

International Social Survey Programme

The International Social Survey Programme (ISSP) involves leading academic institutions in 45 countries in an annual survey of economic and social policy issues. New Zealand is represented in the ISSP by Massey University. Each year the ISSP member countries carry out a 30-minute survey using the same questionnaire. The data from these surveys are deposited in a central archive in Cologne where they are freely available to all members. This collection of data enables researchers to examine similarities and differences between countries, and to monitor changes over time.

The ISSP addresses a different topic each year in a roughly seven-year cycle. Previous topics have included the roles of men and women in society, social networks, religion, citizenship, work orientation, the environment, national identity and sport and leisure. In 2009, the eighteenth year New Zealand has been involved in the ISSP, the topic was Social Inequality, a repeat of surveys previously conducted in 1992 and 1999.

Survey Details

Between July and November 2009, a nationwide mail survey was conducted of 2250 people aged 18 and over, randomly selected from the New Zealand Electoral Roll. The survey produced 935 valid responses, an effective response rate of 44%. A sample of this size has a maximum error margin at the 95% confidence level of approximately plus or minus 3%.

Though the sample was representative of a wide spectrum of New Zealand society, young people were under-represented and women were over-represented. To correct these biases the survey data were weighted so that the age-sex distribution of the sample matched that of the New Zealand population. However, the sample is still likely to over-represent those with higher incomes and this will affect population estimates that are correlated with income. As well as questioning respondents about the consequences of social inequality, the survey also asked for their views on income equality, taxation, the shape of New Zealand society, and some social issues.

Income Inequality

Most of those surveyed (62%) believe income differences in New Zealand are too large and about half believe they are paid less than they deserve. These beliefs are reflected in New Zealanders' views on what people should earn and how much they should pay in tax.

In general, lower income earners are seen as underpaid in New Zealand and higher income earners considerably overpaid (see Table 1). For example, respondents believed that unskilled factory workers and shop assistants earn about \$30,000 a year, while the income they deserve is about \$35,000. At the other end of the scale, company chairman are believed to earn \$250,000 a year, \$100,000 more than they deserve, and Cabinet ministers \$175,000, when they deserve only \$135,000 (in fact, the salary for Cabinet ministers is \$244,000).

Table 1. Perceived vs Deserved Earnings

Job	Perceived Earnings \$	Deserved Earnings \$
Unskilled factory worker	30,000	35,000
Shop assistant	30,000	35,000
Doctor in general practice	120,000	120,000
Cabinet minister in parliament	175,000	135,000
Chairman of a large national company	250,000	150,000

Note. Figures reported are median values.

Respondents perceived that the actual earnings of a company chairman were about eight times that of an unskilled factory worker, whereas the 'deserved' difference was about four times. (The median personal income in 2009 was \$28,000, the average \$35,000. Statistics New Zealand, Income Survey, June Quarter, 2009.) This 'deserved' difference between the highest and lowest paid occupations has remained relatively constant since 1992; however, the difference in perceived and actual earnings has increased. Thus, while people accept that different occupations deserve different levels of remuneration, they believe the gap between high paid and low paid occupations is too large and increasing.

In deciding how much people ought to earn, the most important consideration is how well they do the job (regarded as essential or very important by 87% of respondents). How hard someone works (81%) and the amount of responsibility that goes with the job (81%) are also regarded as important factors in deciding the pay for a job (see Figure 1). Less important are the number of years spent in education and training (regarded as essential or very important by 46% of those surveyed), what is needed to support a family (34%), and whether the person has children to support (24%).

Essential or very important in deciding level of pay	Proportion who agree (%)
How well a person does the job	87
How hard a person works at a job	81
How much responsibility goes with a job	81
Years spent in education and training	46
What is needed to support a family	34
Whether the person has children to support	24

Figure 1. Deciding Level of Pay

Just over 50% of New Zealanders are in favour of people on high incomes paying a larger share of their income in taxes than those on low incomes. This proportion has fallen steadily from 70% in 1992 and 60% in 1999, possibly reflecting the fact that more New Zealanders are now in the top tax brackets as a result of ‘fiscal creep’. However, those surveyed were equally divided in their opinions about the justice – whether it is right or wrong – of people with higher incomes being able to buy better health care and education for their children than people with lower incomes. In both cases, about 35% of respondents considered this to be right and a similar proportion considered it to be wrong.

The Government’s Responsibility

Forty percent of respondents agreed that it is the government’s responsibility to reduce the differences in income between people with higher incomes and those with lower incomes. However, 34% disagreed and 26% neither agreed nor disagreed. Responses to the question of whether the government should provide a decent standard of living for the unemployed showed a similar pattern: 43% agreed, 30% disagreed and 27% were neutral. Only 22% of those surveyed agreed that the government should spend less on benefits for the poor; 48% disagreed and 30% neither agreed nor disagreed. This is consistent with the notion that the government has a responsibility for reducing income differences.

However, while there is support for the government to play an active role in protecting those on low incomes and reducing income disparity, this support is by no means universal. Furthermore, the proportion of New Zealanders who believe that the government should reduce income differences has fallen by 10% since 1992. This mirrors a similar decline in the proportion who believe income differences in New Zealand are too large. In both cases, most of this decline has occurred in the last decade.

Getting Ahead in New Zealand

Unlike some countries, where a person’s ability to ‘get ahead’ may depend on their political connections or their willingness to pay bribes, in New Zealand the characteristics believed to be essential or very important to ‘getting ahead in life’ are hard work (90%), ambition (82%) and a good education (72%). These three characteristics are regarded as much more important than knowing the right people (thought to be important by 29% of respondents), having well-educated parents (26%), coming from a wealthy family, having political connections, or a person’s race, gender or religion (all less than 10%) (see Figure 2).

Essential or very important for getting ahead in life	Proportion who agree (%)
Hard work	90
Having ambition	82
Having a good education	72
Knowing the right people	29
Having well educated parents	26
Coming from a wealthy family	9
A person’s race	6
A person’s religion	5
Being a man or a woman	5
Having political connections	4

Figure 2. Getting Ahead in Life

Education is regarded as both an important factor in ‘getting ahead’ in life and, to a lesser extent, a determinant of how much people should be paid. Thus access to education is an important issue in many countries. In New Zealand, the number of students in private education is relatively small and the quality of education is generally high in most schools. Consequently, it is not particularly surprising that most New Zealanders (77%) do not believe that only students from the best secondary schools have a good chance of getting a university education. In fact, most respondents (71%) believe people in New Zealand have the same chance of going to university, regardless of their gender, ethnicity or social background. Furthermore, less than 20% believe that in New Zealand only the rich can afford the costs of attending university.

Shape of New Zealand Society

Most New Zealanders (80%) consider themselves to be middle-class. This view is consistent with the preferred shape of New Zealand society; 55% of respondents thought New Zealand ought to be a society with most people in the middle (see Type D in Figure 3), while a further 25% thought New Zealand society should have many people near the top and only a few near the bottom (see Type E in Figure 3).

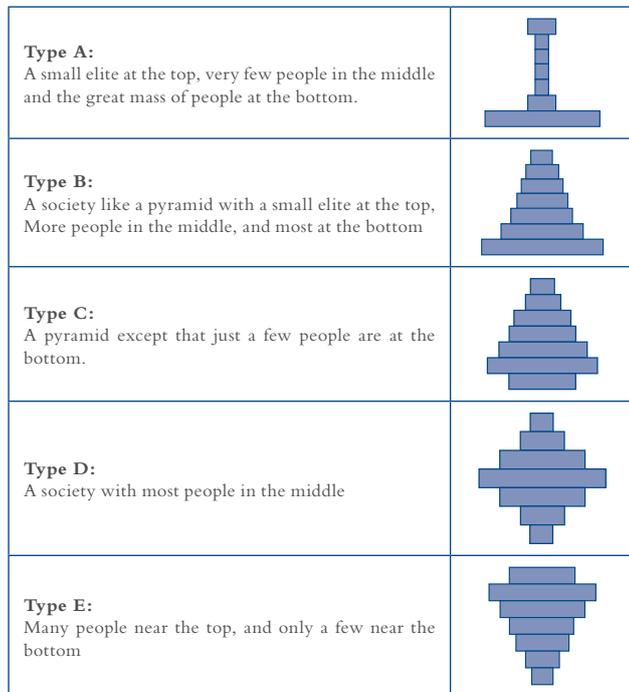


Figure 3. Shape of New Zealand Society

However, most of those surveyed (56%) believe New Zealand society is like a pyramid, with a small elite at the top, and more people in the middle and the bottom (see types B and C in Figure 3). About 6% of respondents believe New Zealand society has a small elite at the top, very few people in the middle, and a great mass of people at the bottom; only 34% believe New Zealand society has most people in the middle (the preferred type D in Figure 3). Clearly there is a difference between the kind of society New Zealanders want and the kind most believe we have.

The preferred shape of New Zealand society has changed very little since the early 1990s, but perceptions of its actual shape have altered quite dramatically. For example, the proportion of New Zealanders who believe our society has a small elite at the top and most people at the bottom (types A and B in Figure 3) has declined from 62% in 1992 to 37% in 2009. By contrast, the proportion who believe New Zealand society has most people in the middle has more than doubled. Thus, despite a persistent difference between the type of society most New Zealanders would like and most believe we actually have, the gap is less now than it was 20 years ago.

The reality, at least as far as income inequality in New Zealand is concerned, is that this grew slowly but steadily from 1992 to 1998, and then more rapidly to reach a peak in 2004. But then it declined back to 1998 levels by 2008 (technically, in 2008 the equivalised disposable income of a household at the 80th percentile was 2.6 times larger than that of a household at the 20th percentile; in 1988, the ratio was 2.2. Source: Ministry of Social Development). Internationally, New Zealand ranks about the same as the United Kingdom and Ireland on income equality but is in the lower third of 30 OECD countries on this measure.

Abortion and Euthanasia

New Zealanders' attitudes to abortion depend critically on the particular circumstances. Eighty percent of those surveyed believe the law should allow a woman to have an abortion if her health is seriously endangered by the pregnancy or she became pregnant as a result of rape or incest; 77% feel the same way if there is a strong chance of a serious defect in the baby, and 73% support legal abortion if a woman's mental health is seriously endangered by her pregnancy.

However, support for legal abortion drops to 50% if a couple simply decide they do not want to have the baby, to 45% if a family has a very low income and cannot afford any more children, or if a woman decides on her own she does not want to have the baby, and to 33% if a woman is not married and does not wish to marry the father (see Figure 4).

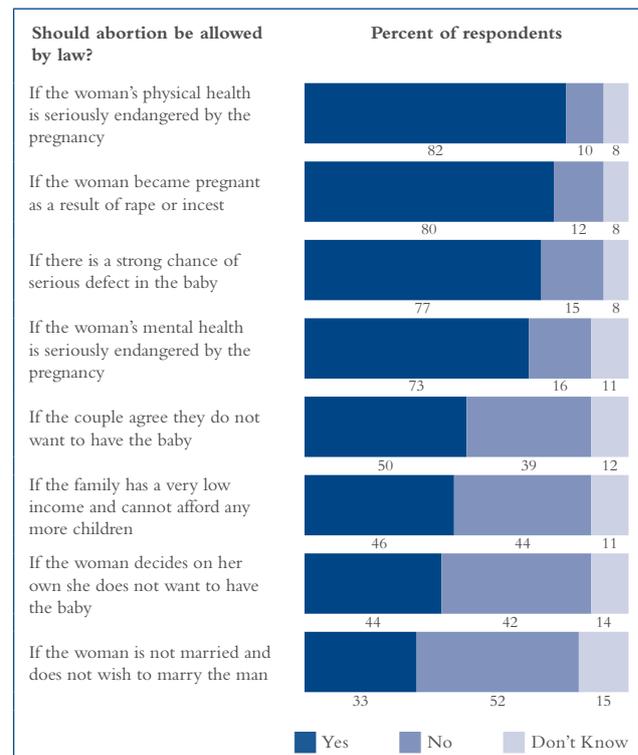


Figure 4. Attitudes to Abortion

Seventy percent of New Zealanders support assisted suicide for someone with a painful incurable disease, provided a doctor gives the assistance. However, support drops to 45% if a person has an incurable disease, but with medication is not in pain (and opposition rises from 20% to 40%). Similarly, where a person is not in pain and does not have an incurable disease, but is permanently and completely dependent on others for all their physical needs, 45% of respondents agreed that doctors should be allowed by law to end the patient's life if the person requests it, but 40% disagreed.

These results suggest that the management of pain is a critical issue influencing attitudes to euthanasia, but that within the population there are groups that are either in favour of or opposed to euthanasia regardless of the circumstances. On the one hand, around 20% do not believe assisted suicide should ever be allowed, while on the other, about twice this number believe it should be legal for a doctor to end a patient's life if this is what the patient wants. The rest of the population either have no firm view or their opinion depends on the particular circumstances.

Age, Gender and Income Effects

Older New Zealanders are more likely than younger New Zealanders to agree that income differences in New Zealand are too large and that people with higher incomes should pay a larger share of their income in taxes. This may in part be a reflection of the fact that younger New Zealanders are more likely to feel that they earn less than they deserve. Those under 55 have more liberal views on abortion where a couple or a woman on her own decide they do not want to have a baby and on assisted suicide where a patient is in pain, but their views are less liberal where a patient is not in pain and does not have an incurable disease. However, aside from these differences, age is generally not an important predictor of attitudes to the social inequality issues canvassed in our survey.

Women are more likely than men to agree that income differences in New Zealand are too large, but on other issues of social inequality men and women share similar views. Men are more supportive than women of legal abortion when a couple agree they do not want to have the baby; however, this is one of the very few instances when the attitudes of men and women differ.

Predictably, respondents in households with lower incomes are more likely than those in higher income households to believe income differences in New Zealand are too large; 73% in households earning less than \$70,000 a year compared to 42% in households earning more than \$100,000 a year. Similar patterns are evident in attitudes

to higher income earners paying a higher share of their income in tax – supported by 64% of those in households earning less than \$40,000 a year compared to 45% support in households earning more than \$100,000 a year – and the government's responsibility to reduce income differences – 52% agreement among those in households earning less than \$40,000 a year compared to 24% agreement in households earning more than \$100,000 a year.

Summary

Most New Zealanders believe income differences in our country are too large and should be reduced by a progressive tax system that reduces the tax burden on low income and middle income earners and increases it on high income earners. Lower income earners are seen as underpaid in New Zealand and higher income earners overpaid. However, there is a strong belief that competence, effort and responsibility should be reflected in how much people earn, and that the keys to getting ahead in New Zealand are hard work, ambition and a good education.

Views on income equality, taxation and the shape of society are strongly correlated with income in predictable ways. Most New Zealanders would prefer an egalitarian society, with most people in the middle, but this is not the kind of society most believe we have. Nevertheless, the gap in perceptions between the ideal and the actual shape of New Zealand society has narrowed over time. This is despite the fact that perceived differences in the deserved earnings of those in higher and lower paid occupations have increased.

On social issues, such as abortion and euthanasia, New Zealanders' views depend on the particular circumstances, but tend to be liberal and compassionate.

About the Authors

Members of the School of Communication, Journalism and Marketing involved in this survey were: Professor Philip Gendall (Professor of Marketing) and Dr Nicola Murray.

Access to data from previous ISSP surveys conducted in New Zealand: Religion, 1991, 1998 and 2008; Social Inequality, 1992 and 1999; The Environment, 1993 and 2000; The Roles of Men and Women in Society, 1994 and 2002; National Identity, 1996 and 2003; The Role of Government and Work Orientation, 1997; Social Networks, 2001; Citizenship, 2004; Work Orientation, 2005; Role of Government, 2006; Sport and Leisure, 2007; is available through the Department of Communication, Journalism & Marketing, Massey University.