

The Essential Report

27 March 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 22nd to 25th March 2018 and is based on 1,027 respondents.

Aside from the standard question on voting intention, this week's report includes questions on dividend imputation, taxation, gun laws and Facebook.

The methodology used to carry out this research is described in the appendix on page 17.

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	2 weeks ago 13/3/18	4 weeks ago 27/2/18	Election 2 Jul 16
Liberal	35%	33%	32%	
National	3%	3%	3%	
Total Liberal/National	38%	36%	35%	42.0%
Labor	36%	38%	35%	34.7%
Greens	9%	9%	10%	10.2%
Nick Xenophon Team	2%	3%	2%	
Pauline Hanson's One Nation	8%	8%	8%	
Other/Independent	7%	7%	10%	13.1%
2 party preferred				
Liberal National	48%	46%	47%	50.4%
Labor	52%	54%	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.

Understanding of franking credits

Q How much do you know and understand about dividend imputation and franking credits?

	Total	Men	Women	Aged 18-34	Aged 35-54	Aged 55+	Less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	More than \$2,000 pw
A lot	7%	10%	4%	9%	5%	8%	4%	5%	8%	10%	11%
A fair amount	14%	18%	11%	13%	12%	18%	9%	10%	17%	14%	19%
A little	22%	25%	18%	17%	21%	27%	18%	21%	22%	22%	25%
Heard of them but don't know anything about them	27%	24%	29%	19%	32%	29%	29%	32%	25%	29%	20%
Never heard of them	30%	22%	38%	42%	30%	18%	39%	32%	28%	26%	24%

Only about one in five respondents said they knew much about dividend imputation and franking credits – 7% said they knew a lot and 14% a fair amount. 30% said they had never heard of them and 27% had heard of them but don't know anything about them.

Those most likely to know a lot or a fair amount were incomes over \$2,000pw (30%), aged 65+ (30%) and university educated (33%).

Whether receive franking credits

Q When companies pay dividends to Australian shareholders out of after-tax profit, shareholders receive franking credits, which they can claim as a tax deduction. If the shareholder does not pay any tax, they receive a cash refund from the tax office. This system is known as "dividend imputation" and these cash payments cost the Government about \$6 billion per year. Do you personally receive a tax deduction or a cash payment for franking credits?

	Total	Men	Women	Aged 18-34	Aged 35-54	Aged 55+	Less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	More than \$2,000 pw
Yes, receive a tax deduction	16%	20%	12%	18%	15%	15%	3%	10%	17%	19%	29%
Yes, receive a cash payment	10%	12%	8%	8%	7%	14%	9%	12%	12%	9%	8%
No, don't receive either.	60%	56%	64%	52%	64%	64%	72%	64%	61%	53%	52%
Not sure	14%	12%	16%	22%	14%	7%	15%	15%	10%	19%	10%

26% said they either received a tax deduction or a cash refund for their franking credits.

Those most likely to receive a tax deduction were incomes over \$2,000pw (29%), full-time workers (23%) and university educated (24%).

Those most likely to receive a cash payment were aged 65+ (22%).



Support for ending cash refunds for imputation credits

Q The Labor Party has proposed to end the cash refunds for imputation credits. Taxpayers will still be able to claim a tax deduction. Do you support or oppose ending the cash refunds?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote Other	Men	Women	Aged 18-34	Aged 35-54	Aged 55+
Total support	32%	48%	24%	46%	23%	40%	24%	41%	27%	30%
Total oppose	30%	17%	47%	17%	32%	33%	27%	17%	28%	46%
Strongly support	10%	18%	4%	15%	7%	16%	4%	11%	10%	10%
Support	22%	30%	20%	31%	16%	24%	20%	30%	17%	20%
Oppose	14%	10%	20%	12%	11%	13%	15%	11%	14%	16%
Strongly oppose	16%	7%	27%	5%	21%	20%	12%	6%	14%	30%
Don't know	37%	34%	29%	38%	45%	26%	48%	42%	45%	24%



	Total	Less than \$600 pw	\$600-1,000 pw	\$1,000-1,500 pw	\$1,500-2,000 pw	More than \$2,000 pw	Know a lot/fair amount	Know a little	Receive tax deduction	Receive cash back	Receive neither
Total support	32%	33%	35%	29%	30%	41%	44%	39%	40%	25%	35%
Total oppose	30%	27%	30%	32%	33%	32%	48%	42%	48%	65%	23%
Strongly support	10%	13%	13%	7%	7%	12%	17%	11%	17%	4%	11%
Support	22%	20%	22%	22%	23%	29%	27%	28%	23%	21%	24%
Oppose	14%	11%	16%	15%	11%	15%	11%	23%	17%	23%	12%
Strongly oppose	16%	16%	14%	17%	22%	17%	37%	19%	31%	42%	11%
Don't know	37%	40%	35%	39%	38%	27%	8%	19%	12%	9%	42%

32% support ending cash refunds for imputation credits and 30% were opposed. 37% did not give an opinion.

Those most likely to support ending cash refunds were Labor voters (48%), Greens voters (46%), aged 18-34 (41%) and incomes over \$2,000pw (41%).

Those most likely to oppose ending cash refunds were Liberal-National voters (47%) and aged 65+ (57%).

Those who knew something about franking credits were slightly more likely to oppose, while 65% of those who receive cash refunds were opposed.



Statements about imputation credits

Q Do you agree or disagree with the following statements?

	Total agree	Total disagree	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
Paying people money to compensate for tax they haven't paid does not make sense	68%	16%	28%	40%	12%	4%	15%
The \$6 billion per year spend on these tax credits would be better used funding spending on schools and hospitals	65%	20%	30%	35%	14%	6%	15%
The \$6 billion per year spend on these cash refunds would be better used to stop the pension age from being increased to seventy	60%	23%	27%	33%	16%	7%	18%
Pensioners who own shares should not receive more in government payments than those who do not own shares	54%	30%	18%	36%	22%	8%	17%
The \$6 billion per year spend on these tax credits would be better used to cut the budget deficit	53%	27%	16%	37%	20%	7%	20%
The vast majority of people receiving money to compensate for tax are wealthy	52%	26%	20%	32%	16%	10%	22%
The \$6 billion per year spend on these tax credits would be better used funding income tax cuts	49%	27%	16%	33%	20%	7%	23%
Retirees receiving cash refunds should not have their payments reduced, no matter how wealthy they are	48%	32%	15%	33%	24%	8%	20%
The issue of dividend imputation is too complex for me to form an opinion	40%	41%	8%	32%	30%	11%	18%



40% agreed that the issue of dividend imputation is too complex for me to form an opinion.

Despite this, around 80% gave an opinion on each statement.

There was strongest agreement with the statements –

- Paying people money to compensate for tax they haven't paid does not make sense (68% agree)
- The \$6 billion per year spend on these tax credits would be better used funding spending on schools and hospitals (64%)
- The \$6 billion per year spend on these cash refunds would be better used to stop the pension age from being increased to seventy (60%)

And while 54% agreed that "Pensioners who own shares should not receive more in government payments than those who do not own shares", 48% agreed that "Retirees receiving cash refunds should not have their payments reduced, no matter how wealthy they are".

A majority (52%) agreed that "The vast majority of people receiving money to compensate for tax are wealthy".

Those who claimed to have more knowledge about dividend imputation were much more likely to think "Retirees receiving cash refunds should not have their payments reduced, no matter how wealthy they are" (60%) and more likely to disagree that the money would be better used funding schools and hospitals (40% disagree), stopping the pension age from being increased to seventy (42%), cutting the budget deficit (45%) and funding income tax cuts (50%).

	Total agree	Total disagree	Know a lot/fair amount agree	Know a lot/fair amount disagree	Know a little agree	Know a little disagree
Paying people money to compensate for tax they haven't paid does not make sense	68%	16%	60%	34%	65%	23%
The \$6 billion per year spend on these tax credits would be better used funding spending on schools and hospitals	65%	20%	51%	40%	60%	28%
The \$6 billion per year spend on these cash refunds would be better used to stop the pension age from being increased to seventy	60%	23%	49%	42%	57%	30%
Pensioners who own shares should not receive more in government payments than those who do not own shares	54%	30%	53%	42%	55%	37%
The \$6 billion per year spend on these tax credits would be better used to cut the budget deficit	53%	27%	45%	45%	54%	33%
The vast majority of people receiving money to compensate for tax are wealthy	52%	26%	48%	48%	52%	31%
The \$6 billion per year spend on these tax credits would be better used funding income tax cuts	49%	27%	43%	50%	52%	32%
Retirees receiving cash refunds should not have their payments reduced, no matter how wealthy they are	48%	32%	60%	33%	50%	41%
The issue of dividend imputation is too complex for me to form an opinion	40%	41%	28%	66%	30%	59%



Support for tax measures

Q Would you support or oppose the following tax measures?

	Total support	Total oppose	Strongly support	Support	Oppose	Strongly oppose	Don't know
Making multi-national corporations pay their fair share of tax	84%	5%	59%	25%	4%	1%	11%
Stopping people with family trusts from splitting their income to avoid tax	58%	20%	20%	38%	15%	5%	22%
Capping the maximum tax deduction for managing tax affairs, such as payments to lawyers or accountants, at no more than \$4,000 for individuals	53%	17%	17%	36%	13%	4%	31%
Limiting negative gearing to investments in newly built properties and halving the capital gains tax concession	46%	24%	17%	29%	17%	7%	31%
Cutting the company tax rate to 25%	40%	30%	11%	29%	20%	10%	31%
Limiting the amount of tax-free superannuation contributions individuals can make	34%	42%	10%	24%	28%	14%	25%
Cutting the tax rate for the top income tax bracket while the budget is still in deficit	28%	50%	9%	19%	27%	23%	24%
Increasing the tax rate for workers earning under \$87,000 a year	19%	65%	6%	13%	28%	37%	16%



Tax measures with majority support were –

- Making multi-national corporations pay their fair share of tax (84% support)
- Stopping people with family trusts from splitting their income to avoid tax (58%)
- Capping the maximum tax deduction for managing tax affairs, such as payments to lawyers or accountants, at no more than \$4,000 for individuals (53%)

Tax measures with majority opposition were –

- Increasing the tax rate for workers earning under \$87,000 a year (65% oppose)
- Cutting the tax rate for the top income tax bracket while the budget is still in deficit (50%)

Cutting the company tax rate to 25% had 40% support and 30% opposed.



Party trust

Q Who do you trust most to manage a fair tax system?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote Other
Labor	26%	63%	4%	38%	12%
Liberal-National	28%	2%	66%	4%	21%
No difference	31%	20%	21%	42%	58%
Don't know	15%	15%	95	16%	9%

There was little difference in between the parties in terms of who would be most trusted to manage a fair tax system. 28% favoured the Liberal National parties, 26% Labor and 31% said their was no difference.

53% of over 65's said they would trust Liberal-National most.

Gun laws

Q Do you think Australia's gun laws are too strict, too weak or about right?

	Total	Vote Labor	Vote Lib/Nat	Vote Greens	Vote Other
Too strict	7%	5%	4%	9%	15%
Too weak	25%	21%	27%	30%	29%
About right	62%	66%	66%	59%	52%
Don't know	6%	7%	3%	2%	4%

62% believe Australia's gun laws are about right and 25% think they are too weak. Only 7% think they are too strict.

42% of over 65's think they are too weak. Otherwise, views were quite consistent across demographic and voting groups.

Statements about Facebook

Q Do you agree or disagree with the following statements?

	Total agree	Total disagree	Strongly agree	Agree	Disagree	Strongly disagree	Don't know
There should be more regulation of what Facebook can do	79%	12%	35%	44%	8%	4%	10%
Facebook is a distraction	77%	19%	24%	53%	15%	4%	5%
I am concerned about how Facebook uses my personal information	68%	22%	28%	40%	16%	6%	10%
I regularly use Facebook	66%	32%	32%	34%	14%	18%	2%
Facebook allows the popular to drown out the important	60%	24%	19%	41%	19%	5%	16%
Facebook brings people closer together	58%	33%	12%	46%	20%	13%	9%
Facebook is a generally a force for good	45%	37%	5%	40%	23%	14%	19%

While respondents were more likely to agree that Facebook is a generally a force for good (45%) and brings people closer together (58%), a high majority believe that there should be more regulation of what Facebook can do (79%) and are concerned about how Facebook uses my personal information (68%).



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.