

22 June 2020

Nurses and Midwives’ response to the proposed Public Sector Wage Freeze

Report for NSW Nurses and Midwives’ Association

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Profile of respondents and current financial situation

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Profile of respondents

- A total of 2,700 NSWNMA members responded to the survey
- The gender split was 85% female and 15% male. Approximately 0.7% of respondents selected Other or preferred not provide a answer.
- 27% of respondent members were under 34 years of age. 33% were 35-49 years old and 36% were 50-64. 5% of respondents were 65 or older.
- 63% of respondents are employed full time, 31% part time and 5% are casuals. 62% of respondents were Registered Nurses, with 14% Clinical Nurses/Midwife Educators.
- Using AEC classifications on respondent postcodes, almost half of respondents (46%) came from metro regions of the state. 28% are from rural areas and 25% are living in provincial areas.
- The vast majority (94%) were aware of the proposed NSW government wage freeze prior to taking the survey.

Current financial situation

- The average (mean) monthly household income of NSWNMA members who responded is \$6,446.82.
- 41% of respondents have seen their household income reduce in the past 12 months (since June 2019). This is particularly apparent for part time (47%) and casual or agency (51%) members.
- Over half (56%) already come from households have experienced some form of employment impact due to Covid-19, including:

Employment impact	Percentage
Working hours/roster cuts by employer	29%
Had to use accrued annual leave instead of working	22%
Stood down from a job temporarily or indefinitely without pay	11%
Lost a job	10%
Loss of revenue from owned business	9%
Salary cut by employer	7%

Current spending

The average (mean) monthly expenditure of NSWNMA members on the areas measured is \$2,969.87.

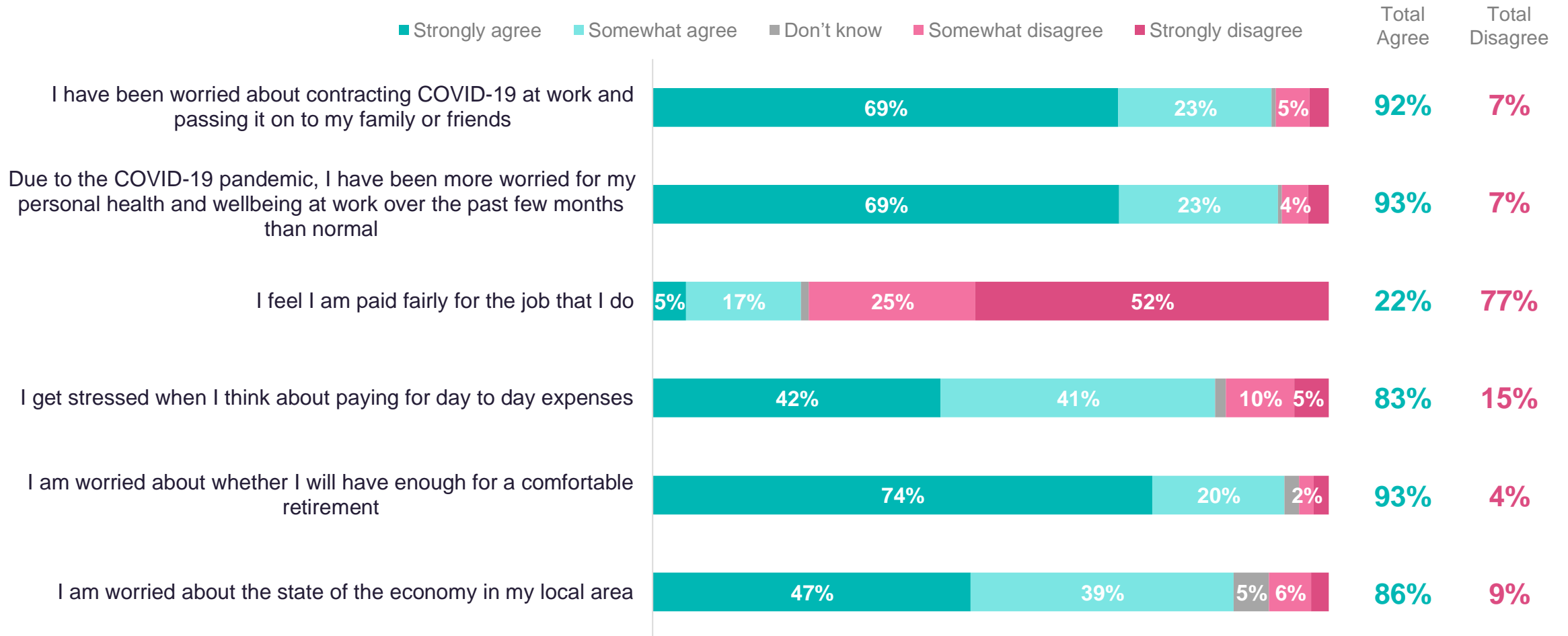
Expense	\$	Expense	\$
Groceries	663.40	Dining out in cafes and restaurants, pubs and clubs	162.40
Utilities (i.e. gas, water, electricity, council, etc...)	379.24	Recreational activities i.e. gyms, cinema, sports events, etc.	130.47
Household or personal shopping	316.38	Health and medicine	127.72
Other insurance (i.e. car, home, etc...)	313.03	Ordering take away food	116.76
Petrol/Diesel	207.17	Paid TV/streaming services (Foxtel / Netflix / Disney Plus etc.)	56.56
Private health insurance	199.25	Public transport	30.58
Car maintenance / repair	169.88	<i>Child care</i>	558.41[^]

Normal spending (travel assuming COVID-19 restrictions removed)

- The average (mean) annual expenditure on travel on domestic and international holidays of NSWNMA members who responded to the survey is \$5,633.07.

Expense	\$
Domestic holidays*	2080.22
International holidays*	3552.85

Attitudes



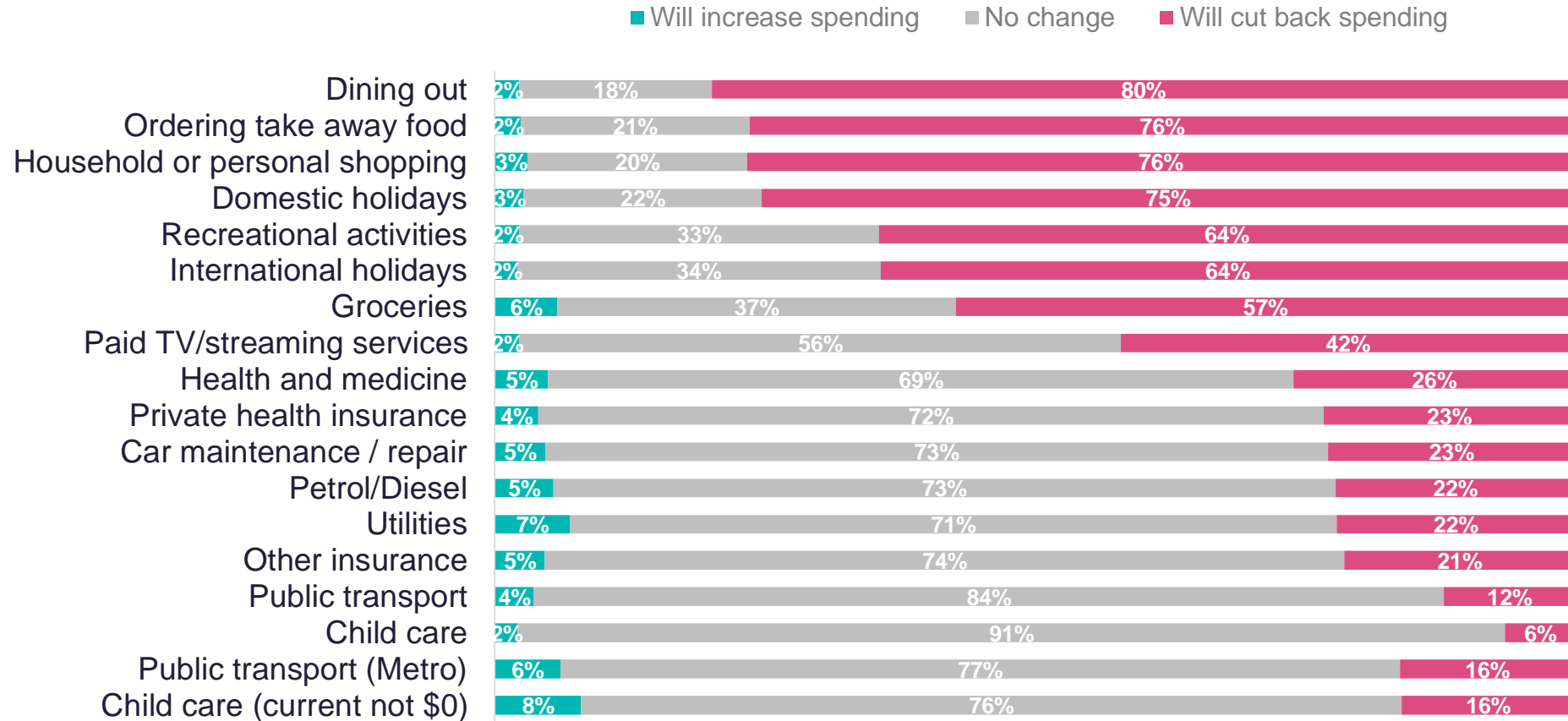
Attitudes by key demographics

Statement	Overall	Male	Female	18 to 34	35 to 49	50 to 64	65+	<\$4K	\$4K - <\$6K	\$6K - <\$8K	\$8K+
I have been worried about contracting COVID-19 at work and passing it on to my family or friends	92%	93%	92%	97%	93%	88%	86%	93%	93%	91%	91%
Due COVID-19, I have been more worried for my personal health and wellbeing at work over the past few months than normal	93%	91%	93%	96%	92%	91%	88%	94%	93%	91%	91%
I feel I am paid fairly for the job that I do	22%	24%	22%	17%	24%	23%	31%	20%	21%	23%	23%
I get stressed when I think about paying for day to day expenses	83%	81%	83%	88%	85%	79%	73%	90%	84%	75%	80%
I am worried about whether I will have enough for a comfortable retirement	93%	93%	94%	94%	95%	92%	88%	95%	93%	93%	93%
I am worried about the state of the economy in my local area	86%	86%	86%	82%	86%	89%	86%	88%	85%	87%	84%

Impact of the wage freeze on household expenditure

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Proportion of members who indicate that the wage freeze would result in cutting back on their monthly expenditure



Impact of the wage freeze

- To members who indicated they would reduce their expenditure if there was a wage freeze, we asked by how much: 1-10%, 11-29%, 30-49%, 50% or more, or cut back completely.
- To calculate the impact on monthly expenditure of the wage freeze, we have taken the conservative estimate of the lower point of our scale (i.e. 1%, 11%, 30% etc.) and contrasted this with the mean (average) dollar amounts indicated. This analysis was done on the individual respondent level.
- This approach acknowledges and attempts to offset any impact of the small minority of members who may increase monthly expenditure.

Impact of the wage freeze

- The mean monthly decline in total expenditure (including child care) is \$349.01.
- The average (mean) annual decline in holiday expenditure is \$2624.16.

Expense	\$ decline	% decline
Dining out in cafes and restaurants, pubs and clubs	56.68	34.8%
Ordering take away food	37.53	32.1%
Recreational activities i.e. gyms, cinema, sports events, etc.	37.41	28.6%
Household or personal shopping	76.03	24.0%
Paid TV/streaming services (Foxtel / Netflix / Disney Plus etc.)	13.07	23.0%
Private health insurance	26.96	13.5%
Public transport	2.61	8.4%
Health and medicine	8.59	6.7%

Expense	\$ decline	% decline
Groceries	40.66	6.1%
Car maintenance / repair	9.69	5.7%
Other insurance (i.e. car, home, etc...)	16.63	5.3%
Petrol/Diesel	6.76	3.3%
Utilities (i.e. gas, water, electricity, council, etc...)	11.86	3.1%
Child care [^]	26.06	4.7%
Expense	ANNUAL \$ decline	ANNUAL % decline
International holidays	1846.59	52.0%
Domestic holidays	777.58	37.4%

SPOTLIGHT: Impact of the wage freeze in rural parts of NSW

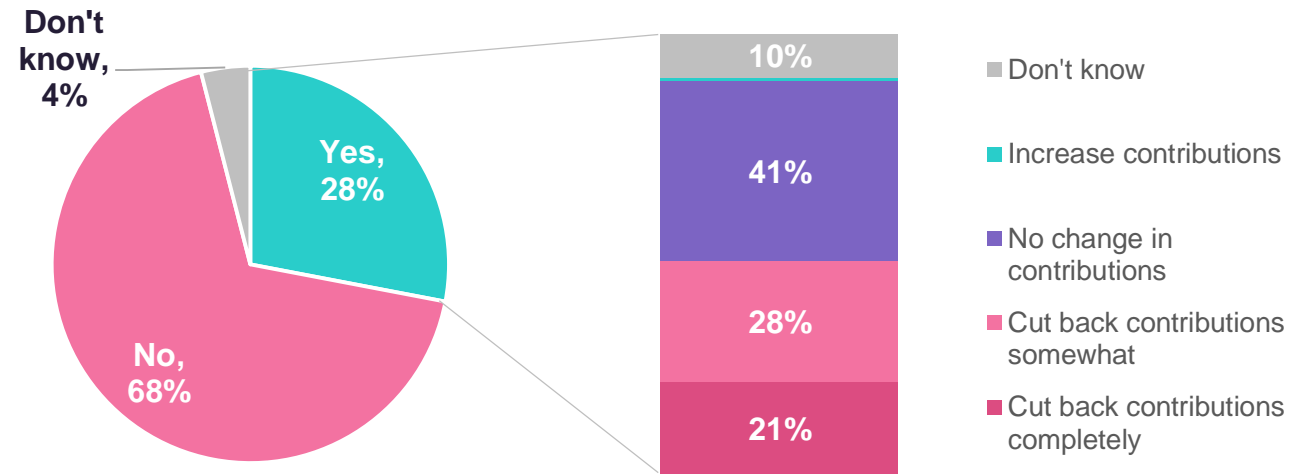
- The average (mean) monthly decline in total expenditure is \$307.72.
- The average (mean) annual decline in holiday expenditure is \$2234.59.

Expense	\$ decline	% decline
Dining out in cafes and restaurants, pubs and clubs	39.81	34.1%
Ordering take away food	29.70	31.7%
Recreational activities i.e. gyms, cinema, sports events, etc.	35.19	32.6%
Household or personal shopping	62.58	21.7%
Paid TV/streaming services (Foxtel / Netflix / Disney Plus etc.)	14.12	25.2%
Private health insurance	25.55	12.7%
Public transport	1.91	31.1%
Health and medicine	9.80	8.0%

Expense	\$ decline	% decline
Groceries	40.23	6.1%
Car maintenance / repair	9.74	5.7%
Other insurance (i.e. car, home, etc...)	15.31	4.7%
Petrol/Diesel	8.37	3.6%
Utilities (i.e. gas, water, electricity, council, etc...)	11.73	3.1%
<i>Child care</i> [^]	22.58	4.6%
Expense	ANNUAL \$ decline	ANNUAL % decline
International holidays	1382.46	57.1%
Domestic holidays	852.12	38.7%

Impact on Superannuation

- 28% of members make voluntary contributions to their superannuation, including almost half (45%) of 50-64 year olds.
- 48% of these members would make cut backs to their voluntary contributions if there was a wage freeze.



Statement	Overall	Male	Female	18 to 34	35 to 49	50 to 64	65+	<\$4K	\$4K - <\$6K	\$6K - <\$8K	\$8K+
If there was a 2.5% wage freeze, how would this impact your voluntary superannuation contributions?	48%	59%	46%	67%	57%	43%	34%	53%	51%	45%	40%

Executive Summary

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Key Insights

- The vast majority of members (94%) were aware of the proposed wage freeze prior to taking the survey.
- For many this comes on top of existing financial challenges – 41% of members say their household income is lower than it was a year ago. Over three quarters (77%) feel they are not paid fairly for their jobs as it is, and 83% already worry about paying day to day expenses.
- The average (mean) monthly household income (after tax) of members who responded is \$6,446.82. This means that the average member would lose out on additional monthly income of around \$160 per month if the freeze goes ahead.
- Members spend on average (mean) \$2,969.87 a month on the day to day expenses measured in the survey. Members who said they would cut back their expenses if the wage freeze was implemented were given a percentage range. This would see an average reduction in monthly expenditure of \$349.01.
- This illustrates how broad economic impact of the wage freeze on communities could be. For instance, restaurants are likely to be substantially affected, with 80% of members saying their household expenditure on eating out will fall, with average household expenditure falling by nearly \$57 a month for eat in dining and almost \$38 for takeaway.

Key Insights (2)

- Members say they would normally spend \$5,633.07 annually on both domestic and international holidays*.
- This is one of the areas that members say they would cut most severely, with spending on holidays falling by \$2624.16. This is likely to have a devastating impact on the travel industry which is already struggling.
- There will also be an impact on superannuation. Of the 28% of members who make voluntary contributions to super, including almost half of 50-64 year olds (45%), overall 48% would cut back their contributions. Over 9 in 10 members (93%) worry about having enough to be able to afford a comfortable retirement.
- Many members have been on the front line in the past few months during the Covid-19 pandemic, treating patients and potentially exposing themselves to harm in the process. The vast majority of members (92%) admit to worrying about the potential for contracting Covid-19 at work and potentially passing it on to their friends and family.

Methodology

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Methodology

- This data was collected online between Friday 12th and Wednesday 17th June 2020.
- Individual survey links were distributed by the NSWNMA to their entire public sector membership database. A total of 2,700 members responded to the survey.
- The questionnaire was designed by YouGov, in partnership with the NSWNMA.
- No post-survey weighting has been applied to this data.

What the world thinks

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