

Cost of living: Public experiences, perceptions, and policy preferences

**Compassion
in Politics**

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Summary

Compassion in Politics conducted a nationally representative survey of the public to ascertain:

- How people are experiencing the cost of living crisis;
- Their perceptions of government action;
- Preferred policy solutions to the crisis.

The polling was conducted by Opinium in November 2022. They surveyed 2000 UK nationals.

Overall we uncovered concerning evidence about the extent to which the crisis is affecting household finances and wellbeing: roughly half report being worried about their ability to pay for food, for example. Confidence in the government's handling of the crisis is extremely low (across all parties) but there *is* a much broader scope for action by the government than they or media commentators may believe: on balance, the public would support tax rises over cuts and would back ambitious policies such as a universal basic income.

Impact of the crisis

1 in 2 (50%) are worried about their ability to pay for food.

- This includes 1 in 3 Conservative voters and 55% of Labour voters.
- Those aged 35-59 are most likely to be worried (57%). "Least" concerned are the 65+ (45%).

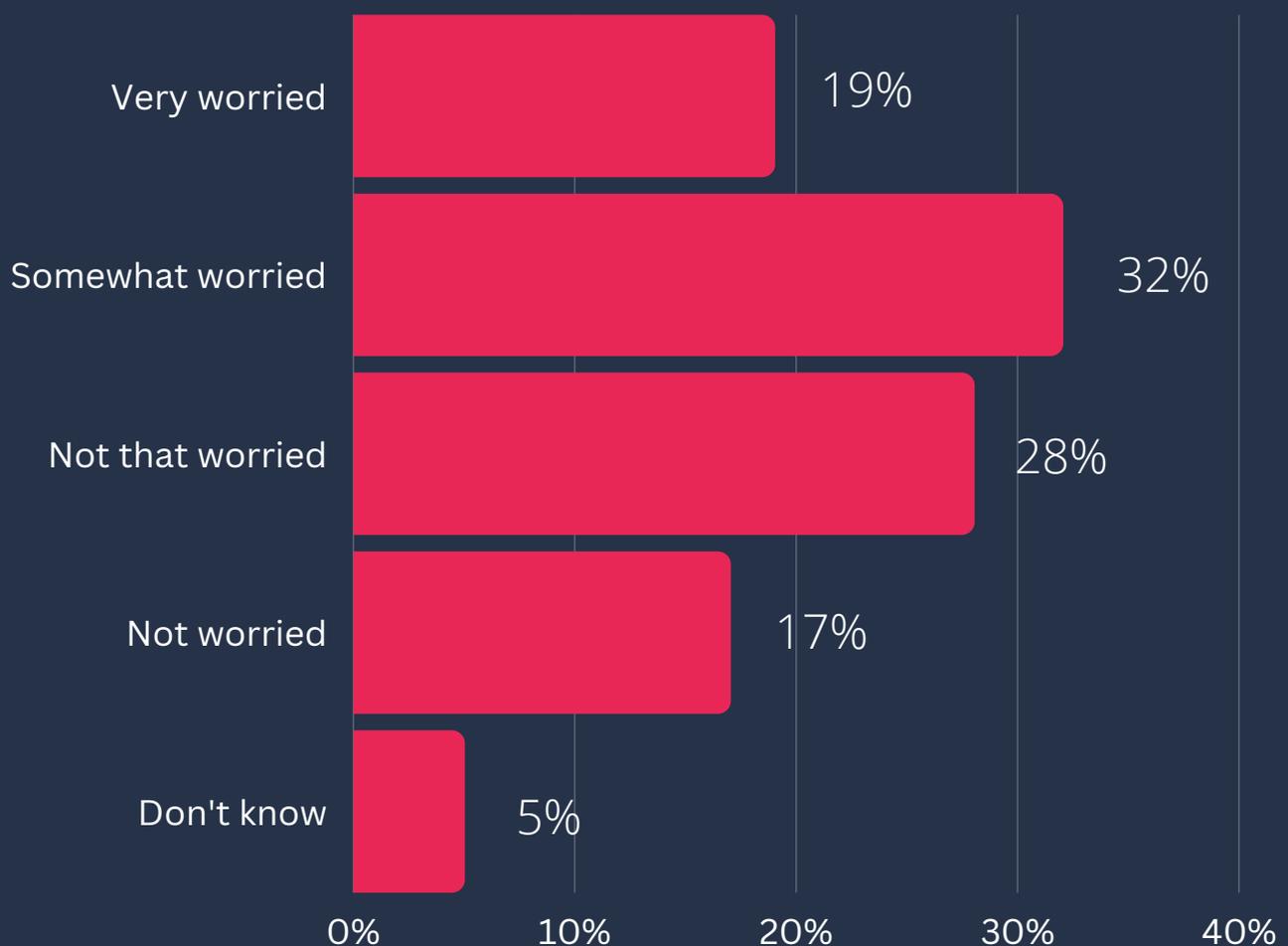


Figure 1: Percentage of public worried about ability to pay for food

44% are worried about their ability to pay for housing costs.

- Rate of concern amongst Conservative voters drops to 27% but rises to 51% amongst Labour voters.
- The 18-34 age group are most concerned (58%); 65+ once again are least concerned (26%).



Figure 2: Percentage of public worried about ability to pay for housing

Government performance

3 in 4 (74%) think the government is performing “badly” when it comes to dealing with the cost of living crisis.

- This includes 3 in 5 (58%) of 2019 Conservative voters.
- All age groups think the government is performing badly but criticism is highest amongst those aged 35-49 (79%).

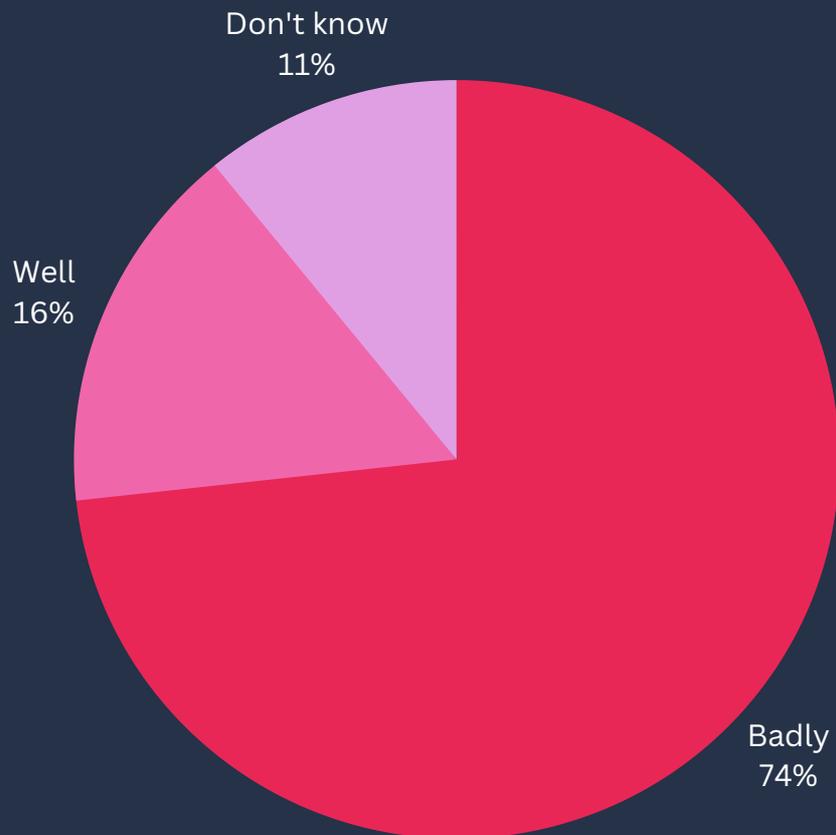


Figure 3: How public think the government is performing in handling the crisis

3 in 4 (72%) think the government cares more about the welfare of the wealthy than it does the less well-off

- 3 in 5 (58%) of 2019 Conservative voters share this view with 86% of 2019 Labour voters.
- Overall, 1 in 2 (49%) think the government cares a lot more about the well-off than the less well-off.

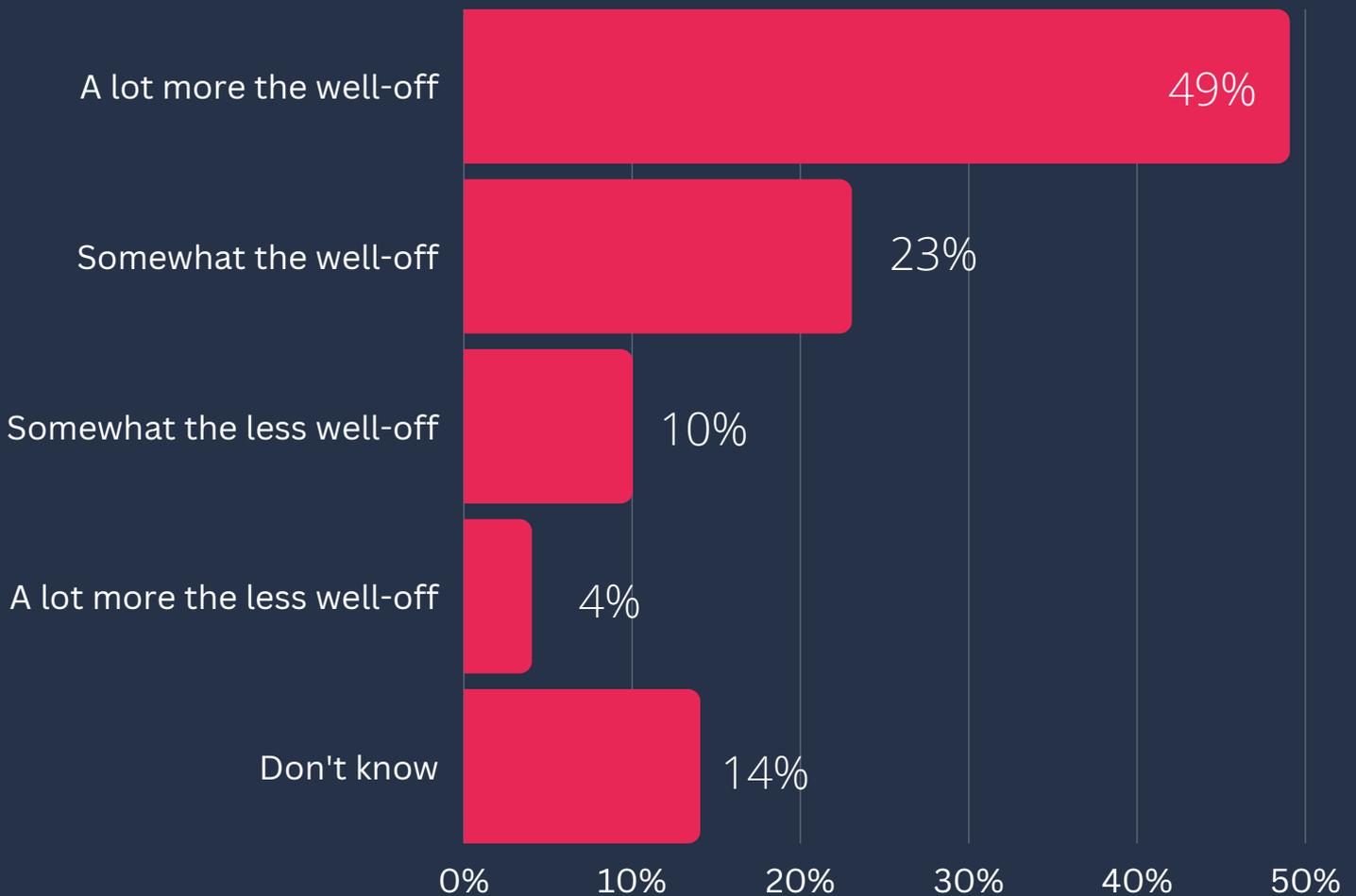


Figure 4: Public perception about who government cares most about

Solutions

3 in 5 (60%) would like the government to introduce a guaranteed right to shelter, food, and a decent income.

- This includes 43% of 2019 Conservative voters (with only 33% against), 3 in 4 (75%) of 2019 Labour voters and 2 in 3 (64%) of Lib Dem supporters.
- Every age group supports this proposal. Support is highest amongst those aged 18-34 (67%).

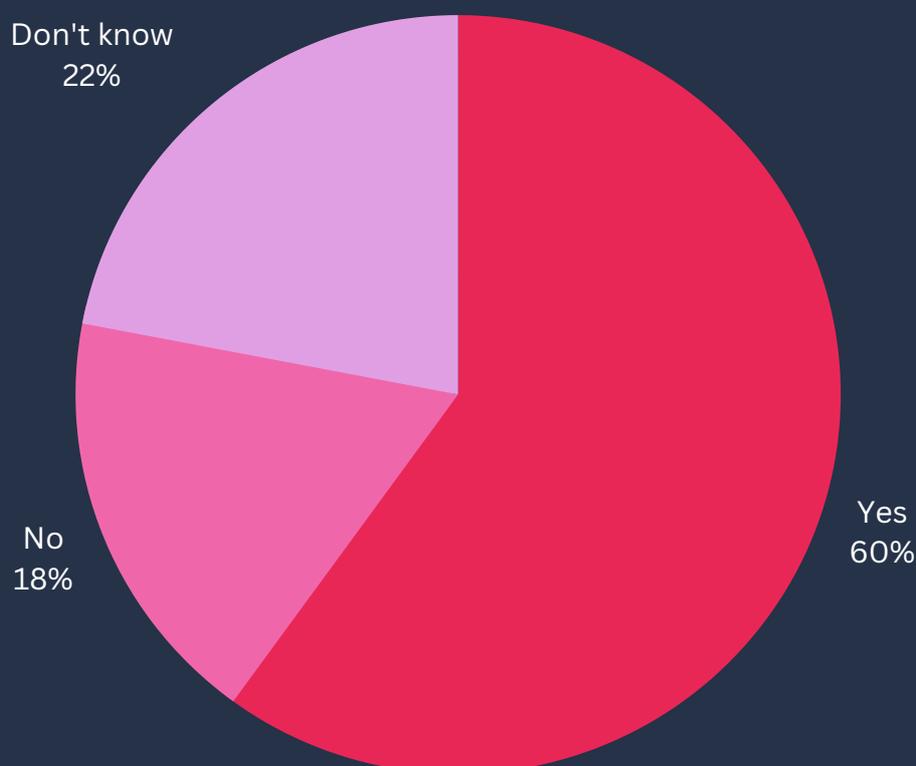


Figure 5: Public support for guaranteed right to food, shelter, and income

1 in 3 (36%) think the government should increase taxes and spend more on public services. Less than 1 in 5 (18%) think they should cut taxes and spending.

- 31% of intended Conservative voters would support an increase in taxes. 23% would support a cut. 1 in 2 (48%) of Labour voters would support an increase; just 13% support cuts.

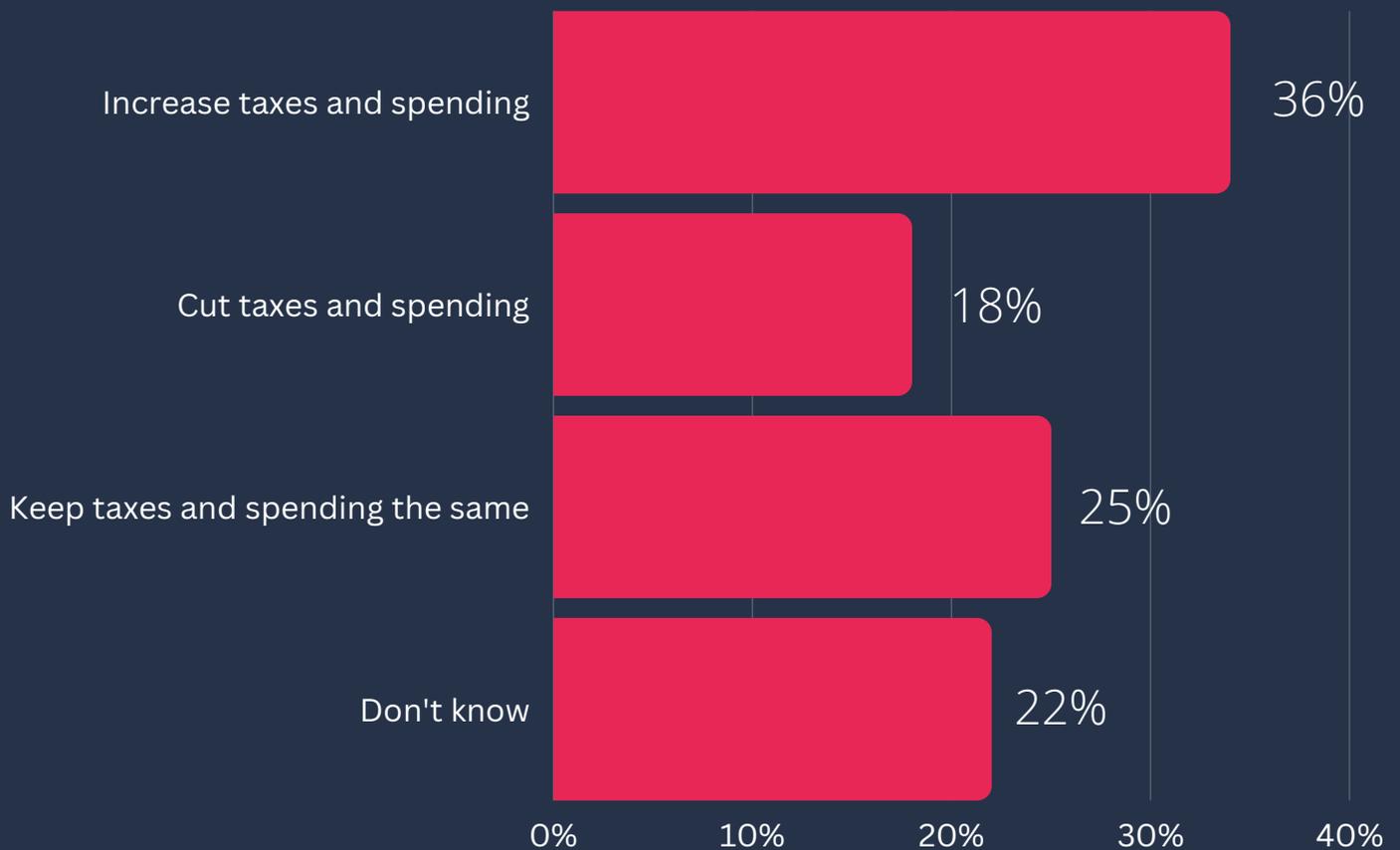


Figure 6: Public's preferred approach to dealing with cost of living crisis

Public believe "compassionate Conservatism" should mean higher taxes on wealthy, a boost to the minimum wage, more affordable homes and a universal basic income.

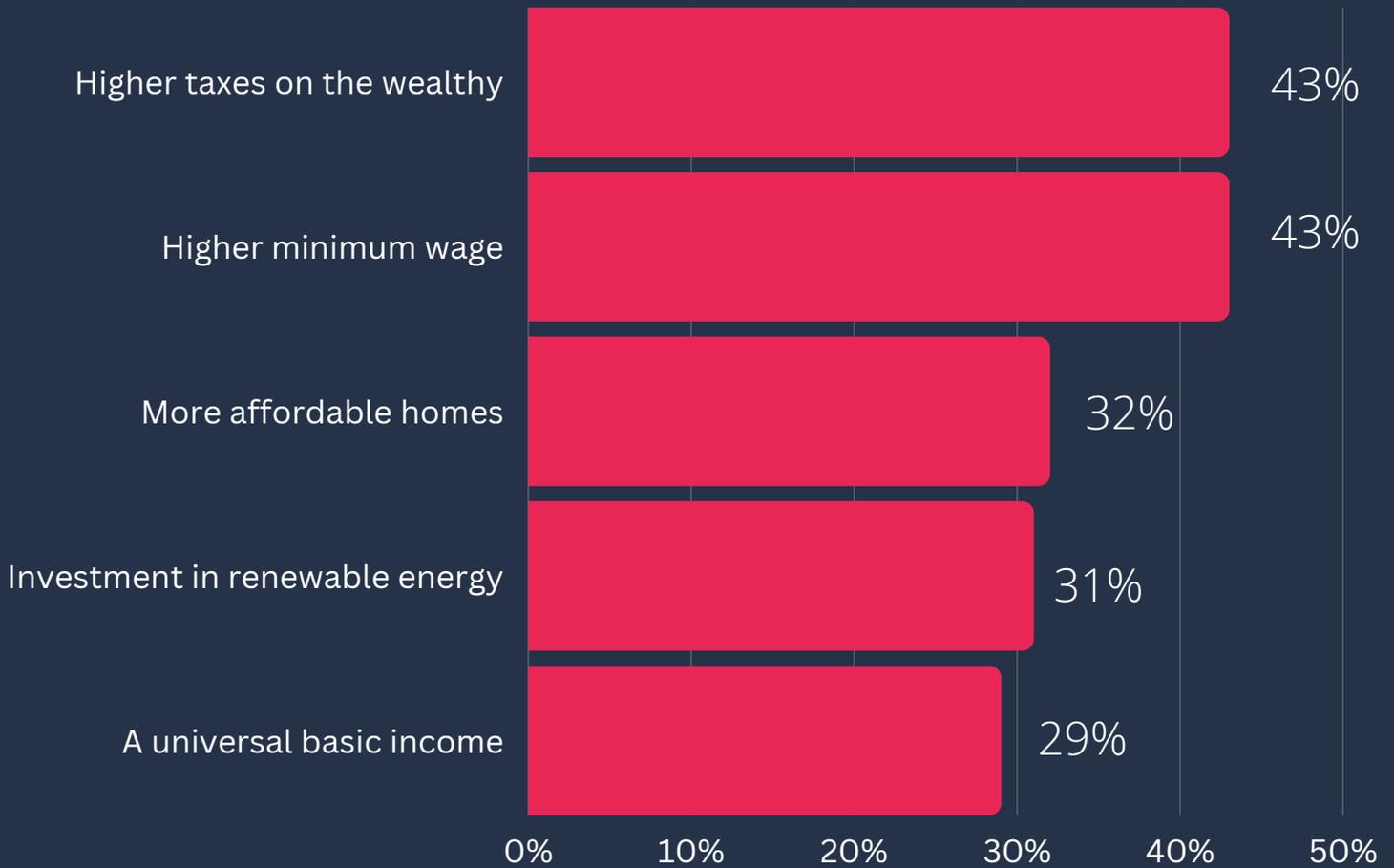


Figure 7: Top 5 policies public associate with "compassionate Conservatism"

Conclusion

The cost of living crisis is cutting deep. A great proportion of the public are worried about their ability to pay for the basics needed to lead a good and healthy life. Financial worries cannot be said to be limited to just the least well-off - though they are most severely impacted - or the young. It's a crisis which is gripping most households.

That means the government must surely be ambitious and transformative in its solutions. Certainly the public do not believe their current measures (which at the time of writing include a windfall tax on energy companies, a discount on electricity bills, an energy rebate, and a rise in the national insurance threshold) are doing anywhere like enough to mitigate the crisis. That three in four consider the government to be performing badly represents a damning verdict.

Part of these seems to stem from a perception of government priorities. Overwhelmingly the public think the government is more concerned with the needs of the well-off than the least well-off. The fact that a number of the policies introduced by the government (in particular the windfall tax and recent scrapping of a proposed cut in the income tax rate

for the wealthiest) have come only after they were subjected to considerable pressure from the opposition and campaigners will have only entrenched this perception.

Indeed, our research does suggest the government is currently out of step with public thinking. Where the government might seek to curry favour with a reduction in renewable energy expenditure, the public are calling for just that. Where the government is looking to cut expenditure on essential services, the public want investment backed up by an increase in taxation.

The government ought to recognise that the public - no doubt reflecting the seriousness of the crisis, their desire for support, and their recognition of the suffering that neighbours, colleagues, and friends are experiencing - are open and creative in their thinking about how to solve the economic crisis. As well as accepting an increase in taxes, the public also recognise the need to raise the minimum wage, enhance socio-economic rights, and experiment with ideas like a Universal Basic Income, for example.

Moments of crisis tend to produce periods of transformational change. Such change is now necessary, urgent, and, for the public at least, inevitable. As the autumn statement approaches, our polling would suggest that the government needs to go beyond old paradigms and assumptions about the public's economic and fiscal preferences and instead focus on the boldest and most effective action to help us weather the storm and come out stronger on the other side.

Contact

To request a full set of the data used in this report or to ask any queries you might have, please email info@compassioninpolitics.com.