

Sources of personal income

2001 Census question

25 Mark as many spaces as you need to show all the ways you got income in the 12 months ending today:

DON'T count loans because they are not income.

- wages, salary, commissions, bonuses, etc, paid by my employer
- self-employment, or business I own and work in
- interest, dividends, rent, other investments
- regular payments from ACC or a private work accident insurer
- New Zealand Superannuation or Veterans Pension
- other superannuation, pensions, annuities (other than NZ Superannuation, Veterans Pension or War Pension)
- Community Wage - job seeker
- Community Wage - sickness benefit
- Domestic Purposes Benefit
- Invalids Benefit
- Student Allowance
- other government benefits, government income support payments, or war pensions
- other sources of income, counting support payments from people who do not live in my household

or

- no source of income during that time

Background

The non-response rate for the 'sources of personal income' question increased from 5.5 percent in 1996 to just over 6 percent in 2001.

Data users were also interested in how beneficiaries answered this question as there was evidence to suggest that many beneficiaries were not aware of which benefit they received or how much their gross annual income was.

Changes within New Zealand's benefit system since the 2001 Census also resulted in some minor amendments to the form.

Development objectives/plan

The objectives identified for the 2006 development were to improve response rates and data quality by:

- updating response options affected by benefit name changes
- testing an embedded instruction box, placed between the question and first response option, as an alternative to the bubble used in 2001
- testing a position change of the income questions on the form.

To meet these objectives a comprehensive programme of testing was conducted including cognitive testing, analysis of data from field tests and consultation with key stakeholders.

Cognitive testing

The cognitive testing programme was conducted between April 2003 and May 2005 with respondents of varied age, gender and ethnicity. Interviewers observed respondent form-filling behaviour and asked a series of follow-up questions.

The 'sources of personal income' question was redeveloped and tested during rounds two, three and four of the cognitive testing programme.

Cognitive testing results

Overall, cognitive testing showed that this question generally worked well in all rounds; however, the length of the response options (and the reading effort required) made it burdensome for some respondents.

Round two: June to December 2003

Testing revealed some question scope and fit for use issues, with respondents unsure whether to include variants of family support, parental support payments received by international students, payments from boarders, family support, non-taxable income, and whether they were answering for personal or household income and student allowances.

In order to address question length and readability issues one of the superannuation response options was changed by removing the words 'other than NZ Superannuation'. This version was tested in round three.

Round three: March to July 2004

Most test respondents who were looking for a superannuation response option noticed the two options. They were generally clear about what these options meant, but one respondent marked incorrectly.

Some tertiary students said that when they marked 'student allowance' they had included their student loan and living costs. Other tertiary test respondents had not because the embedded instruction said not to count loans. A high school respondent marked 'student allowance' thinking that the response option included the monthly allowance she received from her parents.

Round four: November 2004 to May 2005

As found in round three, some tertiary student respondents thought the 'student allowance' response option included student loans and living costs.

One test respondent was unsure whether to include board payments or family support payments despite referring to the Guide Notes, which included information about how to answer for these situations.

Field test results

Field test: June 2004

Overall, nearly all people in the June test answered the income questions logically. There did not appear to be any issues for respondents as a result of changes to the names of some government benefits in the list of response options.

Dress rehearsal: 8 March 2005

Analysis of the dress rehearsal data did not reveal any issues for respondents as a result of changes to the names of some government benefits in the list of response options for this question.

Changes made for the 2006 Census

30 Mark as many spaces as you need to show all the ways you yourself got income in the 12 months ending today.

DON'T count loans because they are not income.

- wages, salary, commissions, bonuses, etc, paid by my employer
- self-employment, or business I own and work in
- interest, dividends, rent, other investments
- regular payments from ACC or a private work accident insurer
- New Zealand Superannuation or Veterans Pension
- other superannuation, pensions or annuities (other than NZ Superannuation, Veterans Pension or war pensions)
- Unemployment Benefit
- Sickness Benefit
- Domestic Purposes Benefit
- Invalids Benefit
- Student Allowance
- other government benefits, government income support payments, war pensions, or paid parental leave
- other sources of income, counting support payments from people who do not live in my household

or no source of income during that time

For 2006 the 'Unemployment Benefit' and the 'Sickness Benefit' have replaced the community wage response options. 'Paid parental leave' has been added to the response option beginning 'other government benefits'. The two superannuation options and the position of the income questions on the form remain the same as 2001 to maintain consistency.

Future development

The 2011 redevelopment will need to consider the implications of any major change to New Zealand's benefit system. In February 2005 the government announced it would introduce a single core benefit, which would replace the current range of different benefits. The new service model was being trialled in 11 centres around New Zealand from May 2005; however, implementation was not expected until 2007. It is anticipated that the number of response options will be reduced, which may improve readability issues for respondents.

Further investigation about how to help tertiary students with their answer may be required as there is likely to be quality issues with the 'student allowance' data. Cognitive testing found that some tertiary students were including their student loan and living costs when they marked the 'student allowance' response option.