

Polling - Economic priorities

August 2019

Key results

The Australia Institute surveyed a nationally representative sample of 1,464 Australians about their economic priorities.

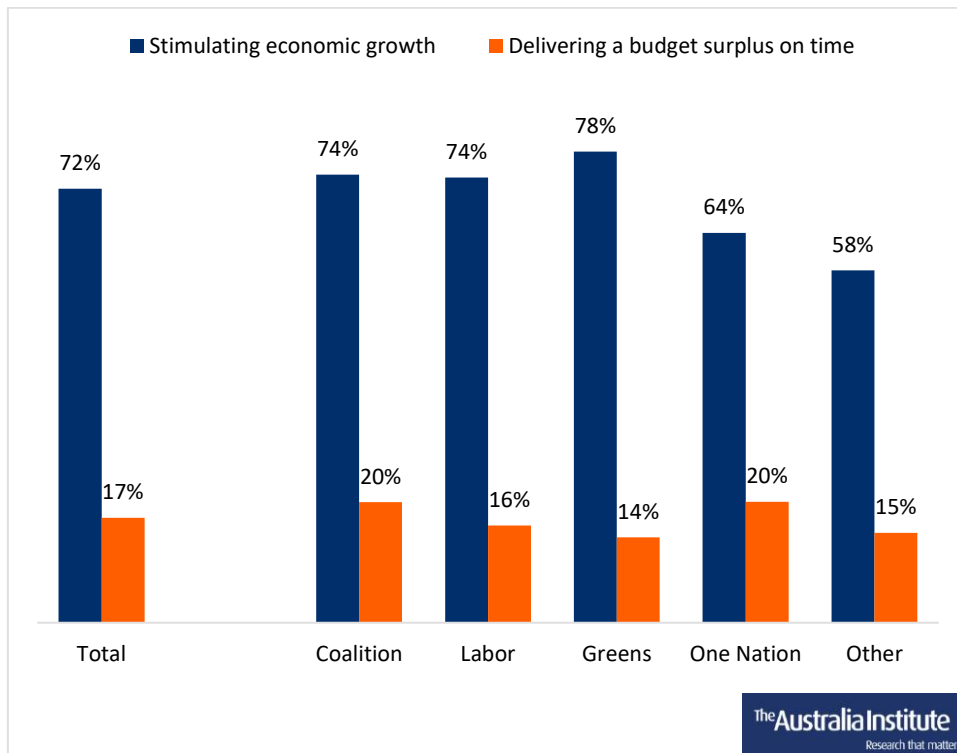
- Seven in ten Australians (72%) think if there is a risk of a recession the government should prioritise economic stimulus over the budget surplus.
- Twice as many Australians would prefer a wage increase (58%) over a tax cut than vice versa (30%).
- Half of Australians (48%) think an increase in Newstart is a better way to stimulate the economy than tax cuts for high income earners, compared to three in ten (28%) who think high income tax cuts are a better stimulus.

Stimulus or surplus?

Respondents were asked, if there is a risk of a recession, which should the government prioritise: stimulating economic growth or delivering a budget surplus on time?

- Seven out of ten (72%) say that if there is a risk of a recession, the government should prioritise stimulating economic growth over delivering the surplus on time.
- One in six (17%) say the government should prioritise delivering a budget surplus on time.
- Clear majorities of voters for all parties choose economic stimulus over the surplus. Among all voting groups, three times as many voters choose stimulus as choose surplus.
 - Stimulus is most often selected by voters for the Coalition (74%), Labor (74%) and Greens (78%).
 - Two in three One Nation (64%) voters say stimulating economic growth should be prioritised.

Figure 1: Preference for stimulus or surplus if there is risk of a recession



- All income groups overwhelmingly support economic stimulus over a surplus, highest amongst both lower and higher income groups.
 - Surplus is chosen most often (25%) by those with household incomes of \$60-80,000, compared to 65% who prioritise economic stimulus.
 - Stimulus is chosen most often by those on household incomes of more than \$200,000, where 85% prefer economic stimulus compared to 11% who prefer a budget surplus.
- Preference for stimulating economic growth increases by age.
 - Two in three people aged 18 to 34 (63–66%) prefer stimulus compared with four in five people aged 55 and over (79%–83%).

Figure 2: Preference for stimulus or surplus, by household income

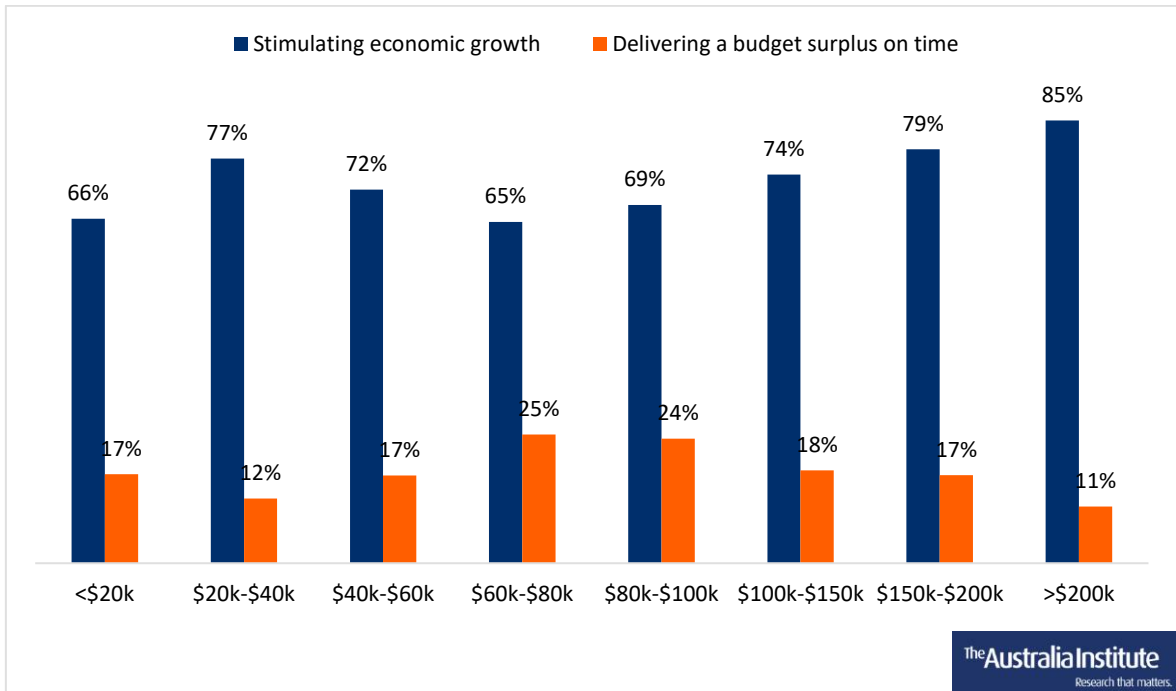
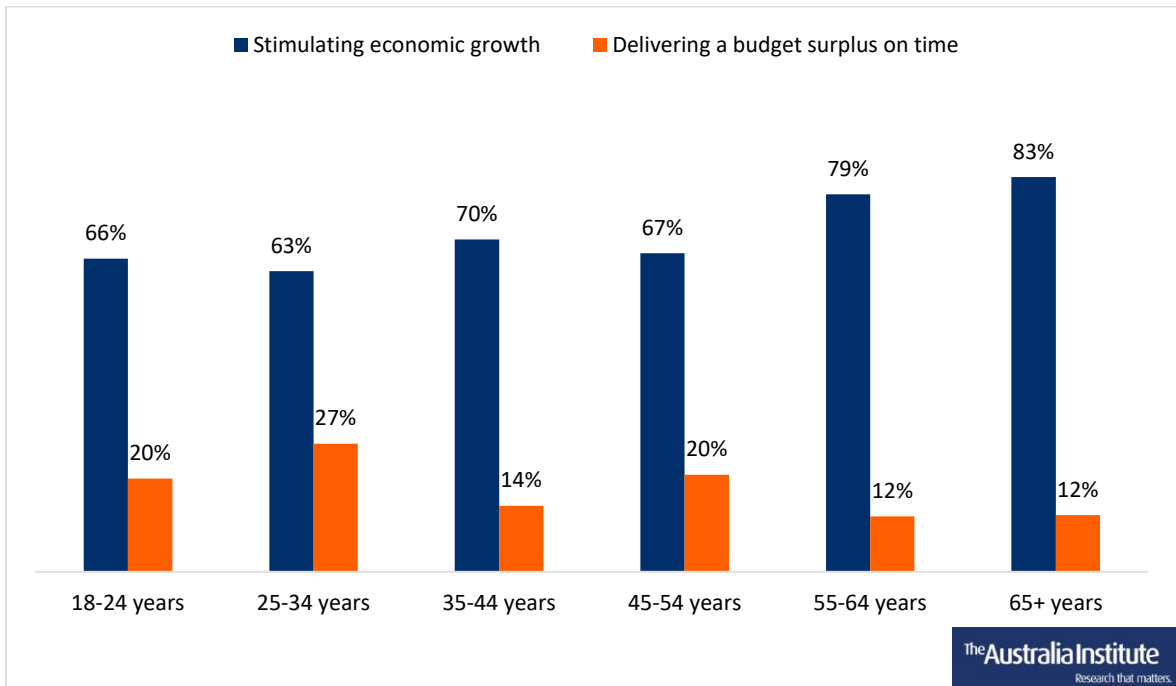


Figure 3: Preference for stimulus or surplus, by age group

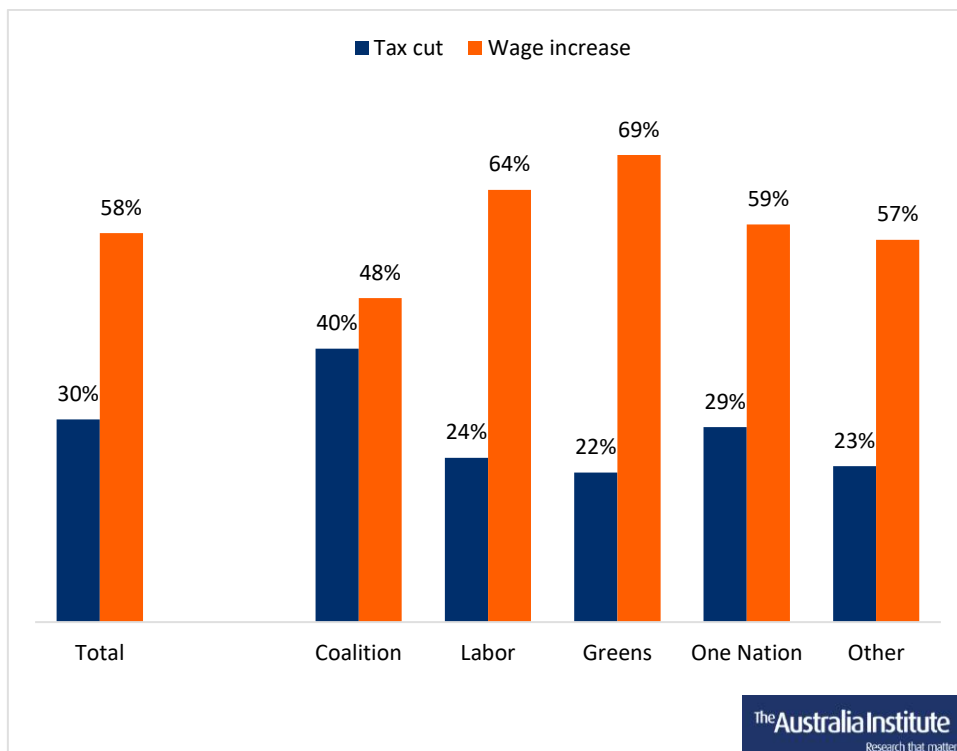


Tax cut or wage increase?

Respondents were asked if they would prefer a tax cut or a wage increase.

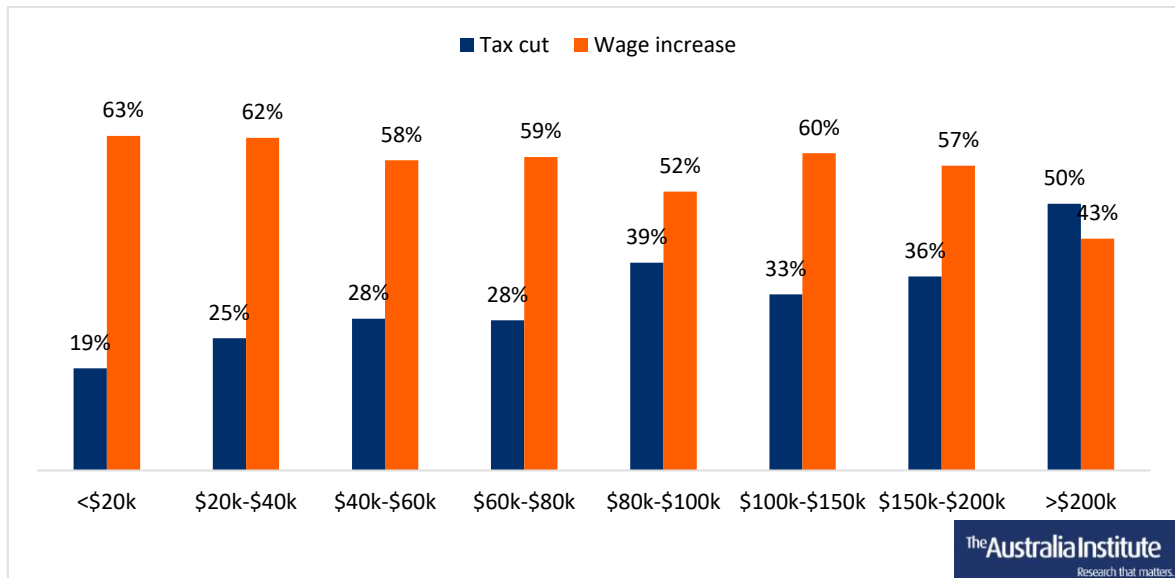
- Three in five (58%) Australians say they would prefer a wage increase over tax cuts.
- Three in ten (30%) say they would prefer a tax cut.
- Wage increases are preferred in NSW, Victoria, Queensland and Western Australia, and for voters of each political party.

Figure 4: Preference for tax cut or wage increase, by voting intention



- A majority of Australians in every income group but one say they would prefer a wage increase
 - Among those in households with incomes greater than \$200,000, 50% would prefer a tax cut and 43% would prefer a wage increase.
 - 63% of those in households earning \$20,000 or less say they would prefer a wage increase to a tax cut.

Figure 5: Preference for tax cut or wage increase, by household income

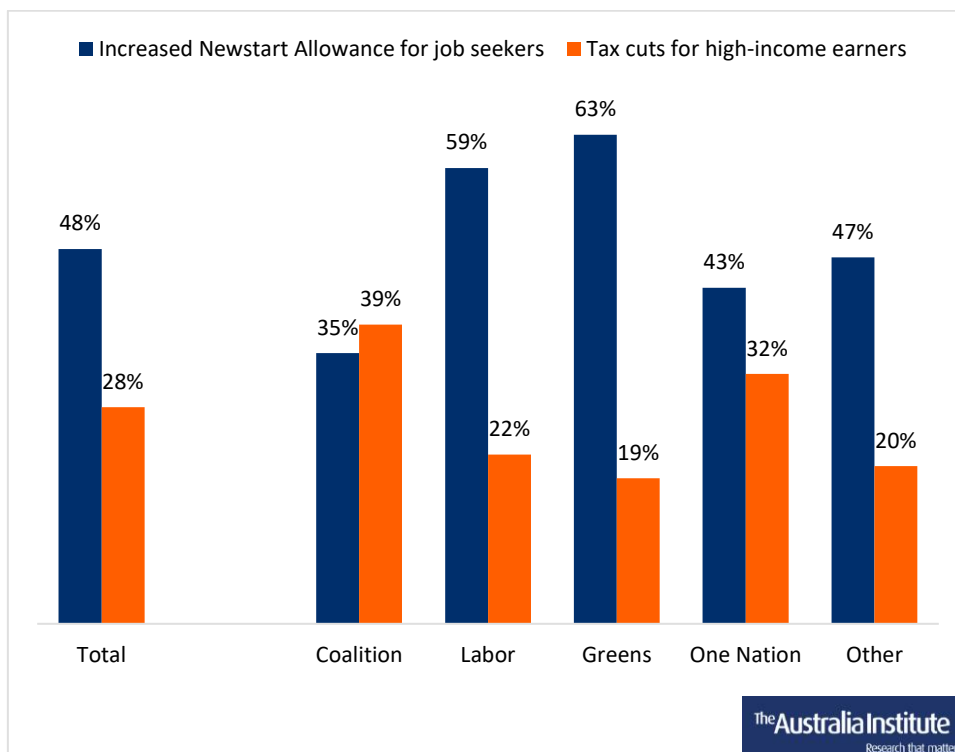


Increase Newstart or cut taxes for high earners?

Respondents were asked which way was better to stimulate the economy, between increased Newstart allowance or tax cuts for high-income earners.

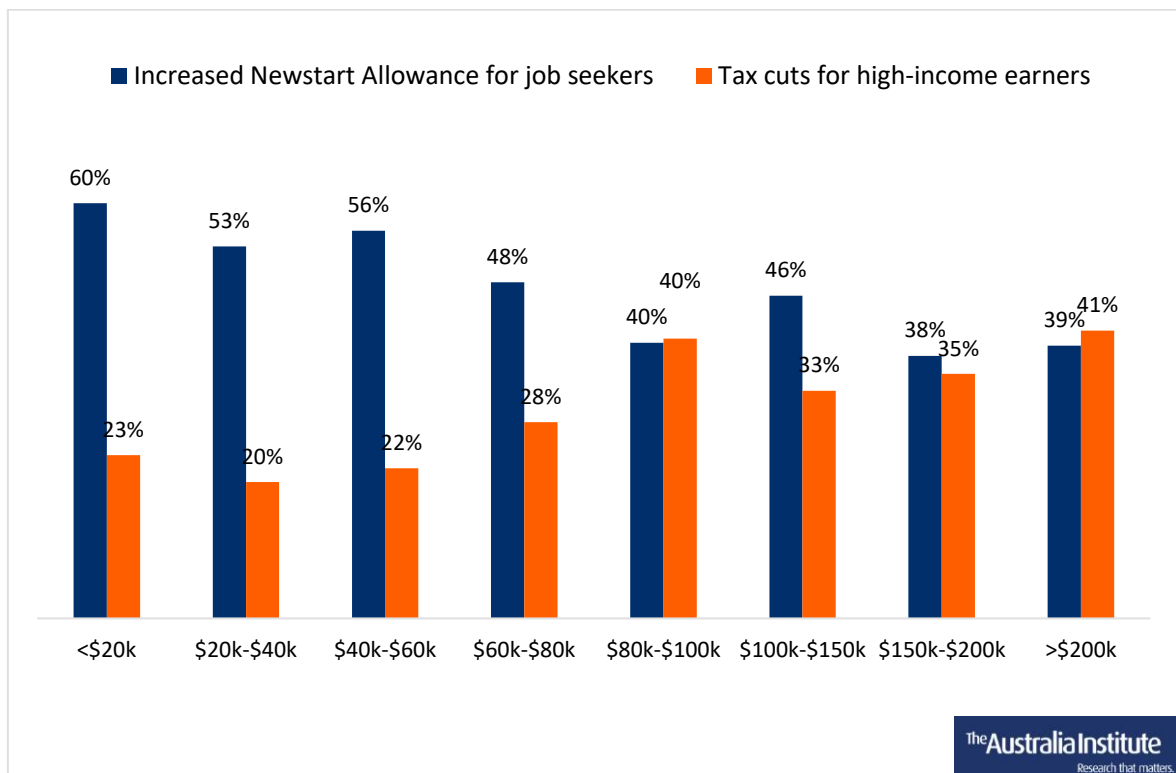
- Half of Australians (48%) say increasing the Newstart allowance is a better way to stimulate the economy.
 - Three in 10 (28%) say tax cuts for high-income earners is a better way.
- Voters for most political parties say increasing Newstart is a better stimulus.
 - 59% of Labor and 63% of Greens voters choose a Newstart increase, compared to 22% and 19% respectively who choose tax cuts for high-income earners.
 - More One Nation and Other voters choose a Newstart increase than choose high-income tax cuts (43% vs 32% for One Nation and 47% vs 20% for Other voters).
 - Only among Coalition voters do more identify tax cuts for high-income earners as a better stimulus than a Newstart increase (39% vs 35%).

Figure 6: Preferred way to stimulate the economy, by voting intention



- Six of the eight household income groups prefer an increase in Newstart to high-income tax cuts.
 - Newstart is preferred to high-income tax cuts at incomes \$80,000 and below, and at incomes between \$100,001 and \$200,000.
 - An equal number of Australians with household incomes between \$80,001 and \$100,000 prefer each option (40% vs 40%).
 - Australians with household incomes above \$200,000 prefer high-income tax cuts over a Newstart increase by a small margin (41% vs 39%).

Figure 7: Preferred way to stimulate the economy, by household income



Method

The Australia Institute conducted a national survey of 1,464 people between 23 July and 30 July 2019, online through Dynata (formerly Research Now) with nationally representative samples by gender, age, state and territory, and household income.

The margin of error (95% confidence level) for the national results is 3%.

Results are shown only for larger states.

Voting crosstabs show voting intentions for the lower house. Those who were undecided were asked which way they were leaning; these leanings are included in voting intention crosstabs, but results are also shown separately for undecideds. “LNP” includes separate responses for Liberal and National. “Other” includes Centre Alliance, Jacqui Lambie Network and Independent/Other.

Detailed results

Would you prefer a tax cut or a wage increase?

	Total	Male	Female	NSW	VIC	QLD	WA
Tax cut	30%	33%	27%	32%	29%	31%	27%
Wage increase	58%	57%	58%	55%	60%	57%	61%
Don't know / Not sure	12%	10%	15%	13%	11%	12%	12%

	Total	Coalition	Labor	Greens	One Nation	Other
Tax cut	30%	40%	24%	22%	29%	23%
Wage increase	58%	48%	64%	69%	59%	57%
Don't know / Not sure	12%	12%	12%	9%	12%	20%

	Total	<\$20k	\$20k- \$40k	\$40k- \$60k	\$60k- \$80k	\$80k- \$100k	\$100k- \$150k	\$150k- \$200k	>\$200k
Tax cut	30%	19%	25%	28%	28%	39%	33%	36%	50%
Wage increase	58%	63%	62%	58%	59%	52%	60%	57%	43%
Don't know / Not sure	12%	18%	13%	13%	13%	9%	7%	6%	7%

What do you think is the better way to stimulate the economy?

	Total	Male	Female	NSW	VIC	QLD	WA
Increased Newstart Allowance for job seekers	48%	51%	46%	49%	48%	43%	50%
Tax cuts for high-income earners	28%	29%	27%	27%	28%	33%	25%
Don't know / Not sure	24%	20%	27%	24%	24%	24%	25%

	Total	Coalition	Labor	Greens	One Nation	Other
Increased Newstart Allowance for job seekers	48%	35%	59%	63%	43%	47%
Tax cuts for high-income earners	28%	39%	22%	19%	32%	20%
Don't know / Not sure	24%	26%	19%	18%	24%	32%

	Total	<\$20k	\$20k- \$40k	\$40k- \$60k	\$60k- \$80k	\$80k- \$100k	\$100k- \$150k	\$150k- \$200k	>\$200k
Increased Newstart Allowance for job seekers	48%	60%	53%	56%	48%	40%	46%	38%	39%
Tax cuts for high-income earners	28%	23%	20%	22%	28%	40%	33%	35%	41%
Don't know / Not sure	24%	17%	27%	23%	24%	20%	21%	27%	20%

If Australia is at risk of a recession, which should the government prioritise?

The Australia Institute Research that matters.	Total	Male	Female	NSW	VIC	QLD	WA
Stimulating economic growth	72%	73%	71%	69%	73%	71%	73%
Delivering a budget surplus on time	17%	18%	17%	19%	15%	19%	18%
Don't know / Not sure	11%	9%	13%	12%	12%	11%	8%

	Total	Coalition	Labor	Greens	One Nation	Other
Stimulating economic growth	72%	74%	74%	78%	64%	58%
Delivering a budget surplus on time	17%	20%	16%	14%	20%	15%
Don't know / Not sure	11%	6%	10%	8%	16%	27%

	Total	<\$20k	\$20k- \$40k	\$40k- \$60k	\$60k- \$80k	\$80k- \$100k	\$100k- \$150k	\$150k- \$200k	>\$200k
Stimulating economic growth	72%	66%	77%	72%	65%	69%	74%	79%	85%
Delivering a budget surplus on time	17%	17%	12%	17%	25%	24%	18%	17%	11%
Don't know / Not sure	11%	17%	10%	12%	10%	8%	8%	4%	4%

	Total	18-24 years	25-34 years	35-44 years	45-54 years	55-64 years	65+ years
Stimulating economic growth	72%	66%	63%	70%	67%	79%	83%
Delivering a budget surplus on time	17%	20%	27%	14%	20%	12%	12%
Don't know / Not sure	11%	14%	10%	16%	13%	9%	5%