health/wealth control, financial advice, and handedness: Report 22' Australian Centre on Quality of Life, Deakin University: Melbourne.
- ¹⁹ Cummins, R. et al, (2012) op. cit.
- ²⁰ Cummins, R. et al, (2012) op. cit.
- ²¹ Cummins, R., Eckersly, R., Pallant, J., Okerstrom, E., & Davern, M., (2002), 'The impact of personal relationships and household structure on the wellbeing of Australians: Report 3.2' Australian Centre on Quality of Life, Deakin University: Melbourne.
- ²² Cummins, R., Eckersly, R., Pallant, J., Vugt, J.V., Shelley, J., Pusey, M., Misajon, R., (2001) 'Australian Unity Well-Being Index: Report 1' Australian Centre on Quality of Life, Deakin University: Melbourne.

- ²³ Frey, B., & Stutzer, A., (2000) 'Happiness, economics and institutions' *The Economic Journal*, 110, pp. 918-938.
- ²⁴ Binswanger, J (2009) 'What is an adequate standard of living during retirement?' *CESIFO Working Paper 2893*: 1-30.
- ²⁵ Cummins, R. et al, (2012) op. cit.
- ²⁶ Easterlin, R .,(2002) 'The income-happiness relationship' University of Southern California: California.
- ²⁷ Easterlin, R., (1995) 'Will raising the incomes of all increase the happiness of all?' *Journal of Economic Behavior and Organization*, Vol. 27, No.1, pp. 35-48.
- ²⁸ McRae, I., Yen, L., Jeon, Y.H., Menaka, H., & Essue, B. (2012) *The Health of Senior Australians and the Out-of-Pocket Healthcare Costs They Face*. Research Report Series, National Seniors Productive Ageing Centre: Canberra.
- ²⁹ International Wellbeing Group 2006, op. cit.
- ³⁰ StataCorp 2009, Stata/SE 11.1, StataCorp: College Station, Texas, USA.

Appendix

Appendix materials can be accessed from www.nationalseniors.com.au

Appendix Table A.1.1: Response rate (% of people receiving survey)

Appendix Table A.2.1: Regression results for overall life satisfaction and domains, used for domain weights

Appendix Table A.2.2: Regression results for social domain and components, used for component weights

Appendix Table A.2.3: Regression results for financial domain and components, used for component weights

Appendix Table A.2.4: Regression results for health domain and components, used for component weights

Appendix Table A.3.1: Reasons social wellbeing better compared with 5 years ago (% answering much or somewhat better) and 5 years from now compared with present (% answering will be much or somewhat better)

Appendix Table A.3.2: Reasons social wellbeing worse compared with 5 years ago (% answering much or somewhat worse) and 5 years from now compared with present (% answering will be much or somewhat worse)

Appendix Table A.3.3: Reasons causing financial wellbeing to be better than 5 years ago (% answering much or somewhat better)

Appendix Table A.3.4: Reasons causing financial wellbeing to be better 5 years from now (% answering will be much or somewhat better)

Appendix Table A.3.5: Reasons causing financial wellbeing to be worse than 5 years ago (% answering much or somewhat worse)

Appendix Table A.3.6: Reasons causing financial wellbeing to be worse 5 years from now (% answering will be much or somewhat worse)

Appendix Table A.3.7: Reasons health better compared with 5 years ago (% answering much or somewhat better) and 5 years from now compared with present (% answering will be much or somewhat better)

Appendix Table A.3.8: Reasons health worse compared with 5 years ago (% answering much or somewhat worse) and 5 years from now compared with present (% answering will be much or somewhat worse)

Appendix Table A.4.1: Closeness of relationship, how often contact and potential source of support in time of need with family, friends and others (% of total population)

Appendix Table A.4.2: Take part in community events (% of total population)

Appendix Table A.4.3: Reason for not attending community events (% of those rarely/ never attending community events)

Appendix Table A.4.4: Type of group/ organisation belong to (% of people who belong to group/organisation)

Appendix Table A.4.5: Reasons preventing from joining group/ organisation (% of people who do not belong to group/organisation)

Appendix Table A.5.1: How cover expenses (% of people experiencing difficulties paying expenses at least sometimes)

Appendix Table A.5.2: Worry of being unable to cover basic household expenses five years from now (% of total population)

Appendix Table A.5.3: Rating of present mix of Government spending and taxes in Australia (% of total population)

Appendix Table A.5.4: Rating of which services Government should prioritise spending to (% of total population)

Appendix Table A.5.5: Rating of concerns for quality of life of older Australians (% of total population)

Appendix Table A.5.6: Worry about issues over next 5 years (% of total population)

Appendix Table A.5.7: How plan to fund retirement (% of non-retired people)

Appendix Table A.5.8: Sources of income intend to receive in retirement (% of non-retired people) and currently receiving in retirement (% of retired people)

Table A.5.9: Income per year needed when retire (% of retired people) or presently need in retirement (% of not retired people)

Appendix Table A.5.10: Whether made plans for retirement (% of non-retired people)

Appendix Table A.6.1: Background socio-economic and demographic variables (% of total population)

Appendix Table A.6.2: Socio-economic and demographic characteristics associated with social wellbeing health (% of total population)

Appendix Table A.6.3: Socio-economic and demographic characteristics associated with financial wellbeing (% of total population)

Appendix Table A.6.4: Socio-economic and demographic characteristics associated with self-rated health (% of total population)

Appendix Table A.6.5: Socio-economic and demographic characteristics associated with overall life satisfaction (% of total population)

Appendix Table A.6.6: Regression results of domains and overall life satisfaction with socio-economic and demographic characteristics, used for predicted probabilities

ABOUT NATIONAL SENIORS AUSTRALIA

National Seniors Australia is the leading independent voice of over 50s in Australia. As the nation's largest not-for-profit organisation for over 50s, we represent the views of older Australians and their families to governments of all levels, on issues ranging from age discrimination and mature age employment to the age pension and health and aged care. Founded in 1976 and now with more than 200,000 members, we provide unrivalled access to policy makers, innovative and practical research and a raft of commercial benefits to our members. Every day, National Seniors Australia seeks to improve the quality of life for mature age Australians.

For more information about National Seniors Australia visit www.nationalseniors.com.au or call **1300 76 50 50**.

Level 18, 215 Adelaide Street Brisbane Qld 4000

GPO Box 1450 Brisbane Qld 4001

Phone: 1300 76 50 50 **Fax:** 07 3211 9339

Web: nationalseniors.com.au

National Seniors

Australia