

**MEDIA RELEASE**

**23 February 2009**

**Recession still biting but not as hard**

While the recession is hurting many New Zealanders, many are beginning to feel that the worst may be over, the latest Research New Zealand polling shows.

Research New Zealand Director Emanuel Kalafatelis said that the company's February polling showed that 49 percent of New Zealanders believe their financial situation was somewhat worse, or a lot worse, than the same time a year ago.

This had gradually risen to 56 percent when the same question was asked last year.

"This indicates that while the recession is biting for about half of New Zealanders the negative effects of the recession may have peaked for now, for others," Mr Kalafatelis said.

Significantly, 32 percent of New Zealanders interviewed this month said their financial situation had not changed.

Further evidence that the negative effects of the recession may be trending downwards is a significant drop in the number of people who believe the state of the economy is having an impact on their current financial situation.

Mr Kalafatelis said that the company's February polling found that 71 percent of people believe the state of the economy is having an impact on their current financial situation.

"When the same question was asked in October last year, 81 percent said they believed the state of the economy was having an impact on their current financial situation. In September 2008, the result for the same question was that 90 percent of those polled were seeing an impact.

"While the recession is clearly having an effect on many New Zealanders, a trend is emerging with less people reporting an impact. There is a corresponding rise in the number of people who see no impact on their current financial situation because of the state of the economy. This could, of course, change overnight if businesses close and unemployment increases," Mr Kalafatelis said.



Research New Zealand polling was conducted between 5 and 15 February.

*The Research New Zealand poll of 502 people aged 15 and over was conducted by telephone between the 5 and 15 February. The maximum margin of error is +/- 4.7 % (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.*

**Participants were asked:** *Compared to your financial situation at about the same time last year, would you say your current financial situation is...?*

*How much of an impact, if any, would you say the state of the economy is having on your financial situation and standard of living at present?*

**Table 1: Current financial situation compared to last year**

*Compared to your financial situation at about the same time last year, would you say your current financial situation is...?*

	March 2008 Total Sample	September 2008 Total Sample	October 2008 Total Sample	February 2009 Total Sample
Base =	550 %	529 %	500 %	502 %
A lot worse	8	9	11	10
Somewhat worse	37	46	45	39
Somewhat better	18	12	19	13
A lot better	6	4	6	5
No change	31	28	18	32
Don't know	0	0	0	0
Refused	0	0	1	0
Total	100	100	100	100

Totals may not sum to 100% due to rounding.



**Table 2: Impact of the state of economy on financial situation and standard of living**

*How much of an impact, if any, would you say the state of the economy is having on your financial situation and standard of living at present?*

	March 2008 Total Sample Base =	September 2008 Total Sample	October 2008 Total Sample	February 2009 Total Sample
A big impact	25	33	28	20
Somewhat of an impact	54	57	53	51
No impact at all	20	10	19	28
Don't know/Refused	1	0	0	1
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Total may not sum to 100% due to rounding.

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