

Defence and public sector pensions are most popular areas for cuts, reveals lovemoney.com

The British people accept the need for government spending cuts, according to a survey by lovemoney.com. The most popular areas for cuts are defence and public sector pensions.

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It looks like this week's Comprehensive Spending Review will be well-received by the public. **81 per cent of respondents** in a lovemoney.com survey said that that government spending cuts were essential to ensure a prosperous future for the UK.*

What's more, given a choice between Alistair Darling's original plan to halve the deficit by 2015 and George Osborne's more aggressive programme of cuts, **57 per cent preferred Osborne's approach to Darling's.**

34 per cent of respondents said that defence was their favourite area for spending cuts followed by public sector pensions which was the preferred choice for 28 per cent of respondents.**

Only 2.1 per cent said that health was their favourite area for spending cuts. The government's decision to 'ring-fence' health spending clearly chimes with public opinion.

Other key findings include:

- 83 per cent believe that the government is right to stop paying child benefit to higher rate taxpayers.
- 80 per cent think VAT should be extended to new home construction at a 5 per cent rate.
- 32 per cent think VAT should be extended to children's clothes at 5 per cent.
- 61 per cent think that the free bus pass for pensioners should be means tested. 7 per cent think the benefit should be abolished completely.
- 67 per cent think that the winter fuel payment should be means tested. 4 per cent would abolish it completely.
- Given a choice of abolishing free bus passes for pensioners, or the winter fuel payment or free TV licences for over-75s, 61 per cent said they would abolish free TV licences. 31 per cent would abolish free bus passes.

Ed Bowsher, Head of Consumer Finance at lovemoney.com comments: *"I'm not surprised that people opted for defence as their first choice for spending cuts. It seems like a relatively painless way to save money. However, the reality is that the pain is going to affect most of us. Especially if you believe, like me, that the austerity plan will probably send us back into recession."*

*lovemoney.com surveyed 1188 users in October 2010.

**lovemoney.com asked: “Assuming spending cuts are essential, in which of the following areas would you prefer the government to cut spending? (1 is your favourite option, 6 your least.)

	1 (favourite)	2	3	4	5	6
Defence	33.7%	10%	17.4%	15.2%	11.6%	12%
Health	2.1%	4.1%	6.4%	10.4%	25.4%	51.5%
Education	2.7%	6.3%	11.8%	23.7%	36%	19.5%
Transport	10.5%	17.9%	29.5%	28.2%	8.9%	4.9%
Public sector pensions	28.1%	28%	19.3%	9.3%	10%	5.3%
Public sector pay	23.6%	32.1%	16.1%	12.6%	7.5%	8.1%

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Notes to editors

An ISDN line is available for radio interviews

For further information or to arrange an interview with Ed Bowsher, please contact Ed on 020 7297 8141 or ed@lovemoney.com

About lovemoney.com

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