

MEDIA RELEASE

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More Kiwis feeling confident about their financial situation

Despite the torrent of gloomy financial news, more Kiwis are feeling optimistic about their financial situation than they were earlier this year, Research New Zealand polling shows.

The poll taken between 26 November and 3 December 2008 found that 50 percent of New Zealanders expected to be in a somewhat or a lot better financial situation in the next 12 months.

The poll also found that 25 percent expected no change, but 23 percent said they expected to be in a lot worse or somewhat worse financial situation in the next 12 months, Research New Zealand Director Emanuel Kalafatelis said.

Respondents were asked: *In the next 12 months do you expect your financial situation to be:*

- ◆ *A lot worse*
- ◆ *Somewhat worse*
- ◆ *Somewhat better*
- ◆ *A lot better*
- ◆ *Unchanged?*

When the same question was asked in March 2008, 36 percent of New Zealanders said they expected to be better off in 12 months. In a September poll this figure had risen to 40 percent and in October it had risen again to 48 percent, Mr Kalafatelis said.

In March 34 percent of those polled said they expected to be a lot or somewhat worse off compared with 23 percent in December.

“In recent months we’ve experienced a big drop in petrol prices, interest rate cuts and tax cuts. Those changes may have helped Kiwis feel more optimistic about the future,” Mr Kalafatelis said.

Mr Kalafatelis said by far and away the most optimistic group were those aged between 15 and 29, with 38 percent expecting their financial situation to be a lot better, compared with 4 percent of 40 to 49 year olds and 5 percent of those aged 60 or more.



“The group who was the least optimistic about their financial situation in the next 12 months were those who aged 60 or over, with 31 percent saying they thought they would be a lot or somewhat worse off, compared to 17 percent of those aged 15 to 29.

“Older people are often on fixed incomes and may feel the changes in the cost of living more acutely than those who’re working and benefiting from potential pay rises and tax cuts,” Mr Kalafatelis said.

Research New Zealand polling was conducted between 26 November and 3 December.

The Research New Zealand poll of 500 people aged 15 and over was conducted by telephone between the 26 November and 3 December. The maximum margin of error is +/- 4.6 % (at the 95% confidence level). The data has been weighted to ensure it is an accurate representation of New Zealand's general population. The poll was not taken on behalf of any organisation but as part of Research New Zealand's monthly survey of attitudes and opinions.

Table 1: Comparative results March, September, October and December 2008

In the next 12 months, do you expect your financial situation to be...?

	March 2008 Total Sample	September 2008 Total Sample	October 2008 Total Sample	December 2008 Total Sample
Base =	550	529	500	500
	%	%	%	%
A lot worse	5	3	4	2
Somewhat worse	29	17	28	21
Somewhat better	27	33	38	33
A lot better	9	7	10	17
No change	29	37	16	25
Don't know/Refused	1	3	4	2
Total	100	100	100	100

Total may not sum to 100% due to rounding.



Table 2: December 2008 levels of optimism - Results by age group

In the next 12 months do you expect your financial situation to be...?

	Base =	Total	15 to 29	30 to 39	40 to 49	50 to 59	60+
		500	96	81	82	82	159
		%	%	%	%	%	%
A lot worse		2	1	2	1	5	3
Somewhat worse		21	16	12	22	25	28
Somewhat better		33	31	48	46	27	16
A lot better		17	38	22	4	19	5
No change		25	13	15	25	21	44
Don't know		2	1	0	1	2	3
Refused		0	0	0	0	0	1
Total		100	100	100	100	100	100

Total may not sum to 100% due to rounding.

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