

Measuring vulnerability and multiple disadvantage among older New Zealanders

Supplementary paper
supporting MSD's 2025
Long-Term Insights Briefing



**MINISTRY OF SOCIAL
DEVELOPMENT**
TE MANATŪ WHAKAHIATO ORA



Office for Seniors
Te Tari Kaumātua

Measuring vulnerability and multiple disadvantage among older New Zealanders

This paper updates research undertaken by the Social Investment Agency (SIA), Ministry of Social Development (MSD) and the Ministry of Health (MoH) based on 2018 Census data that explores the needs of older people aged 65 or older. The objective of the original research was to measure and characterise older people's experiences of vulnerability and multiple disadvantage, by focusing on indicators in five domains: health, housing, financial, social connection and access. This update also includes a new measure of benefit duration from age 55 and how older people's interaction with the benefit system impacts their likelihood of experiencing vulnerability and multiple disadvantage. Data for this paper were drawn from the Integrated Data Infrastructure (IDI), including the 2023 Census.

These results are not official statistics. They have been created for research purposes from the IDI which is carefully managed by Stats NZ. For more information about the IDI please visit <https://www.stats.govt.nz/integrated-data/>.

Access to the data used in this study was provided by Stats NZ under conditions designed to give effect to the security and confidentiality provisions of the Data and Statistics Act 2022. The results presented in this study are the work of the author, not Stats NZ or individual data suppliers.

The results are based in part on tax data supplied by Inland Revenue to Stats NZ under the Tax Administration Act 1994 for statistical purposes. Any discussion of data limitations or weaknesses is in the context of using the IDI for statistical purposes and is not related to the data's ability to support Inland Revenue's core operational requirements.

Context

While New Zealand is generally seen as a good place to age with high homeownership rates among older people and a universal pension system, there is a growing group of New Zealanders that will not experience the living standards commonly expected in later life. This work began in response to increasing reports of vulnerability among a cohort of older people and limited national evidence on the size, characteristics and overlapping nature of this vulnerability (or what we have termed "multiple disadvantage"). Developing this picture of need has been particularly important in the context of an ageing and increasingly diverse population.

The 2018 analysis found that people who experience multiple disadvantage are more likely to experience poorer life outcomes such as higher numbers of acute hospital bed days and unnecessary, untimely deaths (or deaths which could have potentially been avoided with

effective and timely care). Outcomes like these have a flow-on impact to New Zealand's long-term social and economic health.

The original research by the MSD, MoH and the SIA, based on the 2018 Census and the IDI, found that 46 percent of older people experience vulnerability in at least one area of life, 13 percent experience vulnerabilities across two or more areas of life, and 3 percent experienced vulnerabilities across three or more areas¹. Since the research was first done there has been another national Census which has provided an opportunity to get an updated picture of how older people experience disadvantage.

In this update, which is based on 2023 data, levels of vulnerability were broadly similar, albeit slightly higher: 48 percent experienced vulnerability in at least one area, 15 percent experience vulnerabilities in two or more areas, and four percent experienced vulnerabilities across three or more areas. This is mainly a result of a slight increase in the proportion of those with health issues, and a slight increase in the proportion of those experiencing financial vulnerability.

For the Long-Term Insights Briefing (LTIB), we extended the previous analysis on multiple disadvantage by exploring its relationship with benefit duration, focusing on those who spent time supported by a main benefit in the decade prior to age 65. In every domain the rate of disadvantage and multiple disadvantage increases as the proportion of time spent on benefit increases. There are around 50,000 older people who were on benefit for the vast majority or all of the decade prior to reaching age 65, who experience high rates of vulnerability and multiple disadvantage. Of this group, about 44 percent experience vulnerabilities in two or more areas, and about 16 percent experience vulnerabilities across three or more areas.

Approach to data analysis

The IDI is a large research database that collects individual-level data about people and households. It includes administrative data that comes from government agencies, Stats NZ surveys, and non-government organisations. The data are integrated at an individual level and de-identified so personally identifying information is removed. The domain data were overlaid with characteristics including age, sex, ethnic group, and region.

A set of indicators were developed within the IDI as proxies to measure vulnerability aligned with the domains of health, housing, financial, social connection, and access. Table One lists the indicators, measurement, and datasets sourced in the IDI.

While the IDI is a valuable research tool that allows us to get a general overview of population data, there are limitations to this tool and our approach. This means that our estimates of need are likely to be understated, in particular because:

¹ [Older people experiencing vulnerability and multiple disadvantage in New Zealand - Ministry of Social Development](#)

- a. the data are mainly service use data, which do not tell us about unmet need.
- b. some people did not complete Census questions that we relied on to classify people as vulnerable or not in different domains.

Table 1 - Indicators and measurement

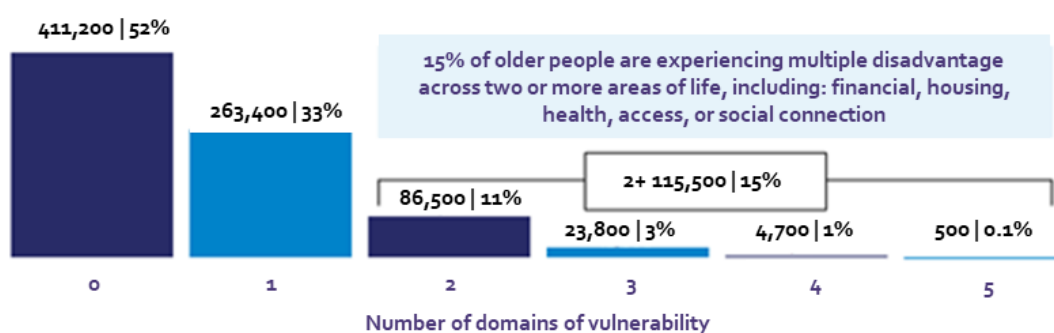
Domain	What the indicator measures
Financial	Number of older people receiving any MSD income-tested benefits, for example: main benefits (Emergency Benefit, Jobseeker Support, Sole Parent Support, Supported Living Payment, Widow's Benefit), Accommodation Supplement, Temporary Additional Support, Special Needs Grants <i>Sources:</i> Inland Revenue and MSD.
Health	Number of older people experiencing two or more physical health and/or mental health conditions as defined below. Physical health: Having indicators for any of these conditions: chronic obstructive pulmonary disease; dementia; Alzheimer's and Parkinson's; diabetes; cancer; falls; stroke; and ischemic heart disease. Mental health: Having indicators for any of these conditions: alcoholism; bipolar; dysthymia; generalised anxiety disorder; schizophrenia; other drug addiction; and major depressive disorder. Note: These conditions result in large health utility loss for older people in the Global Burden of Disease study. <i>Sources:</i> MoH, MSD, Ministry of Justice and NZ Police.
Housing	Number of older people experiencing poor housing quality and/or overcrowding. Poor housing quality: Number of older people living in any of the following housing conditions: mould size larger than an A4 page; always/sometimes damp; missing at least one basic amenity such as cooking facilities or electricity; and no heating used. Overcrowding: Number of older people living in houses where extra bedroom(s) are needed. <i>Source:</i> Census 2023
Social connection	Number of older people living alone and not helping whānau and not volunteering in the community. <i>Source:</i> Census 2023
Access	Number of older people who do not have a driver's license and live in a household that does not own a vehicle. <i>Source:</i> New Zealand Transport Agency and Census 2023

In the 2018 analysis, the term 'multiple disadvantage' described the experience of overlapping vulnerabilities or vulnerability in **two or more** domains. That definition applies throughout this paper with the analysis of updated data.

There is a sub-group of older people who experience vulnerability in multiple domains

According to the 2023 data, 115,500, or 15 percent, of older people experience multiple disadvantage – that is, they experience disadvantage in two or more domains (Figure One). 86,500 older people (11%) experience this in two domains, 23,800 (3%) experience this in three domains, 4,700 (1%) in four domains, and 500 (0.1%) experience this in all five domains.

Figure 1 - Older people by number of domains with vulnerability



“Older older” people are more likely to experience multiple disadvantage

The proportion of older people with any one vulnerability increases with age and the proportion of older people who experience vulnerability in two or more domains is highest for those aged 85+. 23 percent of those aged 85+ experienced multiple disadvantage, compared to 13 percent of 65 to 74 year-olds, and 16 percent of 75 to 84 year-olds (Figure Two and Table Two).

Figure 2 - Multiple disadvantage experiences by age

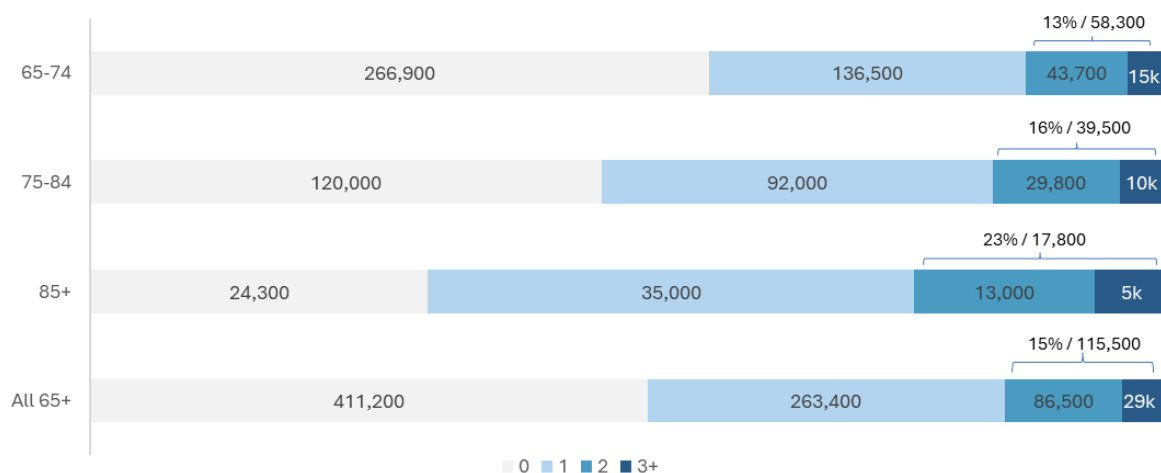


Table 2 – cumulative number of vulnerabilities by age – number and percentage

	0		1+		2+		3+	
Age	#	%	#	%	#	%	#	%
65-74	266,900	58%	194,700	42%	58,300	13%	14,600	3%
75-84	120,000	48%	131,500	52%	39,500	16%	9,700	4%
85+	24,300	32%	52,700	68%	17,800	23%	4,800	6%
All 65	411,200	52%	378,900	48%	115,500	15%	29,000	4%

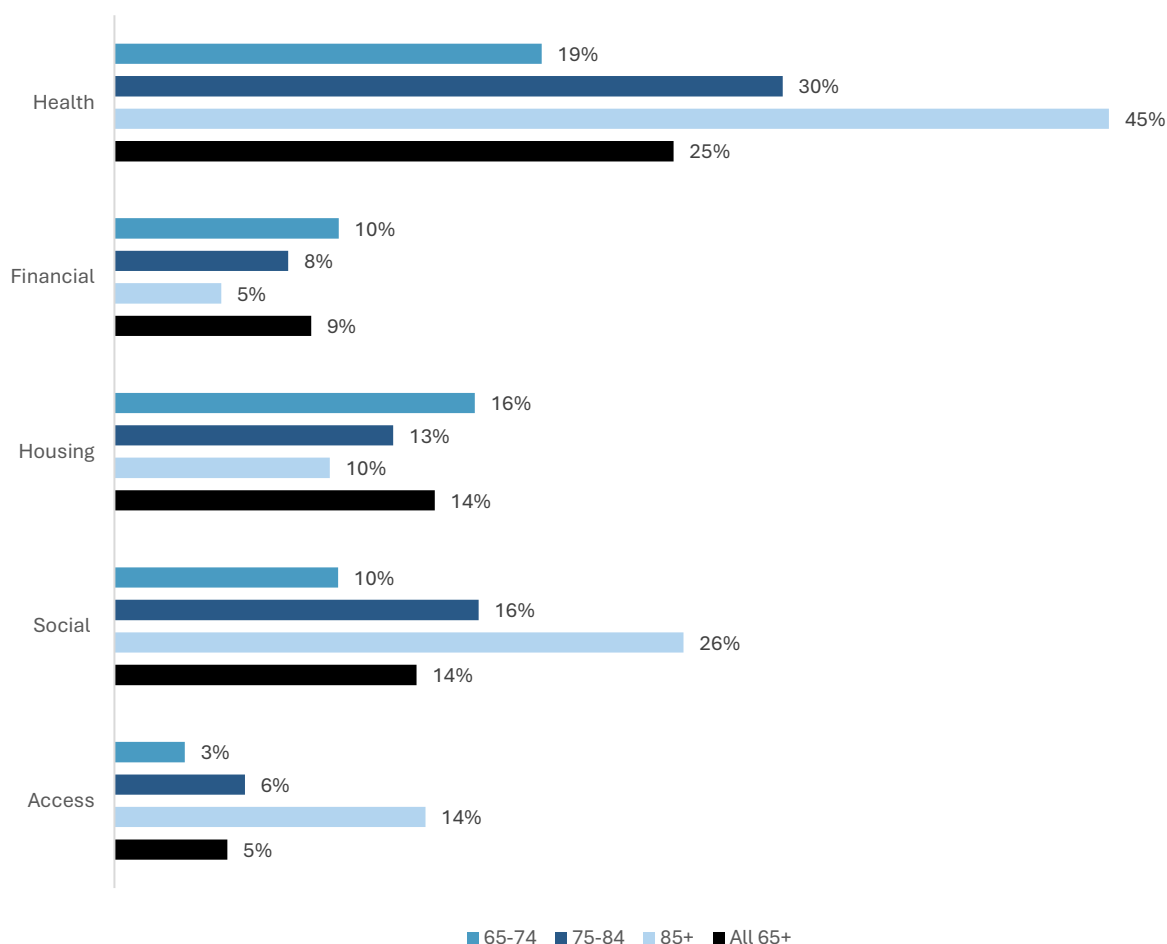
Figure Three below shows rates of vulnerability in each specific domain:

- 25 percent (198,500) experience health vulnerability - they experienced two or more of a set of physical or mental health conditions.
- 9 percent (69,800) experience financial vulnerability - they received any income-tested benefit from MSD.
- 14 percent (113,700) experience housing vulnerability - they experienced poor housing quality and/or overcrowding.
- 14 percent (107,200) experience social connection vulnerability - they were living alone and not helping whānau and/or not volunteering.
- 5 percent (40,100) experience access vulnerability – they had no drivers licence and lived in a household that does not own a vehicle.

Figure Three also shows the rates of vulnerability by age. The prevalence of health conditions was more likely in older age as was vulnerability in the access and social connection domains. The prevalence of financial or housing vulnerability was less likely in older age. Differential mortality could provide an explanation for the lower rates of financial or housing vulnerability of older people. If people who experience more hardship throughout their lives are more likely to die at an earlier age, this could result in a “survivor effect”. The relatively high wellbeing of older people could be due to the deaths of people with especially low wellbeing, which results in changes in the composition of the group of older people still alive.²

² McLeod Keith. (December 2018). Our people – Multidimensional wellbeing in New Zealand. Analytical Paper 18/04. New Zealand Treasury. <https://www.treasury.govt.nz/sites/default/files/2018-11/ap18-04.pdf>

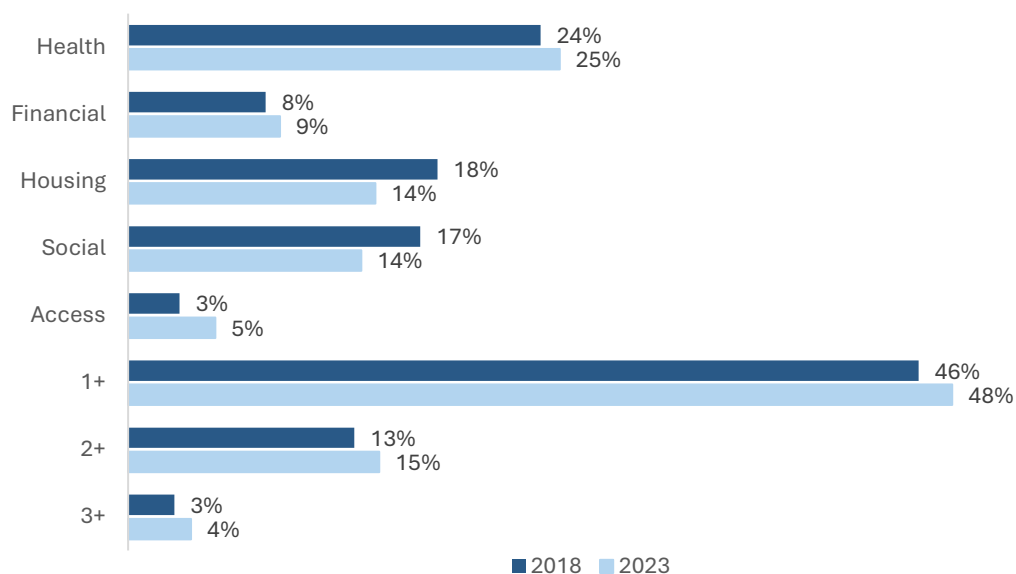
Figure 3 – Rates of vulnerability in each domain – by age



The rates of vulnerability and multiple disadvantage for 2023 are slightly higher than for 2018

Compared to the 2018 data, the rates of vulnerability and multiple disadvantage for 2023 are slightly higher (Figure Four). The percentage of people reporting two or more disadvantages increased from 13 percent to 15 percent and those reporting three or more increased from three percent to four percent. This is mainly a result of a slight increase in the proportion of those with health issues, and a slight increase in the proportion of those experiencing financial vulnerability. Housing vulnerability has decreased since 2018, but it is unclear if this is due to improved housing quality or lower rates of overcrowding.

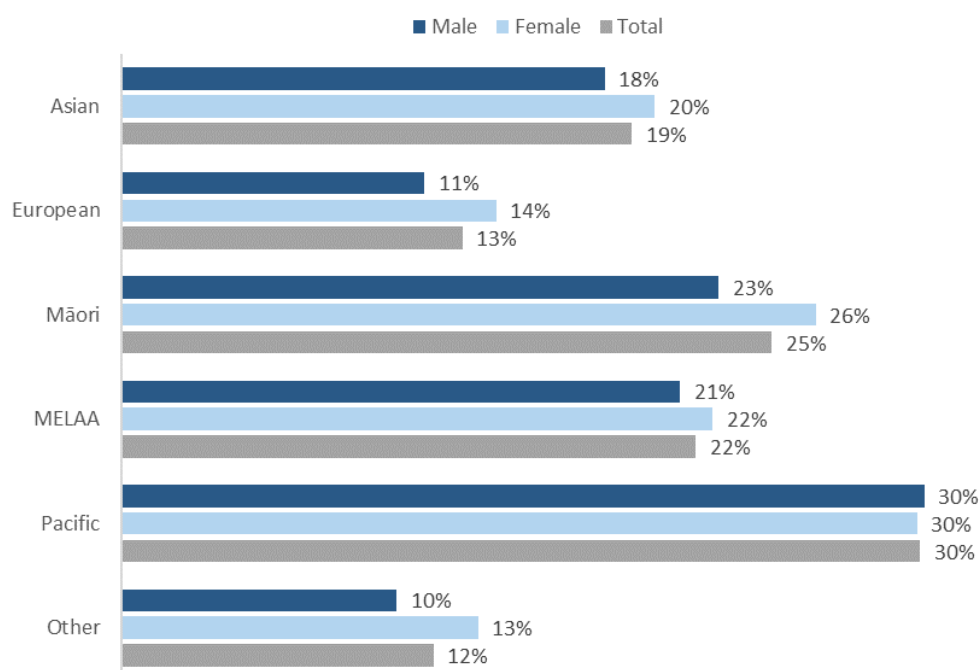
Figure 4 - rates of vulnerability and multiple disadvantage for 2018 and 2023



Pacific older people and women experience the highest proportion of multiple disadvantage

Pacific older people were more likely than other ethnic groups to experience multiple disadvantage at 30 percent, followed by older Māori (25%), people of Middle Eastern, Latin American, and African (MELAA) descent (22%), Asian older people (19%), and European older people (13%). Figure Five below shows that across all ethnic groups apart from Pacific, women experience higher rates of multiple disadvantage than men.

Figure 5 - older people experiencing multiple disadvantage by sex and ethnicity

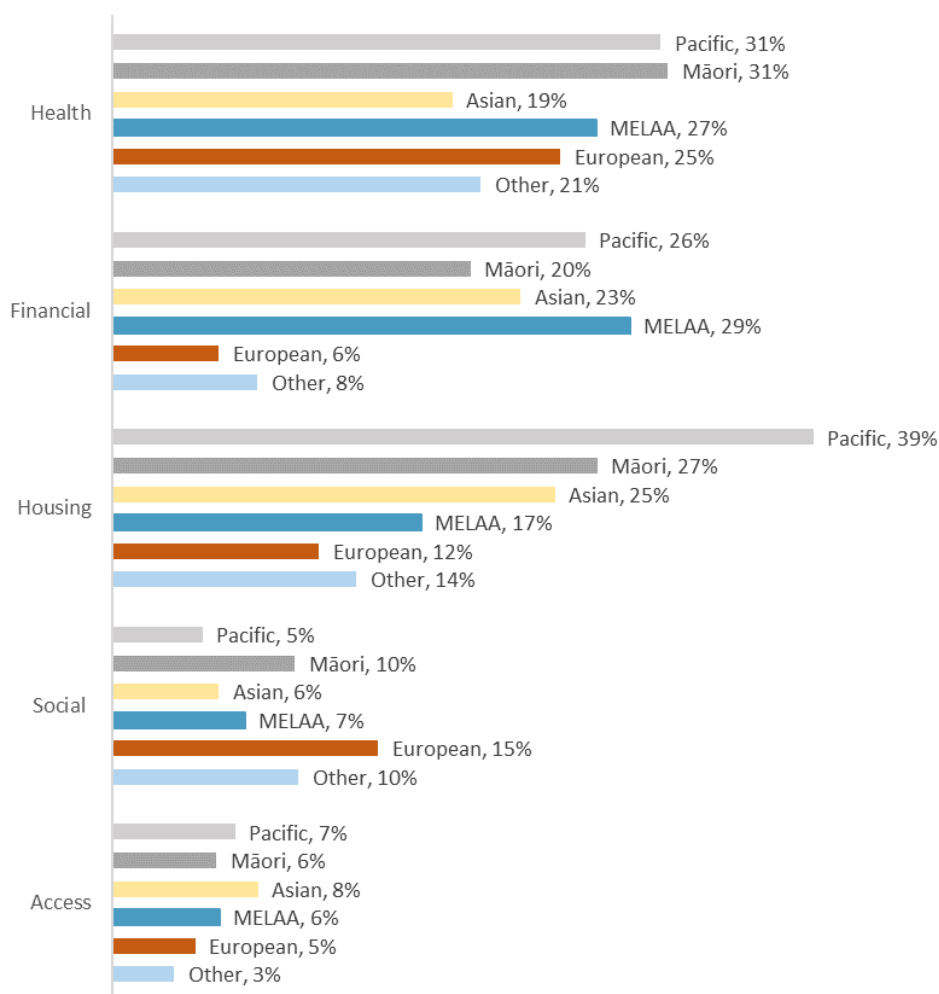


Ethnic groups experience vulnerability differently

Figure Six below shows how vulnerability is experienced differently across ethnic groups. These insights present how disadvantage varies between demographics, which demonstrates how important culturally appropriate services are for meeting needs across ethnic groups.

- Māori and Pacific older people were most likely to experience health issues. These were experienced by 31 percent of Māori, 31 percent of Pacific people, and 27 percent of MELAA, compared with 25 percent of European and 19 percent of Asian older people, despite Europeans having an older age profile than Māori and Pacific people.
- Pacific older people were most likely to experience housing issues. This was experienced by 39 percent of Pacific people, 27 percent of Māori, 25 percent of Asian, 17 percent of MELAA and 12 percent of European people.
- European older people were most likely to experience issues with social connection. This was experienced by 15 percent of European, followed by 10 percent of Māori, seven percent of MELAA, six percent of Asian and five percent of Pacific people.

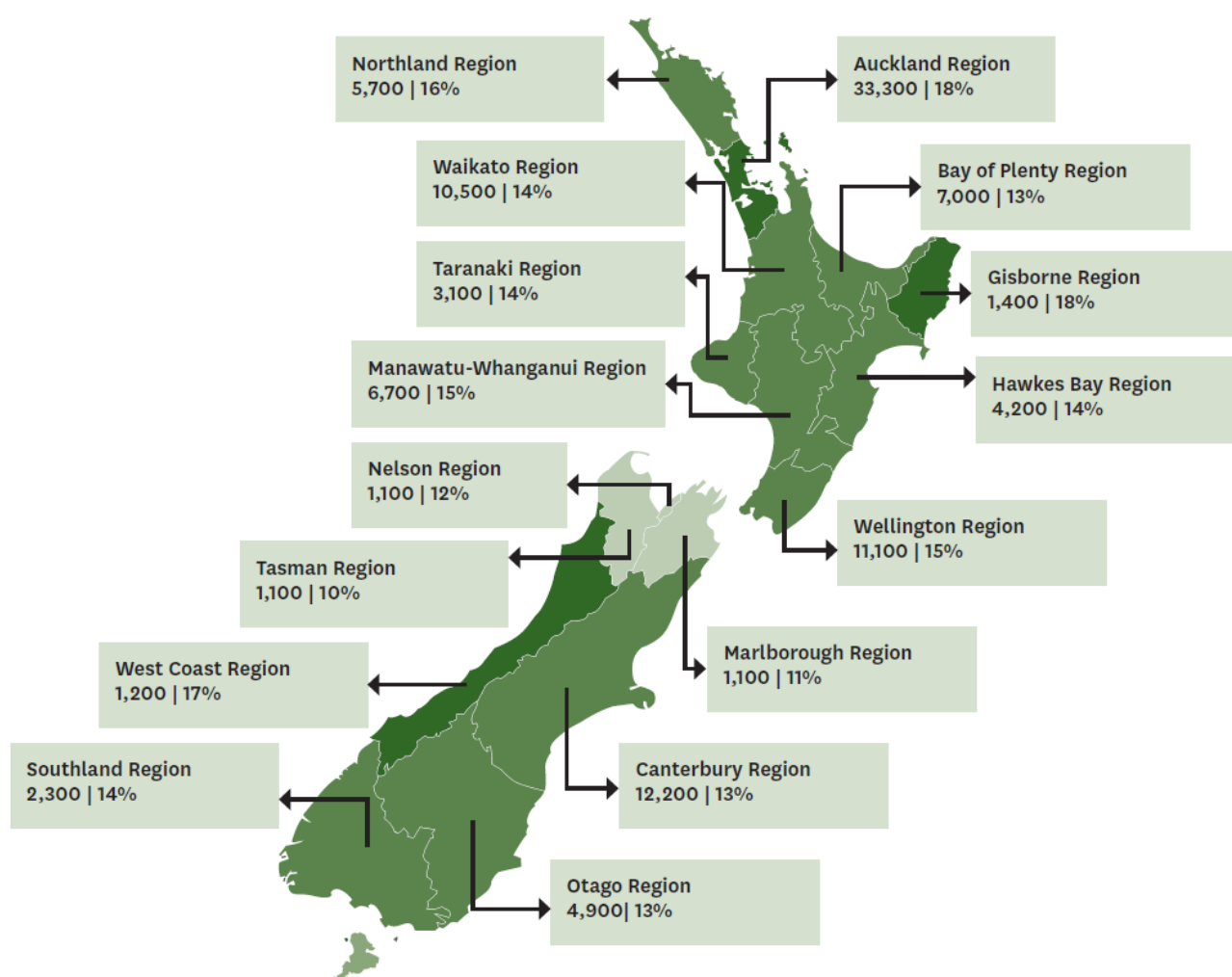
Figure 6 - rates of vulnerability in a single domain by ethnic group



Auckland, Gisborne and the West Coast are the regions with the highest proportion of multiple disadvantage

Figure Seven below shows both the number and proportion of older people experiencing multiple disadvantage by region. Auckland is notable with the highest proportion of multiple disadvantage (18%) and the largest population size in New Zealand. Areas with higher rates (but smaller total populations) include Gisborne (18% / 1,400 people), the West Coast (17%, 1,200 people) and Northland (16%, 5,700 people).

Figure 7 - number and proportion of people experiencing multiple disadvantage by region



There is a relationship between benefit duration and multiple disadvantage

For this LTIB, we extended the previous analysis on multiple disadvantage by exploring its relationship with benefit duration. This focused on those who spent time supported by a main benefit in the decade prior to age 65. About a quarter (24% / 193,200) spent at least some time on benefit, about 11 percent (87,900) spent more than 40 percent of the period on benefit, and about 6 percent (46,900) spent more than 80 percent of the period on benefit (Table Three).

Table 3 – Number and percentage of those 65+ by percentage of time on benefit when aged 55-65

		% time on benefit when 55-65						Total
		0	>1-19%	20-39%	40-59%	60-79%	80-100%	
Total	#	596,900	73,300	32,000	22,700	18,300	46,900	790,100
	(%)	76%	9%	4%	3%	2%	6%	100%

Table Four below shows the rate of disadvantage for those currently aged 65, broken down by these duration groups. As might be expected, in every domain the rate of disadvantage increases as the proportion of time spent on benefit increases.

Table 4 – Rate of each disadvantage for those 65+ by percentage of time on benefit aged 55-65

% time on benefit age 55-65	Total number of 65+	Health	Financial	Housing	Social	Access
0	596,900	22%	3%	12%	12%	4%
1-19%	73,300	30%	16%	19%	17%	6%
20-39%	32,000	34%	23%	21%	19%	9%
40-59%	22,700	36%	28%	23%	19%	10%
60-79%	18,300	39%	31%	24%	19%	11%
80-100%	46,900	45%	38%	26%	21%	16%
Total	790,100	25%	9%	14%	14%	5%

Table Five below looks at the relationship between *cumulative* disadvantages by benefit duration, and shows both rates of multiple disadvantage (*of those that were in each benefit duration group, what proportion are now in multiple disadvantage?*), and composition of multiple disadvantage (*of those in multiple disadvantage, what proportion are in each benefit group?*). This shows that:

- those who spent some of the period 55-65 on benefit are more likely to experience multiple disadvantage, and those who experienced the majority of their time on benefit are much more likely.
- there is a group of around 50,000 older people who were on benefit for all or nearly all of the decade prior to reaching age 65, and who experience high rates of disadvantage and multiple disadvantage. About 44 percent of this group experience 2+ disadvantages and about 16 percent experience 3+ disadvantages.
- there is still a significant proportion of those experiencing multiple disadvantage who did not come into contact with the benefit system – about half (49%) of those in the 2+ group, and more than a third of those in the 3+ group.

Table 5 – Multiple disadvantage for those aged 65+ by percentage of time on benefit aged 55-65³

% time on benefit when 55-65	Total		2+			3+		
	#	Composition (%)	#	Rate (%)	Composition (%)	#	Rate (%)	Composition (%)
0	596,900	76%	56,600	9%	49%	10,700	2%	37%
1-19%	73,300	9%	15,700	21%	14%	3,800	5%	13%
20-39%	32,000	4%	8,900	28%	8%	2,500	8%	9%
40-59%	22,700	3%	7,200	32%	6%	2,200	10%	8%
60-79%	18,300	2%	6,500	35%	6%	2,100	11%	7%
80-100%	46,900	6%	20,600	44%	18%	7,700	16%	26%
Total	790,100	100%	115,500	15%	100%	29,000	4%	100%

Conclusion

While many older people are doing well, the data shows that a growing number of older people are experiencing vulnerability and multiple disadvantage across two or more areas of life. Rates of multiple disadvantage among older people have risen slightly since the first analysis was done in 2018, which is important to consider in the context of an ageing and increasingly diverse population. Updating this analysis gives us more information about how older people are experiencing vulnerability and how services can best meet their needs.

Vulnerability and multiple disadvantage are experienced disproportionately across some groups and regions, showing how experiences of later life are diverse and not a homogenous experience. Older Māori and Pacific people were more likely to experience multiple disadvantage due to higher rates of housing, health and financial vulnerability compared to other ethnic groups. Across ethnic groups, other than Pacific, women were more likely than men to experience multiple disadvantage. Rates of multiple disadvantage

³ Due to data limitations, Table Five slightly understates the prevalence of intensive benefit history, and the strength of the relationship between benefit history and multiple disadvantage.

increased as people age, which could relate to higher prevalence of health, social connection and access vulnerabilities among “older older people”.

There was a strong relationship between benefit duration and experiences of multiple disadvantage. These findings are consistent with the evidence that inequitable experiences across the life course are more likely to result in poorer outcomes in later life.

The data shows regional variation in multiple disadvantage which points to the need for targeted responses based on regional need. These insights present how disadvantage overlaps and varies between demographics, which emphasises how important it is for services to take a holistic and person-centred approach when it comes to providing care. The various cross-government linkages need to be considered when assessing the particular needs of an older person.

Potential areas for consideration are earlier intervention and preventative responses to improve life outcomes and reduce the need for intensive services in later life. The growing number of older people experiencing multiple disadvantage demonstrates the importance of taking an approach which considers both social and health needs.

