

<b>Title</b>	<b>Explain the effect of significant life events on personal income at different life stages</b>		
<b>Level</b>	<b>2</b>	<b>Credits</b>	<b>3</b>

<b>Purpose</b>	People credited with this unit standard are able to explain the effect of significant life events on personal income at different life stages.
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<b>Classification</b>	Core Generic > Financial Capability
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<b>Available grade</b>	Achieved, Merit, and Excellence
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<b>Criteria for Merit</b>	The explanation for Merit includes examples of how the consequences of significant life events on personal income at different life stages can have positive or negative effects.
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<b>Criteria for Excellence</b>	The explanation for Excellence includes a justification of the suitability of potential solutions to minimise or maximise the effect of significant life events on personal income at different life stages.
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## Guidance Information

- 1 This unit standard can be awarded with *Achieved*, *Merit*, or *Excellence*. For the *Achieved* grade to be awarded, the outcome must be achieved as specified in the outcome statement. For *Merit* or *Excellence* to be awarded, the candidate must meet the *Merit* or *Excellence* criteria specified above.

Assessment may be based on a case study or simulation, but where the candidate's real situation is used, every care must be taken to protect privacy, and the provisions of the Privacy Act 2020 will apply.

- 2 **Definitions**  
*Income* refers to income sources and levels of income and may include earned and unearned income. *Earned income* is the sum of all wages, salaries, profits, commission, fees, and other forms of earning received from work, in a given period of time. *Unearned income* is the income that is not a salary or a wage. It includes government financial support, interest, dividends, or capital gains from investments, rent from land or property ownership, and any other form of income that does not derive from work, other monies which are non-taxable such as – other gifts, winnings, inheritance, cash prizes, or student loans.  
*Personal* refers to an individual, whānau or family unit rather than an iwi, group, business or organisation.

*Significant life event* may refer to – going flatting, studying, starting work, travel, employment interruption or change, relationship change, infringements, redundancy, raising a family, buying a home, changing roles within the family, serious accident and/or illness, losing your partner, living in retirement, financial windfalls, natural disasters and pandemics.

### 3 References

Commission for Financial Capability, available at <https://www.cffc.govt.nz/>;

KiwiSaver, available at <https://www.ird.govt.nz/kiwiSaver/>;

Inland Revenue, available at <https://www.ird.govt.nz/>;

Ministry of Business Innovation and Employment, available at

<https://www.mbie.govt.nz/>;

Sorted: Your Independent Money Guide, available at <https://www.sorted.org.nz/>;

Work and Income, available at <https://www.workandincome.govt.nz/>;

StudyLink, available at <https://www.studylink.govt.nz/>.

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## Outcomes and performance criteria

### Outcome 1

Explain the effect of significant life events on personal income at different life stages.

### Performance criteria

1.1 The reasons why personal income may change for each life stage are explained.

Range life stages may include – post-secondary, family and career building, retirement.

1.2 A significant life event for each life stage is explained in terms of its effect on personal income and a potential solution to minimise or maximise the effect.

Range evidence of one significant life event for three life stages is required.

<b>Planned review date</b>	31 December 2025
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### Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	12 December 2013	31 December 2018
Revision	2	21 May 2015	31 December 2018
Review	3	21 July 2016	31 December 2022
Review	4	29 July 2021	N/A

<b>Consent and Moderation Requirements (CMR) reference</b>	0226
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This CMR can be accessed at <https://www.nzqa.govt.nz/framework/search/index.do>.

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**Comments on this unit standard**

Please contact NZQA National Qualifications Services [nqs@nzqa.govt.nz](mailto:nqs@nzqa.govt.nz) if you wish to suggest changes to the content of this unit standard.