

Summary of findings of *The wellbeing and vulnerability of older New Zealand adults in retirement* by Joanne Allen and Fiona Alpass, Massey University

Summary compiled by CFFC

- Around 16% of New Zealand adults aged 45-64 and 6-7% of adults over the age of 65 experience material 'hardship'.
- Lifetime experiences of advantage and disadvantage culminate to shape the material resources with which adults arrive in older, resulting in inequalities in wellbeing.
- On average, those who experienced good material wellbeing in later life also experienced good levels of physical, mental and social health as they aged, and those experiencing material hardship in later life experienced lower levels of physical, mental and social wellbeing as they aged.

Risk factors for material hardship in retirement:

- not owning a home in later life, or owning a home with a mortgage
- not being in the paid workforce long term
- being single
- having/having held a non-professional occupation
- having no tertiary qualification
- Māori descent
- poor health

The following events increase the risk of material hardship in retirement depending on when they happen:

- prolonged unemployment ages 55-64
- onset of prolonged illness or disability ages 55-65
- relationship loss ages 45-54.

The increased risk of material hardship with relationship loss in mid-life may reflect:

- loss of assets and / or income
- difficulties entering or re-entering the workforce
- difficulties meeting living expenses with reduced income

Those who are in material hardship before they retire experience, on average, an increase in material and mental wellbeing as they retire.

- these increases in mental health among older adults experiencing hardship prior to reaching age 65 may partly reflect decreased financial stress and increased security with receipt of New Zealand Super.
- current retirement income policies may modestly improve outcomes among vulnerable older adults.

To improve the wellbeing of vulnerable older New Zealanders, the authors suggest policies to enable accumulation of material wealth across the life course, such as

- reducing risks associated with not owning one's home
- improving health
- supporting employment and training across the life course.