

Friday, 13 April 2018

Poverty and gap between rich and poor big issues before Budget

In early 2018, 34% of New Zealanders believe the economy or some kind of economic issue to be the most important problem facing **New Zealand** just over a month before the first New Zealand Budget to be handed down by the new Labour-New Zealand-First coalition government on Thursday May 17. This is 6% higher than in August 2017 just before last year's New Zealand Election and 4% higher than a year ago in March 2017.

Economic issues were mentioned by more New Zealand electors than the next two most mentioned themes combined. Just under 17% mentioned Housing affordability/Homelessness and a similar number mentioned Social issues. A further 13% mentioned Environmental issues and 10% mentioned Government/Policy/ Human rights issues.

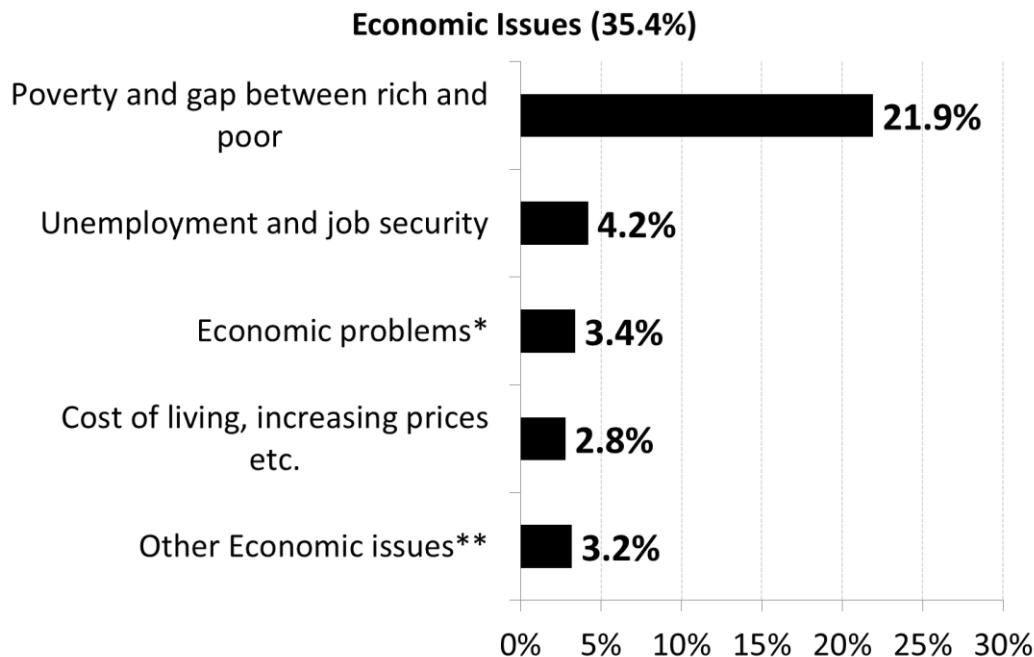
The overall picture was covered extensively in our release on broader New Zealand Concerns released in March and available to view [here](#). We look here at current economic concerns in greater detail.

New Zealand Economic Issues dominated by poverty and gap between rich and poor

Within the group of Economic & Financial issues the most important issues are:

- **Poverty and the gap between rich and poor** which was mentioned by nearly 22% of respondents: Verbatim comments referred to inequality and the economic disparity with the rich getting richer and the poor getting poorer with big business effectively running the country, and potential social fragmentation due to these wage imbalances.
- **Unemployment and job security** mentioned by over 4% of respondents: Unemployment verbatim comments ranged from the lack of jobs and employment opportunities available and job insecurity.

Most Important Economic Problems Facing New Zealand



Source: Roy Morgan interviewed a representative cross-section of 999 New Zealanders in February 2018. **Base:** New Zealand Electors

Other Economic issues mentioned by 3% of respondents include the economy, financial crisis, recession, exchange rate, high dollar or fuel prices and a further 3% mentioned cost of living, increasing prices, inflation, financial hardship and household debt.

Some 4% of respondents mentioned a broad range of economically related issues including the need to increase exports, low wages, foreign ownership and selling our assets or the recovery and rebuilding of Christchurch.

Poverty, gap between rich and poor dominates concerns for supporters of all major parties

40% of Labour and Greens supporters nominate an Economic issue as the biggest problem facing **New Zealand** – higher than the national average, while only 28% of New Zealand First supporters and 30% of National supporters nominate Economic issues as the most important problems facing **New Zealand**.

Analysing the responses more closely reveals that poverty and the gap between rich and poor is the dominant Economic issue for supporters of all four major parties although there are clear differences about the next most important Economic issues.

In the governing Labour-led coalition the issue of poverty and the gap between rich and poor is easily the most important issue for Labour supporters (28%) and Greens supporters (33%) while it is still the leading issue for New Zealand First supporters although only mentioned by 12% of their supporters.

For the main opposition National party poverty and the gap between rich and poor is mentioned by 14% of their supporters which is still enough to be the leading economic issue for National.

Other key Economic issues include unemployment, economic problems and cost of living

Behind this leading issue Labour supporters are more likely than supporters of other parties to mention cost of living, increasing prices, inflation and financial hardship (5%) and were also the only supporters to mention the recovery and re-building of Christchurch as the most important problem facing **New Zealand**.

National supporters were the most likely to mention Economic problems including the economy, financial crisis, recession, exchange rate, high dollar and fuel prices (7%) and unemployment and job security (6%).

Greens supporters are easily the most concerned about Poverty and the gap between rich and poor, but behind that leading issue were next most likely to mention Economic problems including the economy, financial crisis, recession, exchange rate, high dollar and fuel prices (4%) and were the most likely to mention low wages (2%) of supporters of any party.

Supporters of a party often considered to be ‘economic nationalist’ lived up that billing with supporters of New Zealand First most likely to mention both the need to increase exports (7%) and the problem of Foreign ownership and selling our assets (3%).

Most Important Problem Facing New Zealand – Economic Issues by Voting Intention

| | Feb 2018 | VOTING INTENTION | | | | |
|--|-------------|------------------|-------------|-------------|-------------|-------------|
| | | Labour | National | NZ First | Greens | Others |
| | % | % | % | % | % | % |
| Poverty and the gap between rich and poor | 21.9 | 27.5 | 13.9 | 12.3 | 32.5 | 10.6 |
| Unemployment and job security | 4.1 | 3.6 | 5.8 | 2.3 | 1.9 | 3.1 |
| Economic problems including economy, financial crisis, recession, exchange rate, high dollar and fuel prices | 3.4 | 0.6 | 6.8 | - | 4.2 | 8.0 |
| Cost of living, increasing prices, inflation, financial hardship | 2.8 | 4.9 | 1.5 | 2.4 | - | - |
| TOTAL Other Economic Issues | 3.2 | 3.3 | 2.2 | 10.7 | 1.9 | 9.0 |
| Comprising of the below: | | | | | | |
| Need to increase exports | 1.2 | 0.9 | 1.0 | 7.1 | - | - |
| Low wages | 1.1 | 1.1 | 1.2 | 0.7 | 1.9 | - |
| Foreign ownership and selling our assets | 0.6 | 0.6 | - | 2.9 | - | 9.0 |
| Christchurch recovery and re-building | 0.3 | 0.7 | - | - | - | - |
| TOTAL ECONOMIC/ FINANCIAL ISSUES | 35.4 | 39.8 | 30.1 | 27.7 | 40.2 | 30.8 |

Verbatim respondent comments on Poverty and the gap between rich and poor

Poverty and the gap between rich and poor the cost of living verbatim comments often dwelt on widespread poverty, increasing inequality with the rich getting richer and poor getting poorer, the haves and have nots, institutionalised and generational poverty and the increasing prevalence of child poverty.

Labour supporters on Poverty and the gap between rich and poor

The 27.5% of Labour supporters who mentioned Poverty and the gap between rich and poor were most likely to bring up general poverty and child poverty, the inequality caused by social inequality and inequality of incomes that drives the wealth into the hands of the few, the rich getting richer and the poor getting poorer and the related economic hardship.

“Poverty”

“Child poverty – families basically have low income”

“A lot of child poverty still, and to think that it’s still in existence today”

“Child welfare – poverty and social problems amongst the lower socio-economic groups”

“Child poverty and people going without which is not ok for a first world country”

“Social inequality – the rich are getting richer and the poor are getting poorer”

“Social inequality – opportunities are not equally available for the haves and have nots, the rich and poor”

“Inequality – there is a small number of people who possess the largest proportion of goods and advantages”

“Wealth disparity”

“Growing disparity between people who are well off. The cost of housing has grown exponentially quicker than the earnings of the average people”

“The inequity between the rich and poor people”

“Inequality – it creates a lot of social issues and leads to homelessness, crime, economic inequality”

National supporters on Poverty and gap between rich and poor

The 30.1% of National supporters who mentioned Poverty and the gap between rich and poor brought up poverty and financial inequality, child poverty and the lack of remedies to reduce it, poverty’s relationship to child abuse, socio-economic gaps getting too wide, and poverty with people not earning enough money.

“Poverty – proportion of people living with insufficient resources to live well. Unequal income distribution”

“Poverty – the country can’t afford to keep up with the cost of living”

“Probably poverty, just the gap that it creates between people”

“Financial inequality – rich getting richer and poor getting poorer”

“Wealth inequality with disadvantaged families”

“Probably the growing social inequality in that the cost of living is extreme in the big cities now”

“Inequality – the social economic gaps are getting too wide”

“The gap between the poor people and the rich. It’s very hard for people to get into homes if you don’t have the money”

“Child poverty”

“Child poverty – people in families not being able to afford the basics of living”

Greens supporters on Poverty and gap between rich and poor

The 32.5% of Greens supporters who mentioned Poverty and the gap between the rich and poor mentioned too much poverty, the inequality between rich and poor both financially and socially, the large income disparities in New Zealand and the racial bias that feeds into poverty.

“Poverty – we have far too much of it”

“Poverty and the racial bias inherent in poverty”

“Poverty in children and young families. Mental health deteriorates because of poverty and has a terrible effect on younger people”

“Inequality and child poverty. We need to invest more in our children and provide them with basic right”

“Inequality with the rich getting richer and holding onto their wealth and creating more wealth for themselves at the expense of others”

“Social inequality. There are a lot more people in New Zealand now that have a lower standard of living than in the past. There is a wider gap between people who have money and people who don’t”

“The divide between rich and poor”

Michele Levine, CEO Roy Morgan, says the Economic issue of poverty and the gap between rich and poor dominates in New Zealand with nearly a quarter of respondents mentioning this one issue as the biggest facing the country:

*“Economic Issues are the dominant concern in **New Zealand** mentioned by over 35% of respondents when asked what the biggest problem facing **New Zealand** is and the Economic issue of Poverty and the gap between the rich and poor is clearly the largest problem the country faces mentioned by 22% of New Zealanders early in 2018.*

“Other Economic issues mentioned include unemployment and job security (4%), Economic problems including the economy, financial crisis, recession, exchange rate, high dollar and fuel prices (3%) and the Cost of living, increasing prices, inflation and financial hardship (3%) are mentioned by many New Zealanders but none come close to issues surrounding Poverty.

“Analysing results by political affiliation reveals that supporters of all four major parties regard poverty and the gap between rich and poor as the leading problem facing New Zealand. Poverty and the gap between rich and poor is mentioned by 28% of Labour supporters, 33% of Greens supporters, 12% of New Zealand First supporters and 14% of National supporters.

“Analysing those who mention poverty and the gap between rich and poor more deeply shows that more women (25%) than men (16%) mention the issue and it is older age groups that are more likely to mention the issue than younger: 25% of 35-49 year olds mentioned issues relating to poverty compared to 21% of those aged 50+, 18% of those aged 25-34 and 17% of those aged under 25.

“Looking at New Zealand geographically shows that Auckland residents (24%) are the most likely to mention Poverty and the gap between rich and poor ahead of their counterparts in Wellington (21%) and 20% of Canterbury residents.

“Prime Minister Jacinda Ardern’s Labour-New Zealand First-Greens coalition government is due to hand down its first New Zealand Budget in just over a month’s time on Thursday May 17. For the Ardern Government to enjoyed continued high support it must look to address the concerns of New Zealanders outlined here and in our previous release analysing the broader concerns New Zealanders have early in 2018 with Poverty, growing inequality and the gap between rich and poor clearly the most pressing issue identified by the average New Zealander.”

In New Zealand, a cross-section of 999 men and women aged 14 or over were interviewed by telephone in February 2018. Respondents were asked: “What do you think is the most important problem facing the **World** today?” and “What do you think is the most important problem facing **New Zealand** today?”

These findings come from a special Roy Morgan telephone survey conducted in New Zealand on attitudes towards issues facing **New Zealand** and the **World** in the future. The research conducted was both **qualitative** (in that people were asked to use their own words) and **quantitative** (in that the ‘open-ended’ responses were analysed and ‘coded’ so that the results could be counted and reported as percentages).

The main themes highlighted cover a wide range of specific issues listed here.

Economic Issues: Financial problems, Cost of living, Rising prices, Money issues, Unemployment, Taxation (General), Poverty, The gap between rich and poor, Economic problems, Housing affordability, Homelessness/Lack of housing, Over-population, Globalisation, Fairer world trade etc.

Government Policy/Politics/Human rights: Government, Politics, Leadership, Political system, Government spending, Courage to lead, Lack of vision, Politicians, Jacinda Ardern, Bill English, Winston Peters, Donald Trump, Human rights, Religion, Religious fundamentalism, Refugees Immigration/Immigration policy, Racism, Maori issues/health/rights, Multiculturalism and Integration.

Social Issues: Social apathy, Family breakdowns, Selfishness, Moral decline, Social welfare, Welfare dependency, Youth issues – Homelessness, apathy, discipline, Drugs and drug abuse, Education, Crime, Law and order, Anger, Violence, Aggression and others.

Environmental Issues: Global warming, Climate change, Water conservation, Environmental degradation and pollution, Rubbish, Famine, Food shortages, Cutting down rainforests, Desertification, Natural disasters and other Environmental issues.

Energy/Fuel/Power: Energy crisis, Energy infrastructure, Power stations, Power supply Energy supply, Power crisis, Renewable energy, Wind-power, Electricity prices, Sustainable management of natural resources, Depletion of Fossil fuels, Petrol prices.

Terrorism/Wars: Wars, Conflicts, Middle East, North Korea, Iraq,, Syria, Africa, Afghanistan, Ukraine, ISIS, Terrorism, Terrorists, Al-Qaeda, Bombings, Shootings, Security, Safety, World peace, UN.

Health Issues: Hospitals, Private health insurance (PHI), Health cover, Aged care, Disability care, Health system, General Health services and other Health-related issues.

More information about the breakdown of these issues amongst different age groups, genders, states and regions, generations and Roy Morgan’s leading market segmentation tools are available for purchase.

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About Roy Morgan

Roy Morgan is the largest independent Australian research company, with offices in each state of Australia, as well as in the United States and the United Kingdom. A full service research organisation specialising in omnibus and syndicated data, Roy Morgan has over 75 years’ experience in collecting objective, independent information on consumers.

Margin of Error

The margin of error to be allowed for in any estimate depends mainly on the number of interviews on which it is based. Margin of error gives indications of the likely range within which estimates would be 95% likely to fall, expressed as the number of percentage points above or below the actual estimate. Allowance for design effects (such as stratification and weighting) should be made as appropriate.

| Sample Size | Percentage Estimate | | | |
|-------------|---------------------|------------|------------|-----------|
| | 40%-60% | 25% or 75% | 10% or 90% | 5% or 95% |
| 5,000 | ±1.4 | ±1.2 | ±0.8 | ±0.6 |