

Monday, 5 March 2018

Cost of living, unemployment & poverty big issues before Budget

In early 2018, 32% of Australians believe the economy or some kind of economic issue to be the most important problem facing **Australia**. This is 3% higher than in October 2017 although down 3% compared to a year ago in March 2017.

Economic issues were mentioned by more Australians than any other two themes combined. 14% mentioned Religion, Immigration and Human Rights issues and a further 14% mentioned Government, Politics and Leadership issues while 13% mentioned Social issues and 11% mentioned Environmental issues.

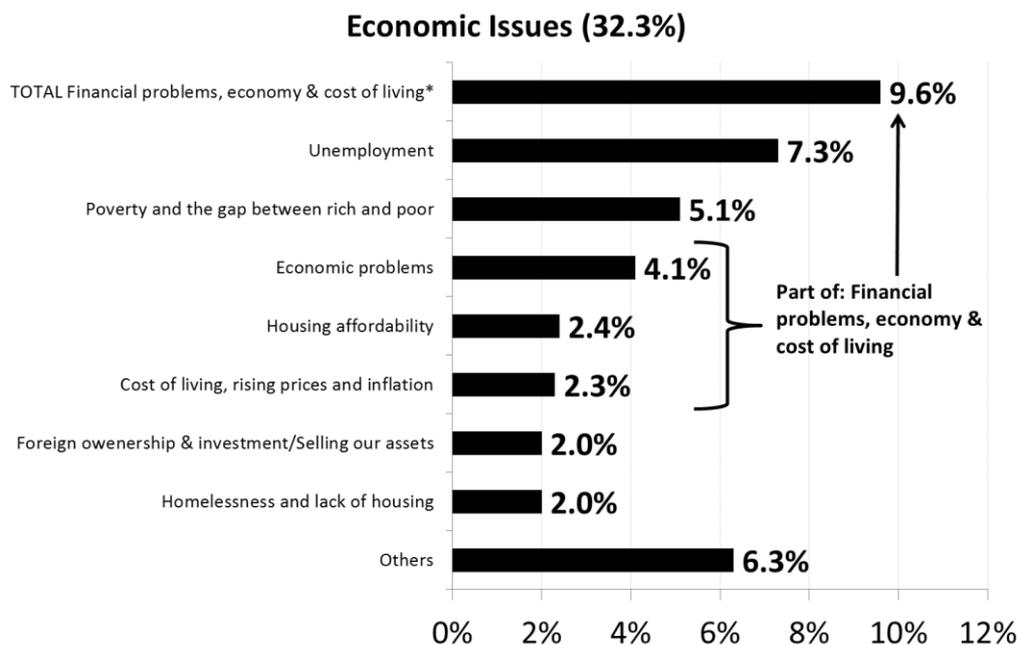
The overall picture was covered extensively in our release on broader Australian Concerns released in March and available to view [here](#). We look here at current economic concerns in greater detail.

Australian Economic Issues dominated by cost of living, unemployment and poverty

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

- **Financial problems, economy and the cost of living** mentioned by nearly 10% of respondents: Verbatim comments about this theme were centred around concerns about the cost of living with 'everything' becoming more expensive, the lack of wages growth, struggling families with increasing utilities bills, economic instability and financial insecurity and money problems, and the problems of housing affordability with too many investors inflating house prices.
- **Unemployment** mentioned by over 7% of respondents: Unemployment verbatim comments ranged from the lack of jobs and employment opportunities available, job insecurity with permanent jobs replaced with contractual positions, and issues with automation.
- **Poverty and the gap between rich and poor** which was mentioned by 5% 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.

Most Important Economic Problems Facing Australia



Source: Roy Morgan interviewed a representative cross-section of 650 Australians in February 2018. *Financial problems, Economy & Cost of living includes Financial problems and money issues, Economic problems, interest rates and the Australian economy, Housing affordability, Cost of living, rising prices and inflation.

Other Economic issues mentioned by at least 2% of respondents included Foreign ownership & investment and selling our assets on 2% and Homelessness and lack of housing on 2%.

Some 6% of respondents mentioned a broad range of economically related issues including Globalisation and fairer world trade on 1% and Over-population on 1%. Other issues mentioned included General infrastructure such as Internet and water, General taxation issues, Over-reliance on the mining industry, Farming and food imports, but none of these issues were mentioned by more than around 1% of people.

L-NP supporters concerned about cost of living while ALP supporters mention poverty

Analysing the question by Federal voting intention shows a very different pattern of concerns for the different party supporters.

Firstly 38% of L-NP supporters nominate an Economic issue as the biggest problem facing **Australia** – clearly higher than the national average while ALP supporters (31%) are almost in line with the broader community and only 22% of Greens supporters nominate Economic issues as the most important problems facing **Australia**.

L-NP supporters clearly regard Financial problems, economy and cost of living (12%) as the biggest problems facing **Australia** with a focus on the economic problems (8%) ahead of Unemployment (7%).

ALP supporters regard Poverty and the gap between rich and poor (9%) and Unemployment (8%) as the biggest problems facing **Australia** ahead of Financial problems, economy and cost of living just under 8%.

Greens supporters take a similar view to Labor supporters regarding Poverty and the gap between rich and poor as the most important Economic issue facing **Australia** (13%) ahead of Unemployment (9%) and other Economic issues barely rating a mention.

Supporters of Independents and Others are most focused on Financial problems, economy and cost of living issues – more than a fifth (21%) of these 'minor party' supporters nominate these issues including 6% each for the economic problems and Housing affordability and a further 5% for cost of living issues.

Most Important Problem Facing Australia – Economic Issues by Voting Intention

| | Feb 2018 % | VOTING INTENTION | | | | |
|--|------------------|------------------|-------------|-------------|-------------|-------------|
| | | L-NP | ALP | GREENS | IND/OTH | CAN'T SAY |
| | | % | % | % | % | % |
| TOTAL Financial problems, economy and cost of living comprising of: | 9.6 | 12.2 | 7.8 | 1.1 | 20.7 | 3.3 |
| Economic problems | 4.1 | 7.7 | 2.4 | 1.1 | 6.4 | - |
| Housing affordability | 2.4 | 2.2 | 2.9 | - | 6.5 | 1.8 |
| Cost of living, rising prices and inflation | 2.3 | 2.3 | 2.0 | - | 5.0 | 1.4 |
| Financial or money problems | 0.7 | - | 0.6 | - | 2.8 | - |
| Unemployment | 7.3 | 7.2 | 7.9 | 8.7 | 2.3 | 8.8 |
| Poverty and the gap between rich and poor | 5.1 | 2.5 | 9.2 | 12.6 | 2.7 | 1.8 |
| Homelessness and lack of housing | 2.0 | 0.8 | 2.2 | - | 2.3 | 6.5 |
| Foreign ownership & investment and selling our assets | 2.0 | 3.1 | 1.4 | - | 2.4 | - |
| TOTAL Other Economic Issues | 6.3 | 12.5 | 2.3 | - | 8.5 | 3.5 |
| Comprising of the below: | | | | | | |
| Globalisation and fairer world trade | 1.2 | 2.1 | - | - | 1.5 | - |
| Over-population | 1.0 | 2.9 | - | - | - | 1.6 |
| General infrastructure: Water, Internet etc. | 0.9 | 1.5 | - | - | 3.2 | - |
| Transport, transport infrastructure, road and rail | 0.8 | 0.8 | 0.5 | - | 3.1 | - |
| Over-reliance on mining and the impact of mining | 0.8 | 2.1 | 0.5 | - | 0.7 | - |
| Federal Budget | 0.6 | 1.9 | - | - | - | - |
| General taxation – Mining tax, resource tax etc. | 0.5 | - | 0.8 | - | - | 1.9 |
| Farming, cut food imports and support our farmers | 0.5 | 1.2 | 0.5 | - | - | - |
| TOTAL ECONOMIC/ FINANCIAL ISSUES | 32.3 | 38.3 | 30.8 | 22.4 | 38.7 | 23.9 |

Verbatim respondent comments on Financial problems, economy and cost of living

Financial problems, economy and the cost of living verbatim comments centred around concerns about the cost of living with 'everything' becoming more expensive, the lack of wages growth, struggling families with increasing utilities bills, economic instability and financial insecurity and money problems, and the problems of housing affordability with too many investors inflating house prices.

L-NP supporters on Financial problems, economy and cost of living

The 12.2% of L-NP supporters who mentioned Financial problems, economy and cost of living were most likely to bring up the problems with the Australian economy with too much debt and the risks this causes and these financial problems are dragging on economic growth and the lack of wages growth is leaving families struggling financially and housing unaffordable.

"Economy needs to be stimulated"

"Making sure we're in a strong economic state because we're not building cars anymore"

"I hadn't actually thought about it that much but I don't think any of the States are doing particularly well so I would say the state of the national economy is not good"

"The economy is hindered by the large amounts of debt we have"

"Economic security for middle and low income earners"

"There isn't much economic growth happening at the moment"

"Wages aren't going up with CPI"

"Lack of wages growth"

"The cost of living with everything, food, shopping, kids going up"

"Young people can't afford to buy houses in Australia"

ALP supporters on Financial problems, economy and cost of living

The 7.8% of ALP supporters who mentioned Financial problems, economy and cost of living talked about the lack of productivity in the economy and the manipulation of economic data along with excess debt and a slowing economy and the lack of wage growth with housing costs unaffordable and rising too high.

"Slowing economy and the lack of growth"

"The economy for the next five years as we don't know how to run an economy. Debt is just increasing"

"The cost of living"

"Lack of wage growth"

"Housing affordability particularly in New South Wales but also around the country"

"A lack of affordable and general housing leading to too many people living just above the poverty level"

"Finance and employment issues"

Independent & Others supporters on Financial problems, economy and cost of living

The 25.5% of supporters of Independents and Others – including One Nation and Nick Xenophon Team (NXT) who mentioned Financial problems, economy and cost of living as an issue were most likely to mention too much debt and the risk of a recession, everything becoming more expensive and the financial problems caused by lack of money with families struggling financially and the lack of affordable housing.

"Economic instability"

"Everything is becoming more expensive – the cost of living"

"Just living – everyone is just struggling trying to earn a living. All the prices and bills keep going up and it becomes harder to survive"

"The decline in living standards of Australians. Middle class and low middle class the cost of living are too expensive. Two people working full-time struggle to get by"

"The general struggles that families are facing financially"

"The lack of affordable housing for the average man and too much interference from overseas that isn't addressed by Parliament cause it means big money for them despite their needs of their communities"



Verbatim respondent comments on unemployment

Unemployment concerns were centred around the lack of jobs generally, problems related to job security, jobs going overseas, the problems Australian youth are finding getting a job, too many processes being automated and insufficient training for job seekers.

L-NP supporters on unemployment

The 7.2% of L-NP supporters who mentioned unemployment brought up the lack of jobs for Australian youth and the changing nature of jobs brought about by automation as well as the general lack of jobs and lack of job security for those in jobs.

"Finding jobs for the people here"

"Job security and the changing nature of jobs, like with automation, is problematic across Australia"

"Jobs – too many things are being automated. The lack of jobs"

"Not enough job prospects for Australian youth"

"Security in employment"

"Unemployment and rising electricity prices and inflation"

"The lack of jobs, no work"

"Unemployment, it seems a lot of people can't get jobs"

"Unemployment, trying to get a job is really hard"

"I think we put too much emphasis on bigger jobs after university and after school while the lower middle class they're not striving for"

ALP supporters on unemployment

The 7.9% of ALP supporters who mentioned unemployment mentioned the lack of jobs, and issues with job creation as China is buying less from Australia, and the lack of job security for those with jobs with young people struggling to find jobs while immigrants are given a lot of help.

"Employment because of a lack of jobs"

"Job creation in Australia in industries like agriculture and minerals is down as China is buying less from Australia than it used to"

"Unemployment issues. The young people in this country are not able to find work"

"The lack of job security"

"Unemployment"

"The unemployment rate"

"Unemployment. There's all these immigrants that are given lots of help money-wise and there's Australians that are struggling"

Greens supporters on unemployment

The 8.7% of supporters of Greens supporters who mentioned unemployment the lack of employment opportunities, not enough jobs, insufficient training for young apprentices, and problems with job security with permanent jobs being replaced with contractual positions.

"Employment opportunities, not enough jobs"

"Employment. There is insufficient training for young apprentices"

"Meaningful employment and training"

"Job security as permanent jobs are being replaced with contractual positions and the attendant lack of job security"

"Unemployment"

"Unemployment. I think that the most important problem Australia faces is that they should go back to the old days and have the young ones do some national training. They should bring in national training"

Michele Levine, CEO Roy Morgan, says Economic issues such as cost of living, the economy, unemployment, poverty and housing affordability are key for the Federal Government as it approaches a Federal Budget which could well be an ‘Election Budget’:

*“Economic Issues have dominated in **Australia** for more than seven years now since early 2011 when Environmental issues were briefly considered the major problem facing **Australia**. In the run-up to next month’s Federal Budget more Australians mentioned Economic issues (32%) than any two other themes combined.*

*“Driving the concerns in **Australia** are Financial problems, the economy and cost of living concerns including housing affordability mentioned by nearly 10% of respondents and Unemployment – mentioned by more than 7% of respondents.*

“Today’s Roy Morgan March unemployment release shows that although the Australian economy is generating jobs it’s not growing fast enough to reduce the number of Australians looking for work or looking for more work. In March more than 2.5 million Australians were either unemployed or under-employed and more detail on Australian real unemployment is available to [view here](#).

“Other Economic concerns mentioned include Poverty and the gap between rich and poor mentioned by 5% of respondents, Foreign ownership and investment and selling our assets mentioned by 2% and homelessness and the lack of housing mentioned by 2% of respondents and a series of minor economic issues mentioned by a further 6% of respondents.

“Interestingly there is a clear gender split on the two main economic issues with the leading economic issue mentioned by women clearly being unemployment on 10%, but mentioned by under 5% of men while over 13% of men mention Financial problems, economy and cost of living compared to just 6% of women. This differential is likely due to the higher proportion of women that work part-time (nearly 50%) than men (under 25%) and would like to work longer hours or in more secure employment – borne out by respondents verbatim comments analysed above.

*“Analysing by Federal voting intention shows it is supporters of the L-NP (38%) and Independents and Others (39%) that are most likely to nominate an Economic issue as the most important problem facing **Australia** – and this is a trend we’ve seen in [previous analysis of Australia’s most pressing economic concerns a year ago](#). In contrast 31% of ALP supporters and only 22% of Greens supporters are concerned about Economic issues.*

“The leading Economic issue according to L-NP supporters is Financial problems, economy and cost of living mentioned by 12% of L-NP supporters led by 8% mentioning the Economy in particular followed by 7% mentioning Unemployment. ALP supporters are most concerned about Poverty and the gap between rich and poor mentioned by 9% of respondents just ahead of Unemployment on 8%. Greens supporters have a similar view to ALP supporters with nearly 13% mentioning Poverty and the gap between rich and poor and nearly 9% mentioning Unemployment.”

In Australia, a cross-section of 650 men and women aged 14 or over were interviewed by telephone on the nights of February 6-8, 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 **Australia** today?”

These findings come from a special Roy Morgan telephone survey conducted in Australia on attitudes towards issues facing **Australia** 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).

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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), Mining Tax, Other Taxes, Poverty, The gap between rich and poor, Economic problems, Housing affordability, Homelessness/Lack of housing, Over-population, Globalisation, Fairer world trade and others.

Religion/Human Rights: Religion, Religious fundamentalism, Human rights, Refugees, Asylum seekers, Boat people, Refugee and asylum problems, Detention of refugees, Immigration/Immigration policy, Intolerance, Racism, Racial tension, Aboriginal issues/health/rights, Multiculturalism, Integration and Assimilation and others.

Government/Politics: Government, Politics, Leadership, Political system, Government spending, Courage to lead, Lack of vision, Politicians, Malcolm Turnbull, Barnaby Joyce, Bill Shorten, Donald Trump, other politicians and others.

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, Pollution, Rubbish, Famine, Food shortages, Cutting down rainforests, Desertification, Concerns about Global warming/Climate change are exaggerated and other Environmental issues.

Energy/Fuel/Power: Energy crisis, Energy infrastructure, Power stations, Power supply Energy supply, Power crisis, Coal-fired power stations, Renewable energy, Wind-power, Solar-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.

For comments or more information about Roy Morgan’s data, please contact:

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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 |