

The Essential Report

15 May 2018



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Prepared By: Essential Research

Data Supplied by:



AMSRS 

Our researchers are members of the Australian Market and Social Research Society.

About this poll

This report summarises the results of a weekly omnibus conducted by Essential Research with data provided by Your Source. The survey was conducted online from 10th to 13th May 2018 and is based on 1,027 respondents.

Aside from the standard question on voting intention, this week's report includes questions on the Federal Budget.

The methodology used to carry out this research is described in the appendix on page 15.

Note that due to rounding, not all tables necessarily total 100% and subtotals may also vary.

Federal voting intention

Q If a Federal Election was held today to which party will you probably give your first preference vote? If not sure, which party are you currently leaning toward? If don't know - Well which party are you currently leaning to?

	Total	1 week ago 8/5/18	3 weeks ago 24/4/18	Election 2 Jul 16
Liberal	34%	35%	35%	
National	4%	3%	3%	
Total Liberal/National	38%	38%	37%	42.0%
Labor	36%	37%	36%	34.7%
Greens	10%	10%	11%	10.2%
Nick Xenophon Team	2%	2%	2%	
Pauline Hanson's One Nation	7%	6%	8%	
Other/Independent	6%	6%	6%	13.1%
2 party preferred				
Liberal National	48%	47%	47%	50.4%
Labor	52%	53%	53%	49.6%

NB. Respondents who select 'don't know' are not included in the results. The two-party preferred estimate is calculated by distributing the votes of the other parties according to their preferences at the 2016 election.

Federal Budget

Q Overall, do you approve or disapprove of the Federal Budget that was handed down on Tuesday 8th May?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other	2017
Total approve	44%	31%	76%	21%	27%	41%
Total Disapprove	28%	42%	9%	53%	44%	33%
Strongly approve	5%	6%	7%	-	3%	5%
Approve	39%	25%	69%	21%	24%	36%
Disapprove	19%	27%	8%	34%	28%	23%
Strongly disapprove	9%	15%	1%	19%	16%	10%
Don't know	28%	28%	15%	27%	29%	25%

44% approved of the Federal Budget and 28% disapproved. This was a little more positive than the response to the 2017 budget – +3 on approval and -5 on disapproval.

76% of Liberal National voters approved compared to 31% of Labor voters. A majority (53%) of Greens voters disapproved.

Only 30% of low-income earners (less than \$600 pw) approved compared to 51% of those earning \$2,000+.

Confidence in Economy

Q Does this budget make you feel more confident or less confident in the Government's ability to manage the economy?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other	2017
Total more confident	28%	17%	55%	10%	14%	27%
Total less confident	23%	34%	5%	40%	38%	29%
A lot more confident	7%	6%	14%	2%	3%	5%
A little more confident	21%	11%	41%	8%	11%	22%
Makes no difference	36%	38%	34%	40%	37%	33%
A little less confident	11%	15%	4%	16%	17%	15%
A lot less confident	12%	19%	1%	24%	21%	14%
Don't know	12%	11%	7%	10%	11%	11%

28% said the budget makes them feel more confident in the Government's ability to manage the economy and 23% say it makes them feel less confident. Again, this represents a slightly more positive response than last year - +1 for more confidence and -6 for less confidence.

36% say it makes no difference.

55% of Liberal National voters say it makes them more confident compared to 17% of Labor voters and 10% of Greens voters.

Impact of tax cut

Q One of the major budget announcements was changes to income tax. From July 1st most people earning under \$90,000 will receive a \$10 per week tax cut. Which best describes what this will mean for you and your family?

	Total	Men	Women	Aged 18-34	Aged 35-54	Aged 55+	Income less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	Over \$2,000 pw
It will make a difference to my household	22%	22%	22%	35%	22%	8%	16%	19%	22%	23%	29%
It won't make any real difference to my household	45%	46%	43%	39%	50%	45%	33%	40%	61%	49%	51%
I won't be receiving it	25%	25%	24%	15%	18%	43%	47%	33%	13%	17%	13%
Don't know	8%	7%	10%	11%	10%	4%	3%	7%	4%	12%	7%

Only 22% say that the tax cuts will make a difference to their household. 45% say it won't make any real difference and 25% think they won't receive the tax cut.

Younger respondents (35% of aged 18-35) and those on higher incomes (29% of income \$2K+) were most likely to think it will make a difference to their household.



Support for tax cut

Q And overall, how do you feel about the Government cutting income tax?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other	Income less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	Over \$2,000 pw
I support the income tax cuts	39%	34%	53%	22%	31%	24%	44%	46%	43%	42%
I would rather see the money used to reduce Government debt	18%	13%	25%	12%	19%	18%	21%	15%	15%	22%
I would rather see the money used to reverse cuts to schools and hospitals	30%	42%	14%	52%	35%	46%	26%	32%	29%	22%
Don't know	13%	11%	8%	13%	15%	12%	8%	7%	13%	14%

39% say they support the income tax cuts over paying off debt or funding schools and hospitals. 30% would rather the money spent of schools and hospitals and 18% would rather the money be used to reduce debt.

46% of incomes under \$600 would rather the money be spent on schools and hospitals.



Support for tax cut

Q Further changes to incomes tax rates will mean that by 2024-25, workers will receive the following tax cuts -

INCOME	<u>FUTURE TAX CUTS</u>	WEEKLY
	TAX CUT	
\$37k	\$0	
\$50k	\$540	\$10.38
\$87k	\$540	\$10.38
\$100k	\$1,125	\$21.63
\$120k	\$2,025	\$38.94
\$180k	\$4,725	\$90.87
\$200k+	\$7,225	\$138.94

Do you agree or disagree with giving higher tax cuts to those on higher incomes?



	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other	Income less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	Over \$2,000 pw
Total agree	40%	37%	56%	26%	28%	26%	31%	43%	43%	54%
Total disagree	44%	48%	32%	59%	60%	57%	52%	47%	42%	31%
Strongly agree	9%	12%	11%	7%	3%	7%	8%	13%	4%	14%
Agree	31%	25%	45%	19%	25%	19%	23%	30%	39%	40%
Disagree	19%	13%	21%	21%	25%	15%	21%	26%	20%	16%
Strongly disagree	25%	35%	11%	38%	35%	42%	31%	21%	22%	15%
Don't know	17%	14%	12%	16%	12%	16%	17%	9%	16%	15%

40% agree with giving higher tax cuts to those on higher incomes and 44% disagree.

Those most likely to agree were Liberal National voters (56%), incomes over \$2,000pw (54%) and aged under 35 (54%).

Those most likely to disagree were Greens voters (59%) and incomes under \$1,000pw (54%).



Tax rate

Q Do you agree or disagree that people earning \$200,000 should pay a higher rate of tax than those earning \$41,000?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other	Income less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	Over \$2,000 pw
Total agree	79%	86%	76%	80%	77%	83%	81%	86%	78%	73%
Total disagree	14%	9%	17%	14%	16%	10%	12%	10%	17%	19%
Strongly agree	41%	50%	33%	55%	40%	47%	40%	44%	43%	36%
Agree	38%	36%	43%	25%	37%	36%	41%	42%	35%	37%
Disagree	10%	6%	13%	10%	9%	7%	8%	7%	13%	13%
Strongly disagree	4%	3%	4%	4%	7%	3%	4%	3%	4%	6%
Don't know	7%	5%	6%	6%	6%	7%	7%	4%	6%	8%

79% agree that people earning \$200,000 should pay a higher rate of tax than those earning \$41,000.

At least three quarters of all voter groups agreed.



Descriptions of the budget

Q Which of the following terms do you think describe the budget?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote other	Income less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	Over \$2,000 pw
In the national interest	53%	39%	81%	36%	34%	47%	55%	57%	50%	57%
Responsible	52%	40%	80%	33%	31%	39%	55%	56%	47%	59%
Competent	48%	33%	71%	34%	40%	40%	49%	55%	47%	51%
Disappointing	48%	62%	25%	61%	66%	65%	48%	46%	44%	40%
Fair	47%	34%	71%	33%	36%	31%	48%	54%	46%	54%
Wasteful	37%	48%	19%	50%	50%	53%	30%	36%	37%	36%
Visionary	31%	26%	44%	16%	24%	24%	27%	36%	25%	37%
Reckless	30%	39%	15%	37%	41%	41%	29%	26%	28%	29%

Respondents were fairly evenly divided over whether the budget was in the national interest, responsible, competent disappointing and fair.

However, they were more strongly of the view that the budget was not wasteful, reckless or visionary.

Those earning less than \$600 pw were most negative about the budget with 65% agreeing it was disappointing and only 31% thinking it was fair.



Budget Impact

Q In general, do you think the Federal Budget, will be good or bad for?

	Total good	Total bad	Very good	Good	Neither good nor bad	Bad	Very bad	Don't know	2017 good	2017 bad
People who are well off	52%	7%	21%	31%	30%	5%	2%	11%	51%	5%
Australian business	45%	10%	10%	35%	33%	7%	3%	13%	45%	8%
The middle class	42%	16%	4%	38%	35%	12%	4%	7%	-	-
Average working people	40%	22%	5%	35%	31%	16%	6%	7%	22%	36%
The economy over all	36%	20%	7%	29%	33%	14%	6%	10%	38%	17%
Australian families	35%	25%	5%	30%	32%	16%	9%	8%	25%	32%
People on lower incomes	35%	33%	7%	28%	25%	18%	15%	7%	20%	41%
Older Australians	26%	30%	6%	20%	33%	18%	12%	10%	25%	30%
Younger Australians	25%	25%	5%	20%	39%	17%	8%	12%	-	-
You personally	24%	17%	5%	19%	53%	10%	7%	7%	18%	32%

More than half think that the budget will be good for people who are well off – and a substantial proportion think it will be good for Australian business (45%), the middle class (42%) and average working people (40%).

Compared to last year's budget more people think it will be good for average working people (up from 22% to 40%), for Australian families (up from 25% to 35%) and for people on lower incomes (up from 20% to 35%). However, only 24% think it will be good for them personally (up 6% since last year). 36% think it will be good for the economy overall – little change from 38% last year.

Budget Statements

Q Do you agree or disagree with the following statements about the Federal budget?

	Total agree	Total disagree	Strongly agree	Agree	Disagree	Strongly disagree	Don't know	2017 agree	2017 disagree
Overall, the budget is fair and balanced	46%	38%	6%	40%	25%	13%	16%	43%	38%
This budget does not do enough to reduce the deficit	56%	24%	15%	41%	20%	4%	20%	41%	31%
This was the budget Australia needs at this time	39%	42%	7%	32%	28%	14%	19%	39%	36%
This budget will benefit the wealthy more than ordinary Australians and make Australia a more unfair society	54%	27%	21%	33%	21%	6%	19%	-	-
This budget is more about improving the Government's popularity than improving the economy	62%	21%	25%	37%	17%	4%	16%	51%	27%

There was majority agreement that the budget is more about improving the Government's popularity than improving the economy (62% agree), the budget does not do enough to reduce the deficit (56%) and the budget will benefit the wealthy more than ordinary Australians (54%)

The least widely agreed with statement was that this was the budget Australia needs at this time, with 39% agree/42% disagree.

Compared to responses to last year's budget, respondents were more likely to think this budget does not do enough to reduce the deficit (up 15% to 56%) and the budget is more about improving the Government's popularity than improving the economy (up 11% to 62%).

There was little difference between the 2017 and 2018 budgets in terms of being "fair and balanced"



Appendix: Methodology, margin of error and professional standards

The data gathered for this report is gathered from a fortnightly online omnibus conducted by Your Source. Essential Research has been utilizing the Your Source online panel to conduct opinion polling since November 2007.

Every two weeks, the team at Essential considers issues that are topical and a series of questions are devised to put to the Australian public. Some questions are repeated regularly (such as political preference and leadership approval), while others are unique to each week and reflect current media and social issues.

Your Source has a self-managed consumer online panel of over 100,000 members. The majority of panel members have been recruited using off line methodologies, effectively ruling out concerns associated with online self-selection.

Your Source has validation methods in place that prevent panelist over use and ensure member authenticity. Your Source randomly selects 18+ males and females (with the aim of targeting 50/50 males/females) from its Australia wide panel. An invitation is sent out to approximately 7000 – 8000 of their panel members.

The response rate varies each week, but usually delivers 1000+ interviews. In theory, with a sample of this size, there is 95 per cent certainty that the results are within 3 percentage points of what they would be if the entire population had been polled. However, this assumes random sampling, which, because of non-response and less than 100% population coverage cannot be achieved in practice. Furthermore, there are other possible sources of error in all polls including question wording and question order, interviewer bias (for telephone and face-to-face polls), response errors and weighting. The best guide to a poll's accuracy is to look at the record of the polling company - how have they performed at previous elections or other occasions where their estimates can be compared with known population figures. In the last poll before the 2016 election, the Essential Report estimates of first preference votes averaged less than 1% difference from the election results and the two-party preferred difference was only 0.1%.

The Your Source online omnibus is live from the Wednesday night and closed on the following Sunday. Incentives are offered to participants in the form of points. Essential Research uses the Statistical Package for the Social Sciences (SPSS) software to analyse the data. The data is weighted against Australian Bureau of Statistics (ABS) data.

All Essential Research and senior Your Source staff hold Australian Market and Social Research Society (AMSRS) membership and are bound by professional codes of behaviour. Your Source is an Australian social and market research company specializing in recruitment, field research, data gathering and data analysis. Your Source holds Interviewer Quality Control Australia (IQCA) accreditation, Association Market and Social Research Organisations (AMSRO) membership and World Association of Opinion and Marketing Research Professionals (ESOMAR) membership.