



# A minimum income for healthy living in retirement

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# What did we do?

1. Identified **7 categories** of expenditure



Food



Physical activity



Housing



Social connectedness



Transport



Health care



Hygiene

# What did we do?

1. Identified **7 categories** of expenditure
2. For each category:
  - examined the research evidence
  - defined ‘what is needed to support healthy living in older life’
  - estimated the cost of meeting these needs
3. Results tested for acceptability in **focus groups**
4. Made final estimates of the MIHL for Renters/Home Owners, Single/Couple

# Food

- Estimated on energy requirements for a male aged 73, and a female aged 75, of mean height and weight
- Constructed diets based on these requirements
- Diet follows principles of “Eating Well for Healthy Older People”
- Food costed using Woolworth’s online shopping
- Reduced by 16.5% - based on “Consumer” price survey of supermarkets

# Weekly costs of a healthy diet

	Men	Women	Couple
Cost of diet	73.50	60.44	133.94
Upward adjustment for wastage	7.35	6.04	13.39
Vitamin D supplement	0.23	0.23	0.46
<b>Total</b>	<b>\$81.08</b>	<b>\$67.71</b>	<b>\$147.79</b>

# Housing

- 70% of people aged 65+ own debt free home
- 8 - 9% rent
- Home-owners: Maintenance, repairs, insurance, rates
- Rent: based on lower quartile market rental for 1 bed-room flat, inflated by 15% for “healthiness”
- Energy: Based on modelling, 21°C in living area, 18°C in bedroom

# Housing

	Renter		Home owner	
	Single	Couple	Single	Couple
Rent	178.00	178.00		
Rates, insurance, maintenance	-	-	97.29	97.29
Household energy	58.66	58.66	58.66	58.66
Less Accommodation Supplement	45.00	66.00	-	-
<b>Total</b>	<b>\$191.66</b>	<b>\$170.66</b>	<b>\$155.95</b>	<b>\$155.95</b>



# Social connectedness

Item	Single	Couple
Admissions, subscriptions	1.00	2.00
Friends in home	2.80	5.60
Entertainment (sport, cinema)	7.00	14.00
Gifts for grandchildren	1.50	1.50
Holidays	9.42	17.30
Gardening	4.30	4.30
Pets	3.14	3.14
Meals out	10.88	21.76
Stationery, stamps	0.67	0.67
Telephone, TV	17.70	17.70
Newspapers, magazines	4.04	4.04
<b>Total</b>	<b>62.45</b>	<b>92.01</b>

TABLE 7. *Weekly cost of the Minimum Income for Healthy Living (MIHL) for single persons and couples aged 65 years and over (NZ \$)*

Item	Renter		Home owner	
	Single	Couple	Single	Couple
Diet/nutrition	74.40	147.79	74.39	147.79
Physical activity	14.17	28.34	14.17	28.34
Housing	191.66	170.66	155.95	155.95
Social connectedness	62.45	92.01	62.45	92.01
Health care	16.84	33.68	16.84	33.68
Transport	21.40	35.30	21.40	35.30
Hygiene	10.11	15.51	10.11	15.51
Other costs of healthy social living	62.49	79.39	60.39	78.55
Total MIHL:				
NZ \$	453.52	602.68	415.70	587.13
£ <sup>1</sup>	204.08	271.20	187.07	264.21

# MIHL and NZS (2009)

	Renter		Home owner	
	Single	Couple	Single	Couple
MIHL	\$453.52	\$602.68	\$415.70	\$587.13
Amount by which MIHL exceeds NZS	\$142.57	\$124.30	\$104.75	\$108.75
% by which MIHL exceeds NZS	46%	26%	34%	23%
<b>Additional annual income required to meet MIHL</b>	<b>\$7,414</b>	<b>\$6,464</b>	<b>\$5,447</b>	<b>\$5,655</b>

# Points to note

- Estimates done in 2009
- Costs are national averages
- Actual expenditure will differ according to individual circumstances including:
  - Age
  - Region
  - Social support
  - Proximity to shops
  - Vegetable garden
  - etc. etc.

# Thank you!

