



A **comparethemarket**.com report on the attitudes of parents towards Brexit and the UK economy

#PARENTDEX



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Foreword

The potential impacts of Brexit have been well documented. Will it lead to greater job opportunities? What about the pressure on public services? How will the cost of living change?

When it comes to unanswered questions for parents however, the most crucial is: What will Brexit mean for our children and for future generations?

In the first in a series of reports produced by **comparethemarket.com**, looking at the attitudes and feelings of parents across the UK around topical issues, this Parentdex seeks to identify concerns, potential impacts, and sentiment around both Brexit and the current state of the economy.

It's no secret that both politically and economically, 2016 was a hugely significant year. However, it was also an ambiguous year; although the majority voted to leave the European Union, our research highlights that many parents have very little idea of what this will mean in practical terms for both us, and for the next generation.

Whilst the full repercussions of Brexit are unclear, we wanted to find out exactly what parents across the UK were most concerned about. For instance, are they hopeful that the Government will deliver a better Britain, post-Brexit? Are they confident that Brexit will benefit their children? Or, are they feeling a sense of 'Bregret' over their vote in the Referendum last year?

While responses to questions like these varied, our first Parentdex has revealed that we're currently a nation of rather pessimistic parents, many of whom share an overwhelming lack of confidence in the UK economy and in any suggestions from the Government that it will deliver a better Britain after we leave the EU.

Of course, these responses were not unanimous and it has become increasingly apparent that what united the parents polled more than anything else, was their political affiliation – whether defined by their vote in the EU referendum or in the previous General Election.

However, regardless of voting preference, parents have made their priorities for the year ahead clear, and what's most evident is the desire to see tangible action in these areas which will not only provide a sense of social and economic certainty, but benefit generations of Brits to come.

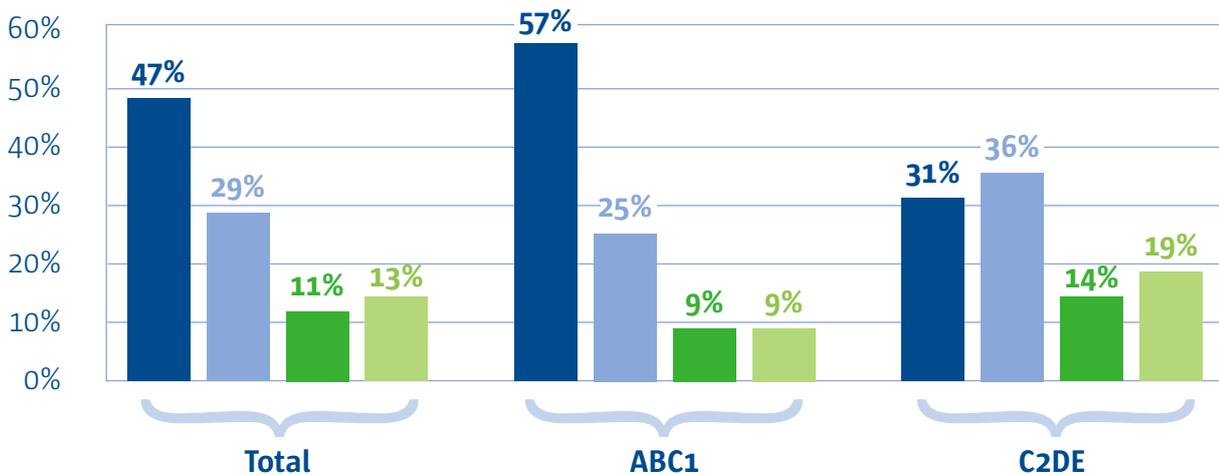
What Brexit could mean for the next generation

A sense of 'Bregret'?

While it's clear that UK parents have their own concerns about the type of impact Brexit will have on their finances, **comparethemarket.com**'s first Parentdex reveals that there is also some concern about what legacy this will leave for their children.

In fact, almost half of all parents polled (47%), believe that their children will be disadvantaged when Britain officially leaves the EU – a stark contrast to the 29% who thought that the change would benefit their children.

Q: Thinking about the potential impact of Brexit, which of the following statements reflects your opinion most accurately?



- I believe that my children will be disadvantaged from Britain leaving the EU
- I believe that my children will benefit from Britain leaving the EU
- I believe that Britain leaving the EU will have no impact on my children
- Don't know

Base: Total n=130, ABC1 n=630, C2DE n=500

In this instance, the social grade of the parents polled appears to be a significant factor in the pessimism or optimism felt by parents towards the impact of Brexit on their children; for example, almost three fifths (57%) of parents in the ABC1 bracket (defined as a consumer from one of the three highest social and economic groups) believed that their children will be disadvantaged from leaving the EU, compared to less than a third (31%) of the parents within the C2DE bracket (defined as a consumer in the three lower social and economic groups).

Amongst young parents however, there is a strong feeling of uncertainty around what Brexit will mean for their children's future with 20% of young parents aged

between 18-34 years old stating that they "didn't know" what to make of its potential impacts.

When it comes to what the perceived disadvantages of Brexit could be on the next generation, a rise in the cost of living came out on top – mirroring closely the anxieties that parents feel about the impact of Brexit on their own situation. This was followed by over a third (38%) who anticipate difficulties travelling to, or working in the EU.

Countering this, parents were also asked their opinion on what potential positive impacts Brexit could have on their children. Negative sentiment towards leaving the EU again prevailed, with over a quarter (29%) stating that there will be 'no positive impact' for their children.

For those parents who took a different stance, increased opportunity for employment was singled out as providing the most positive impact (19%), followed by reduced pressure on public services (17%).

Based on the voting patterns of the parents polled, those who cast a 'Leave' vote were most optimistic that there would be some positive impacts for their children – in fact, only 3% said there wouldn't be any, compared with half of those who voted to 'Remain'.

Despite this however, around a fifth (21%) of those parents who voted to leave the EU do believe that a rise in the cost of living will negatively impact their children.

Q: Which one or two of the following, if any, positive impacts will Brexit have on you or your child(ren)?



Base: n=1130

Financial future-gazing

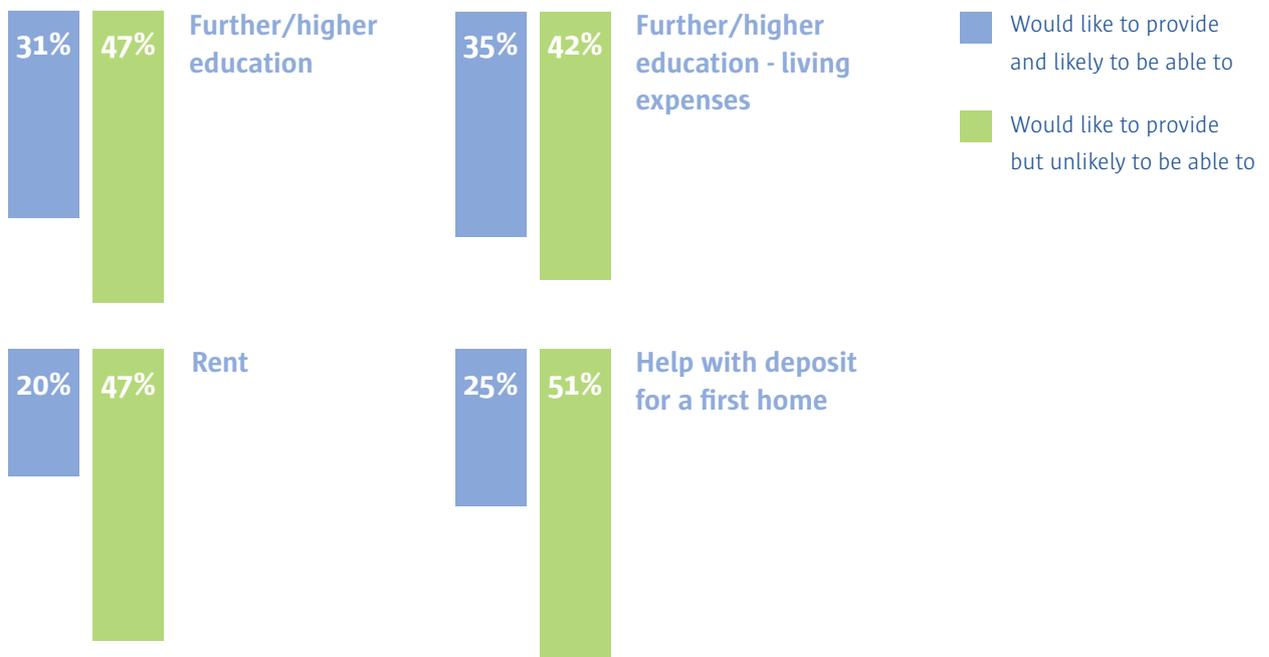
Taking a view beyond the current day, Parentdex also looked at general sentiment from UK Mums and Dads towards the financial future of their children post-Brexit.

Mirroring doubts about their own financial outlook, parents are largely

pessimistic about this. In fact, over a third (35%) admitted that they are not optimistic, while just over a quarter are sitting on the fence when it comes to deciding how they feel – with 26% stating that they feel neither optimistic or pessimistic.

However, of further concern is the fact that the majority of UK parents (61%) believe that they will need to provide more financial support to their children than they received, with just 7% expecting to give less.

Q: What would you like to and what do you expect to help your children with?



As housing affordability continues to be a key issue across the country, over half of parents (51%) stated they would like to help with a deposit for their children's first home but are unable to, however the ability to help becomes less of an issue for those on a higher income (£40,000 and £69,999) – nearly a third within this bracket state that they would both like to and will be able to help their children get on the property ladder.

Elsewhere, parents are also keen to give their children a helping hand in several areas; almost half of those polled are hoping to help with rent and the tuition fees for higher education (both 47%) and almost four in 10 are hoping to help with utility bills (37%).

Whilst most parents revealed that they wouldn't be able to help their children with bigger-ticket items, they do expect to help them financially as they move into adulthood. In fact, almost half (45%) of the parents polled expect to support their children after the age of 21.

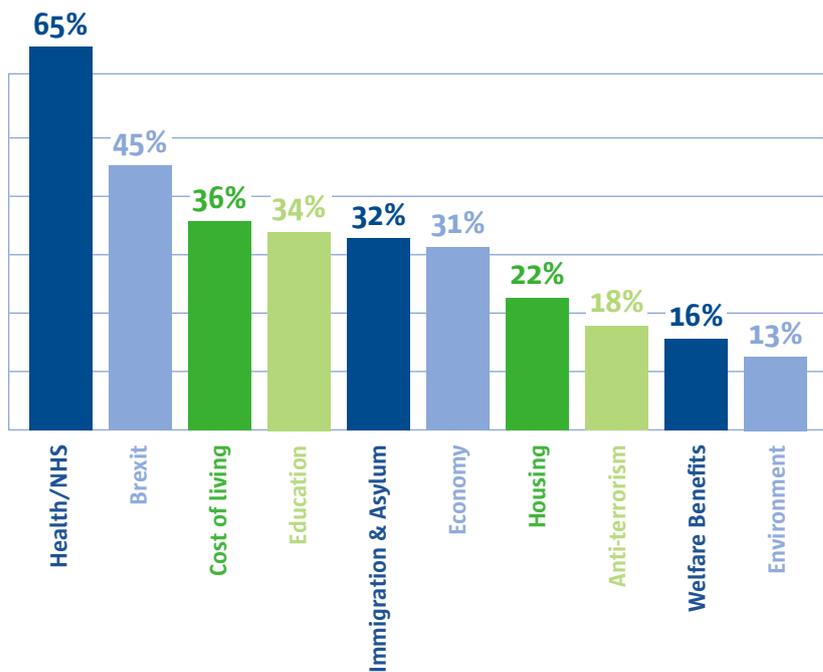
Parents' post-Brexit priorities

Concerns and consequences

While the triggering of Article 50 and the result of a 'Leave' vote continues to dominate headlines and conversation, healthcare tops the agenda when it comes to the biggest concerns of parents.

In fact, when asked what areas parents would like the government to focus on most in 2017, healthcare and the NHS was an overwhelming priority, with almost two thirds (65%) of parents choosing this above other areas including Brexit (45%), the cost of living (36%) and education (34%).

Areas parents want the government to focus on the most in 2017



Looking at how respondents voted in the EU Referendum, it once again shows a clear division in the respective priorities for parents. For example, parents who voted 'Remain' are much more concerned about the environment (20%) and education (42%) than those who voted 'Leave' (6% and 22% respectively). In contrast, 'Leave' voters ranked Immigration and Asylum as the second most important issue – ahead of Brexit, the economy, and education.

LEAVE		REMAIN	
Health	57%	Health	68%
Immigration & Asylum	55%	The Economy	49%
Brexit	44%	The Cost of Living	43%
The Cost of Living	35%	Education	42%
The Economy	32%	Brexit	33%
Anti-Terrorism	28%	The Environment	20%
Education	22%	Housing	20%
Housing	17%	Welfare Benefits	14%
Welfare Benefits	15%	Immigration & Asylum	14%
The Environment	6%	Anti-Terrorism	12%

When asked what they were personally most concerned about, based on the current economic climate and looking ahead for the next 12 months, over three quarters (77%) stated that they

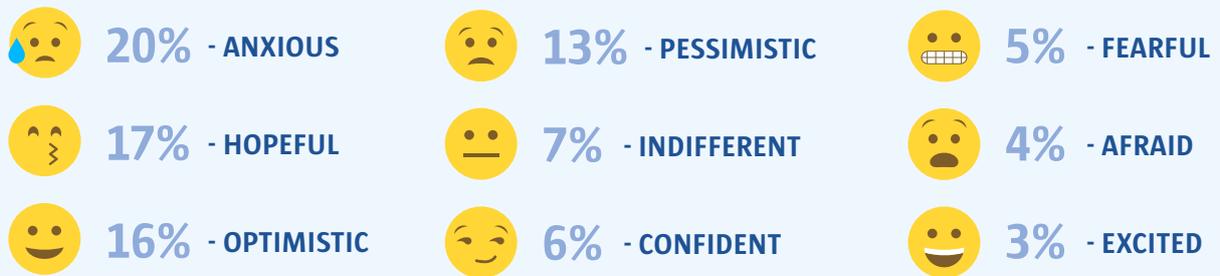
were worried about the rising cost of living, followed by 71% who are most worried about a reduction in their disposable income, and two thirds (67%) who admitted they were concerned

about a rise in the cost of imported food products – with many perhaps wondering how this will impact their weekly grocery bills.

Parents are anxious but hopeful

In political terms, 2016 was a very significant year but the full repercussions for parents are not yet known. It is for this reason that we wanted to identify how such wide-ranging changes are affecting their thoughts and feelings, beyond their attitudes towards the government alone.

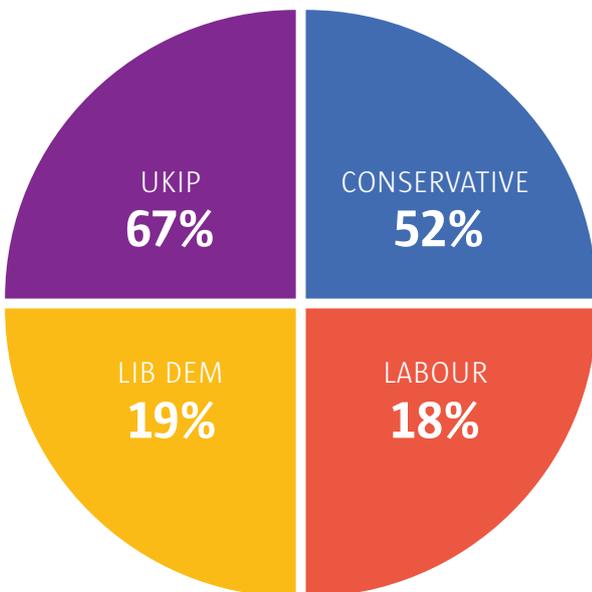
Reflecting the overwhelming pessimism shown throughout the survey, it's perhaps unsurprising that 'anxious' was the most popular feeling cited by one in five parents (20%) when asked which emotion best reflected how they feel when looking forward to the year ahead.



Confidence in our country post-Brexit

Matching parents' concerns on the impact of Brexit on the next generation, Parentdex also reveals a resounding general lack of confidence amongst parents towards the future of the UK and its economy.

When it comes to belief in the government's ability to deliver a stronger and better Britain post-Brexit, over four in 10 (43%) parents stated that they are not confident, with over a quarter (27%) stating that they had no confidence at all.



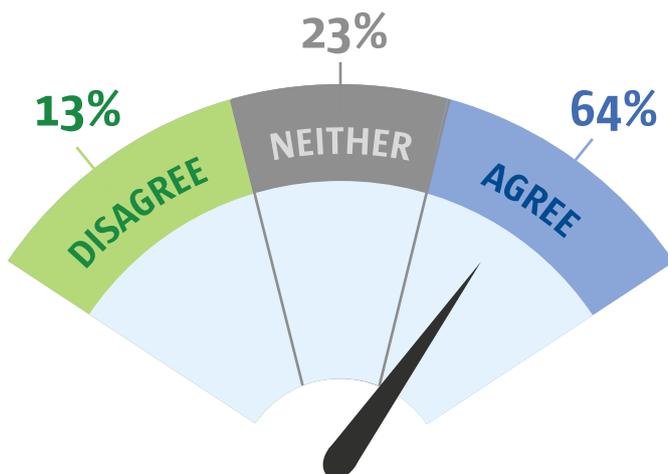
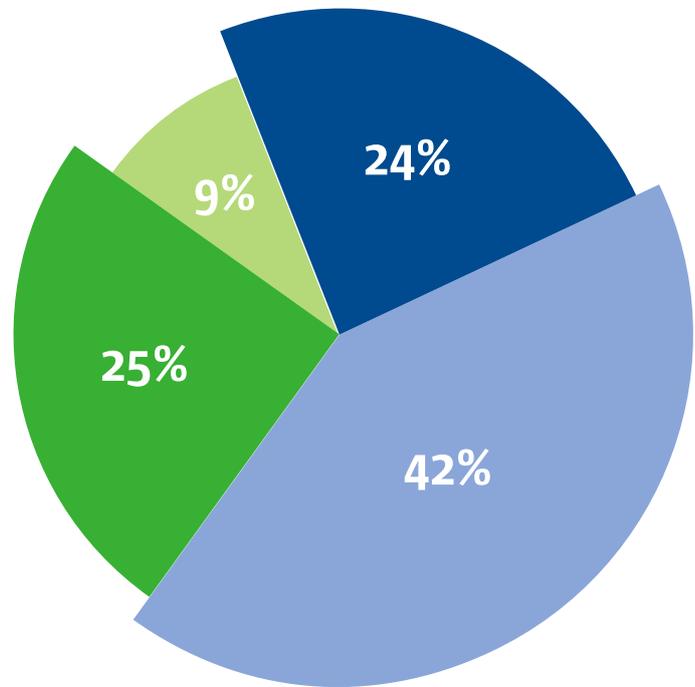
Reflecting the findings throughout this survey, a key indicator of these levels of confidence is the political leaning of parents and their votes in the 2016 Referendum, or the 2015 General Election.

Pessimism is prominent

Confidence in the economy also seems to have waned in recent years, with just a quarter of parents (24%) stating that they are more confident in the UK economy now than they were five years ago. However, any confidence that parents do have is more pronounced amongst the political Right, with almost half (45%) of all parents who voted 'Leave' stating that they were more confident in the economy.

Confidence of parents now compared to five years ago

- More confident
- Less confident
- No difference
- Don't know



Looking forward, a lack of confidence in the economy shows no signs of abating. Indeed, an overwhelming nearly two thirds (64%) of parents agreed with the statement that we are “living in a period of economic uncertainty” – reflecting the overall sentiment and level of concern demonstrated throughout the research.

Yet again, the biggest split seen in the responses to this statement was reflective of the respondent’s vote in the EU Referendum. Once more, ‘Remain’ voters were more doubtful, with over four in five (84%) agreeing with the statement, in comparison to almost two fifths (39%) of those parents who voted ‘Leave’.

Feelings about finances

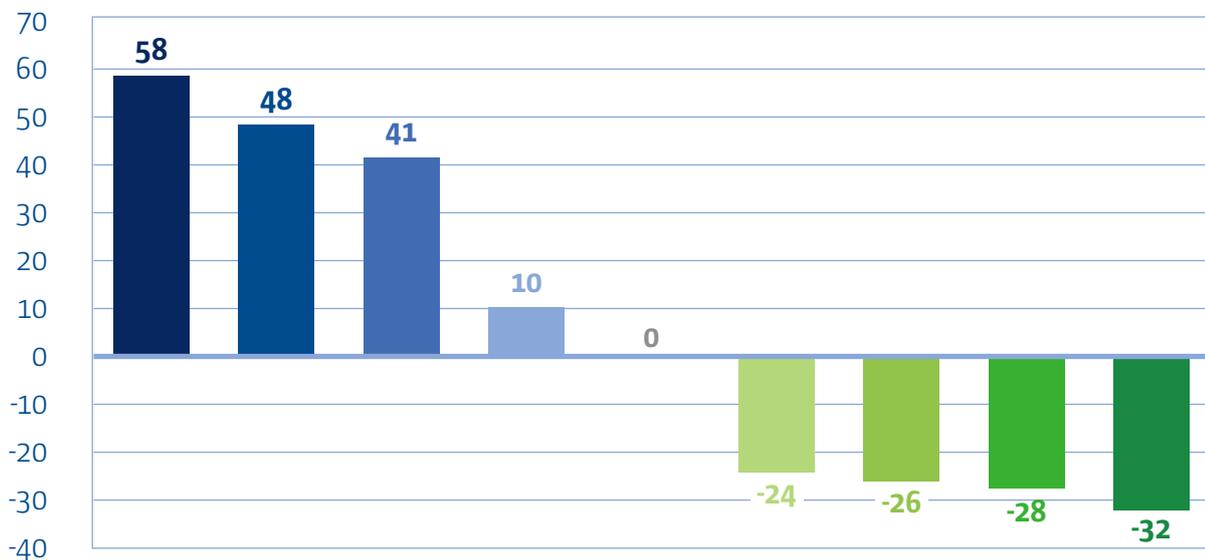
Alongside the concerns demonstrated by parents towards the economy more broadly, the survey revealed a diverse response around what parents are personally worried about as they look ahead over the next twelve months.

Concerned about costs

In addition to being a priority Brits want the Government to address in 2017, costs of living also topped the poll as one of the biggest concerns for parents - likely

compounded by the fact that parents are simultaneously worried by a reduction in their disposable income, alongside the rising cost of imported food products.

Q: Thinking about the current economic climate, how concerned are you personally, if at all, about the following, in the next 12 months?



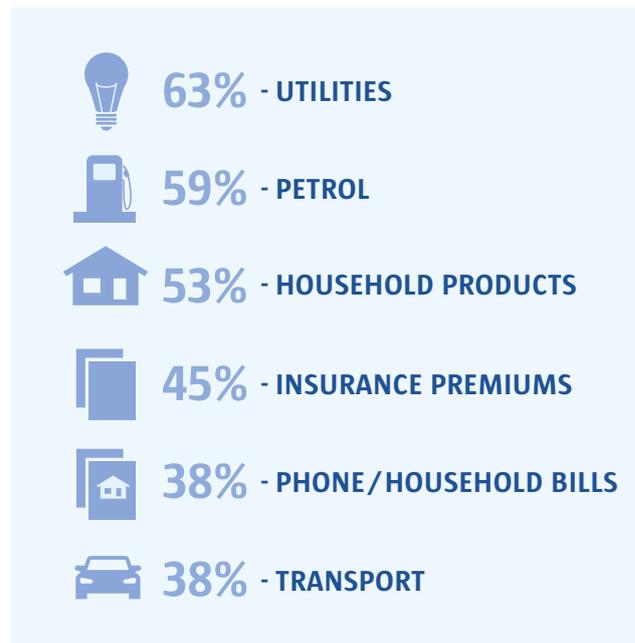
Base: n=1130

- The cost of living rising
- A reduction in your disposable income
- The cost of imported food products will rise
- The cost of holidays rising
- Travelling in and out of the EU
- Having to take a lower paid job
- The cost of childcare will rise
- That house prices will rise
- That you might lose your job

Rising cost of household products

Looking at the concerns surrounding the cost of living in greater detail, it becomes clear that parents are concerned about the rising cost of products across the board – in particular, the rising cost of utilities (72%), petrol (71%) and household products (64%).

For many parents however, worries about a reduction in their disposable income is nothing new. Indeed, 40% of the parents polled stated that they feel they have less disposable income now compared to five years ago – double the number of those who stated that they feel they have more (20%).



Methodology

YouGov surveyed 1,130 Parents between 13th and 19th February 2017. Respondents were invited to the survey if they were the parent or guardian of one or more children aged 18 and under, and living in their household. The survey was carried out online and was weighted to the following demographics: age and gender, social grade, region and past vote in 2015.