

CHAPTER 2 – SOURCES OF DATA

This chapter describes the procedures and questionnaire materials used for collecting data on the living standards of New Zealanders. The data derived from three surveys: a survey of working-age New Zealanders (18 to 64 years), a survey of older New Zealanders (65 and older), and a supplementary survey of older Māori (65 to 69).

All three surveys were undertaken as part of the study of the *Living Standards of Older New Zealanders*, which is referred to previously, and is reported in Fergusson et al. (2001). This chapter gives only a brief overview of the procedures used in the surveys older New Zealanders and older Māori as detailed accounts are available in other publications (Fergusson et al., 2001, and Cunningham et al., 2002, respectively). However, a detailed account is given here of the procedures used in the survey of working-age people as no such account has been published elsewhere.

Overview of the Sources of Data

The decisions about the questionnaire content and wording were made principally by the authors of the *Living Standards of Older New Zealanders*. Statistics New Zealand (SNZ) was commissioned to carry out the field data collection for the main surveys of older New Zealanders (65 and over) and of older Māori (65 to 69). A commercial research and survey company, ACNielsen NZ Ltd was commissioned to collect the data for the survey of working-age people (18 to 64 years). As a result, the surveys differed not only with respect to some of the field practices but also the sampling procedures that were used. The sample for the surveys of older people was obtained through SNZ's Household Labour Force Survey (HLFS), whereas older Māori were sampled from the superannuation database administered by the Department of Work and Income. ACNielsen used a custom-built sample frame. The responses to the surveys were then combined and weighted to produce a representative sample of the New Zealand population. In Table 2.1 the key features of each of the three surveys are brought together.

Survey of Working-age People

Survey Population

The population for the survey of working-age people was defined as people aged 18 to 64 years (inclusive) living in permanent private dwellings. A permanent private dwelling is defined as (1) where the occupants live in the dwelling six months or more of the year; and (2) have a separate cooking facility. Camping grounds and caravan sites are included in this definition. According to the 1996 Census, 83 percent of households living in New Zealand contain one person or more aged 18 to 64 years.

Table 2.1: Sources of data

Description of Sample	Sample frame	Sample Design	Types of information collected relevant to the current study	Response rate	Achieved Sample
Survey of older people	All New Zealanders aged 65 and over in private dwellings.	Three-stage stratified cluster design based on the HLFS sample frame	<ul style="list-style-type: none"> • Ownership restrictions • Social participation restrictions • Economising • Serious financial problems • Accommodation problems • Income and assets • Disabilities and health • Recent financial stresses • Family contact, family support • Major events 50-59 <p><i>About 90 minutes in length</i></p>	68%	3060
Survey of older Māori	Māori superannuitants aged 65 to 69 in private dwellings	Simple random sample of Māori NZS recipients	<ul style="list-style-type: none"> • Ownership restrictions • Social participation restrictions • Economising • Serious financial problems • Accommodation problems • Income and assets • Disabilities and health • Recent financial stresses • Family contact, family support • Major events 50-59 • Cultural identification <p><i>About 90 minutes in length</i></p>	63%	542
Survey of working-age people	All New Zealanders aged 18 to 64 years in private dwellings	Fully national multi-stage stratified probability sample with clustering	<ul style="list-style-type: none"> • Ownership restrictions • Social participation restrictions • Economising • Serious financial problems • Accommodation problems • Income and assets • Children-specific items <p><i>About 40 minutes in length</i></p>	60%	3682

Survey Design

The survey of working-age New Zealanders was undertaken on behalf of the Ministry of Social Development by ACNielsen Ltd using the ACNielsen sampling frame. All households containing a person aged between 18 and 64 years were eligible for selection into this survey. Nielsen Area Units (NAU) were used as the basis for selection in this survey. A NAU is an entity created by ACNielsen for the purposes of undertaking national surveys. A NAU is smaller than a Statistics New Zealand area-unit, but larger than a mesh-block. It combines, on average, around seven mesh-blocks and contains an average of 800 persons. ACNielsen have defined a total of around 4500 NAUs.

The sample design used for the survey of working-age people was a national multi-stage stratified probability sample with clustering. This involved using a three-stage design to select the sample. The three stages were:

1. selecting a Nielsen Area Unit within the stratification grid cells
2. systematically selecting households within the selected Nielsen Area Unit
3. selecting one adult respondent within each selected the household using a selection grid procedure.

Survey Procedure

The survey fieldwork was carried out between 11 March and 18 June 2000. Metropolitan and provincial urban area households that were selected using the sampling procedure described above were initially sent an introductory letter of invitation asking them to participate in the survey. The letter was printed on Ministry letterhead and signed by one of the organisation's senior managers. The letter contained a brief description of the survey and informed the reader that an interviewer from ACNielsen would approach the household in the next few days to ask one person to participate. In addition, the letter explained that participation in the survey was voluntary, and that all responses would be confidential.

Following this, an interviewer returned to the selected dwelling on the evenings and weekends to conduct the survey. Where the occupants were not at home, the interviewer returned up to three times on different days to solicit participation in the research. If no contact was made after three visits, the occupant who answered the door declined to participate, or the selected household member refused to participate, then the house was replaced with another one from the selected NAU.

Those who agreed to participate in the survey took on average 40 minutes to complete the interview. Completed questionnaires were checked by the interviewer to ensure that a full recording of the responses had been made, and that skip patterns had been followed correctly. Regional Supervisors, employed by ACNielsen, audited all questionnaires to ensure that the reported responses were

accurate and that correct calling and selection procedures had been used. In addition to this, questionnaires were checked at the ACNielsen Head Office. The purpose of this quality control procedure was to ensure both the accuracy in recording the respondents' response, and to ensure the early detection of any problems with the survey instrument. No noteworthy problems were reported.

Response Rate

The response rate for the survey of working-age people was 60 percent. The response rate was derived from the total completed interviews as a proportion of an estimate of the total eligible households approached. The obtained response rate should be interpreted as the proportion of eligible working-age people covered by the survey of working-age people; not as the unweighted calculation of the number of working-age persons responding as a proportion of the number approached.

Achieved Sample

The sampling procedures described above yielded a total sample of 3682 people aged 18 to 64 years.

Survey of Older New Zealanders

The survey of older New Zealanders (aged 65 and over) was undertaken on commission by Statistics New Zealand. The survey was administered through the Household Labour Force Survey (HLFS) using the HLFS sampling frame. All households containing a person aged 65 and older who had recently participated in the HLFS in September 1999, or were participating in the HLFS in March 2000, were eligible for selection. One eligible person per household was selected. HLFS non-respondents were automatically considered to be non-respondents. The study population was defined as civilian, usually resident, non-institutionalised, aged 65 and older, and living in permanent private dwellings.

The survey:

- was conducted between 7 February and 7 April 2000
- involved face-to-face interviews of about 90 minutes in length
- obtained a sample of 3060 people aged 65 years and over
- achieved a response rate of 68 percent.

A detailed description of the sampling procedure and the participants is contained in Fergusson et al., (2001).

Survey of Older Māori Aged 65-69 Years

To boost the number of older Māori respondents in the research, Statistics New Zealand was commissioned to conduct a supplementary survey of 500 Māori aged 65 and over. This survey population comprised the usually resident, non-institutionalised New Zealand Māori population aged 65 to 69 years, living in permanent private-dwellings and in receipt of New Zealand Superannuation (NZS).

The sampling frame was the database for New Zealand Superannuation administered by the Ministry of Social Development. The upper age limit for sampling from the database was set at 69 years because data for Māori 70 years and over was incomplete in the administrative records. A simple random sample of Māori aged 65-69 years was selected. One eligible person per household was selected for the survey, and respondents confirmed that they identified themselves as having a Māori ethnicity (with or without other ethnic identifications). Specific cultural training was provided to the survey interviewers, and a non-monetary koha (gift) was offered to survey participants.

The survey:

- was conducted between 10 April and 12 June 2000
- involved face-to-face interviews of about 90 minutes in length
- obtained a sample of 542 Māori aged 65-69 years of age
- achieved a response rate of 63 percent.

A detailed description of the sampling procedure and the participants is contained in Cunningham et al. (2002).

Research Data

Data Collection Unit

Some of the questions asked of the respondent relate to the respondent personally and some relate to the Economic Family Unit (EFU) of which the respondent was a member.

Conceptually, an EFU is a group of people who usually reside together and are financially interdependent. Operationally, in the present research an EFU is either a 'single adult without dependent child/children', 'sole-parent family' – a non-partnered adult with one or more dependent children', 'couple without dependent child/children', or 'couple with dependent child/children'. A dependent child is defined here as a child less than 18 years of age with no partner or child of their

own. A son or daughter aged 18 years or older is counted as a separate EFU, as is a child aged less than 18 with a partner or child of their own.¹

Some of the results given in this report relate to individuals (the respondents), while others relate to EFUs (for which the respondent served as the reporter). The unit of analysis varies according to the particular purpose. In the breakdown of respondent characteristics, and the latent variable analysis, the individual is used as the unit of analysis. In other places, the EFU is used as the unit of analysis.

Weighting and Individual Population Estimates

Each respondent was assigned an individual sample weight. The weighting process inflates the sample to represent the target population by accounting for different probabilities of selection and non-response. Comparisons between population benchmarks and the weighted responses indicated that the weighting process did not produce any notable departures from population benchmarks. These comparisons are presented in Appendix C.

There were several adjustments in the weighting process. These were based on:

- Initial probability of selection
- Household non-response
- Individual non-response
- Post-stratification to individual population benchmarks
- Number of older people in household²
- Number of working-age people in household.³

Further information concerning the weighting and the construction of the composite population from the three surveys is given in Appendix B.

General and Demographic Data

The general and demographic information collected from participants is presented in Table 2.2, on the following page. The data collected pertained to age, gender, ethnicity, marital status, household

¹ Given this definition of an EFU, an appreciable proportion of households contain multiple EFUs. For example, a household of four unrelated single people would constitute four EFUs. A couple with an adult son or daughter living with them would constitute two EFUs. If the household also included a grandparent, it would contain three EFUs and if in addition there was a boarder, it would contain four EFUs. As the sampling design prevented more than one respondent being selected from each sampled household, information was not obtained from more than one EFU from a household with multiple EFUs.

² This adjustment was only made for participants in the survey of older people.

³ This adjustment was only made for participants in the survey of working-age people.

composition, type of EFU, location of residence, labour force status, educational attainment, and socio-economic status.

Table 2.2: General and demographic data collected

Variable	Information collected
Age	Age in years
Gender	Male/Female
Ethnicity	Ethnicity was coded to a prioritised ethnicity code such that if a person identified more than one ethnic category they were coded to a certain group according to the following order of priority: Māori, Pacific Island people, Other, and European.
Marital status	Social partnership status and legal marital status
Household composition	Partnership status (single/couple) by whether dependent children, other family members, and other non-family members in the household.
Economic Family Unit (EFU)	Data was collected on their relationship to the respondent, age, gender, and ethnicity.
Location	North Island: Auckland/Wellington/other major urban/secondary and minor urban/rural South Island: major urban/secondary and minor urban/rural
Labour force status	Employed/unemployed/not in labour force
Education	Highest educational qualification
Socio-economic status (NZSEI)	This was coded using the New Zealand Standard Classification of Occupations (NZSCO) applied to the occupation of the main earner.

Note: Ethnicity was coding using the approach adopted by Statistics New Zealand for the 1996 Census.

Candidate Items for the Generic Scale Construction

The candidate items for the construction of the generic living standards scale are presented in this section. For the purposes of presentation, items are presented in subcomponent groups. Question numbers refer to the questionnaire booklet used for the survey of working-age people. This

questionnaire is included in Appendix A. Subsequent chapters indicate which items were included in the different stages of the modelling analysis and in the ELSI scale itself.

Ownership Restrictions

In the context of the present research, 'ownership' relates to the ownership of consumer durables. This takes the form of personal items (e.g., clothes); domestic utilities and facilities (e.g., refrigerator); or items related to recreation. These are all things whose consumption and utilisation contributes to a person's standard of living. These items need to be distinguished from financial assets: property such as a flat which is rented to others. Therefore, ownership relates specifically to consumer durables and household facilities.

Related to the concept of ownership is the concept of lack of ownership. Lack of ownership can be expressed by not having possessions; however such a conceptualisation fails to account for differences in preference: not everyone may want the same consumer durables and household facilities. The present research uses the concept of 'enforced lack' (Mack and Lansley, 1985) defined as the absence of an item the respondent wanted because they were unable to afford it.

Operationally, respondents were presented with a list of 29 consumer durables and household facilities (Q.9 and showcards 10-38, Appendix A). For each possession, participants were asked:

1. whether they had the item
2. if they did not have it, whether they would like to have it
3. if they would like to have it, whether they did not have it because of cost, or for some other reason.

These questions enabled the identification of item ownership (from question 1) and enforced lack (from questions 2 and 3).

In addition, participants that indicated they had dependent children were presented with a further list of possessions, for example, suitable wet weather clothing for each child, a Playstation, and so on (Q.10 and green showcards 39 to 42, Appendix A). The same response format was used for these questions.

For all items, respondents were asked to rate how important each item was to them. Responses were given on a three-point scale ranging from 'not at all important' to 'very important'.

Social Participation

Social participation refers to the respondents' participation in social and recreational activities (e.g., having a holiday away from home each year). As with the ownership items, information was gathered

on the extent to which respondents' experienced an enforced lack of a given social participation activity.

All 10 activities are listed in the questionnaire (Q.13 and show-cards 43-53, Appendix A). For each activity, respondents were asked:

1. whether they did the activities
2. if they did not do them, whether they would like to do them
3. if they would like to, if they did not do so because of the cost or for some other reason.

Those who had children were asked four additional questions about their participation in social activities, for example, have children's friends over for a meal. (Q.14, show-cards 39-42, Appendix A).

For each activity, respondents were asked to rate how important they regarded partaking in each of the listed activities on a three-point scale ranging from 'not at all important' to 'very important'.

Economising Behaviours

The response format for the economising items differed to that used for the ownership restrictions and the social participation restrictions. It was assumed that people did not engage in economising behaviours of the sort included for reasons other than reducing expenditure. To increase the power of the items, responses were obtained in terms of three categories (rather than a dichotomous format).

Respondents were asked whether they had performed certain actions in the last 12 months to keep costs down (e.g., put up with feeling cold to save heating costs). The full list of 20 behaviours is listed in the questionnaire (Q.17, Appendix A). Those with children were also asked to answer 11 additional items (e.g., unable to pay for your child to go on a school outing because of the cost) (Q.18, Appendix A). For all items, respondents could answer 'not at all', 'a little', and 'a lot'.

Accommodation Problems

Respondents were asked whether they had any of 15 listed problems with their accommodation (e.g., problems with draughts, dampness, industrial pollution or other smells, etc.). Responses were given in a Yes/No format. (Q.25, Appendix A).

Serious Financial Problems

Respondents indicated whether any of six financial problems had happened to them in past 12 months (e.g., could not keep up with payments for electricity, gas, water). The list of six financial problems is shown in the questionnaire (Q.19, Appendix A).

Self-Ratings

Participants completed three rating questions. The questions were:

- How well does your (or you and your partner's combined) total income meet your everyday needs for such things as accommodation, food, clothing, and other necessities? Would you say you have not enough money, just enough money, enough money, or more than enough money? (Q.22, Appendix A).
- Now I am going to ask you some questions about your material standard of living – the things that money can buy. Your material standard of living does NOT include your capacity to enjoy life. You should NOT take your health into account. Generally, how would you rate your standard of living (high, fairly high, medium, fairly low, low, and don't know)? (Q.27, Appendix A).
- Generally, how satisfied are you with your current standard of living (very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied, very dissatisfied, and don't know)? (Q.28, Appendix A).

Additional Questionnaire Items

Respondents completed a number of additional questions that were related to their standard of living. These were:

Financial Situation

Respondents were asked which of the following best described the financial situation over the past 12 months. The responses were: 'you spent less money than you received most months'; 'you broke even most months'; and 'you spent more money than you received most months'.

Money in an Emergency

Respondents were asked whether they could obtain \$1500 for something important within a week, and if yes, whether they could obtain \$5000 within a week if an emergency arose. (Q.23-Q.24, Appendix A).

Community Services Card

Respondents were asked whether they (or their partner) had a Community Services Card (Q.45, Appendix A).

Life Satisfaction

Respondents were asked two questions examining their satisfaction with life in general.

- In general, how happy would you say that you are (very happy, happy, neither happy nor unhappy, unhappy, very unhappy)? (Q.54, Appendix A).
- Now taking everything into account, how satisfied or dissatisfied are you with life these days (very satisfied, satisfied, neither satisfied nor dissatisfied, dissatisfied, very dissatisfied)? (Q.55, Appendix A).

For both questions, respondents also had the option of answering 'don't know' or 'refused', if applicable.

Net Annual Income of EFU

Respondents were asked to provide an estimate of their and their partner's combined total annual income from all sources within income ranges up to a total income of \$100,000 or more before tax. A show card was presented to participants in which 16 income bands were presented for them to choose from. For more details of the income questions, see Q.38 to Q.50 in the questionnaire (Appendix A).

Accommodation Costs and Tenure

- Respondents were asked whether their accommodation was owned outright; owned with mortgage, or other (includes family trust owned).
- Information about accommodation costs was collected based on the respondent's last mortgage, rent, rates, and board payments.
- Those owning their own home were asked to provide the most recent government valuation of the property.
- Respondents indicated how many couples were living in the same house/flat as they were, and the number of bedrooms. (Q.29 to Q.37, Appendix A)

Assets

The respondents' level of savings and assets over the past 12 months was assessed by their agreement of one of four listed statements. The statements were: 'you had no savings or assets then or now'; 'your savings and assets are about the same'; 'your savings and assets have increased'; and 'your savings and assets have decreased'. (Q.21, Appendix A)

Participants were asked whether they (or their partner) had the following assets (apart from their home): other residential properties, investment in commercial properties (including syndicates), bank deposits; other New Zealand or foreign currency; life insurance policies, business ownership or

investments (including farm and forestry); money or investments in a family trust; unit trusts, shares, debentures, government bonds; money owed to them; and other assets (e.g., investment collections – antiques, car registration plates, etc.) (Q.51, Appendix A).

In addition, participants were asked to estimate the value of the total assets that they had identified within the value ranges up to a total value of \$750,000 or more. Six small bands (range \$1000 to \$15,000) were used below \$50,000; above this value, the width of the bands increased (range \$50,000 to \$250,000). The mid-points of these ranges were used when point estimates were required for the analysis (Q.52, Appendix A).