



MONEY & YOU

TAKING COVER

Financial Services
Council NZ

In partnership  Trustees Executors

Powered by  CORE|DATA
research

A woman with long brown hair, wearing a blue jacket and a grey fringed scarf, is looking down at a newspaper she is holding. The background is a blurred cafe or office setting with warm lighting and other people. The text is overlaid on the left side of the image.

**GROW THE FINANCIAL
CONFIDENCE AND
WELLBEING OF
NEW ZEALANDERS**

FSC.

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01

INTRODUCTION

With a vision to grow the financial confidence and wellbeing of New Zealanders, the Financial Services Council continues to invest in its research series, Money & You, undertaking refreshed research in 2022 with 2,000 New Zealand respondents.

In our last Money & You report released in August, Investing in Volatile Times, we highlighted that four in five New Zealanders are investing, increasingly through micro-investing platforms, and that many of us are making risk-based decisions to safeguard our investments, whether through KiwiSaver or elsewhere.

This is against a backdrop of uncertain economic times, with rising inflation, interest rates and costs, driving volatility affecting our investments. How New Zealanders react to these uncertain times is key, and it is where professional financial advice and education can help support decisions.

The need for good advice and education was further highlighted in the first of a new series of Insights and Trends publications released at the FSC Conference in September. We looked at financial resilience trends in New Zealand since 2020 and highlighted what we saw as an overconfidence in managing finances; whilst financial confidence has grown, financial literacy has dropped.

This indicates a potentially misplaced confidence, or perhaps less understanding of more complex financial and risk-based decisions beyond day-to-day planning and budgeting. We intend to delve deeper into this area in our 2023 field work to better understand the divide.

Whilst the Money & You: Investing in Volatile Times research showed resilience in investment, highlighting that New Zealanders are investing more, and thinking about risk when they do so, **Money & You: Taking Cover** highlights that the majority aren't assessing risk in the same way when it comes to protecting their whānau and themselves, and the part that insurance plays in mitigating it.

Life and health insurances are designed to protect your greatest asset, you, and support you and your family if you can't work for a while or ever again, have a major health issue or the worst happens, death.

Often, we insure our houses, cars and belongings, as we can see a tangible and immediate risk if the worst happens, but around 70% of New Zealanders continue to be underinsured when it comes to life and health insurance. This begs the question: how are we managing our risk should our income stop?

This is a trend that has continued both in New Zealand and globally since the FSC first started researching underinsurance in the life sector in 2011, and this latest research now includes attitudes to health insurance and investigates the reasons why we, as a nation, continue to be underinsured.

Our research aims to raise questions and add to the debate about possible solutions to these issues. As such, we look to continue to engage with the sector, government and beyond, and welcome views and shared perspectives as we aim to shift the dial and help New Zealanders better manage risk.



Rob Flannagan
Independent Chair



Richard Klipin
CEO, FSC

02

FOREWORD
TRUSTEES EXECUTORS

Preparing for the unexpected is something Trustees Executors has been assisting our clients with for over 140 years. Although we are not in the business of providing life and health insurance, we see the importance of it every day in the estates we manage. As was highlighted in the last Money & You report, Investing in Volatile Times, most Kiwis have some form of risk appreciation when investing. Unfortunately, with almost 70% of Kiwis being underinsured when it comes to life and health insurance, we have a long way to go in appreciating the risk to our income from sickness, accident or even worse, death.

It has always been a curiosity that most people readily insure their homes and contents, but then choose not to protect these same assets from the inability to work and earn an income to pay the mortgage. The level of underinsurance should be a concern to all of us. If most people can make financial plans to accumulate wealth, we need to understand why more Kiwis are not making plans to protect their future as well as their families and lifestyle.

While insurance is an important financial solution, the challenge for many people is they are paying for something they hope they will never have to use. When financial times get tough often other things take a priority. We have a responsibility to encourage our communities to build their financial independence, resilience and see the value of peace of mind, in order to weather the impact of an unexpected financial hit.

We strongly support the important work that the FSC is doing in this area. This is not a new issue however, but it requires the support of all stakeholders to make a difference in improving the financial resilience of Kiwis through risk protection. Through our ongoing support of the Money & You research, I'm very pleased that Trustees Executors is continuing to play a part in building the financial protection and wellbeing of all New Zealanders.



Ryan Bessemer
Chief Executive Officer
Trustees Executors

03

KEY FINDINGS

- 1** Around a third of New Zealanders have life or health insurance, but the **majority are uninsured**.
- 2** The largest drivers of life and health insurance uptake are wanting **peace of mind** and **worrying about family members**.
- 3** The main reason that two thirds don't have insurance is due to **affordability**.
- 4** Households with higher incomes are **nearly four times** as likely to have insurances.
- 5** Those that previously had these insurances, **but no longer do, no longer see the value in it** or **find it too expensive**.



04

THE GLOBAL BUSINESS OF INSURANCE

When we looked at the global insurance market in 2020¹, the 2018 Organisation for Economic Development (OECD) and International Association of Insurance Supervisors (IAIS) reports indicated that global life and general premium growth was low to negative in advanced economies, likely caused by low interest rates.

According to the latest OECD global insurance market trends², 2021 life insurance data shows an average growth in premiums of 7.3% compared with a decline in 2020, and a smaller growth in non-life (which includes health insurance) at 1.7% on average.

Looking at claims data, in the life sector the OECD reported that Covid-19 drove claims payments up on average across the 53 countries included in their data, compared with stable claims paid in the non-life sector.

Despite a global economic slowdown, high inflation and major economies facing inflationary recessions, SwissRe³ predict that globally in 2022 there will be flat growth in life insurance premiums (-0.2%) before recovering in 2023 and a small growth in non-life insurance premiums (0.8%), tipping global insurance premiums over USD 7 trillion for the first time in 2022.

Global non-life premiums include three lines of business: Health (49%), Personal line (includes property, motor 27%) and Commercial line (includes property, liability, motor 24%).
SwissRe³

1 <https://blog.fsc.org.nz/research-2020-gambling-on-life>

2 <https://www.oecd.org/daf/fin/insurance/Global-insurance-market-trends-preliminary-data-2022.pdf>

3 <https://www.swissre.com/institute/research/sigma-research/sigma-2022-04.html>



Turning to the New Zealand market, we are seeing similar trends to these other jurisdictions.

The results of a recent KPMG New Zealand Insurance Update⁴ reviewing 2021 figures revealed a 50% reduction in profit and an increase in gross premium revenue in the New Zealand life insurance market compared with the previous year, and again, as in other jurisdictions, the Health Insurance market has seen growth as New Zealanders prioritise their physical and mental health.

“Across the [New Zealand] market, all [health] insurers experienced growth in gross written premium as the Covid-19 pandemic encouraged New Zealanders to prioritise their health and the tight labour market encouraged employers to invest in the healthcare of employees.” KPMG New Zealand Insurance Update 2022⁴.

The OECD report supports the view that New Zealand gross premiums grew slightly in the non-life sector, and declined slightly in the life sector, with a similar trend in gross claims paid in 2021.

⁴ <https://assets.kpmg/content/dam/kpmg/nz/pdf/2022/11/2022-new-zealand-insurance-update.pdf>



05

LIFE AND HEALTH INSURANCE IN NEW ZEALAND

INSURANCE

There are a number of risks in life, such as natural disasters, loss of income, and sickness. Insurance policies can protect New Zealanders and dependents and reduce financial loss should these events occur. While 98% of home owners have insured their home, and 95% of car owners have insured their car, 4 in 5 New Zealanders have not insured their income against sickness or disability.

LIFE INSURANCE

Insurance companies will package the insurances into their own insurance products and often give the products their own names.

However, the main terms you will come across are: life insurance (can include term life insurance, endowment insurance, whole of life); living insurance (can include critical illness, total and permanent disability, disability income, home loan/mortgage insurance); business insurance; and personal risk insurance (can include life insurance, living insurance, critical illness, total and permanent disablement, disability income, home loan/mortgage insurance).

HEALTH INSURANCE

The health insurance industry supports 1.4m New Zealanders to meet their health care costs. A well-balanced and integrated health system is key to achieving and supporting great customer and patient

outcomes. The industry has continued to grow with more New Zealanders purchasing and retaining their health cover and health insurers paid over \$3.9 billion in claims in the 12 months to June 2022 to meet out-of-pocket health care costs.

Many health insurance claims relate to elective treatments, such as orthopaedic and gynaecological services, which helps to ease demand on the public health care system. Around a quarter of claims come from customers aged under 45, who claim for a range of services – from day-to-day health care costs such as dentist and GP visits, through to specialist consultations, diagnostic tests, and surgery.

Find out more: [Health Insurance Makes Sense](#), [Types of Health Insurance](#).

UNDERINSURANCE

An insurance policy protects the needs of an individual or their family. Underinsurance (eg no or insufficient insurance cover) happens when:

- An individual does not have insurance to cover, by way of examples, damage to property and/or financial commitments of their household, or
- The amount of cover taken out by a policyholder is not enough to cover the replacement of an item insured or, in the case of life insurance, the financial commitments of the policyholder following illness, injury or death.

In our previous research, “Gambling on Life”¹, we found that there were a number of reasons for an individual being underinsured in the life insurance context, such as:

- Individuals being more likely to insure physical items like cars, houses and contents above their income;
- Not liking to think about the things that could impact their financial situation like injury or death;
- Unsure about the benefits of insurance and how to manage financial risk;
- Unsure where to get advice;
- Unable to afford the premiums;
- Being happy to self-insure; and
- Reliance on Government to reduce financial risk through schemes like ACC.

It is also the case that individuals who have insurance may become underinsured due to not reviewing insurance needs, following a life-changing event such as having children or buying a new home. It is important that new or updated cover is considered to continue to meet family needs.

Generally, when defining levels of underinsurance, a proportion of those who are not insured may not need it for a variety of reasons (eg income protection for those no longer generating an income), and this should be factored in.

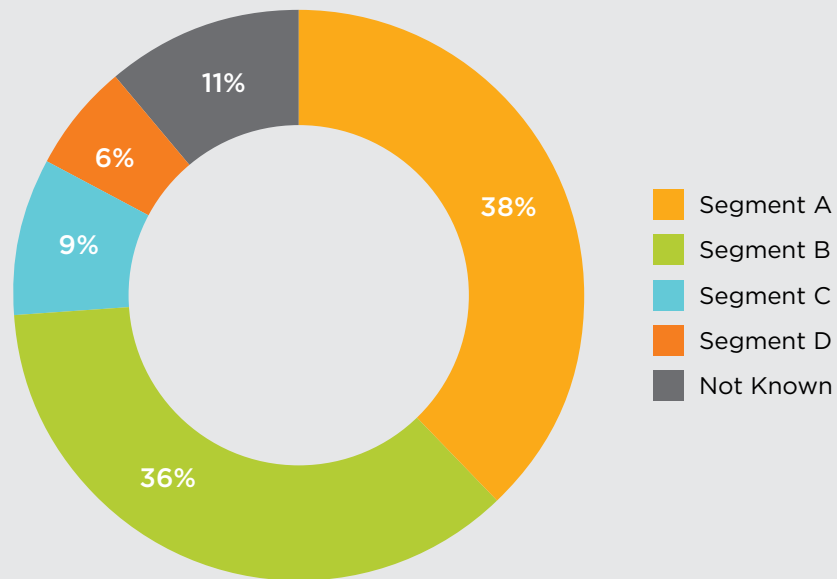
¹ <https://blog.fsc.org.nz/research-2020-gambling-on-life>



A photograph of two young children standing on a sandy beach, holding up a large, bright yellow umbrella. The child on the left is wearing a white t-shirt with a graphic and patterned shorts, looking up at the umbrella. The child on the right is wearing a white t-shirt and patterned shorts, also looking up. The background shows a clear blue sky, a calm sea with other people swimming, and a coastal town with houses and trees on a hillside.

HOUSEHOLD GROUPS BY INCOME AND INVESTMENTS IN NEW ZEALAND

This report looks at insurance coverage by different household groups, characterised by personal income, household income and investments. The following pages show the make-up of these four groups through more detailed demographics.



	INVESTMENT PORTFOLIO	HOUSEHOLD INCOME	PERSONAL INCOME
SEGMENT A	< \$50k	< \$75	< \$40k
SEGMENT B	\$50k - \$350k	\$75k - \$150k	\$40k - \$90k
SEGMENT C	\$350k - \$750k	\$150k - \$250k	\$90k - \$150k
SEGMENT D	> \$750k	> \$250k	> \$150k



SEGMENT A

REPRESENTS 38% | 1.5M*

	INVESTMENT PORTFOLIO	HOUSEHOLD INCOME	PERSONAL INCOME
Segment A	< \$50k	< \$75	< \$40k

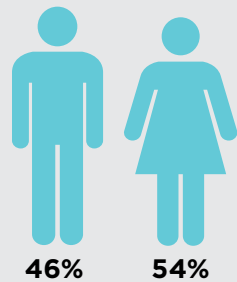


AGE

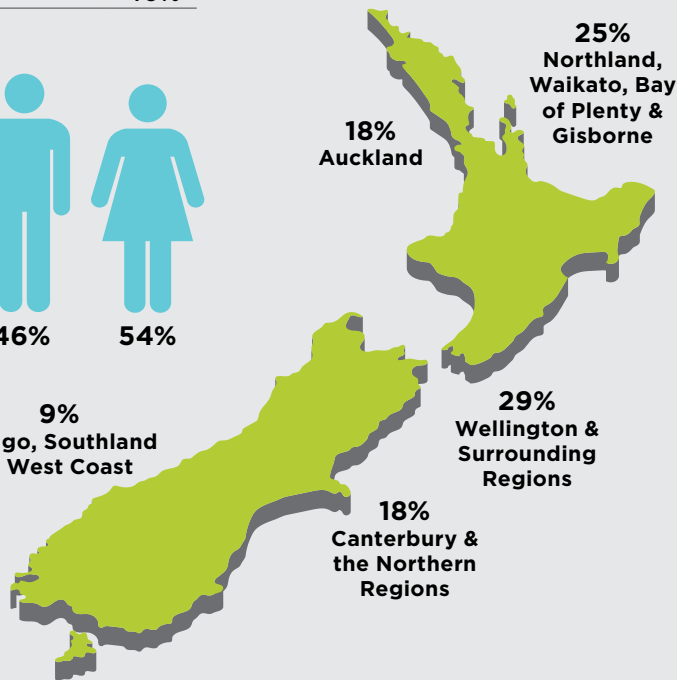
29 years old & below	14%
30 - 39 years old	17%
40 - 49 years old	13%
50 - 59 years old	16%
60 years old & above	40%

ETHNICITY

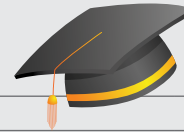
European	81%
Māori	9%
Pacific Peoples	3%
Asian	9%
Other/Prefer not to say	1%



9%
Otago, Southland & West Coast



EDUCATION

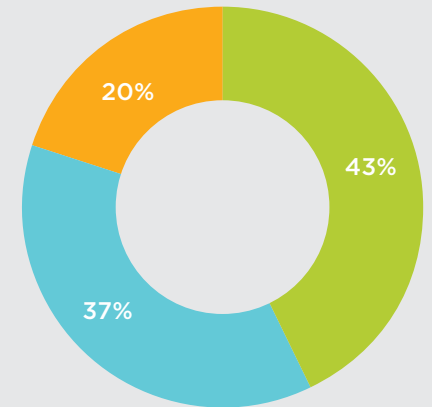


Primary	1%
Part of high school	13%
Completed high school	26%
Diploma or certificate qualification	34%
Degree qualification	16%
Postgraduate qualification	9%
Prefer not to say	1%

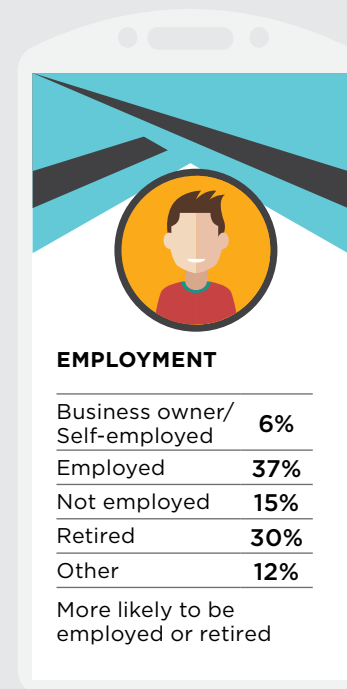
83%
Extremely, very or reasonably confident in making financial decisions



How would you rate your understanding of ... the relationship between risk and return?



Very Good/Good
Moderate
Very Poor/Poor



* StatsNZ March 2021 3,944,700 New Zealanders 18 or over (38% = 1,498,986)
Note: Percentages may not add to 100% due to rounding.
n=749

SEGMENT B

REPRESENTS 36% | 1.4M*

	INVESTMENT PORTFOLIO	HOUSEHOLD INCOME	PERSONAL INCOME
Segment B	\$50k - \$350k	\$75k - \$150k	\$40k - \$90k

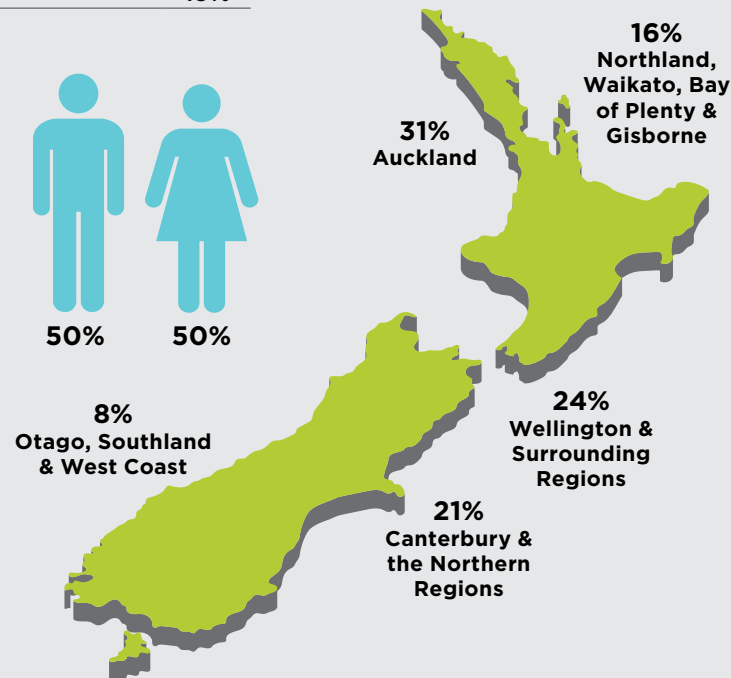
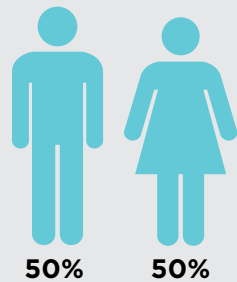


AGE

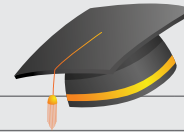
29 years old & below	18%
30 - 39 years old	22%
40 - 49 years old	23%
50 - 59 years old	19%
60 years old & above	19%

ETHNICITY

European	71%
Māori	7%
Pacific Peoples	3%
Asian	20%
Other/Prefer not to say	1%

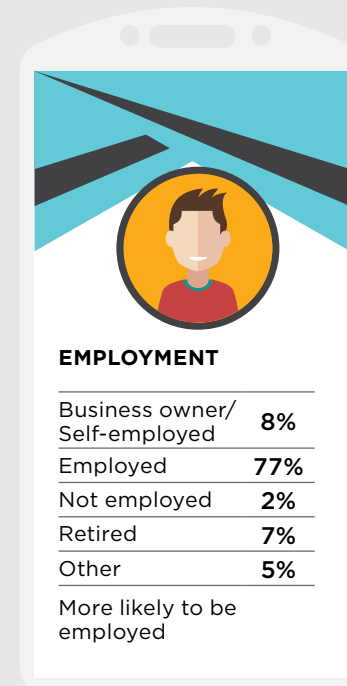


EDUCATION

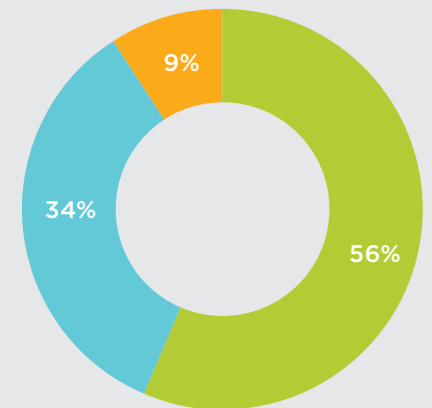


Primary	0%
Part of high school	5%
Completed high school	17%
Diploma or certificate qualification	28%
Degree qualification	32%
Postgraduate qualification	17%
Prefer not to say	0%

87%
Extremely, very or reasonably confident in making financial decisions



How would you rate your understanding of ... the relationship between risk and return?



Very Good/Good
Moderate
Very Poor/Poor

* StatsNZ March 2021 3,944,700 New Zealanders 18 or over (36% = 1,420,092)
Note: Percentages may not add to 100% due to rounding.
n=724

SEGMENT C

REPRESENTS 9% | 355K*

	INVESTMENT PORTFOLIO	HOUSEHOLD INCOME	PERSONAL INCOME
Segment C	\$350k - \$750k	\$150k - \$250k	\$90k - \$150k

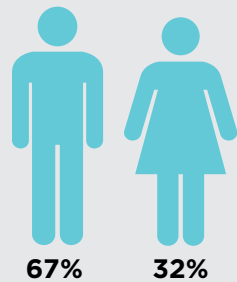


AGE

29 years old & below	10%
30 - 39 years old	26%
40 - 49 years old	24%
50 - 59 years old	22%
60 years old & above	18%

ETHNICITY

European	65%
Māori	6%
Pacific Peoples	2%
Asian	23%
Other/Prefer not to say	3%



7%
Otago, Southland & West Coast

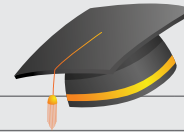
45%
Auckland

17%
Northland, Waikato, Bay of Plenty & Gisborne

19%
Wellington & Surrounding Regions

12%
Canterbury & the Northern Regions

EDUCATION

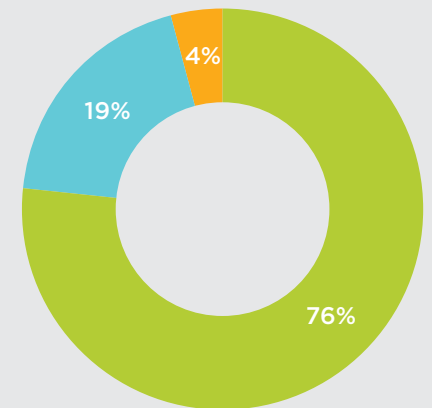


Primary	0%
Part of high school	4%
Completed high school	12%
Diploma or certificate qualification	13%
Degree qualification	42%
Postgraduate qualification	29%
Prefer not to say	1%

95%
Extremely, very or reasonably confident in making financial decisions



How would you rate your understanding of ... the relationship between risk and return?



Very Good/Good
Moderate
Very Poor/Poor

EMPLOYMENT

Business owner/Self-employed	12%
Employed	78%
Not employed	2%
Retired	7%
Other	1%

More likely to be employed

* StatsNZ March 2021 3,944,700 New Zealanders 18 or over (9% = 355,023)

Note: Percentages may not add to 100% due to rounding.

n=179

SEGMENT D

REPRESENTS 6% | 240K*

	INVESTMENT PORTFOLIO	HOUSEHOLD INCOME	PERSONAL INCOME
Segment D	> \$750 k	> \$250 k	> \$150 k

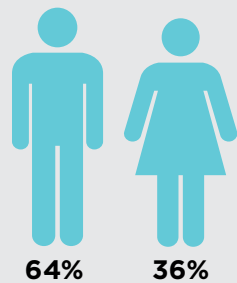


AGE

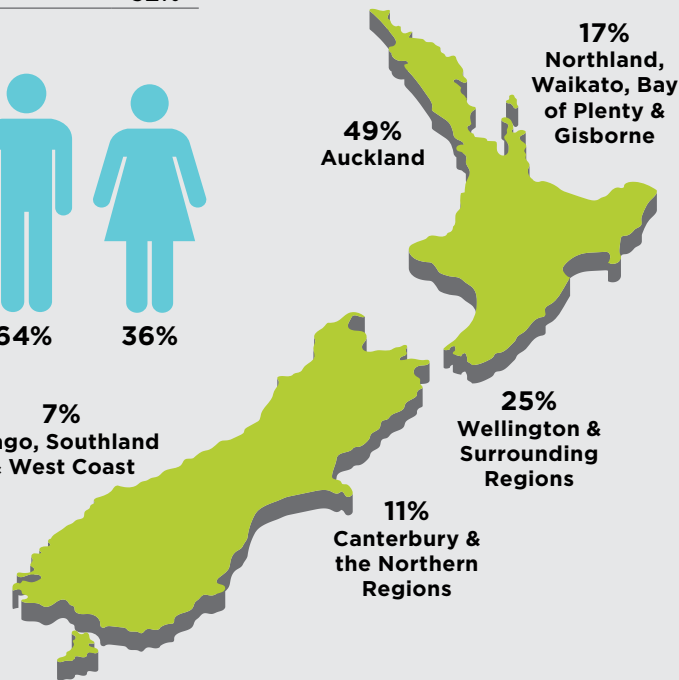
29 years old & below	7%
30 - 39 years old	12%
40 - 49 years old	20%
50 - 59 years old	29%
60 years old & above	32%

ETHNICITY

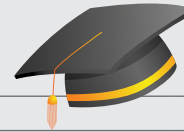
European	68%
Māori	7%
Pacific Peoples	2%
Asian	22%
Other/Prefer not to say	1%



7%
Otago, Southland & West Coast



EDUCATION

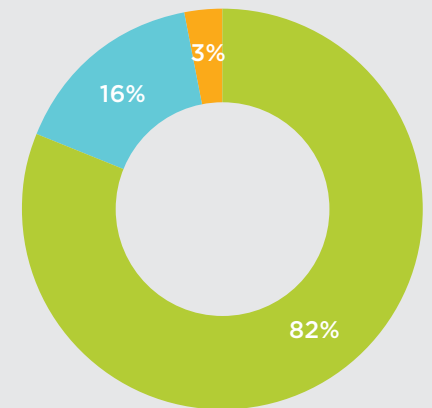


Primary	0%
Part of high school	3%
Completed high school	12%
Diploma or certificate qualification	17%
Degree qualification	34%
Postgraduate qualification	33%
Prefer not to say	0%

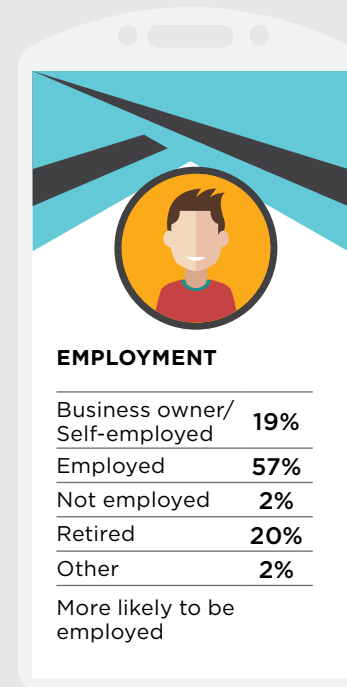
94%
Extremely, very or reasonably confident in making financial decisions



How would you rate your understanding of ... the relationship between risk and return?



Very Good/Good
Moderate
Very Poor/Poor



* StatsNZ March 2021 3,944,700 New Zealanders 18 or over (6% = 236,682)

Note: Percentages may not add to 100% due to rounding.

n=121



INSURANCE LEVELS IN NEW ZEALAND

LATEST INDUSTRY STATISTICS: LIFE INSURANCE JUNE 2022



4.1
MILLION

NUMBER LIFE
INSURANCE COVERS

\$2.89
BILLION



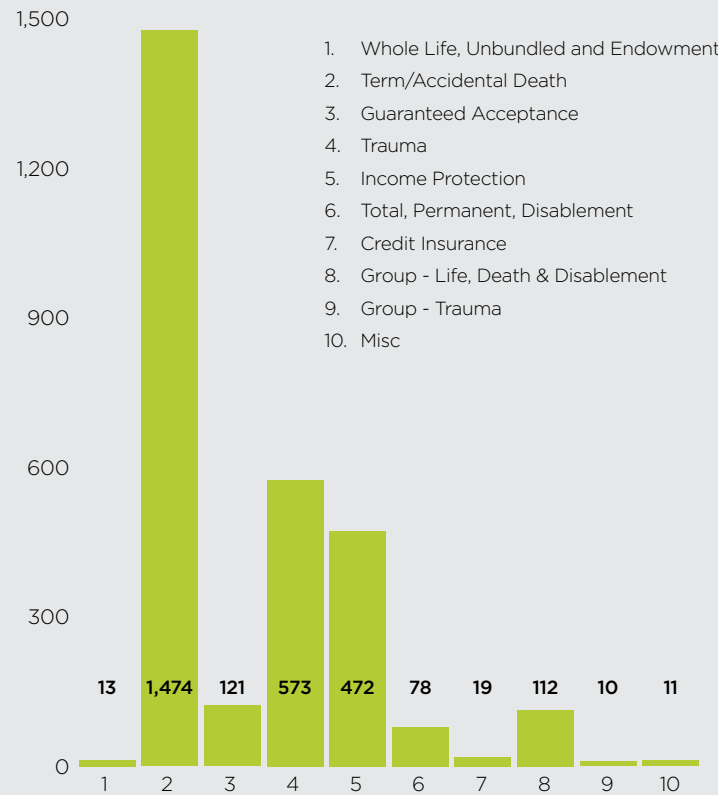
ANNUAL LIFE
INSURANCE PREMIUMS



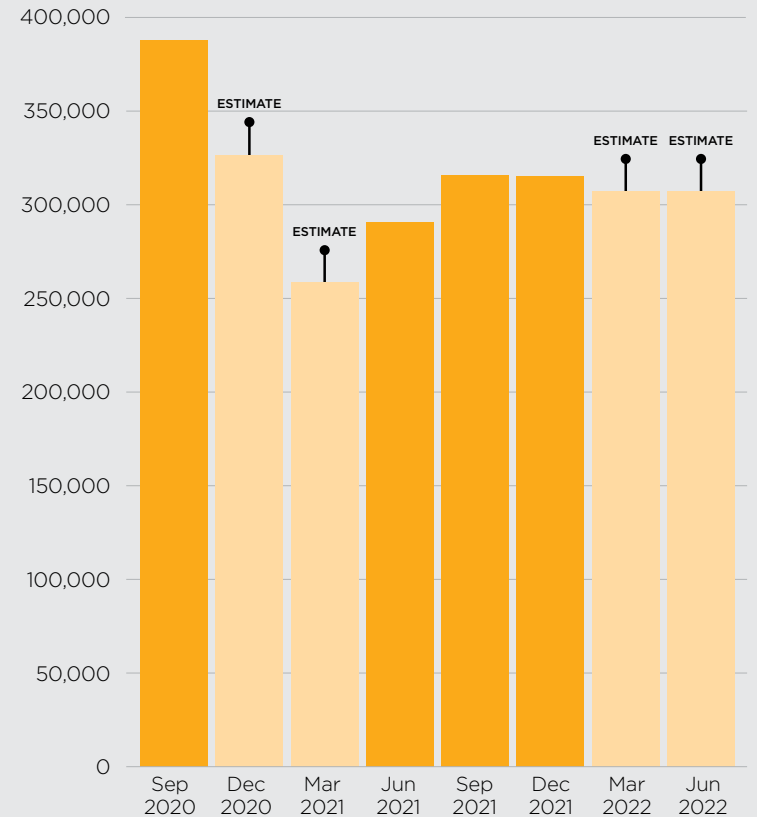
5.2
MILLION

ESTIMATED NUMBER
OF RESIDENTS IN NZ

ANNUAL PREMIUM INCOME BY PRODUCT
AS AT 30 JUN 2022 (\$'000,000s)





QUARTERLY CLAIMS TOTALS*
(\$'000s)





Sources: Financial Services Council Statistics, 30 June 2022. Stats NZ Population Clock, 15 August 2022.


LATEST INDUSTRY STATISTICS: HEALTH INSURANCE JUNE 2022


 **5.2**
MILLION
ESTIMATED NUMBER OF
RESIDENTS IN NZ

 **1.18**
MILLION
CUSTOMERS COVERED
AS AT 30 JUN 2022

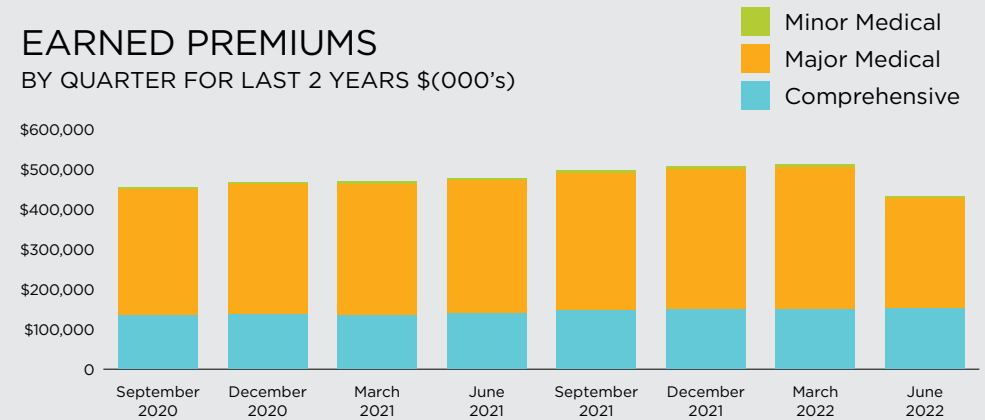
\$434.2
MILLION 
ANNUAL HEALTH
INSURANCE PREMIUMS
IN THE 3 MONTHS TO 30 JUN 2022

\$1.85
BILLION 
ANNUAL HEALTH
INSURANCE PREMIUMS
IN THE 12 MONTHS TO 30 JUN 2022

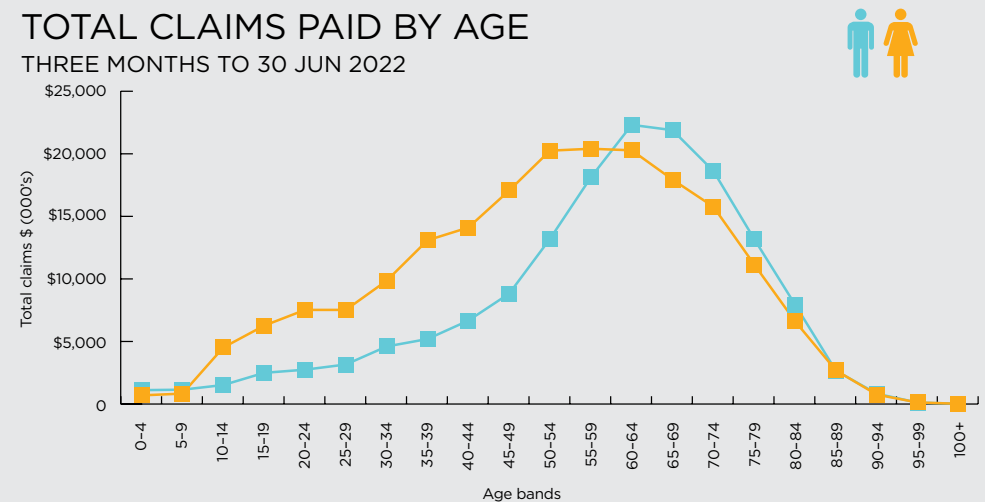
 **\$347.2**
MILLION
CLAIMS PAID
IN 3 MONTHS TO 30 JUN 2022

 **\$1.39**
BILLION
CLAIMS PAID
IN 12 MONTHS TO 30 JUN 2022

EARNED PREMIUMS
BY QUARTER FOR LAST 2 YEARS \$(000's)



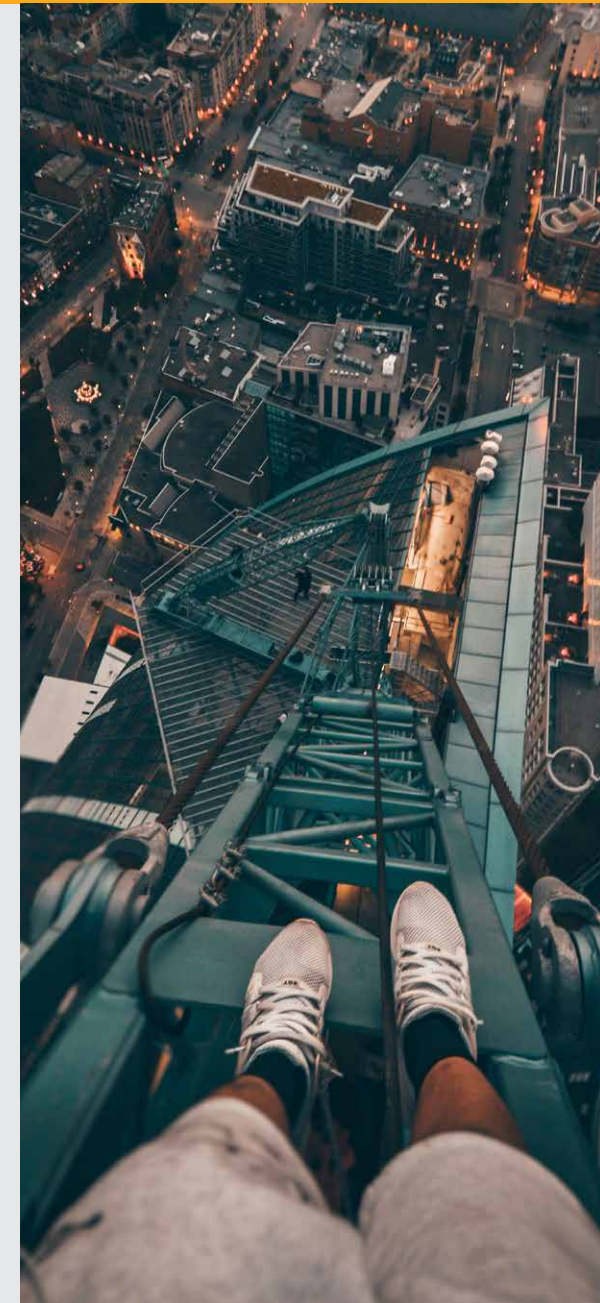
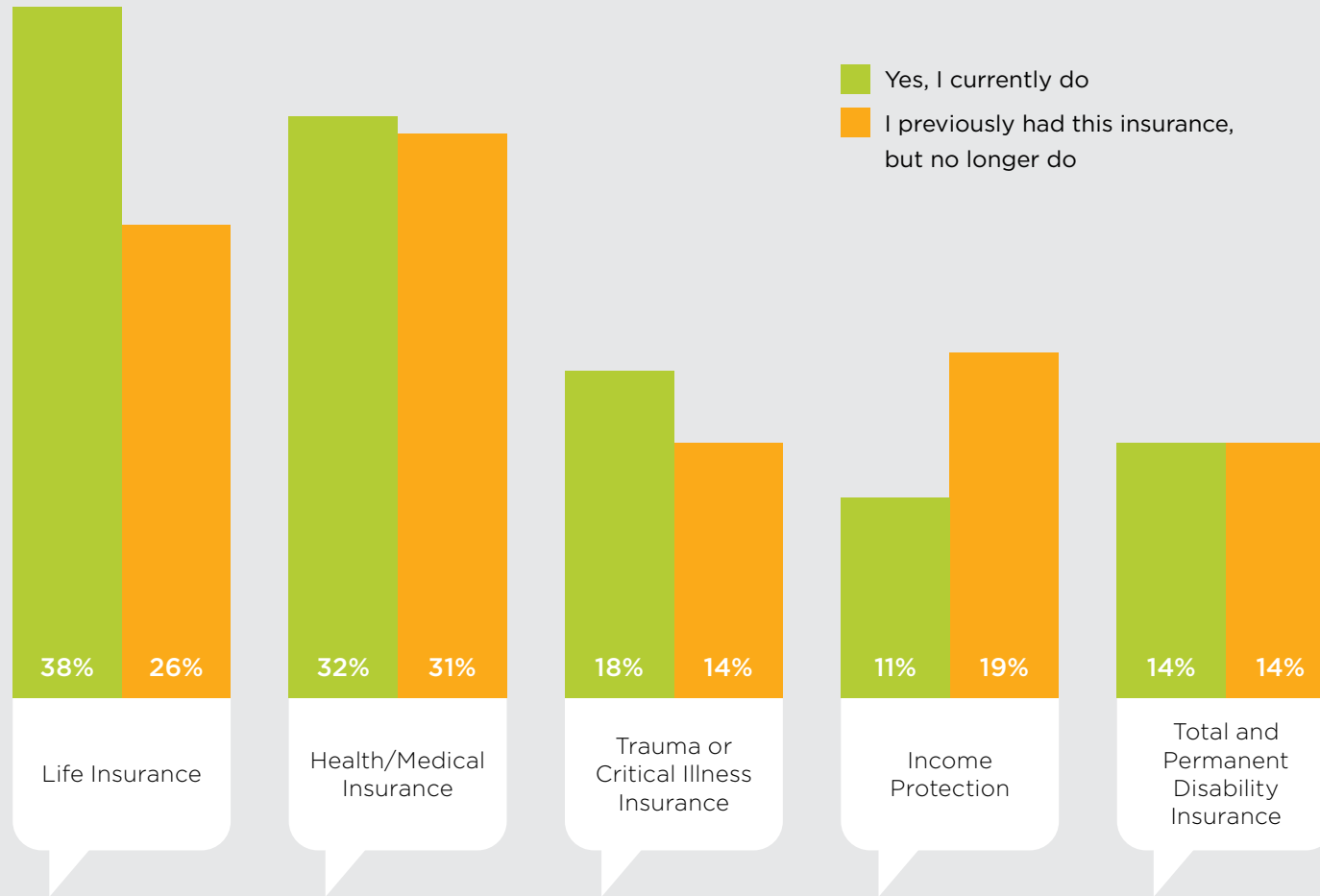
TOTAL CLAIMS PAID BY AGE
THREE MONTHS TO 30 JUN 2022



Source: Financial Services Council Statistics, 30 June 2022
Stats NZ Population Clock, 8 August 2022
This Spotlight is comprised from data representing six of the New Zealand's eight health insurance providers.

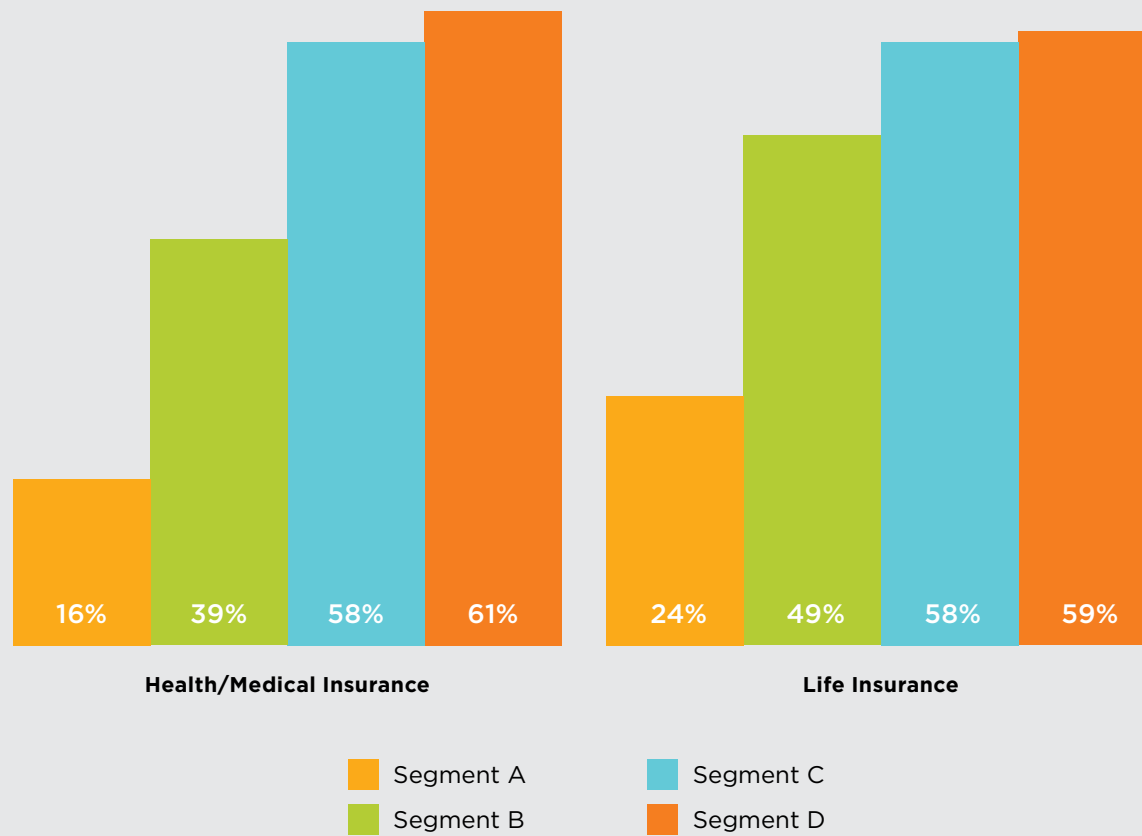
LIFE AND HEALTH INSURANCE COVER

Have you ever had cover under the following personal insurance policy types [all segments]?



SEGMENT D HOUSEHOLDS MORE LIKELY TO BE INSURED

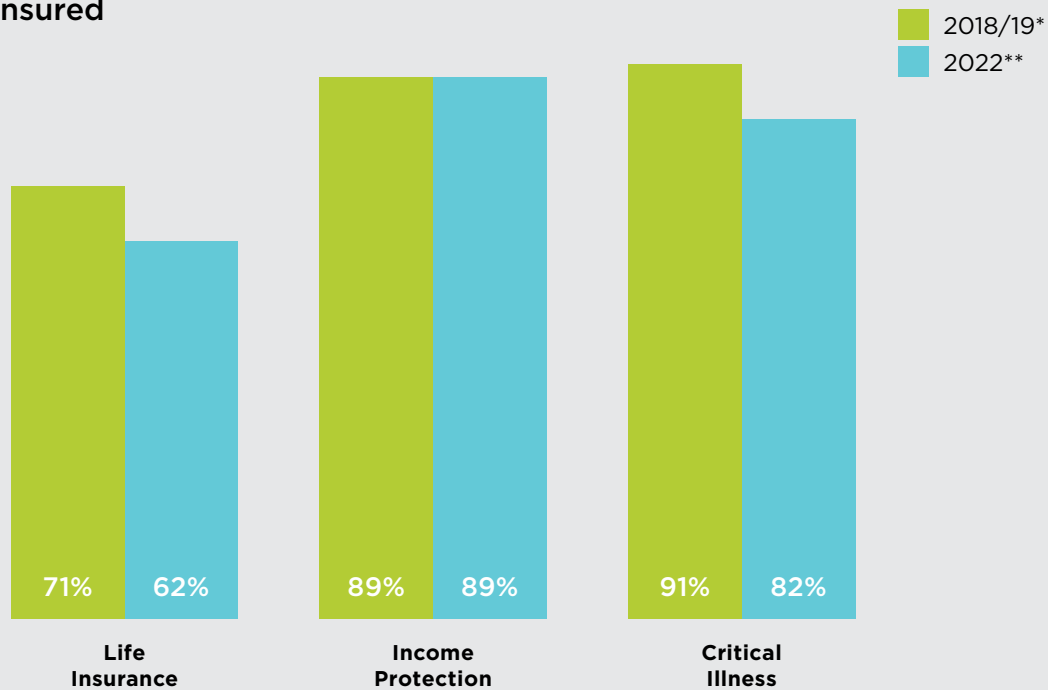
Have you ever had cover under the following personal insurance policy types [all segments]?



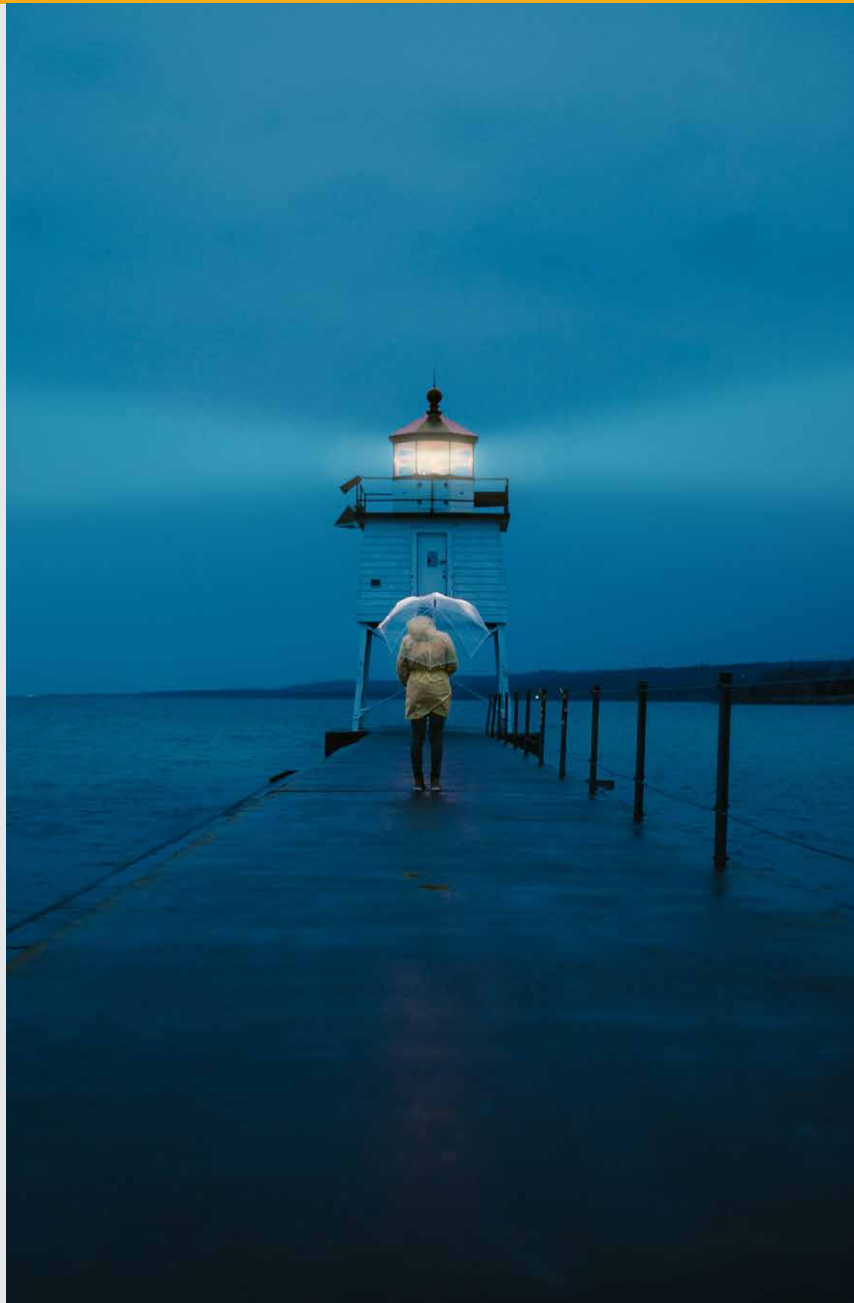
NEW ZEALANDERS WITH NO COVER

We can track the change over time in the life insurance sector with comparison data taken in 2018/2019 (Gambling on Life). We explored the potential levels of insurance cover in the life sector in New Zealand through our research, Gambling on Life: The Problem of Underinsurance. The comparison shows that New Zealanders without life insurance products has remained steady.¹

Not insured

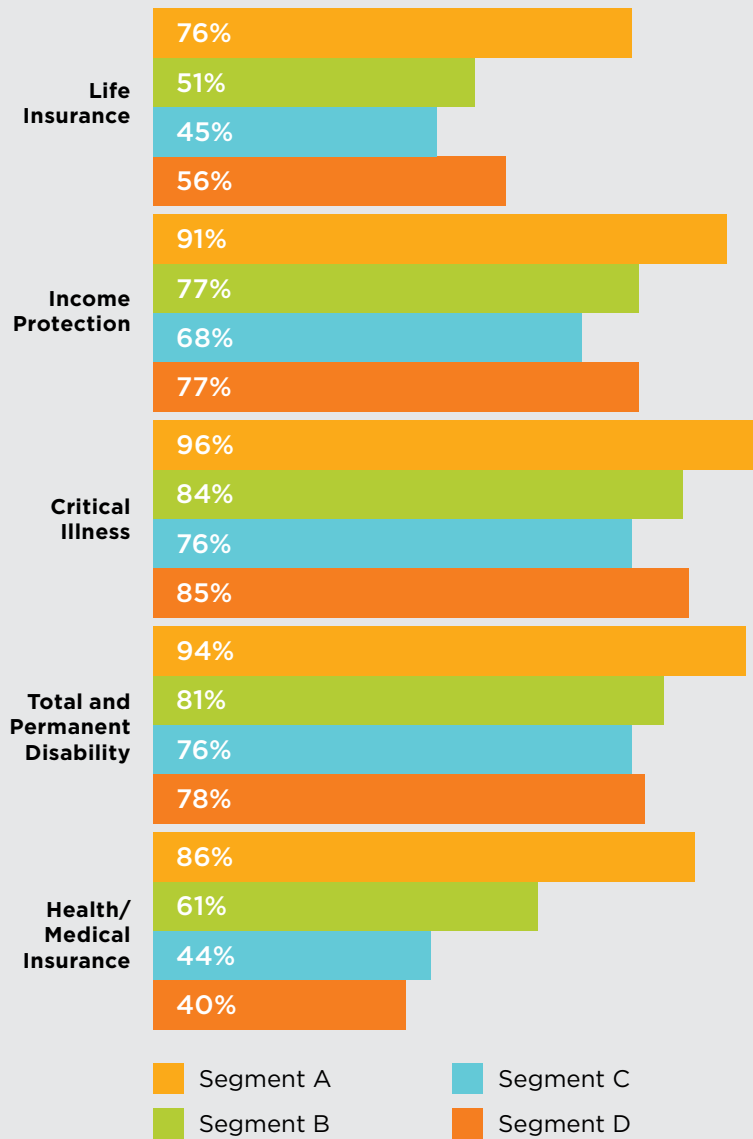


¹ There are no comparisons provided for Total and Permanent Disability and Health/Medical insurance as this is the first time we have tracked them through this type of research. The methodology and sample sizes of the Gambling on Life research (n=2061) and this latest 2022 research (n=2000) were different and so this comparison only provides an illustration.

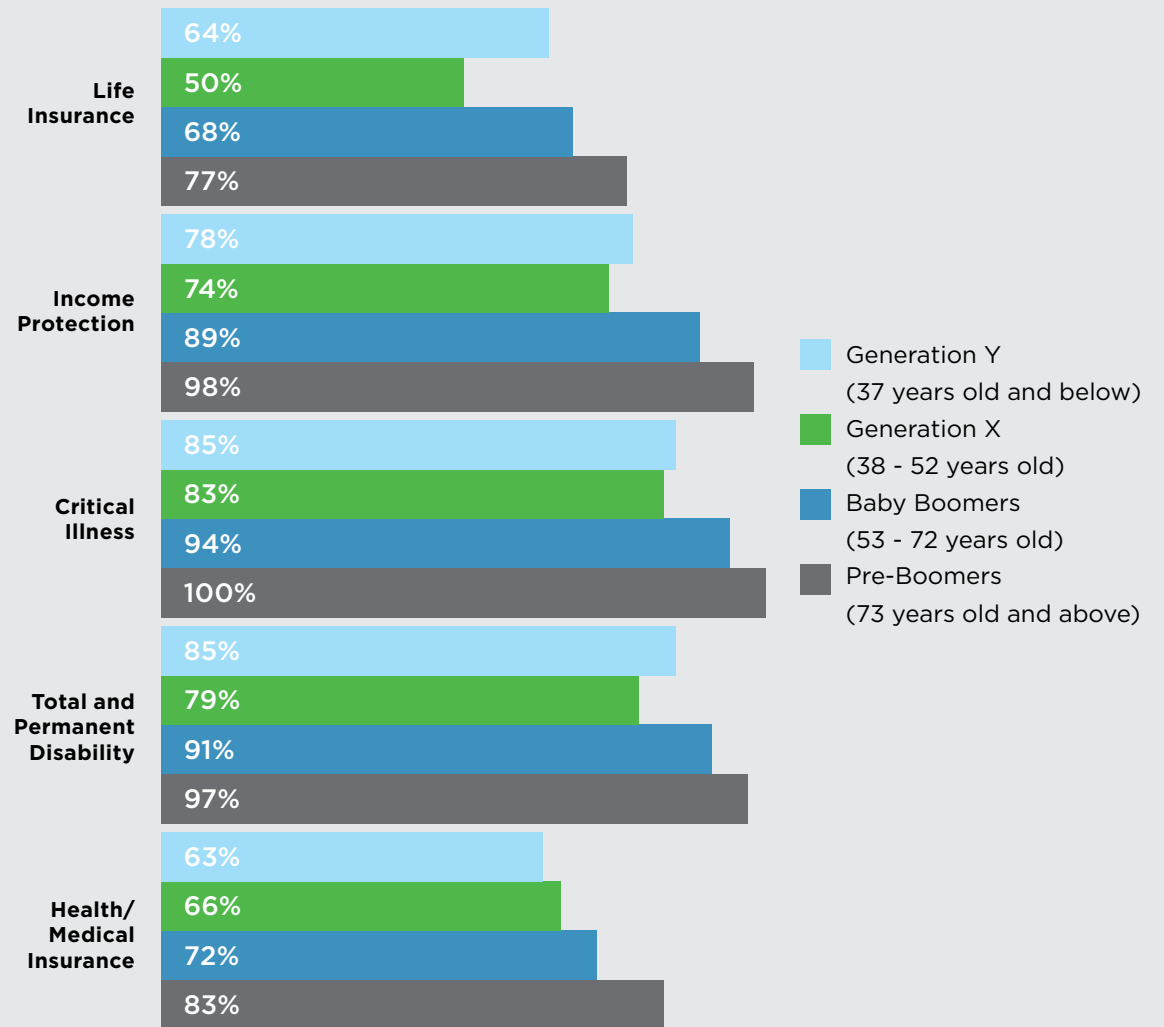


*Source: <https://blog.fsc.org.nz/research-2020-gambling-on-life>
 ** Total responses: I previously had this insurance, but no longer do; No, never; Unsure

No cover by household groups*



No cover by generation groups**



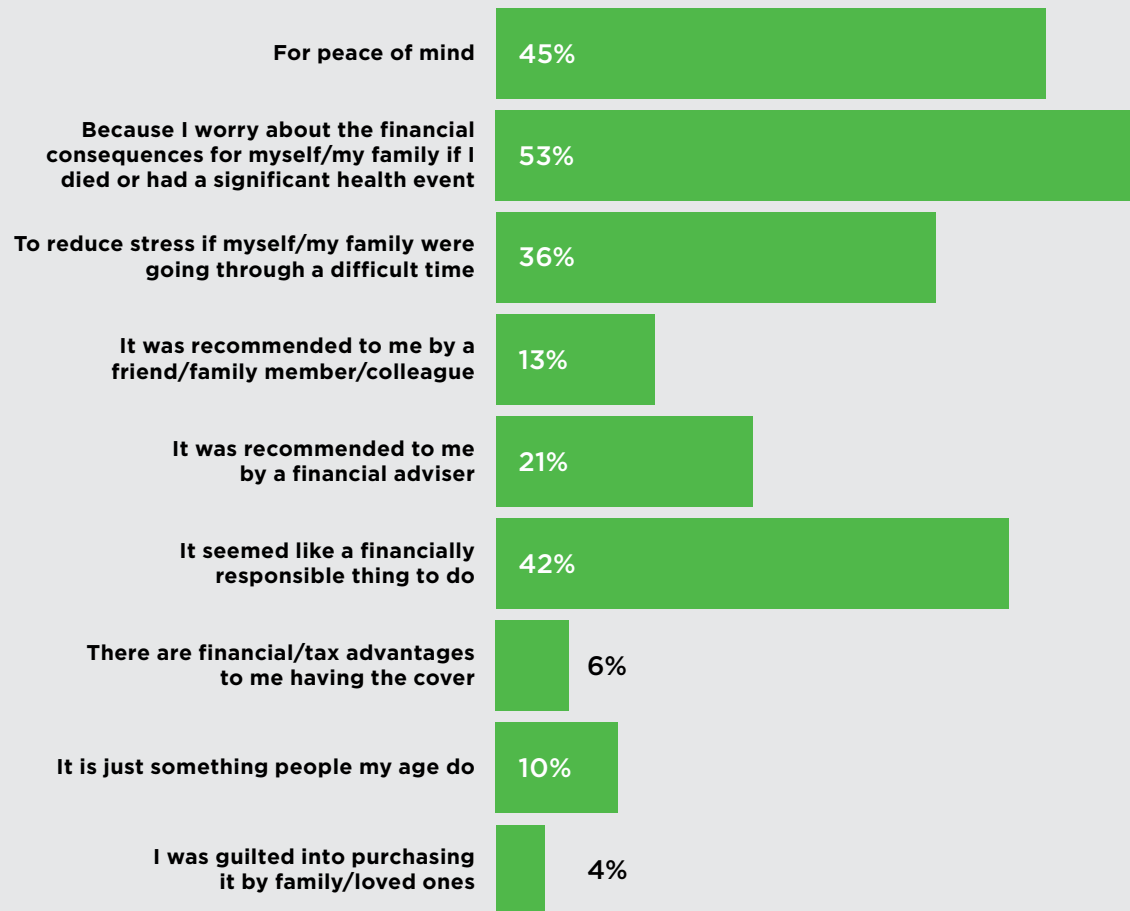
^No: Total responses: I previously had this insurance, but no longer do; No, never; Unsure. n = 1773
 **No: Total responses: I previously had this insurance, but no longer do; No, never; Unsure. n = 2000

WHY NEW ZEALANDERS ARE TAKING COVER (OR NOT)



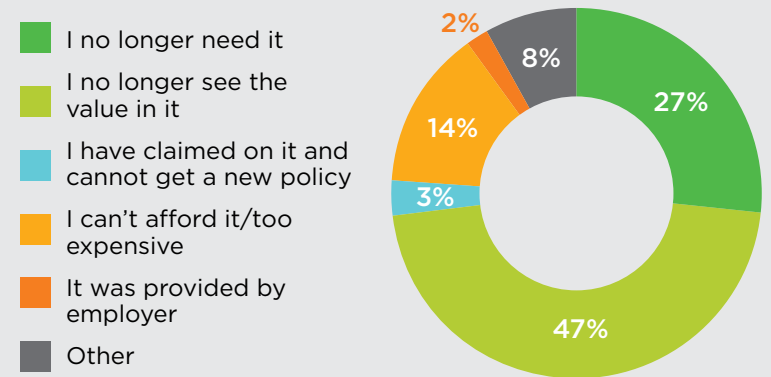
LIFE INSURANCE

What is the reason you took out "Life Insurance" cover?



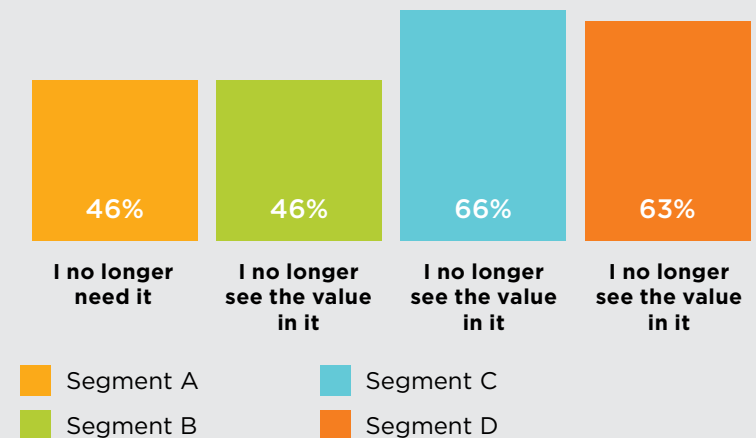
n=753, Respondents who currently have life insurance cover
Multiple answers allowed

What is the reason you previously had "Life Insurance", but no longer do?



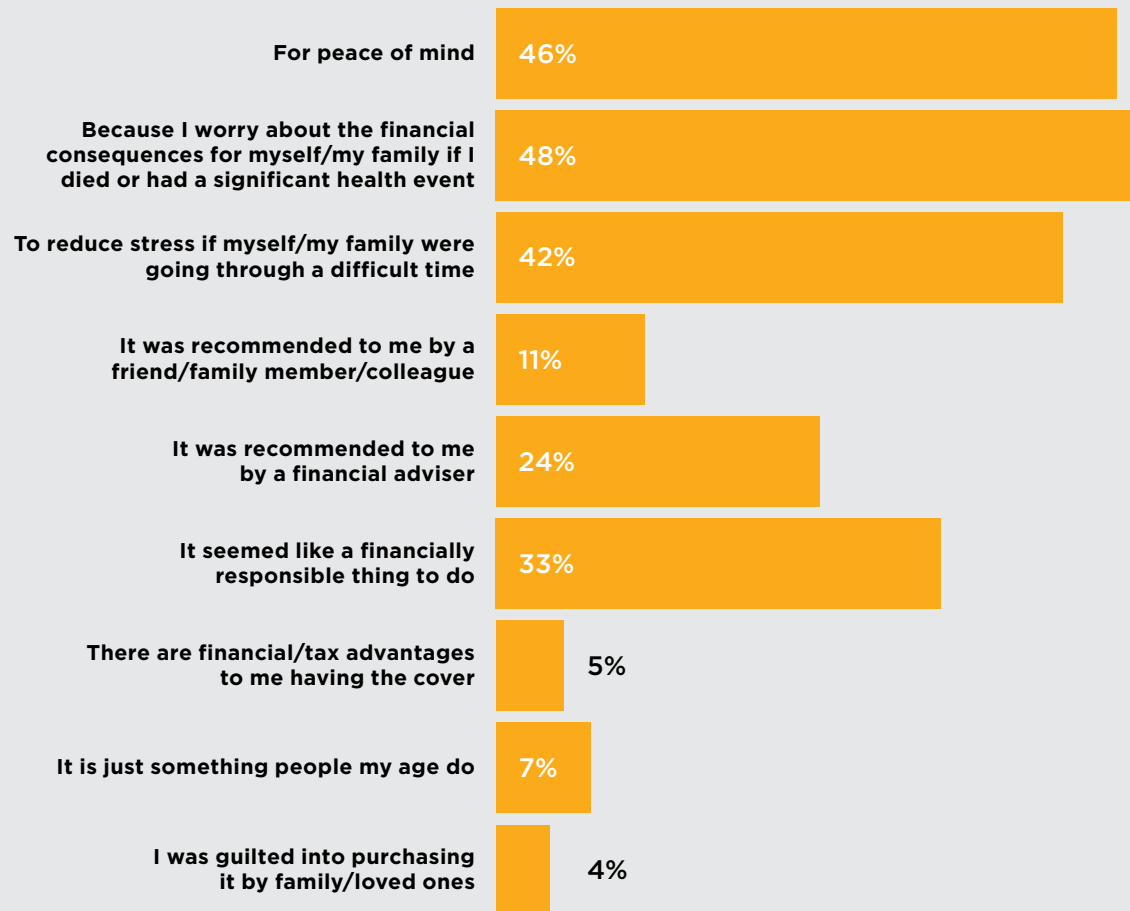
N=520, Respondents who previously had life insurance cover, but no longer do

Main reason by household group



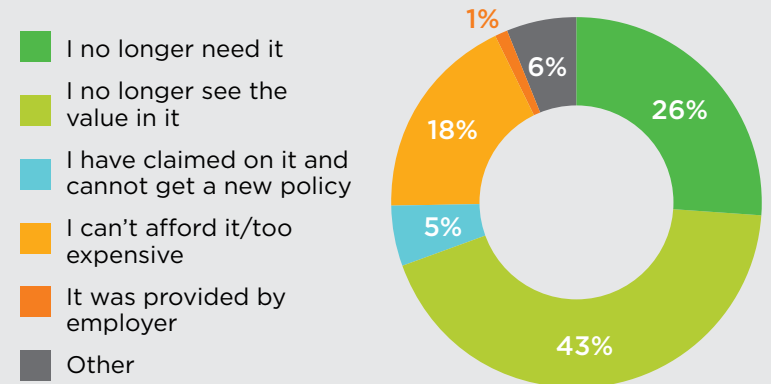
TRAUMA OR CRITICAL ILLNESS INSURANCE

What is the reason you took out “Trauma or Critical Illness Insurance” cover?



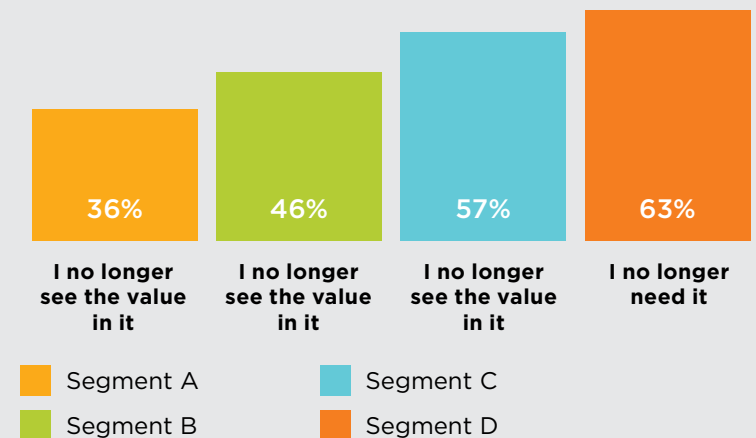
n=353, Respondents who currently have Trauma or Critical Illness Insurance cover
Multiple answers allowed

What is the reason you previously had “Trauma or Critical Illness Insurance”, but no longer do?



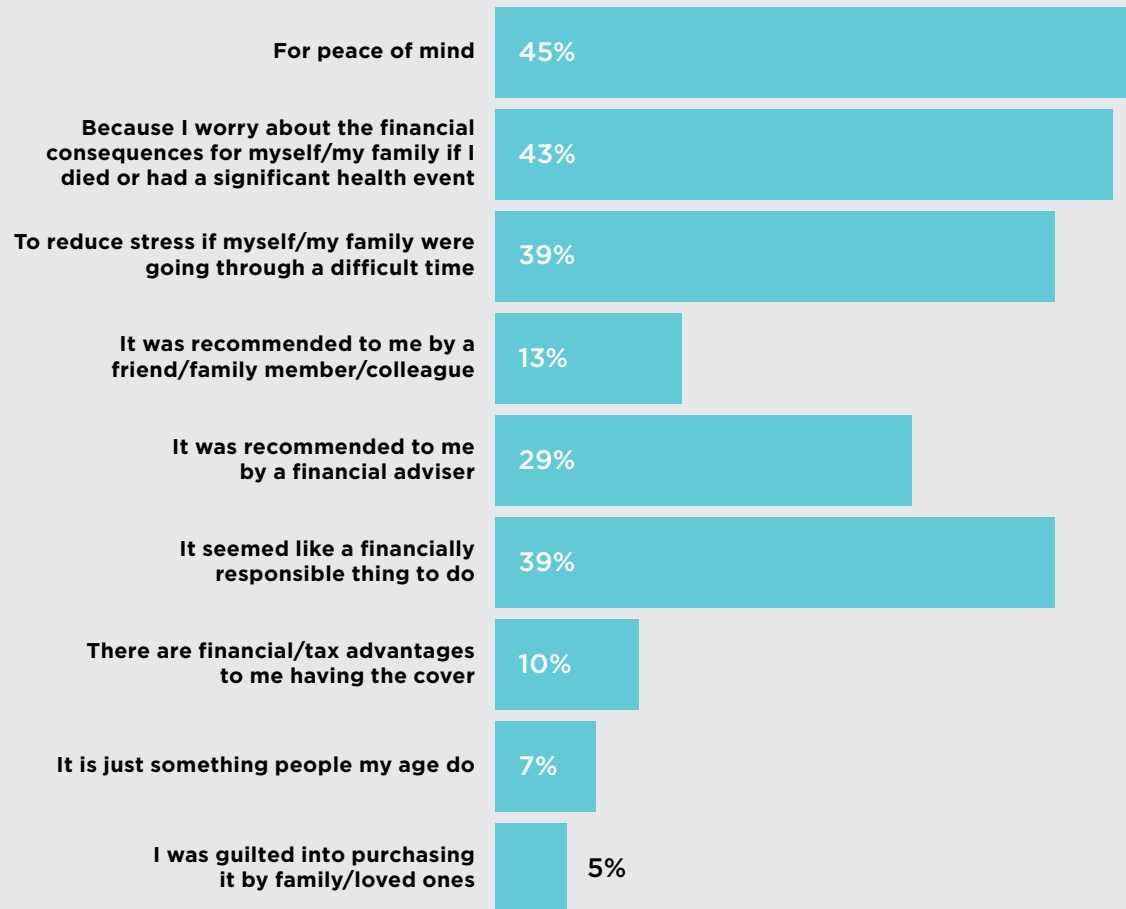
n=277, Respondents who previously had trauma or critical illness insurance cover, but no longer do

Main reason by household group



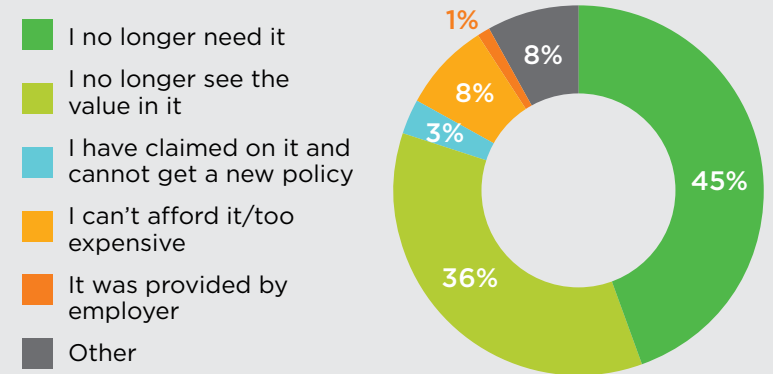
INCOME PROTECTION

What is the reason you took out "Income Protection" cover?



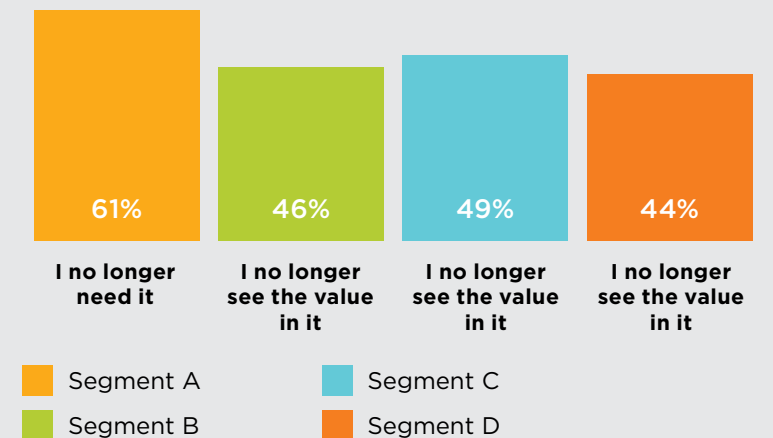
n=224, Respondents who currently have Income protection cover
Multiple answers allowed

What is the reason you previously had "Income protection" insurance, but no longer do?



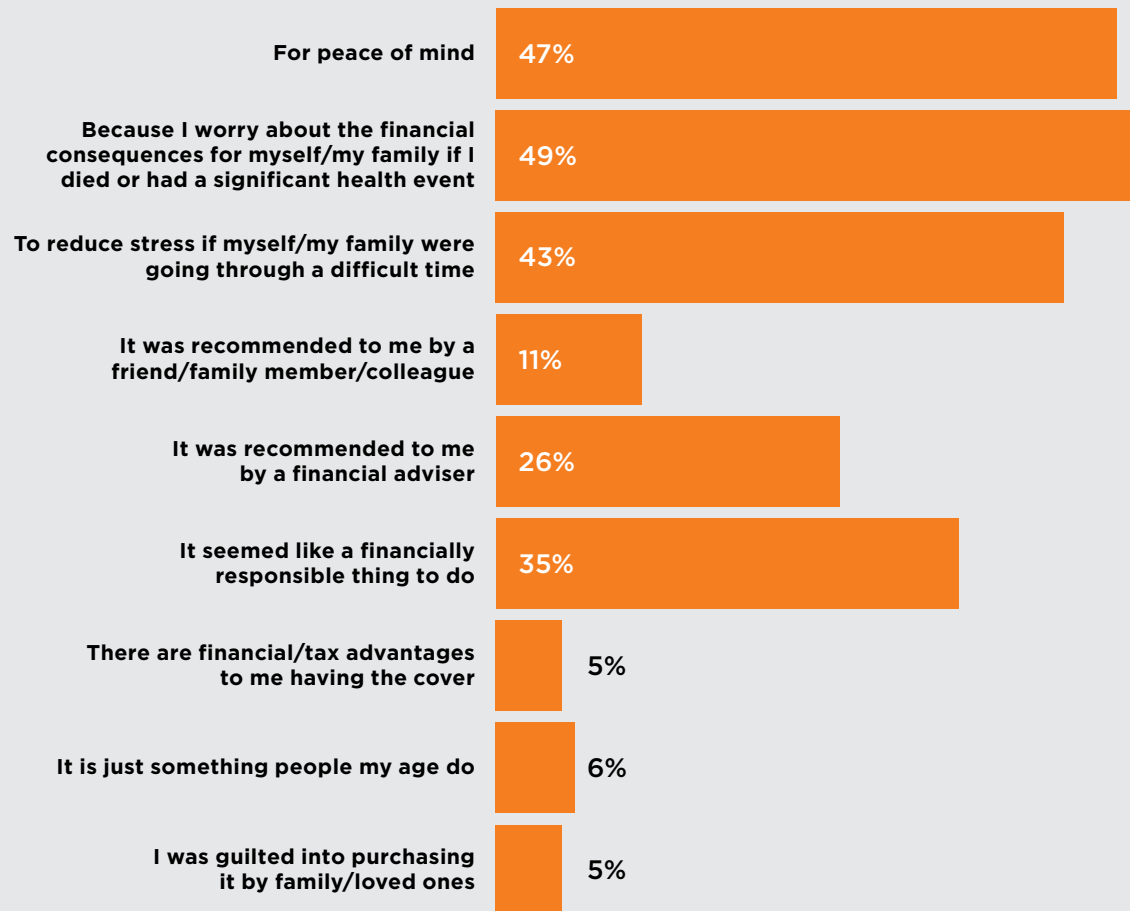
n=384, Respondents who previously had income protection cover, but no longer do

Main reason by household group



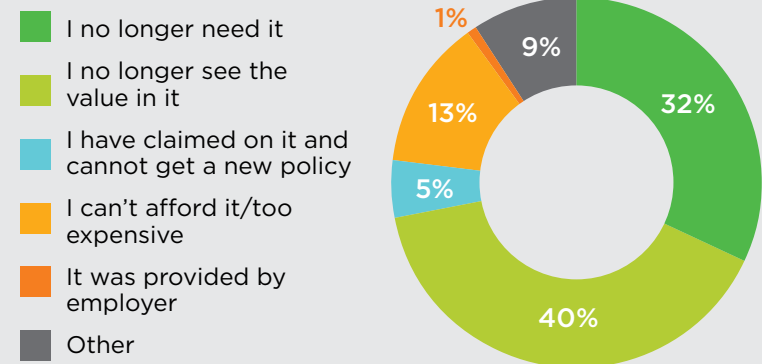
TOTAL AND PERMANENT DISABILITY INSURANCE

What is the reason you took out "Total and Permanent Disability Insurance" cover?



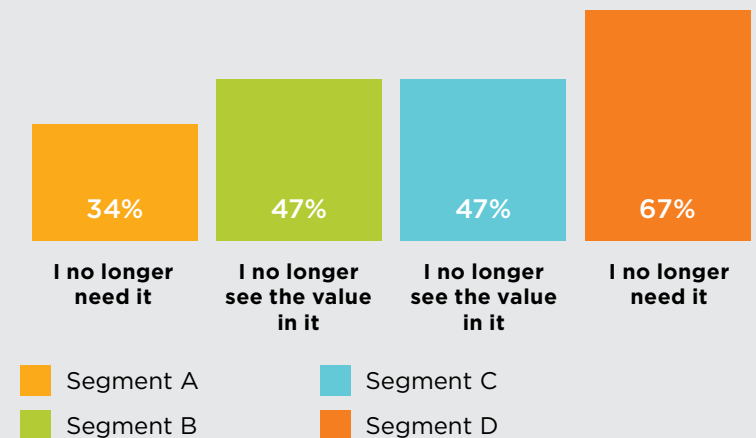
n=277, Respondents who currently have Total and Permanent Disability Insurance cover
Multiple answers allowed

What is the reason you previously had "Total and Permanent Disability Insurance", but no longer do?



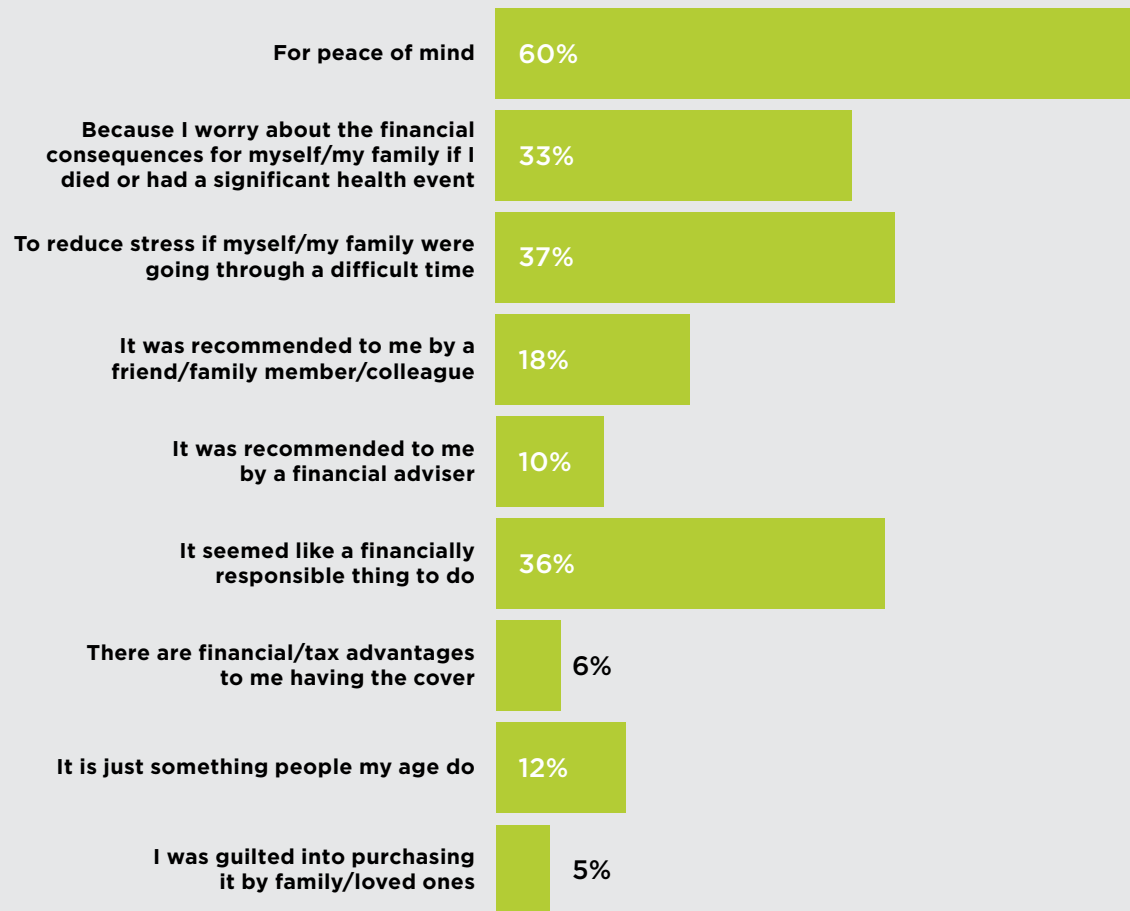
n=272, Respondents who previously had total and permanent disability insurance cover, but no longer do

Main reason by household group



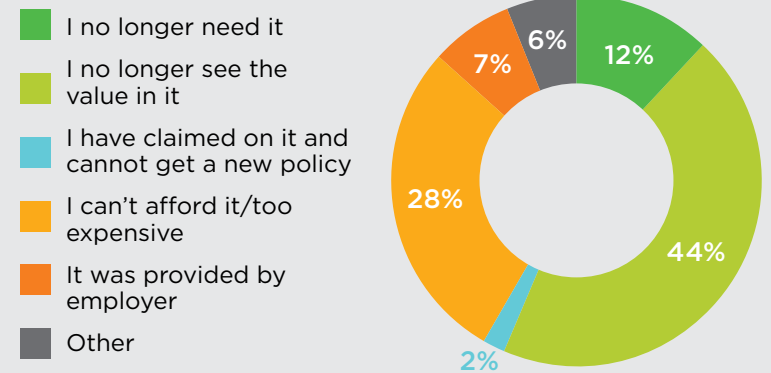
HEALTH/MEDICAL INSURANCE

What is the reason you took out "Health/Medical Insurance" cover?



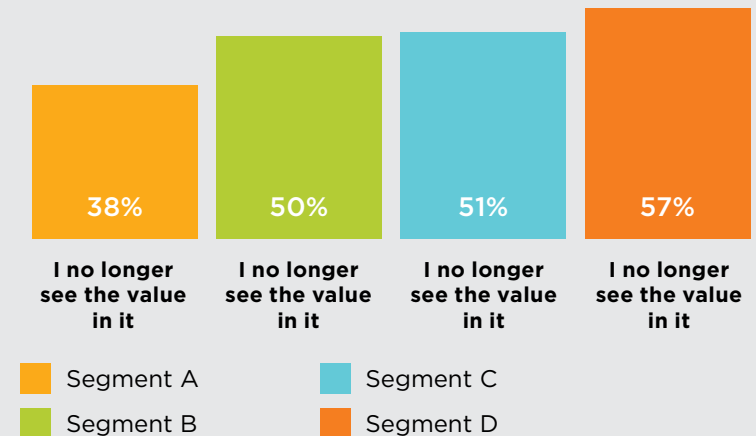
n=633, Respondents who currently have health/medical insurance cover
Multiple answers allowed

What is the reason you previously had "Health/Medical Insurance", but no longer do?



n=613, Respondents who previously had health/medical insurance cover, but no longer do

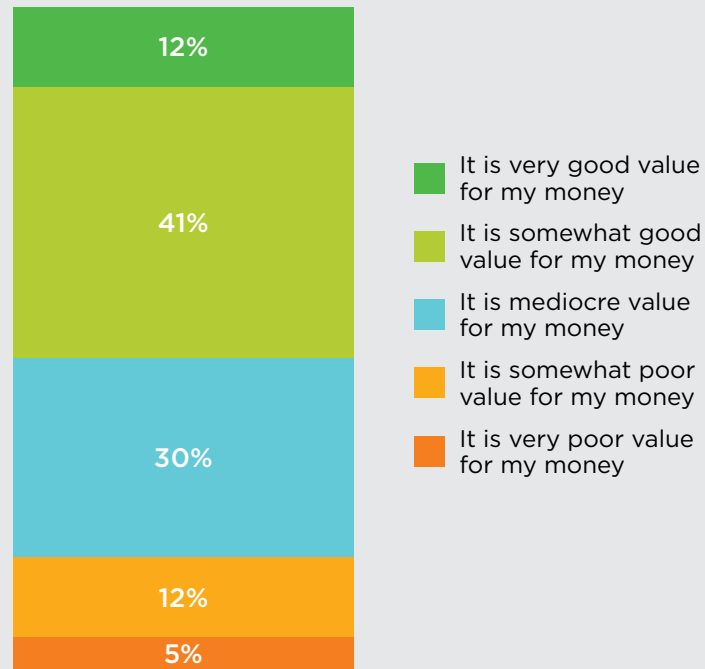
Main reason by household group



VALUE FOR MONEY AND CLAIMS

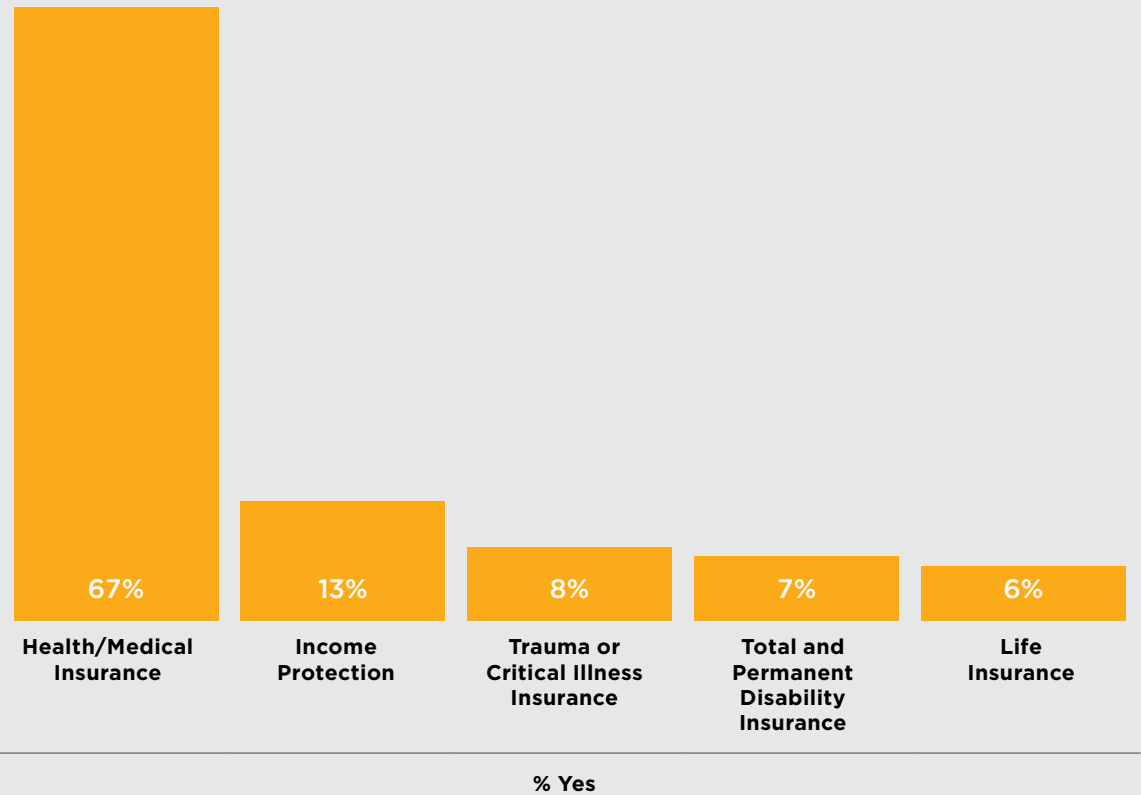
Most feel their insurance cover is only mediocre or somewhat good value.

To what degree do you feel you get value for your money with your insurance?



n=1,076, Respondents who currently have insurance

Have you ever made a claim for your insurance of the below types?

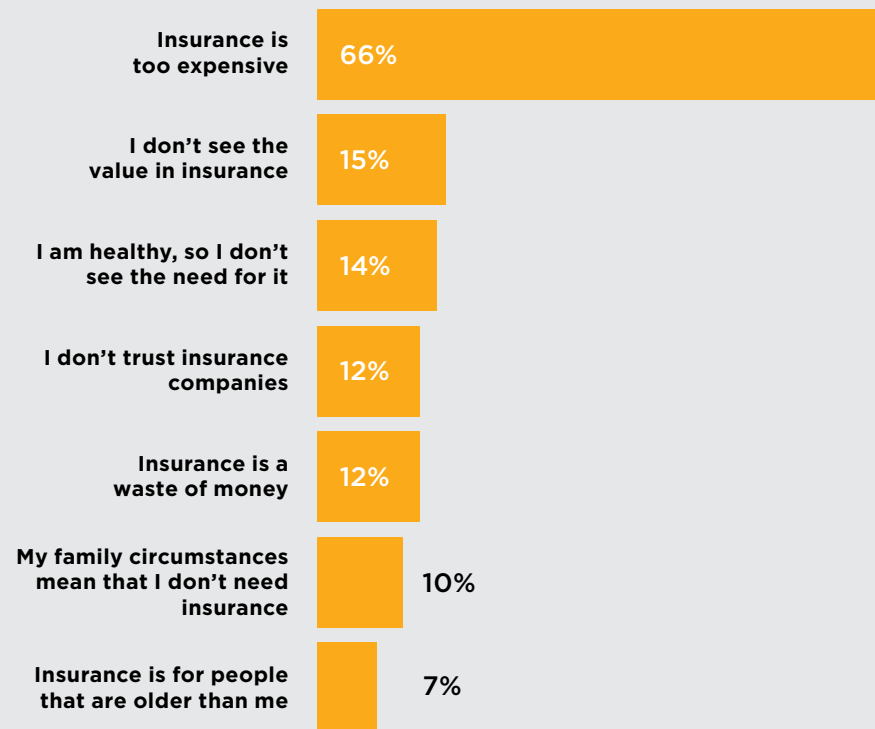


n=753 - Life Insurance, n=353 - Trauma or Critical Illness Insurance, n=224 - Income Protection, n=277 - Total and Permanent Disability insurance, n=633 - Health/Medical Insurance Respondents who currently have ___ type of insurance

REASONS FOR NOT HAVING INSURANCE

Of those respondents that did not have insurance, the main reason was expense, followed by value and the lack of need.

What is the reason you don't have any insurance?

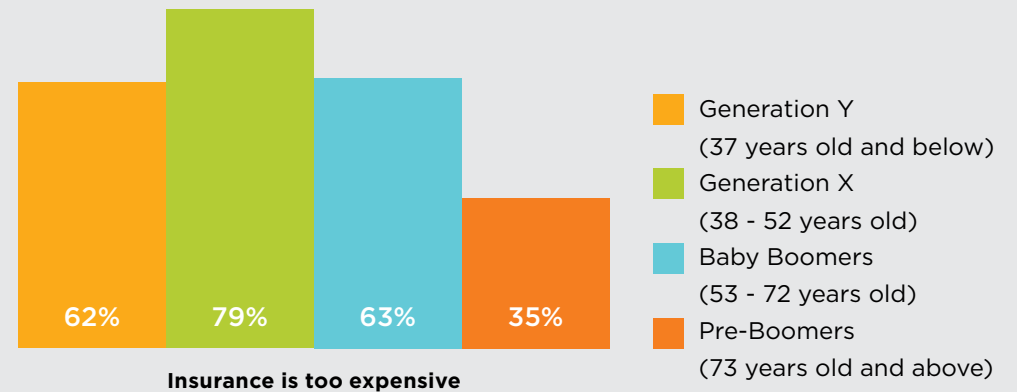


n=365, Respondents who don't have insurance
Multiple responses allowed

Main reason by household group



Main reason by generation groups

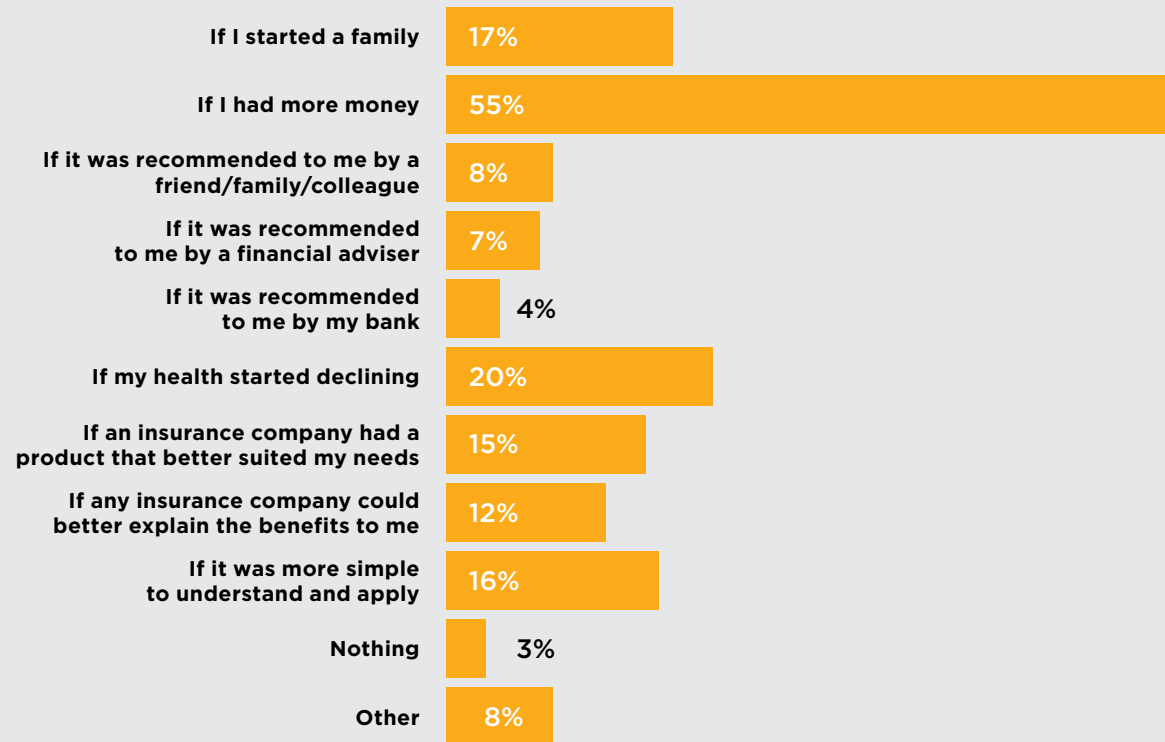


REASONS FOR CONSIDERING GETTING INSURANCE

The majority of respondents said they would take out an insurance policy if they had more money, with the

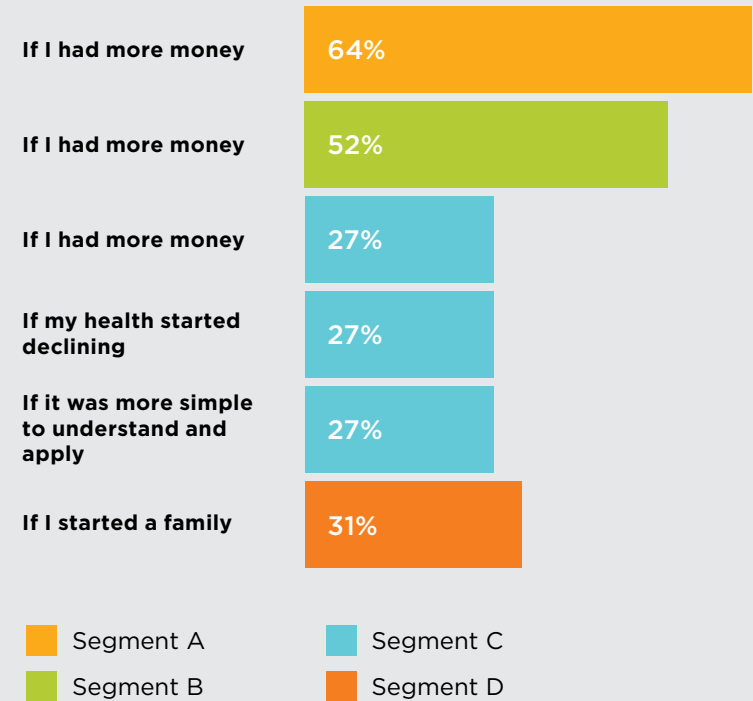
exception of the Segment D group that were more likely to take out an insurance policy if they started a family.

What would make you take out an insurance policy?



n=365, Respondents who don't have insurance
Multiple responses allowed

Main reason by household group



FINDING INFORMATION ABOUT FINANCIAL PRODUCTS

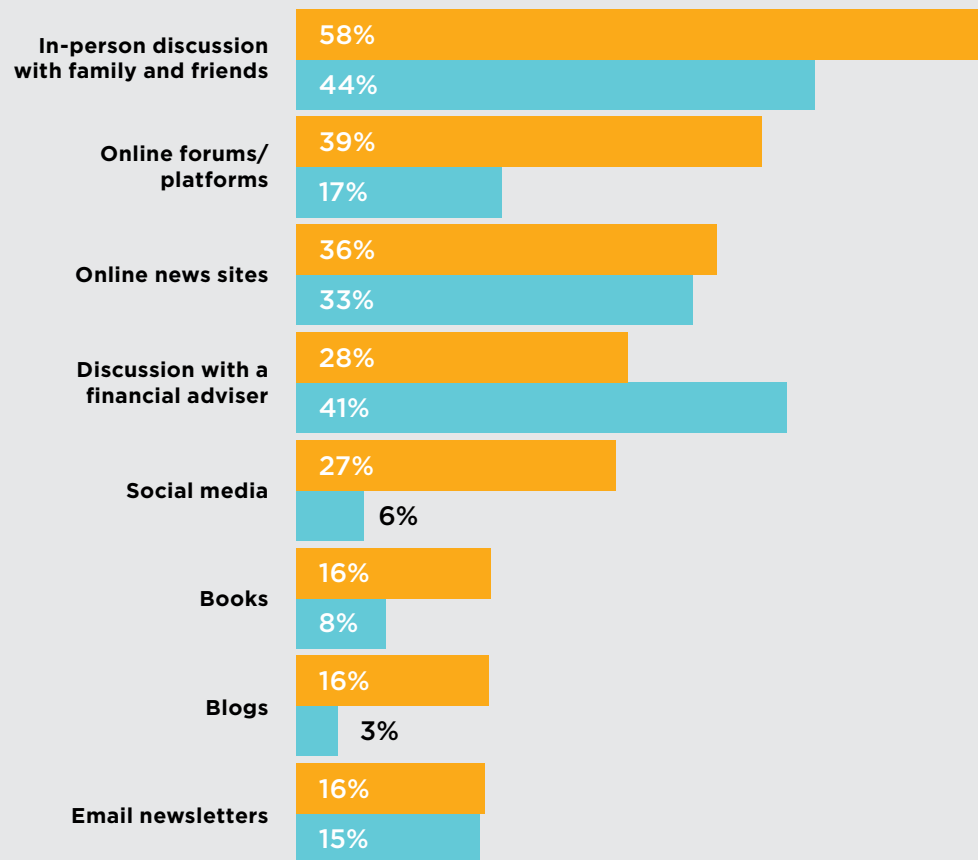


FINDING OUT ABOUT FINANCES

Young people seek information from entirely different sources to their parents' generation.

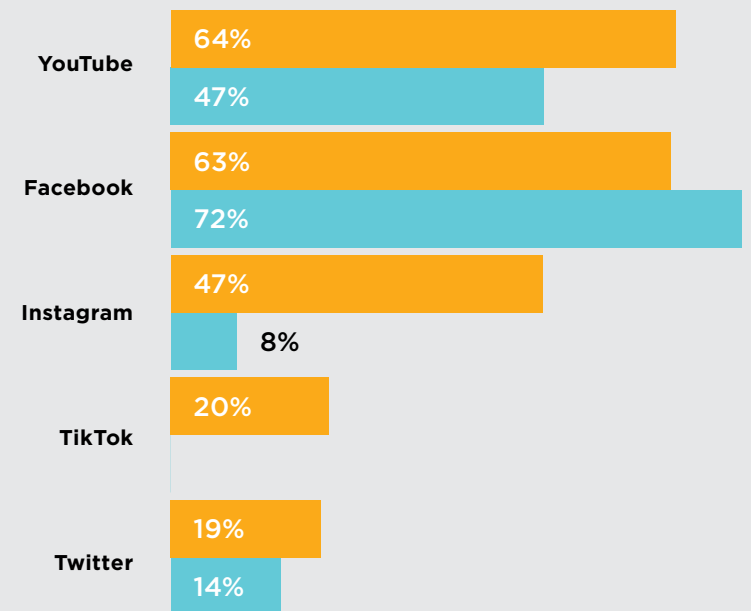
■ Generation Y (37 years old and below)
■ Baby Boomers (53-72 years old)*

In what format do you tend to seek information about finances?



n=608 Generation Y, 633, Baby Boomers. Generation Y, Baby Boomers

Which social media platforms do you tend to seek information about finances from?

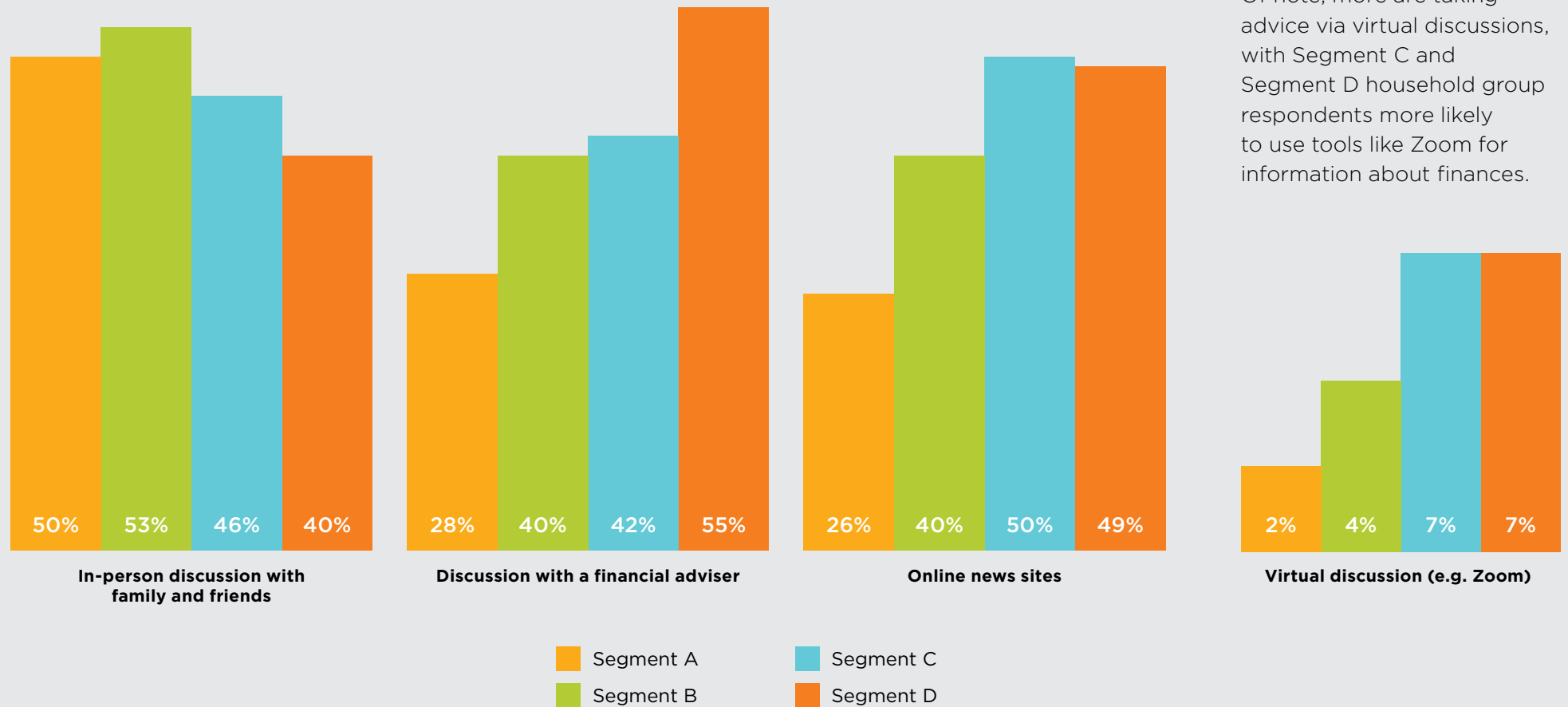


Top 5 Results Only Shown

n=166 Generation Y, n=36 Baby Boomers. (People who get financial information from social media). * Low Base Size

TOP THREE SOURCES OF INFORMATION BY HOUSEHOLD GROUP

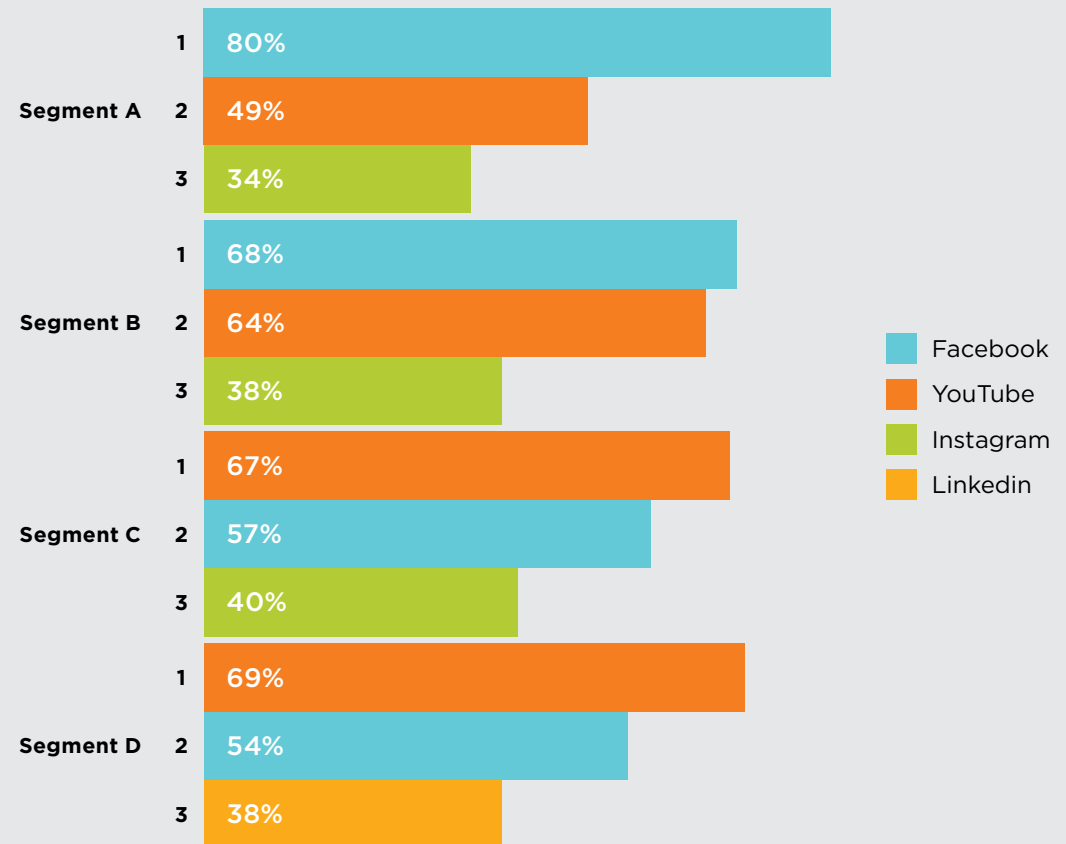
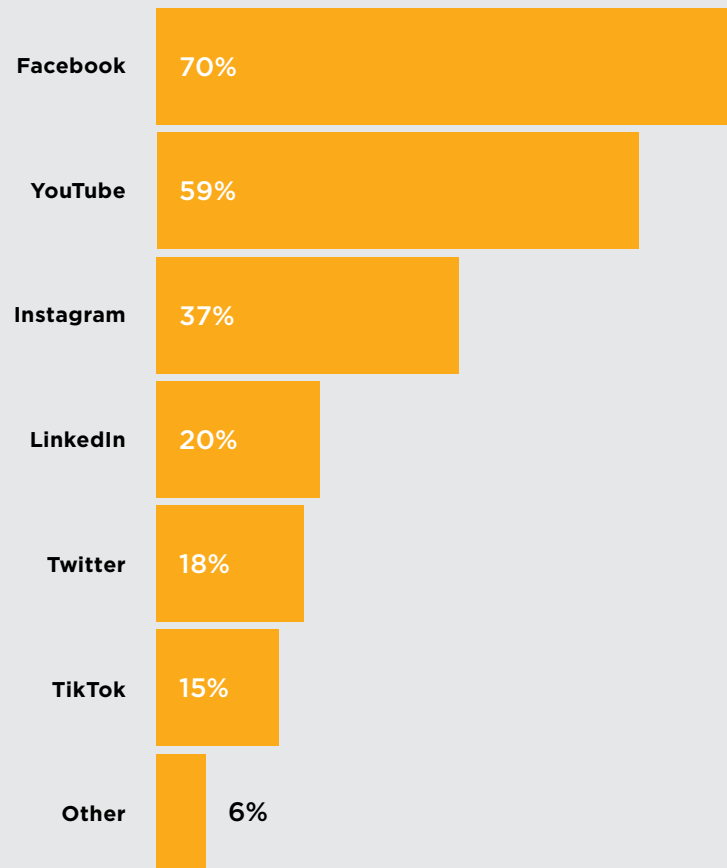
In what format do you tend to seek information about finances?



n=2000, *Multiple answers allowed

SOCIAL MEDIA SOURCES AND TOP THREE SOURCES BY HOUSEHOLD GROUP

Facebook, YouTube and Instagram are the respondents most favoured social media channels across all household groups.



N=276, Respondents who use social media to seek information about finances
Multiple answers allowed

06

ANNEX A: FINDING HELP AND ADVICE

1. Provider help and support

Your life or health insurance, KiwiSaver and investment provider will have support in place to help you. These will range from payment holidays to advice on accessing your investments or KiwiSaver should you be in difficulty.

They are also there for you if you have less urgent queries about your policies and investments, and now is a great time to check that you have the right levels of protection and are in the right type of KiwiSaver or investment funds.

Access our member websites by clicking on the member logo at www.fsc.org.nz/about/our-members.

2. Online resources to help you manage your finances

The Financial Services Council has launched Money & You, a website designed to help you learn about money and improve your wellbeing. It has blogs and video resources to improve your financial confidence and wellbeing, whether you are looking for support, to better understand what is going on or delve deeper into money-related topics. You'll find conversations, personal stories and tips to improve your financial confidence and wellbeing – all grounded in research. Visit moneyandyou.org.nz.

3. Getting help from a financial adviser

A financial adviser will help coach you through your financial situation and support you in getting the right financial plan to meet your needs. Advice is available and accessible for all and by getting advice, you are more likely to be confident about money and improve your wellbeing.

The Financial Markets Authority regulates advice in New Zealand, and more information about advice and where to find advisers can be found at www.fma.govt.nz/investors/getting-financial-advice/.



07

ANNEX B:
METHODOLOGY

The research was conducted via an online survey developed and hosted by CoreData. Data was collected in January 2022 (2,000 valid complete responses). This data formed the basis of the analysis and this report.

The samples are representative of the New Zealand consumer population in terms of age, gender and income based on the latest Stats NZ data.

According to Stats NZ* in March 2021 there was an estimated resident population of 5,116,300. As this survey only included respondents aged 18 years old or over, the estimated resident population of the sample is 3,944,700.

The purpose of this survey was to better understand the financial confidence and wellbeing of New Zealanders.

CORE DATA
research

*<https://www.stats.govt.nz/topics/population>



08

ANNEX C : DEMOGRAPHICS TABLES

Gender

Female	50.0%
Male	49.8%
Other	0.3%
Total	100.0%

Age Generation

Generation Y (37 years old & below)	30.4%
Generation X (38 - 52 years old)	28.4%
Baby Boomers (53 - 72 years old)	31.7%
Pre-Boomers (73 years old and above)	9.6%
Total	100.0%

Marital Status

Single	24.1%
Living with partner/married	65.0%
Separated/divorced/widowed	10.5%
Other	0.5%
Total	100.0%

Ethnic Group

European	73.9%
Maori	7.8%
Pacific People	2.8%
Asian	15.7%
MELAA (Middle Eastern, Latin American and African)	1.2%
Other	5.1%
Total	100.0%

Level of Education

Primary	0.3%
Part of high school	8.7%
Completed high school	20.3%
Diploma or certificate qualification	28.3%
Degree qualification	26.0%
Postgraduate qualification	15.4%
Total	100.0%

Current Living Arrangement

Living alone (never had children)	9.4%
Living with flatmate(s) (never had children)	6.3%
Living with parents/siblings (never had children)	5.7%
Living with partner only (never had children)	14.1%
Living with your children (under 18 years) at home	26.0%
Living with your children (over 18 years) at home	7.2%
Living with your children (both over and under 18 years) at home	2.4%
Children have all left home	24.8%
Other	4.3%
Total	100.0%

Region Banded

Auckland	27.3%
Northland, Waikato, Bay of Plenty and Gisborne	20.0%
Wellington and Surrounding Regions	26.2%
Canterbury and the Northern Regions	18.5%
Otago, Southland and West Coast	8.2%
Total	100.0%

Region

Auckland	27.3%
Bay of Plenty	6.5%
Canterbury	15.1%
Gisborne	0.7%
Hawke's Bay	4.3%
Manawatu-Wanganui	6.0%
Marlborough	0.9%
Nelson	1.6%
Northland	3.1%
Otago	5.6%
Southland	2.0%
Taranaki	3.4%
Tasman	1.0%
Waikato	9.9%
Wellington	12.5%
West Coast	0.6%
Total	100.0%

Employment Status

Business owner	2.5%
Self-employed	5.6%
Full-time employee	43.7%
Part-time employee	12.3%
Casual employee	1.5%
Contractor/freelancer	1.4%
I am in full-time home duties	5.9%
Not employed at present	7.5%
Retired	18.3%
Other	1.6%
Total	100.0%

Personal Income

\$20,000 or less	12.1%
\$20,001 to \$30,000	14.5%
\$30,001 to \$40,000	7.3%
\$40,001 to \$50,000	9.1%
\$50,001 to \$60,000	8.9%
\$60,001 to \$70,000	6.9%
\$70,001 to \$80,000	6.1%
\$80,001 to \$90,000	5.0%
\$90,001 to \$100,000	4.7%
\$100,001 to \$125,000	6.5%
\$125,001 to \$150,000	2.8%
\$150,001 to \$200,000	2.0%
More than \$200,000	1.1%
Total	100.0%

Household Income

\$20,000 or less	3.7%
\$20,001 to \$30,000	7.6%
\$30,001 to \$40,000	6.8%
\$40,001 to \$50,000	7.4%
\$50,001 to \$60,000	6.9%
\$60,001 to \$70,000	5.9%
\$70,001 to \$80,000	5.5%
\$80,001 to \$90,000	4.1%
\$90,001 to \$100,000	8.5%
\$100,001 to \$125,000	9.5%
\$125,001 to \$150,000	8.9%
\$150,001 to \$200,000	6.5%
More than \$200,000	4.9%
Total	100.0%

Household Debt

I have no debts	33.5%
\$50,000 or less	21.7%
\$50,001 to \$150,000	7.9%
\$150,001 to \$250,000	5.4%
\$250,001 to \$350,000	4.6%
\$350,001 to \$450,000	3.8%
\$450,001 to \$550,000	3.3%
\$550,001 to \$650,000	1.5%
\$650,001 to \$750,000	1.5%
\$750,001 to \$1 million	1.5%
More than \$1 million	1.3%
Prefer not to say	14.2%
Total	100.0%

Household Investment Portfolio

My household has no investments	14.4%
\$50,000 or less	24.9%
\$50,001 to \$150,000	15.2%
\$150,001 to \$250,000	7.1%
\$250,001 to \$350,000	3.3%
\$350,001 to \$450,000	2.2%
\$450,001 to \$550,000	1.4%
\$550,001 to \$650,000	1.9%
\$650,001 to \$750,000	1.5%
\$750,001 to \$1 million	2.1%
More than \$1 million	4.3%
Prefer not to say	22.1%
Total	100.0%

Household Groups

	INVESTMENT PORTFOLIO	HH INCOME	PERSONAL INCOME
Segment A	< \$50k	< \$75 k	< \$40k
Segment B	\$50k - \$350k	\$75k - \$150k	\$40k - \$90k
Segment C	\$350k - \$750k	\$150k - \$250k	\$90k - \$150k
Segment D	> \$750 k	> \$250 k	> \$150 k

Not necessarily mutually exclusive

Investment portfolio should be top consideration

Household income comes next then Personal income

09

ABOUT THE FINANCIAL SERVICES COUNCIL

As the voice of the sector, the Financial Services Council is a non-profit member organisation with a vision to grow the financial confidence and wellbeing of New Zealanders. FSC members commit to delivering strong consumer outcomes from a professional and sustainable financial services sector. Our 108 members manage funds of more than

\$95bn and pay out claims of \$2.8bn per year (life and health insurance). Members include the major insurers in life, health, disability and income insurance, fund managers, KiwiSaver and workplace savings schemes (including restricted schemes), professional service providers, and technology providers to the financial services sector.

FSC SECTOR RESEARCH



INDUSTRY WIDE:

Insights & Trends: Financial Resilience Trends in New Zealand
 Money & You: The Lost Generation? (2022)
 Financial Services Resilience Index (2022)
 Money and You: Women & Financial Wellbeing in NZ (2021)
 Money & You: Generation Rent (2021)
 Financial Resilience Index (2021)
 Money and You: It's not about the money, it's about you (2020)
 Financial Resilience Index (March + August 2020)
 Towards Prosperity: An insight into New Zealand's financial services sector (2018)



LIFE AND HEALTH INSURANCE:

Life Insurance Industry Data Spotlight (quarterly)
 Health Insurance Industry Data Spotlight (quarterly)
 Gambling on life: The problem of underinsurance (2020)
 Moments of Truth: Key insights into the New Zealand life insurance industry (2019)
 Risking Everything: An insight into how New Zealanders manage risk (2019)
 Exploring underinsurance in New Zealand (2011)



INVESTMENT AND FUNDS:

Money & You: Investing in volatile times (2022)
 Money and You: The rise of the digital investor (2021)



KIWISAVER AND RETIREMENT:

KiwiSaver Industry Data Spotlight (quarterly)
 Money and You: KiwiSaver at a crossroads (2021)
 KiwiSaver 2050: Pathways to the future (2019)
 Shaping Futures: Closing the KiwiSaver Gap (2018)
 Generation KiwiSaver (2018)
 Great Expectations: Retirement realities for older New Zealanders (2017)
 Growing the KiwiSaver Pie (2017)
 KiwiSaver and the wealth of New Zealanders (2015)



PROFESSIONAL ADVICE:

Unlocking the potential of New Zealand's financial front line (2021)
 Money and You: Breaking through the advice barrier (2020)
 Money and You: Literacy, Insight & Advice (2020)

Find out more at [fsc.org.nz](https://www.fsc.org.nz)

FSC.

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FINANCIAL SERVICES COUNCIL MEMBERS


Accuro Health Insurance	AIA Insurance	ANZ Bank	AON	ASB	Asteron Life Ltd	BNZ Investments and Insurance
						
CIGNA Life Insurance NZ Ltd	Civic Financial Services	Clarity Funds Management	Consilium	Craigs Investment Partners	Fidelity Life Assurance Co Ltd	FNZ
						
Foodstuffs Provident Fund	Forsyth Barr	Generate KiwiSaver	Imperial New Zealand Superannuation Fund	Implemented Investment Solutions	Kernel	KiwiWealth
						
Medical Assurance Society New Zealand Limited	Mercer (NZ) Ltd	Milford Asset Management Limited	Momentum Life	nib	New Zealand Post Superannuation Plan	Partners Life
						
Pinnacle Life	Police Association	Resolution Life	SmartsharesNZ	Southern Cross	Southsure Insurance	Te Rūnanga o Ngāi Tahu
						
The New Zealand Anglican Church Board	UniMed	Unisaver Limited	Westpac Bank			
						

3M Superannuation Scheme
 Baptist Union Superannuation Scheme
 BECA Super Scheme
 BOC NZ Retirement Plan
 BP New Zealand Retirement Plan
 Colgate-Palmolive Superannuation Plan
 Dairy Industry Superannuation Scheme
 DXC (New Zealand) Staff Superannuation Fund
 Government Superannuation Fund Authority
 Manchester Unity Friendly Society
 Maritime Retirement Scheme
 MISS Scheme
 MERBP Trustee Limited
 mysuper Superannuation Scheme
 Nestlé Pensions (New Zealand) Limited
 New Zealand Steel Pension Fund
 NZAS Retirement Fund
 NZ Fire Service Superannuation Scheme
 The Presbyterian Church of Aotearoa New Zealand Beneficiary Fund
 Police Superannuation Scheme
 Ports Retirement Plan
 Reserve Bank of New Zealand Staff Superannuation and Provident Fund
 Retirement Income Group Ltd
 Sealed Air (New Zealand) Superannuation Fund
 Shell New Zealand Pensions Limited
 The Trustees of the Church of Jesus Christ of Latter-Day Saints Deseret Benefit Plan for New Zealand

* As at November 2022

FINANCIAL SERVICES COUNCIL MEMBERS

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New Zealand Automobile Association	Advanced Management Systems Ltd	Anthony Harper	Bell Gully	BNP Paribas	Bravura Solutions	Chapman Tripp
						
Chatswood Consulting Ltd	Compliance Refinery Limited	Cygnus Law	Davies Financial & Actuarial Ltd	Deloitte	Dentons Kensington Swan	DLA Piper
						
Ernst & Young	Farmers' Mutual Group	Guardian Trust	GenRe	Hannover Life Re	Healthcare Plus	KPMG
						
Lane Neave	Link Market Services	Lockton	Mahony Horner Lawyers	Melville Jessup Weaver	Merkle	Minter Ellison Rudd Watts
						
MMC Limited	Mosaic	MunichRE	NZX Wealth Technologies Ltd	Price Waterhouse Coopers	Public Trust Corporate Trustee Services	RGA Reinsurance
						
Russell McVeagh	SCOR Global Life	Sheffield North Island	Shift Advisory Limited	Strategi Group	Swiss Re	Trustees Executors Limited
						

New Zealand Home Loans Company Ltd

* As at November 2022

Financial Services Council NZ

Grow the financial
confidence and wellbeing
of New Zealanders

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