

# **Decumulating Retirement Savings making the Options Work**

## **Consumers Perspective**

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Te Puāwaitanga o Ngā Tapuwae Kia Ora Tonu. Life and Living in Advanced Age: a Cohort Study in New Zealand (LiLACS NZ) LiLACS NZ Longitudinal Study

- Takes a narrow age band
- Everyone invited
  - 80 to 90yrs for Māori
  - 85yr for non-Māori
- To learn about issues that are related to wellbeing
- Cultural, family, whānau and hapū; environmental, social, and health

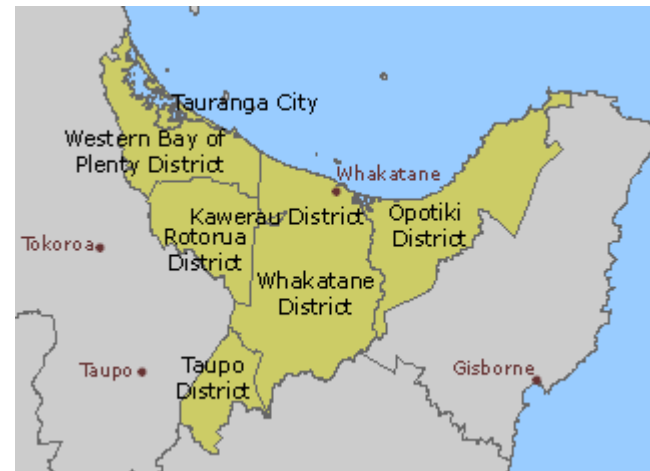


# Where and how many?

- Bay of Plenty and Lakes DHBs
- Equal explanatory power  
Māori and nonMāori
- Recruited **421 out 766 Māori**  
80- 90 years (56%)
- **Non Māori 516 out of 870**  
(59%)
- Visit every year until death
- 89 in 2014, 84-94 Māori

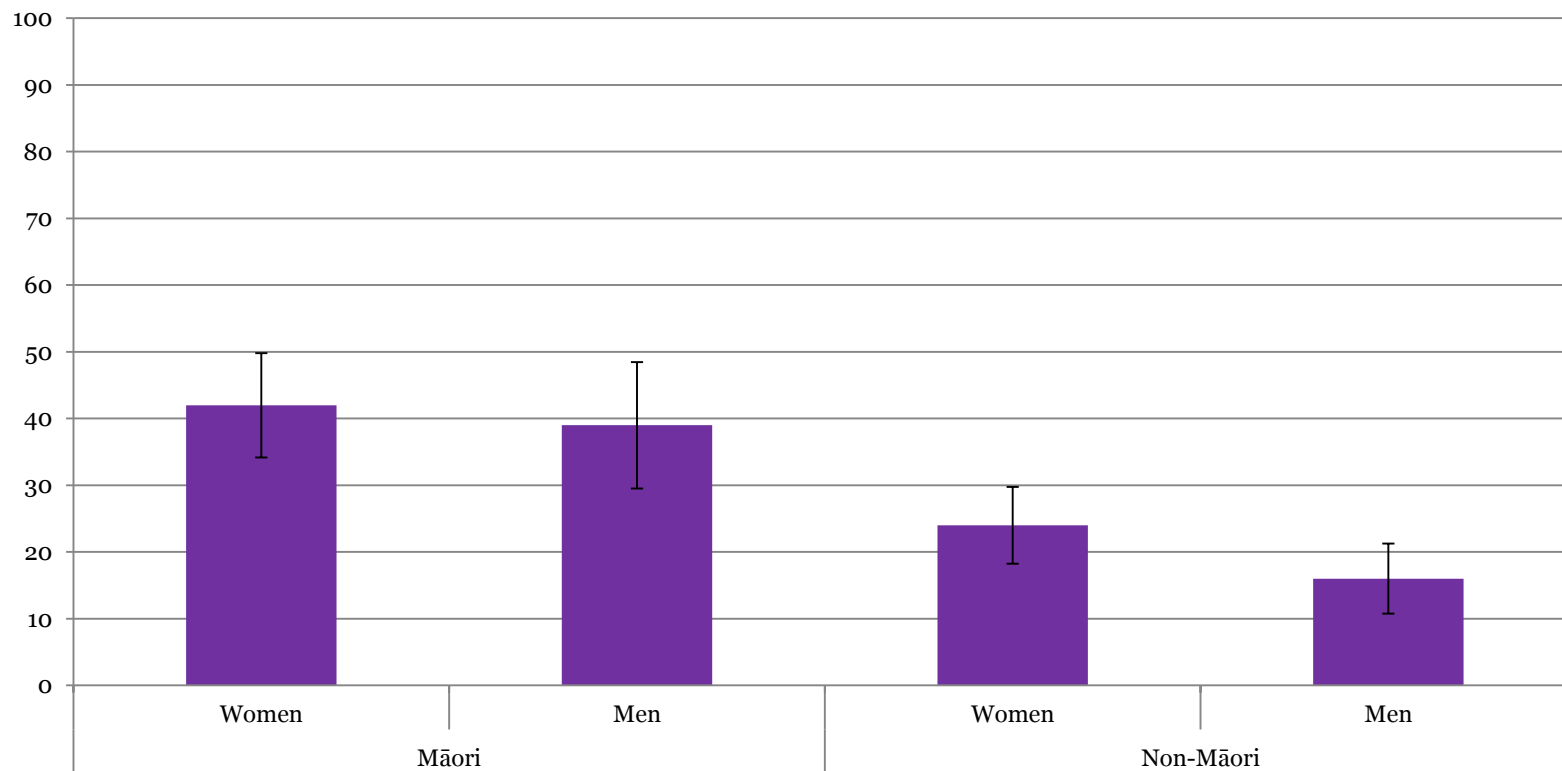
## Measures

- Health
  - **Diagnoses - 15**
  - Medications
  - **Quality of life – SF-12**
  - **Depression – GDS 15**
  - **Functional status, NEADL**
  - **Hospitalisations**

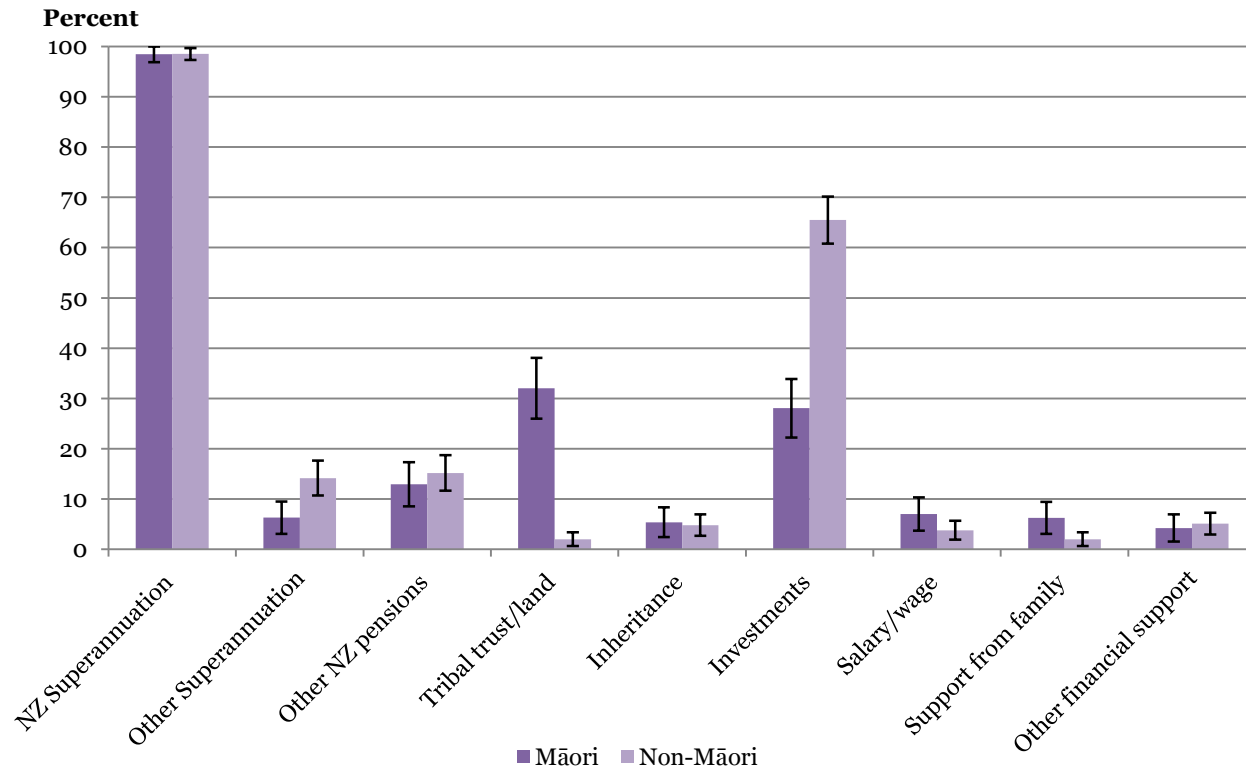


# New Zealand Superannuation (NZS) as the only source of income in advanced age, by sex and ethnic group

Percent

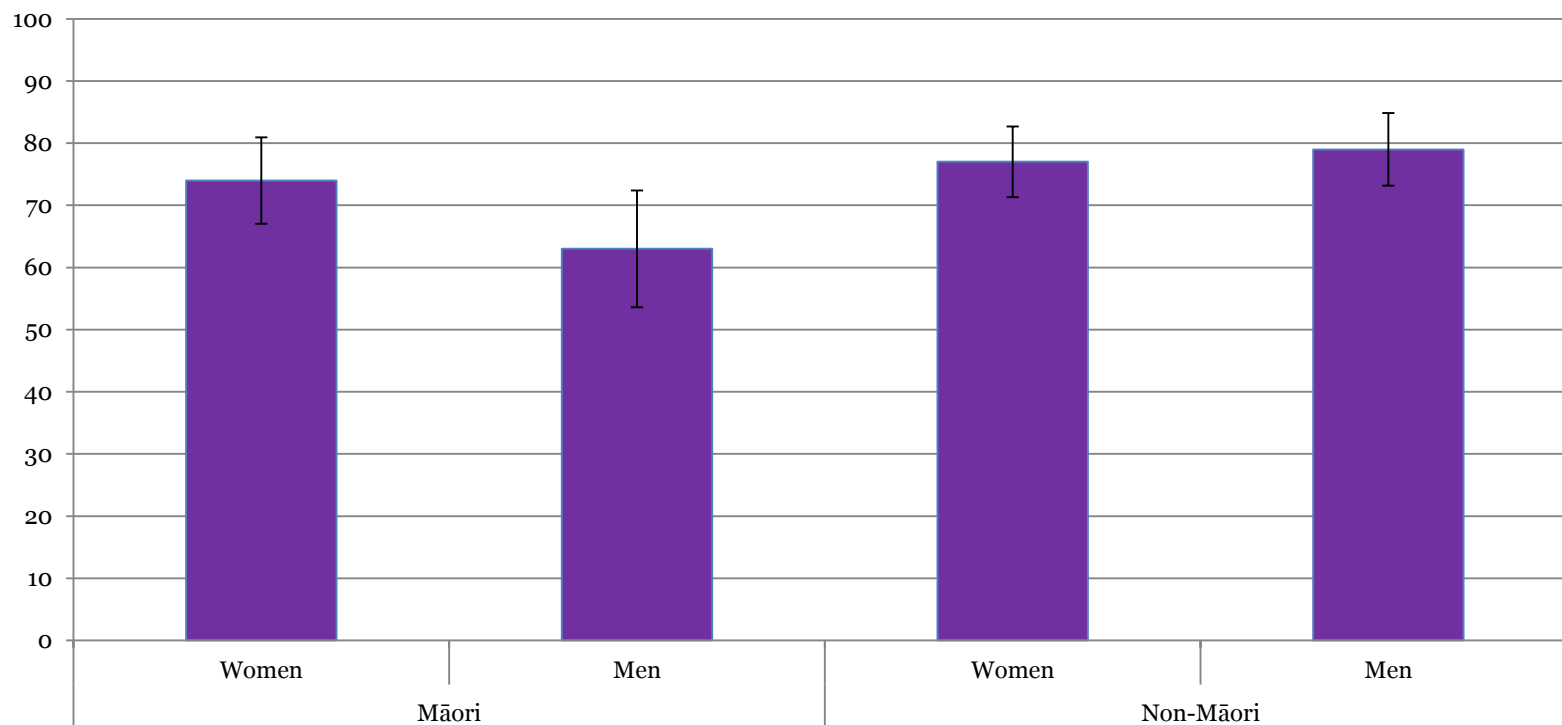


# Sources of income for people in advanced age by ethnic group



# Feeling comfortable with money situation in advanced age, by sex and ethnic group

Percent



# Standard of Living

## Maori Women:

- Over 70% across all living situations described their money situation as 'comfortable'.
- 52% of those living with others NZ Super was their only income.

## Maori Men:

- Over 70% living alone described their money situation as 'comfortable' but only 54% of those living with others.
- 50% of those living with others NZ Super was their only income.

## Non Maori Women:

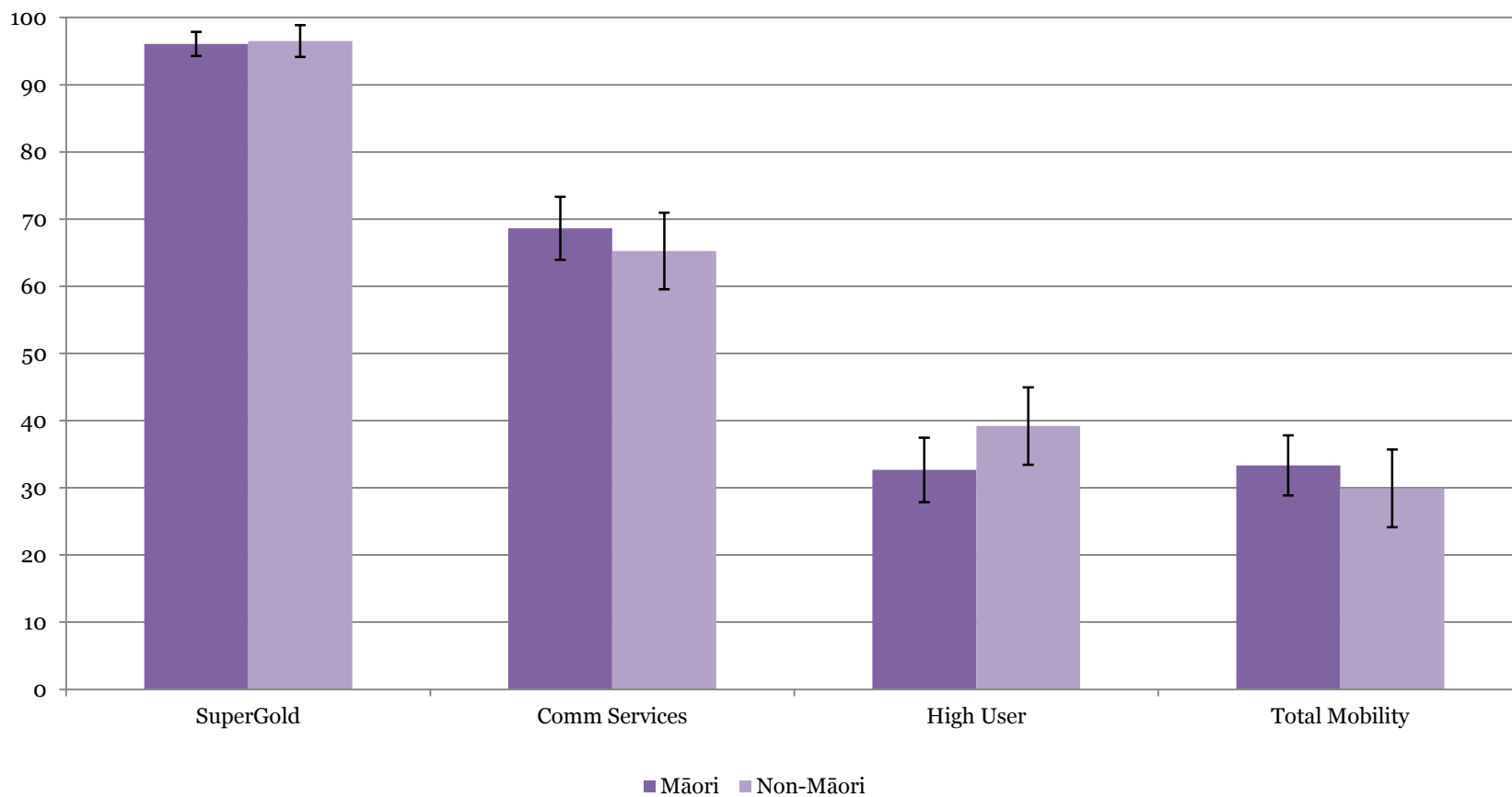
- Over 70% living alone described their money situation as 'comfortable' but only 67% of those living with others.
- About 25% across all living situations described their income as NZS only

## Non Maori Men :

- Over 78% across all living situations described their money situation as 'comfortable'.
- 23% of those living with others NZ Super was their only income. Only 11% of those living with their spouse NZS was their only income

## Entitlement cards in advanced age by ethnic group

Percent





# Health care subsidy

- 2/3 of Māori men and women have a community services card
- 1/3 have a high user health card
- 1/3 have a total mobility card
- 1/5 have private health insurance

# MAIN INCOME

- The main source of income for about 90% of participants was the NZ Superannuation.
- Nearly all (96%) have a Super Gold card
- Overall Māori felt less comfortable than non-Māori with the low income.

# New Zealand Longitudinal Study of Ageing (NZLSA)

Population based study (2008-current)

- Aims: to identify the health, wealth and social factors of community dwelling people 50-84 years of age; mean age 64 yrs.
- In total 2277 participated -1,001 participants had face-to-face interviews
- 44% male

# New Zealand Longitudinal Study of Ageing (NZLSA)

- Approx. 55% participants were in part or full time employment- 36% had retired
- Reaching 65 –most common reason for retirement
- Those with pessimistic financial expectation were more likely to stay in paid employment
- Those in paid employment are more likely to report better physical health at younger ages, whereas, by the age of 75 there is little difference in health for those who are working or retired.
- Looking for work but being unemployed is related to poorer health

# Workers Financial Expectation

- Maori and women reported poorer financial expectations
- Those with low job satisfaction poor financial expectations
- Poor health was a predicator of the most pessimistic view of their future finances – not able to work long enough to generate sufficient retirement wealth.

# References

- 1. Hayman K, Kerse N, Dyll L, et al. 2012. Life and living in advanced age: A cohort study in New Zealand, *Te Puāwaitanga O Ngā Tapuwae Kia Ora Tonu – LiLACS NZ: Study protocol*. *BMC Geriatrics* 12(June). DOI: 10.1186/1471-2318-12-33 (accessed 18 March 2014).
- 2. Dyll L, Kepa M, Hayman K, et al. 2013. Engagement and recruitment of Māori and non-Māori people of advanced age to LiLACS NZ. *Australian & New Zealand Journal of Public Health* 37(2): 124-31.
- 3. Salmond C, Crampton P, Atkinson J. 2007. *NZDep2006 Index of Deprivation User's Manual*. Wellington: Department of Public Health, University of Otago.

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# Further information

- You can find more information about the LiLACS NZ study on the website (<https://www.fmhs.auckland.ac.nz/en/faculty/lilacs.html>)
- <http://hart.massey.ac.nz/>