

6. Interpreting the Material Well-being Scale Scores

The previous chapter sets out how the many living standards items contained in the survey were successfully combined into a scale of material well-being. The scale is a means of ranking CEUs such that a higher score implies greater material well-being than a lower score. The question then arises as to what it means in practical terms to have a particular scale score. What are the implications of a person having a score that is say, half a standard deviation above the mean (a score of 105) rather than half a standard deviation below the mean (a score of 95)?

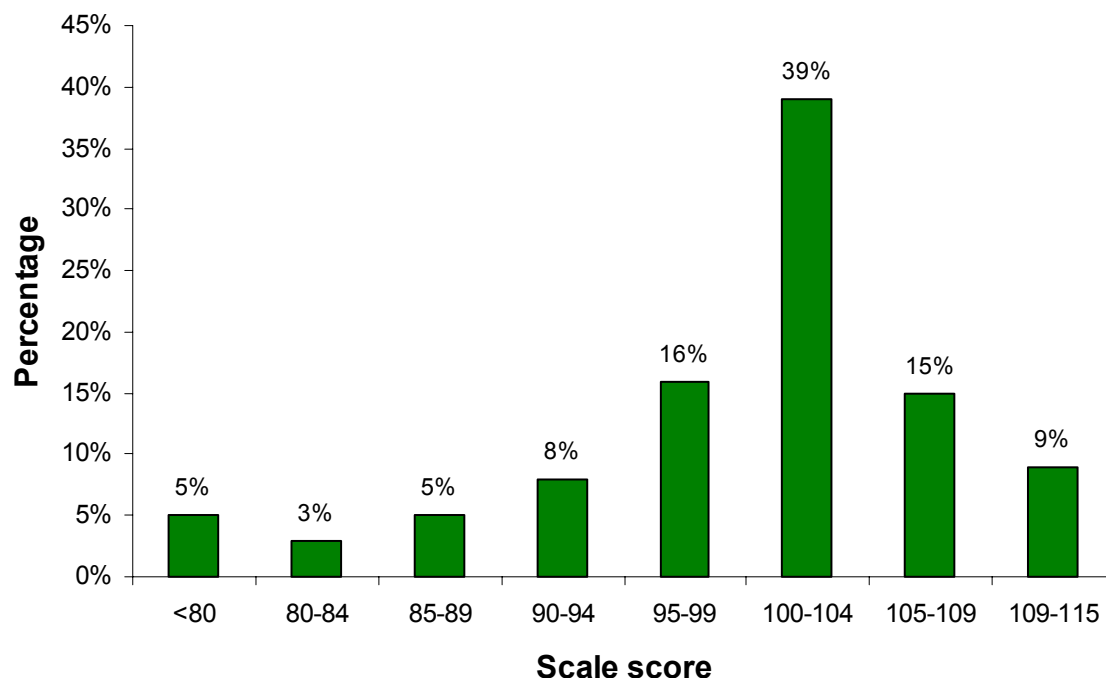
This chapter provides a description of the living standards of older people and what it means to be at different points on the scale. First, the distribution of living standards for the sample of older people is provided. This is followed by a description of what the scale scores signify in terms of the material circumstances represented by the six scale components. The second part of this chapter describes the types of people who tend to be found at different points on the material well-being scale. This information is in the form of a social, economic and demographic profile of the sample members. This is followed by a series of illustrative case histories bringing together the information previously presented to show how the scale scores relate to concrete examples. Finally, the living standards results for older people are considered in relation to the situation of younger (working-age) people.

6.1 The distribution of the living standards of older people

Figure 6.1 on the following page shows the distribution of living standards for older people. The scale has an upper boundary maximum score of just below 115. This maximum represents someone with no restrictions in ownership, social participation, economising, or serious financial problems, and who has the maximum self-rating of standard of living and of income adequacy scores.

The figure shows that the majority of older people (about two-thirds) had an average or above average material well-being score (>100) relative to others. The distribution of material well-being scores of older people is substantially skewed, with a long left hand side tail of a fairly small percentage of people (12 percent) with relatively low material well-being scores (< 90). Although the scale distribution tells us that the living standards of older people tends to be clustered towards the higher end of the scale, further information about the material circumstances indicated by the scores is required to understand whether older people are faring poorly or well. A description of what the different scale scores represent is provided in the next section.

Figure 6.1: Distribution of material well-being scores for the sample of older people (N=3013 CEUs)



6.2 What the scale scores represent

This section describes what the various scale scores mean.

6.2.1 Restrictions and self-assessments

Each of the scale scores can be interpreted in terms of the components that make up the scale. Four of the components relate to restrictions in terms of ownership, social participation, economising, and serious financial problems. Each of these components are based on a number of individual items: 14 in the case of ownership; 10 participation items; 19 economising items; and 6 serious financial problem items. As described in the previous chapter, items such as hot running water, mains power, or phone, where ownership was extremely high or universal, were omitted from the scale. In addition to these four restriction types, there are two self-report scale components based on people's assessments of their living standards and their perception of income adequacy.

Figure 6.2 shows the mean number of restrictions for each scale category for ownership, social participation, economising, and serious financial problems. The information provided in summary form in Figure 6.2 is based on the detailed item percentages listed in Appendix 5. This item level information has not been included in this chapter because of the copious tables required. Figure 6.2 shows that with increasing scale scores there were dramatic reductions in restrictions, economising behaviours and financial problems. For instance, those people with the lowest scores described themselves (on average) as economising “a

little” or “a lot” on more than half (55%) of the 19 economising items. In contrast, people with the highest scale scores commonly did not answer “a little” or “a lot” to any of the 19 items.

Figure 6.2: Mean reported restrictions as a percentage of the maximum possible restrictions (N= 3013, see also Appendix 5)

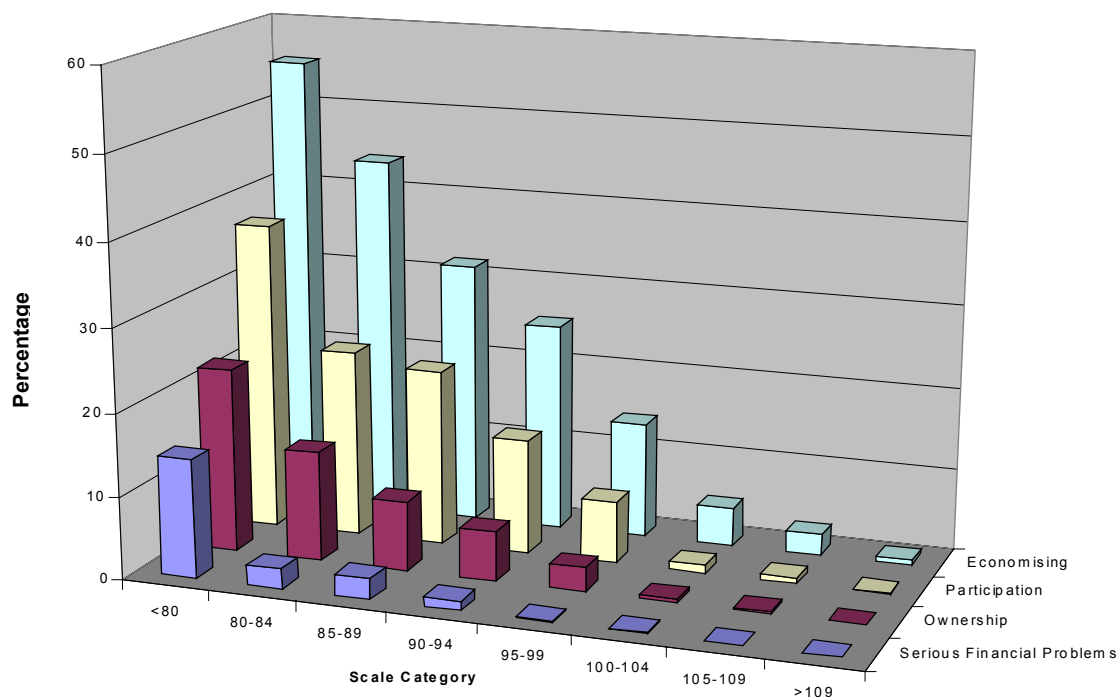


Figure 6.2 shows that:

1. With increasing material well-being scores, there is a very steep decline in economising behaviours, from a very high initial figure, but with some economising still occurring amongst people with scores above 100.
2. With increasing material well-being scores, the number of participation restrictions progressively decreases with scores of 100 and over indicating very few restrictions or none.
3. With increasing material well-being scores, the number of ownership restrictions shows a similar pattern to that for participation restrictions.
4. In relation to serious financial problems, there is a marked contrast between people with the lowest well-being scores, (who have an appreciable incidence of such problems) and people in all high score intervals (who have a low negligible incidence).

Figures 6.3 and 6.4 show the distribution of the scores on the two self-assessment measures across the levels of material well-being. There is an obvious pattern from left to right as the scale scores increase with self-assessments shifting towards the higher living standards and income adequacy ratings.

Figure 6.3: Self-assessed standard of living (N=3013)

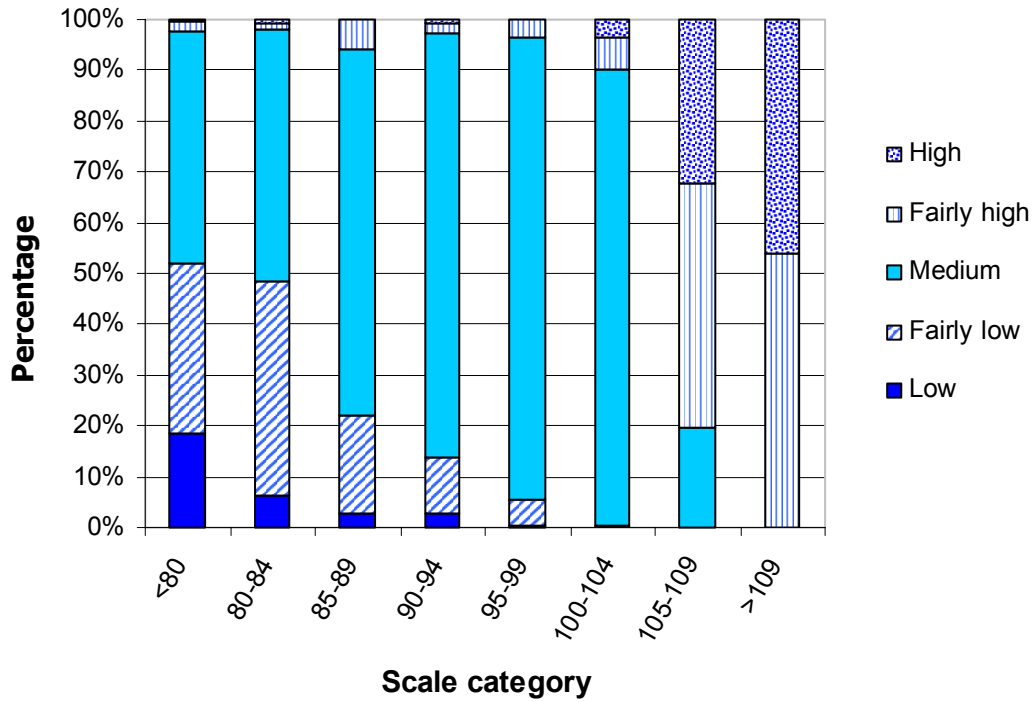
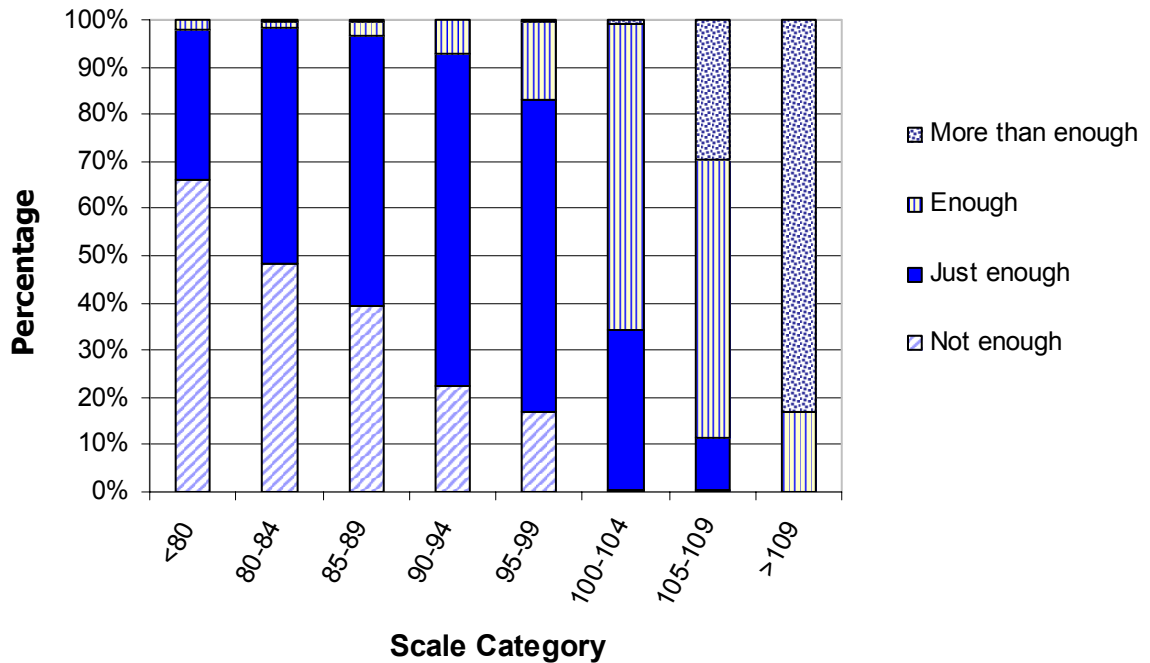


Figure 6.4: Self-assessed adequacy of income to meet everyday needs (N=3013)



These two self-assessment measures are the major source of differentiation between the highest score interval and the one below it. As we have seen, those with material well-being scores above 100 have few restrictions in the four scale components.

6.2.2 The Compounding of Disadvantage

A further understanding of the material circumstances that the scores represent can be gained by assessing whether lower scores indicate disadvantage in many areas or extreme disadvantage in a single or few areas. To assess whether there is a compounding of disadvantage as material well-being decreases, we have re-coded each of the six restriction types into a dichotomous variable as depicted in Table 6.1.

Table 6.1: Descriptions of Disadvantage by Scale Category (N=3013)

Restriction type	Description of restriction type disadvantage	%
Ownership	Do not have one or more items	20.9
Social participation	Do not participate in one or more activities	29.0
Economise	Economise 'a lot' in one or more areas	27.4
Serious financial problems	Experience one or more problems	3.9
Standard of living	Self-assessed as 'low' or 'fairly low'	7.2
Income adequacy	Self-assessed as 'not enough' to get by	11.2

Using the definitions of restriction type disadvantage defined above, each respondent can have a score from zero to six. Table 6.2 shows the extent to which there is a compounding of restrictions as one moves down the scale. If we focus on the cells with 5 percent or more (those in bold type), there is a very clear pattern of compounding of restrictions as material well-being decreases. One can put it more strongly and say that it is very common for those with low (<85) material well-being scores (7.3 percent of the older population) to experience disadvantage in three or more areas. Though, it is theoretically possible to have a very low score on the basis of an extreme score in one area of disadvantage, this is not what happens in practice.

Table 6.2: Compounding of Restriction Types by Scale Category (N=3013)

Number of Restriction types	Scale Category							
	<80	80-84	85-89	90-94	95-99	100-104	105-109	>109
0	4.5%	3.0%	4.6%	8.4%	16.2%	39.2%	15.1%	9.0%
1	0.9		3.7	13.5	54.1	20.7	17.1	1.9
2	2.6	6.2	18.7	48.0	37.9	2.9	0.2	
3	12.9	40.8	53.4	36.5	4.9	0.1		
4	37.4	44.9	20.3	2.0				
5	31.6	8.0	3.8					
6	14.6							

6.2.3 A general description of the scale categories

A further way of looking at the relationship between scale scores and the observed data is to use the material in Figures 6.2 to 6.4 and Appendix 5 to build up a profile of the material circumstances descriptive of those who fall into various score ranges of the scale. Table 6.3 presents a summary of the characteristics of the people in the different material well-being scale categories.

Table 6.3: General Description of Material Well-being Scale Categories

Scale score	General Description
<80 (4.5%)	<ul style="list-style-type: none"> • Likely to lack one to four ownership items. Items that a quarter or more in this category did not have included warm good clothing, heating in main rooms, dryer, dishwasher, locks and stereo. Very likely to lack two to five participation items. More than a third in this category lacked holidays away or overseas, a night or day out once a fortnight, special meals at home once a week, or having visitors for a meal once a month. About one in five could not give presents to family/friends on special occasions. About one in ten could not participate in family/whanau activities, and one in ten could not have space for family to stay the night. • Likely to economise a lot and may do so in two to 11 of the areas asked about. More likely areas of economising included buying cheaper/less meat, wearing old or second hand clothing, or worn out shoes, cutting back on shopping, social visits, and hobbies and postponing visits to the doctor. Over 90% in this category bought cheaper or less meat and put off buying new clothes, and over a half postponed visits to the doctor. 1 in 6 people in this category economised by not picking up a prescription. • Almost half experienced serious financial problems. If experienced, likely to be one or two. About one in four in this category could not pay their utility bill, one in five borrowed money from family or friends, and one in nine pawned or sold something. • Just over a half rated their living standards as fairly low or low - one in five rated it as low. About two-thirds in this category indicated not enough income to meet every day needs, and one-third just enough.
80 to 84 (3.0%)	<ul style="list-style-type: none"> • Most likely to lack one to four ownership items which tend to relate to things such as warm, good clothing, heating in main rooms, dishwasher and locks. Most likely to lack one to four participation items, which tend to relate to holidays and going out (eg Night out once a fortnight). About one in ten in this category did not give presents to family/friends on special occasions and one in ten did not participate in family/whanau activities because of the cost. • Likely to economise a lot and may do so in one to nine of the areas asked about. Likely areas of economising were buying cheaper/less meat and wearing old or second hand clothing. About one third in this category postponed visits to the doctor. 1 in 20 people in this category economised by not picking up a prescription.

Scale score	General Description
	<ul style="list-style-type: none"> • Very unlikely to have any serious financial problems. • Two in five rated their living standards as fairly low and about half rated it as medium. About half indicated not enough income to meet every day needs, and the other half with just enough.
85 to 89 (4.6%)	<ul style="list-style-type: none"> • Likely to lack one to three ownership items, which tend to relate to things such as heating in main rooms, dishwasher and locks. Likely to lack one to four participation items which tend to relate to holidays and going out (eg Night out once a fortnight). • Likely to economise a lot and may do so in one to five of the areas asked about. Likely areas of economising were buying cheaper/less meat and putting off buying new clothing. Just under one-fifth in this category postponed visits to the doctor. • Very unlikely to have any serious financial problems. • One in five rating their living standards as fairly low and most rating it as medium. About two in five indicating not enough income to meet every day needs, and the others mainly just enough.
90 to 94 (8.4%)	<ul style="list-style-type: none"> • About half in this category did not lack any ownership items, with the remainder lacking mainly one or two spread across the different types of items. Likely to lack one to three participation items, with the items tending to relate to holidays and going out (eg Night out once a fortnight). • Likely to economise a lot and may do so in one to three of the areas asked about with about. About half in this category bought cheaper or less meat. • Generally no serious financial problems. • Most likely to rate living standards as medium. About one in five indicating not enough income to meet every day needs, and most having enough or just enough.
95 to 99 (16.2%)	<ul style="list-style-type: none"> • Unlikely to lack any ownership items but may lack one or two. About half in this category did not lack any participation items, with the remainder lacking about one or two. These were likely to relate to holidays away or overseas. • Unlikely to economise a lot but may do so in one or two of the areas asked about such as buying less or cheaper cuts of meat or putting off buying new clothes. • No serious financial problems. • Most likely to rate living standards as medium. About one in six indicating not enough income to meet their every day needs, and most having enough or just enough.

Scale score	General Description
100 to 104 (39.2%)	<ul style="list-style-type: none"> • Unlikely to lack any ownership or participation items • Unlikely to economise a lot but may do so in one of the areas asked about. • No serious financial problems. • Rated living standards as medium and have enough or just enough income to meet their every day needs
105 to 109 (15.1%)	<ul style="list-style-type: none"> • Unlikely to lack any ownership or participation items • Unlikely to economise a lot but may do so in one of the areas asked about. • No serious financial problems. • Rated living standards as fairly high or medium and most likely to have enough or more than enough income to meet their every day needs
> 109 (9.0%)	<ul style="list-style-type: none"> • Did not lack any ownership or participation items • Did not economise a lot in any of the areas asked about or have serious financial problems • Rated living standards as fairly high or high and had more than enough income to meet their every day needs

In interpreting the scale score categories, it is useful to consider the types of restrictions observed for different scale categories (see Table 6.3) in conjunction with the results on importance accorded to the different ownership and participation items (see Table 4.17 and 4.18). Cross-relating these results demonstrates that a score of below 85 is characterised by item restrictions that the vast majority of respondents regard as important such as having warm or good clothing and giving presents to family and friends on special occasions). These are items that may be regarded as necessities (in contrast with convenience items and luxuries).

In summary, the results shows that 7.3 percent of the sample had low scale scores (<85), and that these are characterised both by relatively high restrictions for each of the scale components, and by a compounding of restriction types. That is, low scores indicate multiple restrictions rather than exceptionally high scores in a single restriction area. Those with scores of 100 or higher (63.3 percent of the sample) have few ownership, participation, or economising restrictions and no serious problems.

6.3 Profile Analysis: Social, Economic and Demographic Characteristics

This section provides a summary profile of the social, economic and demographic characteristics of people located at different points on the scale. This profile is a prelude to the more complex multivariate analyses of the determinants of material well-being that will be the feature in the next chapter. A summary statistic is presented for a range of

demographic, economic and social characteristics of the sample for each of the scale categories in Table 6.4. The information presented down each column provides an idea of the type of people represented in each of the scale categories. Looking across the rows provides an indication of how these characteristics vary across the scale categories. For example, the first row on the table presents the percentage of people in each category who were aged 80 years or over. The table shows that people in the lower material well-being categories tended to be younger as the proportion of people aged 80 years and over was smaller. Statistically significant differences across the scale scores were apparent for nearly all of the characteristics examined in Table 6.4.

The table shows that older people with lower material well-being scores were more likely to:

- be younger, single or Māori
- be living in a household with people outside their CEU
- be living in Auckland
- not have educational qualifications
- be reliant on NZS as their main source of income, not have participated in any private or job related pension schemes and not have any savings and investments
- be renting and paying high accommodation costs relative to other older people
- have poor health
- have experienced financial stressors such as replacing major appliances or home maintenance bills in the past 12 months
- have experienced adverse events such as redundancy, bankruptcy or property damage when they were aged 50 to 59 years.

In looking at the univariate results presented in Table 6.4, it is important to keep in mind that an observed change in well-being scores that occurs in conjunction with changes in the values of another factor (for example, age) does not necessarily mean that the factor is influencing well-being. The statistical association may be the consequence of other related factors. For example, Table 6.4 indicates that those aged 80 and over are unlikely to be in the lowest scale categories. But it is only in the next chapter that we will examine whether age remains predictive of scale score after taking account of other correlated factors, such as differences in income and assets.

In summary, the profile shows that those with lower material well-being were more likely to be younger, single and Māori; have diminished economic circumstances relying mainly on NZS; and not having any savings or investments. Older people with low material well-being were also more likely to be those who had experienced recent financial stressors (such as replacing a major appliance or incurring large car or home maintenance bills) or who had experienced adverse events such as redundancy or major illness during pre-retirement (aged 50 to 59). Older people who are renting with relatively high accommodation costs, living with others outside their CEU and who have poor health were also more likely to have lower material well-being.

Table 6.4: Social, economic, and demographic characteristics of sample by scale category (N=3013)

Characteristic (Percentage of sample)	<80	80-84	85-89	90-94	95-99	100-104	105-109	>109	Sig. (F or χ^2 test)
Aged 80 years or over*	9	3	14	17	17	28	24	19	.0000
Single	57	58	54	52	50	56	50	42	.0028
Māori *	17	5	3	4	3	1	2	1	.0000
Living in complex household ¹	20	18	18	8	13	11	10	10	.0016
Living in Auckland	36	28	27	28	24	22	24	27	.0165
Living in rural area	8	10	6	6	12	8	9	12	.1043
No formal educational qualifications*	69	75	70	71	66	64	53	40	.0000
Overall health rating less than good ^{2*}	45	38	32	30	31	23	24	14	.0000
NZS as main income source ³	91	89	85	87	85	80	67	56	.0000
Participation in pension schemes ⁴	5	4	7	10	9	15	26	28	.0000
No savings/investments	54	35	27	27	20	11	5	4	.0000
Home ownership	62	59	68	77	83	88	88	88	.0000
Variable (Sample mean)									
NZSEI score	42.2	48.5	43.8	44.1	43.9	45.8	49.1	53.0	.0000
Annual income – equivalised ⁵ (\$,000)	18.7	17.4	21.1	19.8	20.2	23.9	33.5	45.5	.0000
Number of savings/investment types	0.6	0.9	1.1	1.2	1.3	1.7	2.2	2.6	.0000
Weekly accommodation costs – equivalised ⁵	101.6	72.3	65.1	54.5	42.3	37.8	44.7	22.1	.0000
Number of health problems*	2.4	1.7	1.7	1.7	1.5	1.4	1.2	0.8	.0000
Number of recent financial stressors ⁶	1.1	0.8	0.7	0.5	0.4	0.2	0.2	0.1	.0000
Number of adverse life events ⁷	1.4	1.0	1.0	0.8	0.7	0.5	0.6	0.4	.0000

Note *: Variables marked * are based on respondent characteristics only, all other variables are based on the CEU.

Note 1: Living with others who are not members of their CEU.

Note 2: Less than good = fair or poor.

Note 3: NZS makes up at least 80% of total equivalised income (scaling used was 1 for couples; 0.65 for single CEUs).

Note 4: Overseas, private, or job-related scheme.

Note 5: The equivalence scaling used was 1 for couples; 0.65 for single CEUs.

Note 6: Occurring in previous 12 months.

Note 7: Occurring between ages of 50 and 59.

6.4 Illustrative Case Histories

To put the statistics reported above into a more human context we present below a series of case histories that describe CEUs at various points on the material well-being scale. For purposes of illustration three score ranges are chosen: a) those with low scores having scale values of less than 80; b) those with middling scores in the range 100-104; and c) those with high scores over 110. For each score range, case history material is presented for a single CEU and a partnered CEU. It is important to note that the case history material does not describe a specific person or CEU in the study. Rather, the case histories are composites that involve combining data from a number of respondents to produce an illustrative profile. Any resemblance between these composite case histories and specific participants in Survey of Older People is entirely coincidental.

1. CEUs with scores below 80

Subjects with scores less than 80 comprised 5% of the sample. This group represents those with generally low living standards relative to other older people.

a) A single CEU:

Elsie was a widowed 75 year old European-Pakeha female living alone in accommodation rented from Housing New Zealand. Her net income including accommodation supplement placed her in the \$12,000-\$14,000 per annum income bracket. She had very little savings and paid \$130 per week for her accommodation. Questioning about her material circumstances revealed that Elsie reported a relatively large number of areas of material deprivation and difficulty including responses to three ownership items (warm clothing; heating; dryer), and three social participation items (special meals at home; having visitors; going out once a fortnight). She reported 12 areas in which she economised. She also reported a serious financial difficulty (could not keep up payments for utilities) in the last 12 months. She described her living standards as “low” and stated that her income was not sufficient to meet day-to-day living expenses.

These responses gave Elsie a score of 66 on the *Material Well-being Scale*.

b) A partnered CEU:

George and Betty were a married couple who had been together for over 30 years. George was 69 and Betty was 67. George described himself as European-Pakeha while Betty described herself as Māori. They were living in their own home for which they paid rates of \$17 per week. Their combined income placed them in the \$16,000-\$18,000 income bracket. They had no savings or investments. Questioning about their material circumstances revealed that George and Betty were facing a number of areas of difficulty. They reported two ownership restrictions (good, warm clothes; video), four social participation restrictions and cited 10 areas in which they had to make economies. These included buying second hand clothes, having to put up with cold, postponing visits to the doctor, and not being able to attend a funeral. Although they described their overall standard of living as “medium”, they reported that their income was not adequate to meet day-to-day living costs.

These responses gave George and Betty a score of 79 on the *Material Well-being Scale*.

2. CEUs with scores in the range 100-104

A large proportion (39%) of the sample had scores that placed them in the range of 100-104. This group very clearly represents those with an average level of material well-being relative to the population of older people.

a) A single CEU:

Roland was a 76 year old male whose wife had died seven years ago. He was living in an ownership flat which he owned and for which he paid \$18 per week in rates. His income placed him in the \$12,000-\$14,000 bracket and he reported having savings and investments in the \$25,000-\$50,000 bracket. Roland reported relatively few material hardships or difficulties although he noted two areas (put off buying clothes; postponed visits to doctor) in which he made economies in order to reduce his expenditure. Roland described his living standards as “medium” and stated that his income was adequate to meet his day-to-day living costs.

These responses gave Roland a score of 104 on the *Material Well-being Scale*.

b) A partnered CEU:

Peter and Helene were a couple who had been together for 15 years following their divorces from previous partners. Peter was 71 and Helene was 66. They were living in their own freehold home for which they paid \$23 per week in rates. Their combined income placed them in the \$20,000- \$22,000 income bracket and they had savings and investments in the \$50,000-\$100,000 bracket. When questioned about their material circumstances, Peter and Helene reported few hardships or areas of deprivation. However, they noted some areas in which they experienced social participation restrictions (holidays overseas; a night out once a fortnight) and described themselves as economising in two areas (meat; purchasing new clothes). They described their overall standard of living as “medium” and noted that their income was adequate to meet their day-to-day living costs.

These responses gave Peter and Helene a score of 101 on the *Material Well-being Scale*.

3. CEUs with scores over 109

Nine percent of respondents in the Survey of Older People had scale scores over 109.

a) A single CEU:

Elizabeth was an 80 year old European-Pakeha woman living alone in her own home. She was able to do this because of considerable support from her family. Her home was owned by a family trust and as a consequence Elizabeth paid no costs for her accommodation. She reported no health problems and only one disability (loss of hearing). Her income placed her in the \$26,000-\$28,000 income bracket and she reported having savings and investments that placed her in the \$100,000-\$150,000 bracket. She reported no areas of hardship or difficulty in the areas of ownership restrictions, social participation restriction, economising or serious financial problems. Elizabeth described her overall living standards as “fairly high” and indicated that her income was more than adequate to meet her day-to-day living costs.

This profile of responses gave Elizabeth a material well-being score of 111.

b) A partnered CEU:

Frederick and Leonie were a couple who had been married for over 40 years. Frederick was 72 and Leonie was 65. They were living in their own freehold home for which they paid rates of \$30 per week. Both described their health as excellent and reported no health problems or disabilities. Their total income placed them in the \$50,000+ per annum income bracket and they reported having savings and investments in excess of \$300,000. They reported no areas of hardship or difficulty on the ownership restriction, social participation restriction, economising or financial hardship scales. They described their standard of living as “high” and stated that their income was more than enough to meet their day-to-day needs.

These responses gave them a material well-being score of 115.

6.5 The Supplementary Surveys

Additional insight into the results about the living standards for older people can be gained by looking at how older people are faring relative to the rest of the population. This section looks at the material well-being of older people in relation to working-age (18 to 64 years) people using information from the two supplementary surveys that were conducted for the research (see Chapter Two). These were a survey of 542 Māori aged from 65 to 69 years and a survey of 3682 working-age people.

It is emphasised that the findings presented here are preliminary and only give a first indication of the relative living standards across these groups. Undertaking a full and comprehensive comparison across these groups is complex and outside the scope of the present analysis. Information from these supplementary survey datasets are the subject of detailed analyses being undertaken as separate projects. These projects will involve a detailed consideration of the data from the sample of older Māori and provide an examination of the most appropriate means of making comparisons between these groups.

For these preliminary comparisons, use is only made of the items and components of the scale rather than the scale measure developed for the living standards of older people. The results reported are for CEUs rather than individuals.

Table 6.5 shows the 49 items on which the scale for older people is based, and the results for the 47 items that were also asked of the working-age sample (two items were judged not to be appropriate for the younger sample - 'Day out once a fortnight' and 'No or bad dentures'. Whether we consider the restrictions at the item level or at the more aggregated level (that is, in terms of the mean scores for ownership, social participation, economising and serious financial problems, shown in Table 6.6), the older group have uniformly fewer restrictions. A t-test of significance of the differences in the total scores is significant at the .001 level.

Table 6.5: Itemised restrictions - Older and younger (working-age) people

Item	Older (65 years and over)	Younger (18 to 64 years)
<u>Ownership Restrictions</u>		
(Percentage of the sample reporting that they did not own item because of cost.)		
Locks	5.3	4.9
Microwave	1.8	4.5
Washing machine	0.4	1.6
Dryer	3.6	10.8
Waste disposal	3.4	10.9
Dishwasher	4.9	17
Food processor	3.2	8.9
Heating in main rooms	5.9	10
Warm bedding	0.3	1.2
Warm, good clothing	5.1	10.2
Video	2.4	5.4
Stereo	2.9	3.6
Car	1.3	4.3
Television	0.2	0.5
<u>Social Participation Restrictions</u>		
(Percentage of the sample reporting that they did not engage in the activity because of cost.)		
Participate in family/whanau activities	1.5	2.3
Give presents to family/friends on special occasions	2.3	3.8
Visit hairdresser once every 3 months	3.1	9.2
Holiday away from home every year	14.3	22.7
Overseas holiday once every 3 years	19.6	45.7
Night out once a fortnight	8.7	17.4
Visitors for a meal once a month	3.2	5.6
Special meal at home once a week	3.2	7.1
Space for family to stay the night	1.1	5.5
<u>Economising</u>		
(Percentage of the sample reporting that they economised "a little" or "a lot" on each item.)		
Meat (V506)	36.1	60.9
Fresh fruit and vegetables	6.9	20.8
Second hand clothes	17.8	33.8
Wear old clothes	12.3	37.2
Put off buying new clothes	31.1	64.8

Item	Older (65 years and over)	Younger (18 to 64 years)
Rely on gifts of clothes	6.4	25.9
Wornout shoes	7.8	26.9
Put up with cold	8.8	17.7
Stayed in bed for warmth	8.6	13.9
Postponed or put off visit doctor	7.7	29.5
Postponed or put off visit dentist	10.4	43.4
Gone without glasses	9.6	12.8
Not picked up prescription	1.4	12.0
Cut back or cancelled insurance	13.8	22.5
Cut back on social visits	10.6	30.2
Cut back on shopping	10.6	43.4
Cut back on hobbies	9.8	46.2
Not gone to funeral	4.4	11.0
<u>Serious Financial Problems</u>		
(Percentage of the sample reporting problem.)		
Couldn't pay electricity, gas, water	1.7	12.0
Couldn't pay mortgage, rent	0.8	8.4
Couldn't pay HP, credit cards	0.6	12.3
Borrowed from family, friends	1.2	19.5
Help from community organisation	0.5	6.3
Pawned, sold something	0.9	9.0

Table 6.6: Mean number of restrictions for each component for all older and for younger (working-age) people

	Older (65 years and over)	Younger (18 to 64 years)	Sig.
Serious financial problems	0.06	0.68	
Ownership restrictions	0.41	0.94	
Social participation restrictions	0.62	1.19	
Economising	2.24	5.52	
All restrictions	3.31	8.29	.000

Tables 6.5 and 6.6 and the test of significance lead to the conclusion that there is a difference in general living standards between the older and younger groups, with older people being better off. This leads to the question of whether the result holds separately for Māori and non-Māori.

Figure 6.6 and Table 6.7 shows graphically the comparison between older and younger Māori. This information comes from the supplementary survey of older Māori for the older group, and from the working-age sample for the younger group.

Figure 6.6: Mean number of restrictions experienced for older Māori (aged 65 to 69 years) and younger Māori (aged 18 to 64 years)

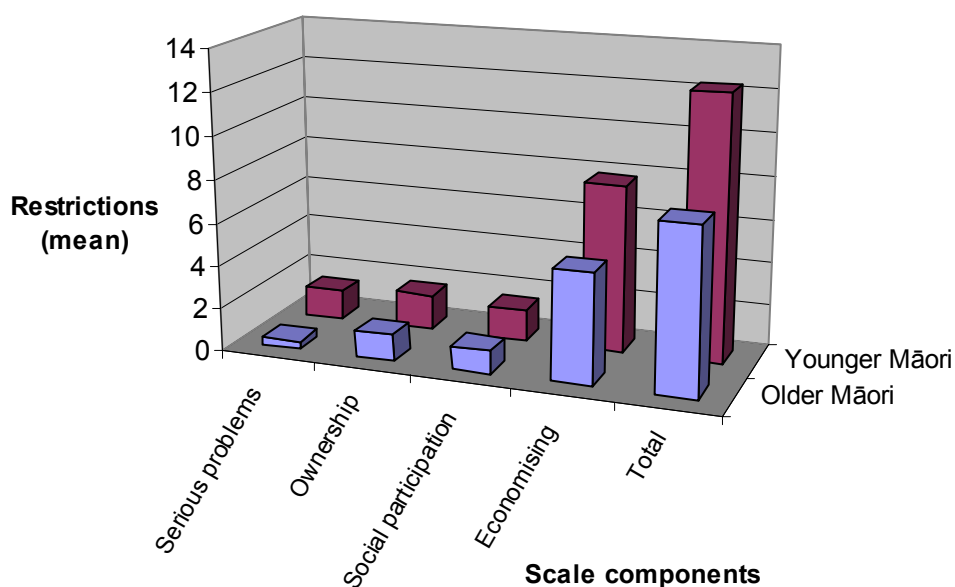


Table 6.7: Mean number of restrictions for older Māori (65 to 69 years) and for younger Māori (18 to 64 years)

	Older (65 years and over)	Younger (18 to 64 years)	Sig.
Serious financial problems	0.36	1.38	
Ownership deficits	1.26	1.67	
Social participation deficits	1.06	1.49	
Economising	5.13	7.85	
All restrictions	7.75	12.35	.000

Figure 6.7 and Table 6.8 shows the results for a similar exercise for older non-Māori (from the main survey of older people) and of younger non-Māori (from the working-age sample). The results for the Māori and non-Māori sub-groups follow a similar pattern to that shown for the complete older and younger groups. As before, the differences between the total mean restrictions are statistically significant.

Figure 6.7: Mean number of restrictions experienced for older non-Māori (aged 65 to 69 years) and younger non-Māori (aged 18 to 64 years)

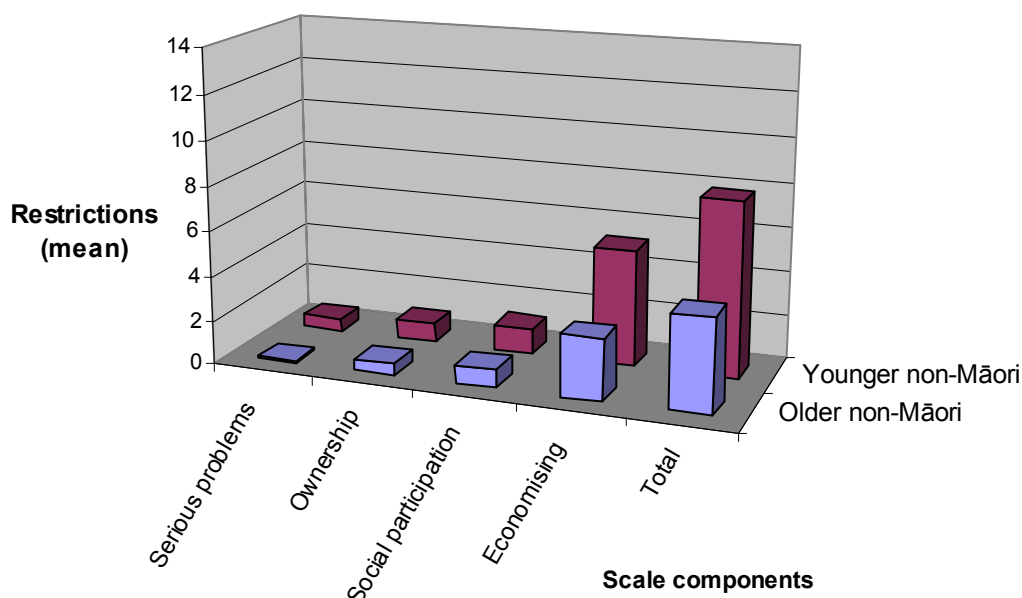


Table 6.8: Mean number of restrictions for older non-Māori (65 to 69 years) and for younger non-Māori (18 to 64 years)

	Older (65 years and over)	Younger (18 to 64 years)	Sig.
Serious financial problems	0.08	0.59	
Ownership deficits	0.52	0.85	
Social participation deficits	0.84	1.15	
Economising	2.75	5.24	
All restrictions	4.19	7.81	.000

A possible reservation that might be expressed concerning the comparisons is that the uniform pattern of younger groups having more restrictions than older groups is not an indication of differing living standards, but rather an indication of differing aspirations. More specifically it could be hypothesised that older people show fewer restrictions in ownership and in social participation because they are withdrawing from active involvement in social life, and consequently give it less priority. In fact, this appears not to be the case, as the ranking of items in terms of their importance is strikingly similar for both older and younger groups.

In summary, the preliminary analysis indicates that older people, both Māori and non-Māori, are faring better than the overall working-age population.

6.6 Concluding Comment

This chapter has considered the interpretation of the scale scores from three perspectives. First, by developing an account of the distribution of the scales and the material circumstance characteristics of those at various points on the scale. In confirmation of the findings in Chapter Four, this analysis suggested that the great majority of the sample were not faced with financial hardships or difficulties. However, there was evidence of a minority with scale scores below 80 who were facing quite considerable difficulty. This group comprised under 5% of the sample. Furthermore, those with scores in the region of 80-90 appeared to experience some difficulties. This group accounted for 7% of the sample.

Second, the analysis examined the social, economic and related characteristics of those at various points on the scale. This analyses showed that as scale scores increased there were corresponding increases in income, saving and investments, and reductions in accommodation costs and exposure to past and present economic adversity. Those with low scale scores tended to be younger, to have poorer health and were more often of Māori ethnicity. These comparisons clearly suggest that variations in levels of material well-being were systematically related to a series of factors that spanned: current and past economic circumstances; health and social background. The next chapter develops a statistical model that examines the ways in which economic, social, and related factors influence the material well-being scores of the sample.

The final stage of the analysis compared older people with the working-age population aged 18-64 on the scale items. These comparisons showed that for all measures (ownership restrictions; social participation restrictions; economising; serious financial problems) that the working age population reported greater adversity and difficulty than did the population of older people. In particular, whilst older people reported an average of 3.31 deprivation items, the mean for the working age population was 8.29 items. These differences were evident for both Māori and non-Māori populations. These marked differences suggest that relative to the working age population, the population of older people was less exposed to economic and material hardship.