

INCOME AND ASSETS

Income is a key contributor to overall quality of life. It determines how much can be spent on food, transport, clothing, health care, and other goods and services. While income levels for older people are typically low, many older people have the security of owning their own home.

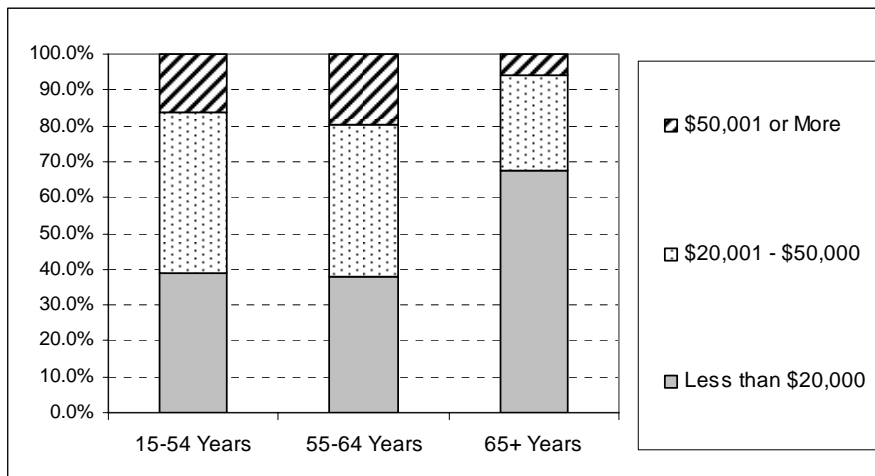
KEY POINTS:

- 67.7% of Rotorua people aged 65+ have an income of less than \$20,000 per annum.
- 85.5% (6240) of Rotorua residents aged 65+ earn income from NZ Superannuation or Veterans Pension, 36.2% (2643) earn income from interest, dividends, rent and other investments, and 12.0% (876) earn income from other superannuation, pensions and annuities.
- Real median personal income for people aged 65+ in the Rotorua District mirrored the national trend over the period 2001 to 2006, increasing from \$12,565 to \$12,895.
- In the 65+ age group, 79.4% of Rotorua homes are owned by their occupiers compared with the national average of 66.9% for this age group.

The age-income profile of the Rotorua District follows a similar pattern to that of New Zealand overall. A total of 37.8% of Rotorua people aged 55-64 earn less than \$20,000 per annum. This proportion increases to 67.7% in the 65+ age group (refer Figure 10). The personal income profile for women is lower than that of men, with 74.7% of Rotorua women aged 65+ earning less than \$20,000 compared with 59.8% of men in this age group. Only 5.7% of Rotorua residents aged 65+ earn more than \$50,000 per annum, compared with around 16% in younger age groups.



Figure 10: Personal income by age group, Rotorua District, 2006



Note: The "Not Stated" category was omitted prior to calculation.

Income sources

The 2006 Census asked respondents to mark as many spaces as they needed to show all the ways they got income in the previous 12 month period. Table 8 shows how these sources of income vary between different age groups. In the 15-54 age group in Rotorua, the most frequent sources of income are wages, salary, etc (66.3% of residents), self-employment (14.2%) and interest, dividends, rent and other investments (13.4%). In comparison, the 55-64 age group includes relatively higher proportions of people earning income from interest, dividends, rent and other investments (29.7%), and self-employment (23.7%), and has a lower proportion of people earning wages, salary, etc (52.5%). In the 65+ age group, 85.5% (6,240) of residents earn income from NZ Superannuation or Veterans Pension, 36.2% (2,634) earn income from interest, dividends, rent and other investments, and 12.0% (876) earn income from other superannuation, pensions and annuities. This earnings pattern is similar for New Zealand as a whole.

Table 8: Sources of personal income by age group, Rotorua District, 2006

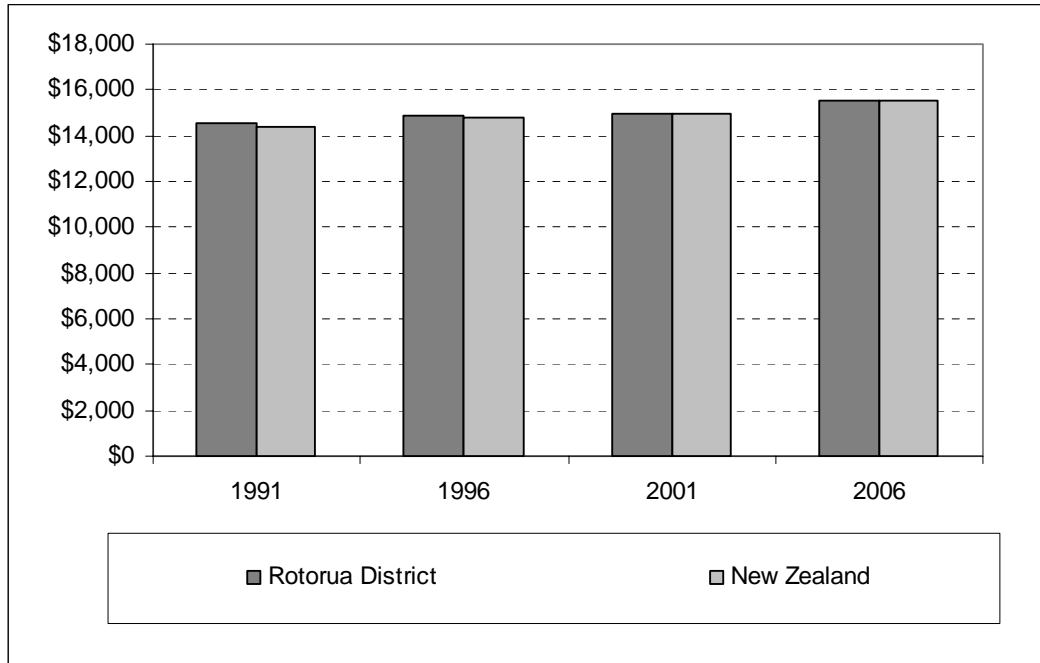
	15 - 54 Years		55 - 64 Years		65+ Years	
	No	%	No	%	No	%
No source of income	2,160	6.1%	189	2.9%	54	0.7%
Wages, salary, etc	23,478	66.3%	3,435	52.5%	783	10.7%
Self-employment or business	5,040	14.2%	1,551	23.7%	570	7.8%
Interest, dividends, rent, other investment	4,740	13.4%	1,941	29.7%	2,643	36.2%
Regular payments from ACC or private insurer	585	1.7%	180	2.8%	42	0.6%
NZ Superannuation or Veterans Pensions	51	0.1%	225	3.4%	6,240	85.5%
Other superannuation, pensions, annuities	72	0.2%	216	3.3%	876	12.0%
Community Wage - Job Seeker	1,533	4.3%	336	5.1%	39	0.5%
Community Wage - Sickness Benefit	927	2.6%	273	4.2%	45	0.6%
Domestic Purposes Benefit	2,376	6.7%	66	1.0%	21	0.3%
Invalids Benefit	702	2.0%	378	5.8%	69	0.9%
Student Allowance	744	2.1%	9	0.1%	-	-
Other Government benefits	1,350	3.8%	123	1.9%	171	2.3%
Other sources of income	795	2.2%	57	0.9%	69	0.9%
Income sources not stated	2,718	7.7%	441	6.7%	507	6.9%
Total people	35,412		6,537		7,296	

Note: Columns do not add to 100.0% because this is a multiple response item.

Income trend

Median income is a measure of the “average” personal income of the population. The median income of Rotorua residents aged 65+ increased from \$10,658 in 1991 to \$13,081 in 2001 to \$15,500 in 2006. Figure 11 shows the median personal income trend after adjusting for inflation. In 2006 dollars, median personal income in the Rotorua District increased from \$14,932 in 2001 to \$15,500 in 2006.

Figure 11: Real median personal income, age 65+, Rotorua District and New Zealand, 1991 to 2006

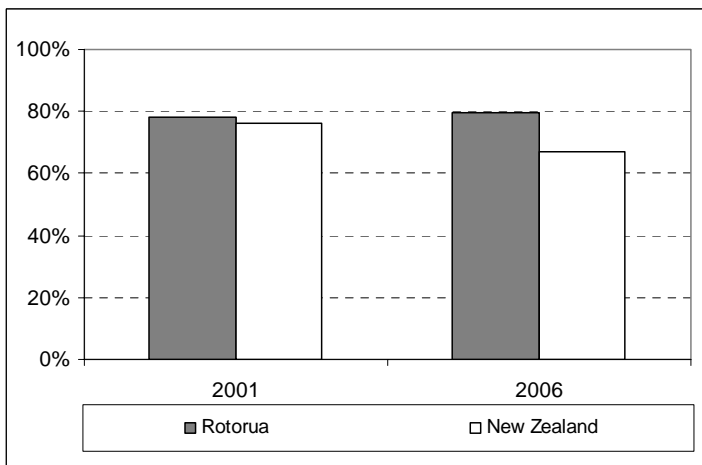


Note: Figures are inflation-adjusted to June 2006 dollars.

Home ownership

Home ownership represents the largest investment decision for most New Zealanders, and is traditionally seen as the most secure form of tenure. A high level of home ownership is indicative of community stability and social cohesion, and is generally reflected in lower crime rates. Over the past decade, home ownership has been falling at the national level, however not at the local level. In 2006, in the 65+ age group, 79.3% of Rotorua homes are still owned by their occupiers, which is above the national average of 66.9% for this age group (refer Figure 12). The comparable figures for 2001 are 78.2% locally and 76.4% nationally.

Figure 12: Home ownership, age 65+, Rotorua District and New Zealand, 2006



Note: The “Not Stated” category was omitted prior to calculation.