



**TRUE ISSUES SPECIAL RELEASE:
FEDERAL BUDGET
MAY 2016**

SUMMARY OF FINDINGS

- The majority of Australians rate Treasurer Scott Morrison's first budget as average or poor, both personally and for Australia as a whole, but there is strong support for many of the key measures contained within the 2016 Budget.
- These results suggest that among much of the community, there is very limited awareness and/or understanding about specific Budget measures and how they will impact different groups within the community.
 - Attitudes towards the 2016 Budget are only marginally better from the perspective of Australia as a whole (37% poor, 35% average, 21% good and 11% can't say) than at a personal level (37% poor, 35% average, 17% good and 7% can't say), suggesting that many are not aware of or do not understand the contents of the Budget well enough to consider it differently from the two perspectives.
 - Further, despite the majority of people rating the 2016 Budget as poor or average, when asked to rate their level of support or opposition on 14 specific measures, there is higher support than opposition for all 14 measures and majority support for eight of them.

SUMMARY OF FINDINGS

- Investment in hospitals and infrastructure are the highest rated individual Budget measures, followed by the ATO taskforce focused on prosecution of companies, multinational and high wealth individuals.
 - Women tend to be particularly supportive of investment-related measures, such as investment into hospitals and the Youth Employment Package, while men are significantly more likely to support investment in a National Innovation and Science Agenda, and Australians aged 55 years and over are significantly higher in their support for investment into hospitals and infrastructure, as well as our Defence capabilities.

- The measures which Australians support the least and are instead more apathetic towards (in the form of a 'neither support nor oppose' rating) related to tax and superannuation, including measures in relation to capital gains, negative gearing and the \$500,000 lifetime cap on superannuation contributions.
 - Australians in higher income brackets are, however most likely to show support for tax measures and in particular, those relating to extending the increase in tobacco excise and leaving capital gains discounts unchanged.

SUMMARY OF FINDINGS

- It is interesting to note:
 - Support for most individual key budget measures is statistically significantly higher amongst those who initially rate the 2016 Budget as good personally or at a national level.
 - Both at a national and personal level, higher income earners and younger Australians aged 18 to 34 years are most positive in their initial overall assessment of the Budget, or at least more apathetic than negative.
 - In contrast, those not in paid employment (whether on the pension, unemployed or with home duties), with lower household incomes of under \$50K per annum and regional Australians are most critical in their initial assessment of the Budget overall, both personally and for Australia as a whole.

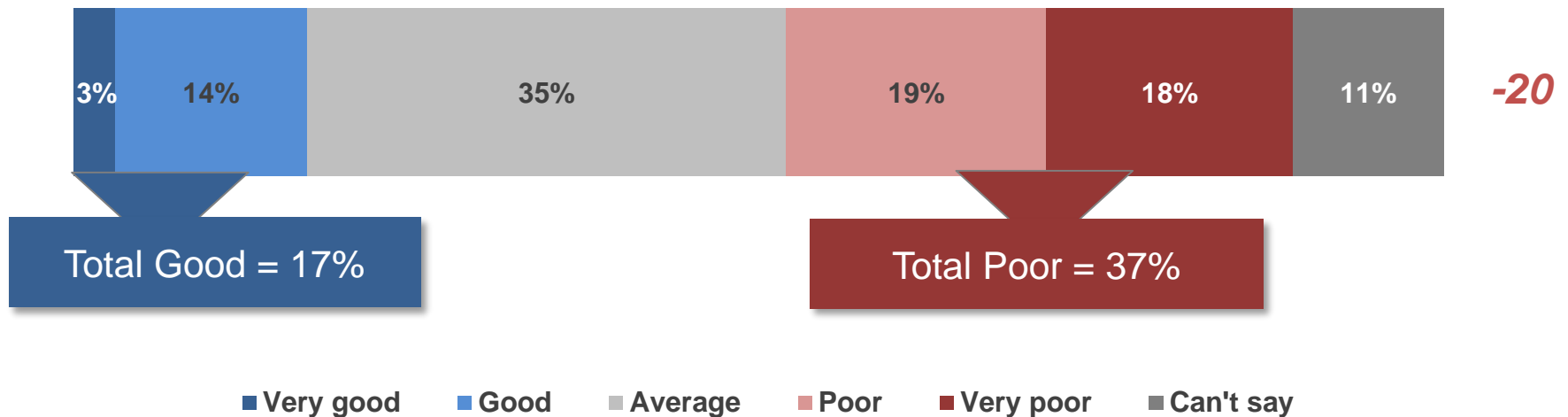
- Overall, these results indicate that whilst the Budget has not been well received on first release, there is still an opportunity to leverage the key measures for which there is strong support as part of the Government's economic narrative. These measures include investments in hospitals and infrastructure, the establishment of an ATO taskforce focused on prosecution of companies, multinational and high wealth individuals, and the Youth Employment Package.

ON A PERSONAL LEVEL, PEOPLE ARE MOSTLY INCLINED TO RATE THE BUDGET AS AVERAGE OR POOR

“The Federal Treasurer, Scott Morrison, delivered his first budget on Tuesday, 3rd May. How would you rate the budget for you personally?”

Rating of 2016 Federal Budget – Personally
Net Rating -20 = (Total Good 17% – Total Poor 37%)

**Net rating =
 Total good –
 total poor**



Base: All Respondents n=1,002

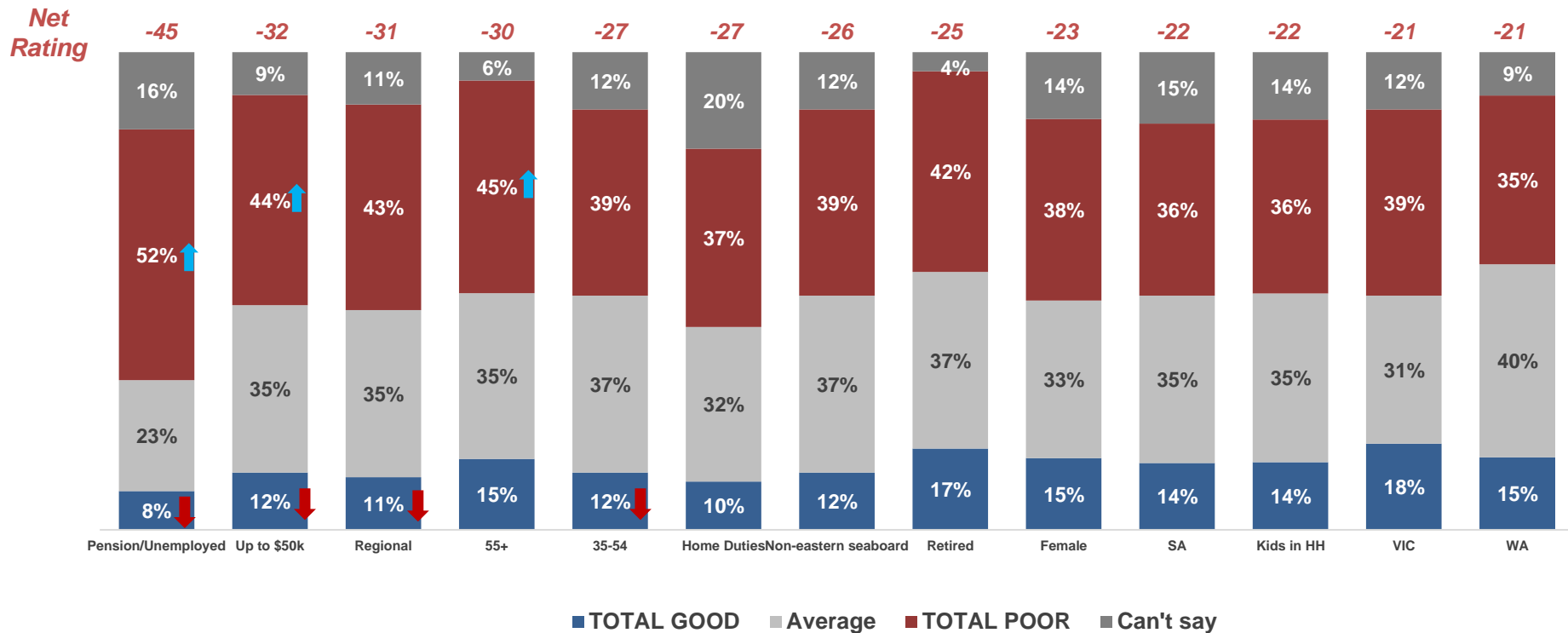
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THOSE ON PENSIONS OR UNEMPLOYED AND THOSE IN THE LOWEST PAY BRACKET ARE MOST CRITICAL OF THE BUDGET FOR THEM PERSONALLY

“The Federal Treasurer, Scott Morrison, delivered his first budget on Tuesday, 3rd May. How would you rate the budget for you personally?”

Below Average Net Rating of 2016 Federal Budget – Personally

Net Rating -20 = (Total Good 17% – Total Poor 37%)



Base: All Respondents n=1,002

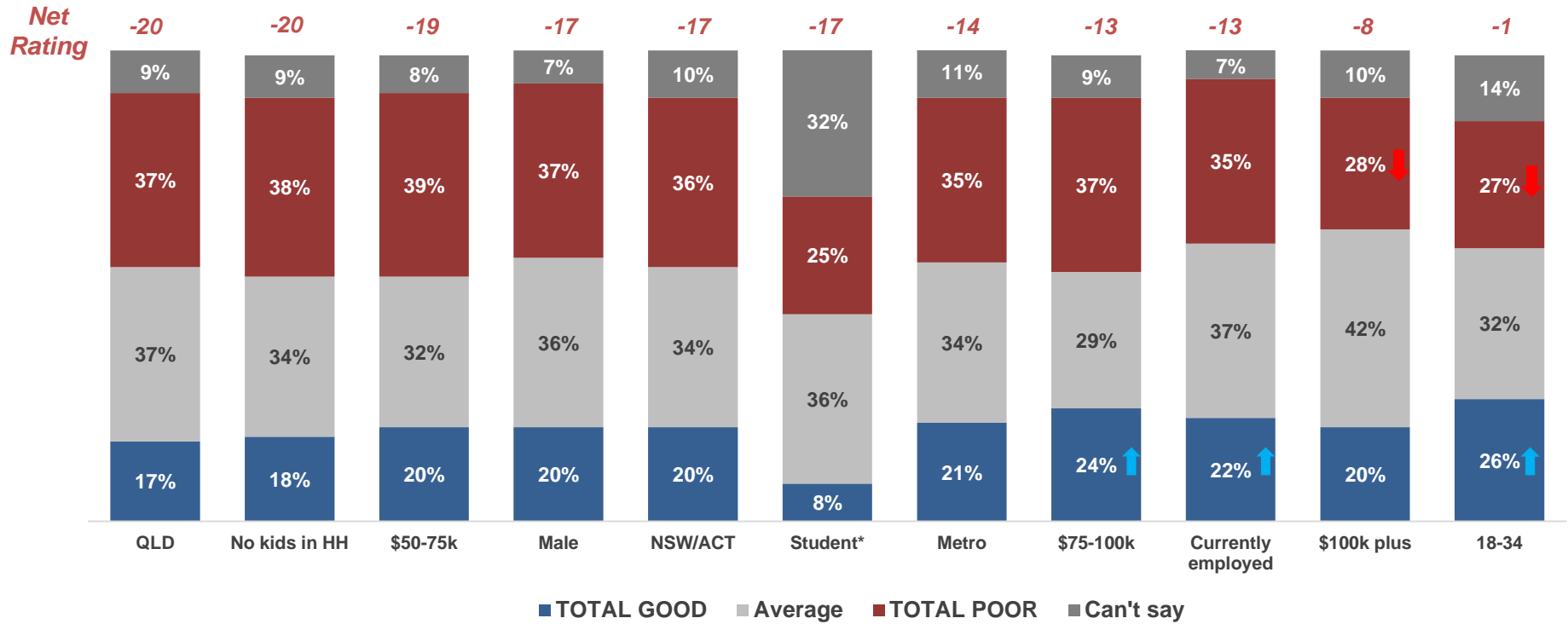
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↑ and ↓ show significantly higher and lower respectively than total at 95% confidence interval

YOUNGER AUSTRALIANS AND THOSE IN HIGHER INCOME BRACKETS ARE LESS LIKELY TO BE CRITICAL OF THE BUDGET

“The Federal Treasurer, Scott Morrison, delivered his first budget on Tuesday, 3rd May. How would you rate the budget for you personally?”

Equal & Above Average Net Rating of 2016 Federal Budget – Personally
 Net Rating -20 = (Total Good 17% – Total Poor 37%)



Base: All Respondents n=1,002

Note: All figures are rounded to the nearest whole number for the purpose of reporting. Sub-totals may differ from individual percentage results by +/-1% due to rounding. * Use caution in interpreting datasets indicated with an asterisk, as this indicates a low base size of n= ≤60 for noted subgroup(s).

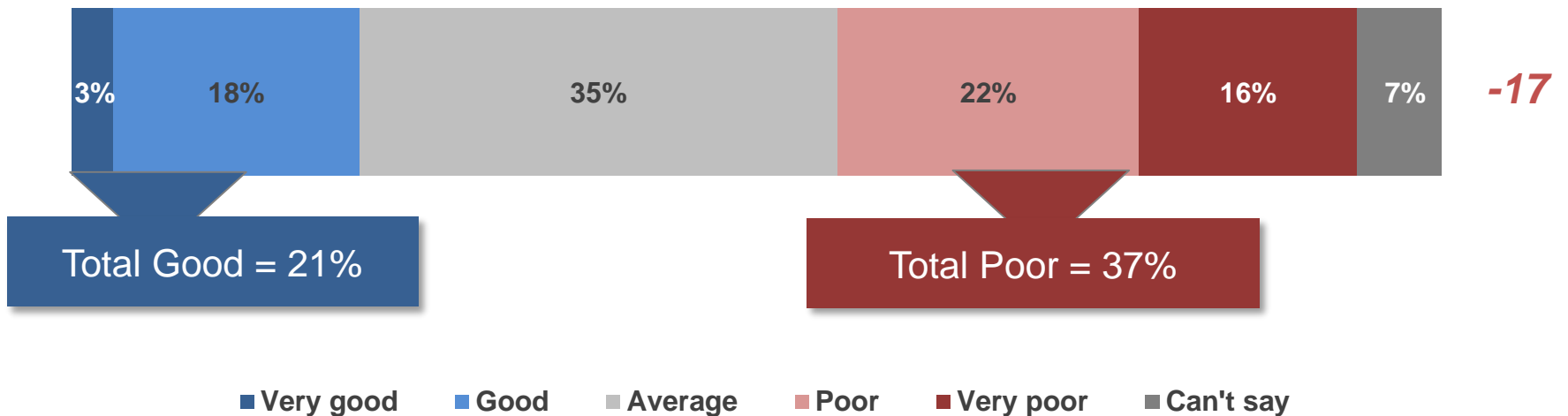
↑ and ↓ show significantly higher and lower respectively than total at 95% confidence interval

WHEN IT COMES TO AUSTRALIA AS A WHOLE, VIEWS ON THE BUDGET ARE STILL NEGATIVE ON BALANCE

“And how would you rate the budget for Australia as a whole?”

Rating of 2016 Federal Budget for Australia as a Whole
Net Rating -17 = (Total Good 21% – Total Poor 37%)

**Net rating =
 Total good –
 total poor**



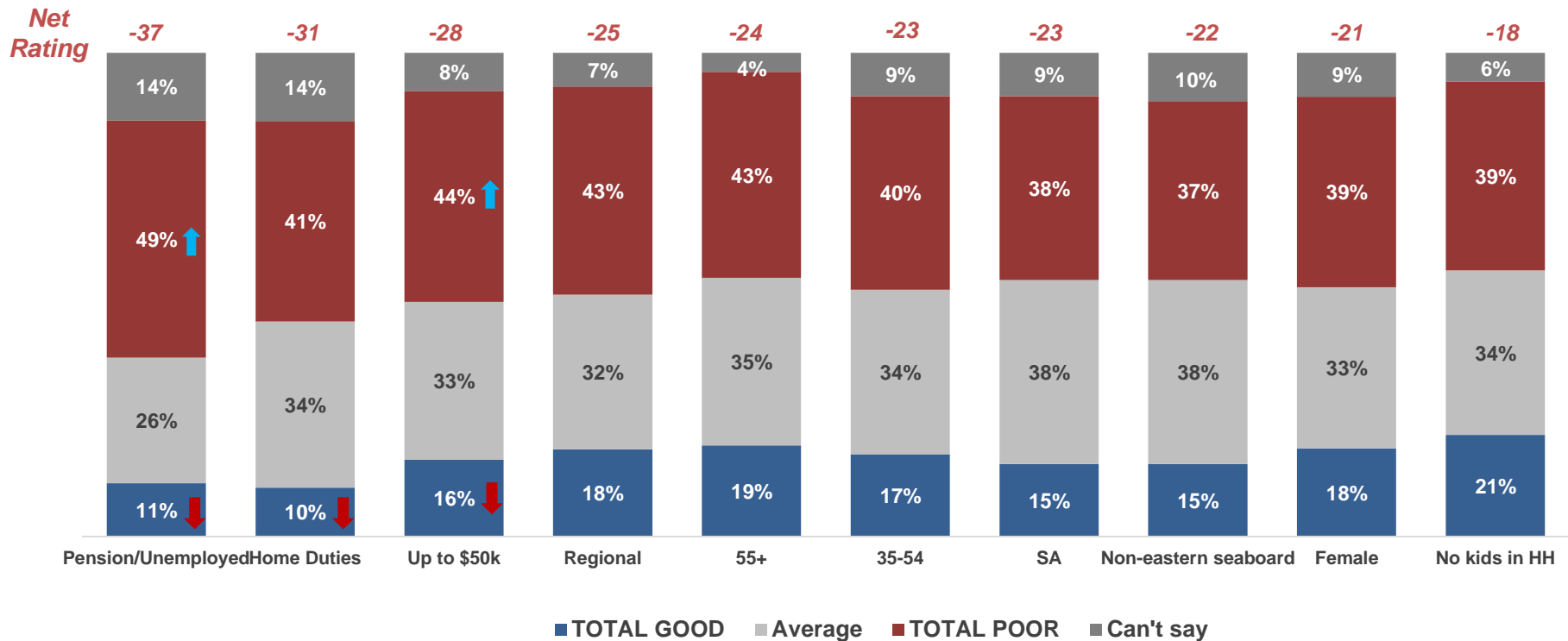
Base: All Respondents n=1,002

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PENSIONERS, THE UNEMPLOYED AND LOW INCOME EARNERS ARE MOST CRITICAL OF THE NATIONAL IMPACT OF THE BUDGET

“And how would you rate the budget for Australia as a whole?”

Below Average Net Rating of 2016 Federal Budget for Australia as a Whole
 Net Rating **-17** = (Total Good **21%** – Total Poor **37%**)



Base: All Respondents n=1,002

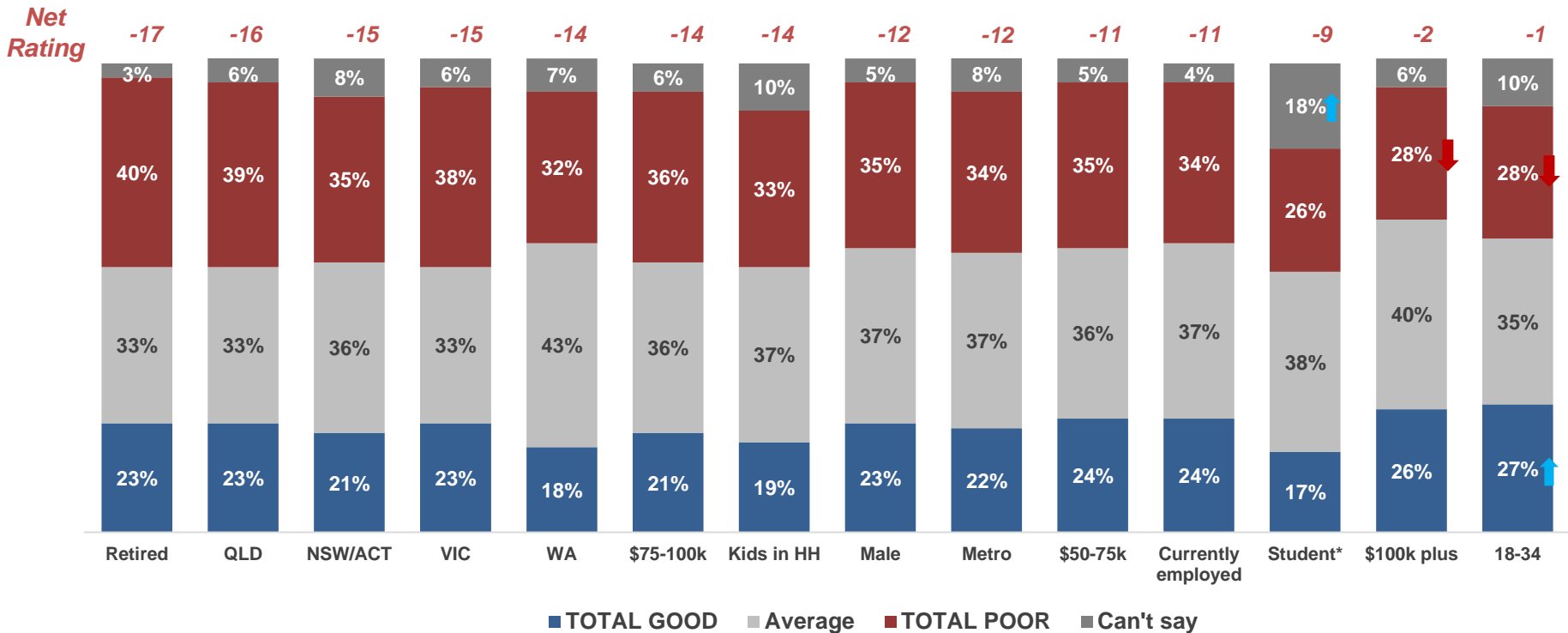
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↑ and ↓ show significantly higher and lower respectively than total at 95% confidence interval

YOUNGER PEOPLE, HIGHER INCOME EARNERS AND STUDENTS RATE THE NATIONAL IMPACT OF THE BUDGET LESS CRITICALLY THAN OTHERS

“And how would you rate the budget for Australia as a whole?”

Equal & Above Average Net Rating of 2016 Federal Budget for Australia as a Whole
 Net Rating **-17** = (Total Good **21%** – Total Poor **37%**)



Base: All Respondents n=1,002

Note: All figures are rounded to the nearest whole number for the purpose of reporting. Sub-totals may differ from individual percentage results by +/-1% due to rounding. * Use caution in interpreting datasets indicated with an asterisk, as this indicates a low base size of n= ≤60 for noted subgroup(s).

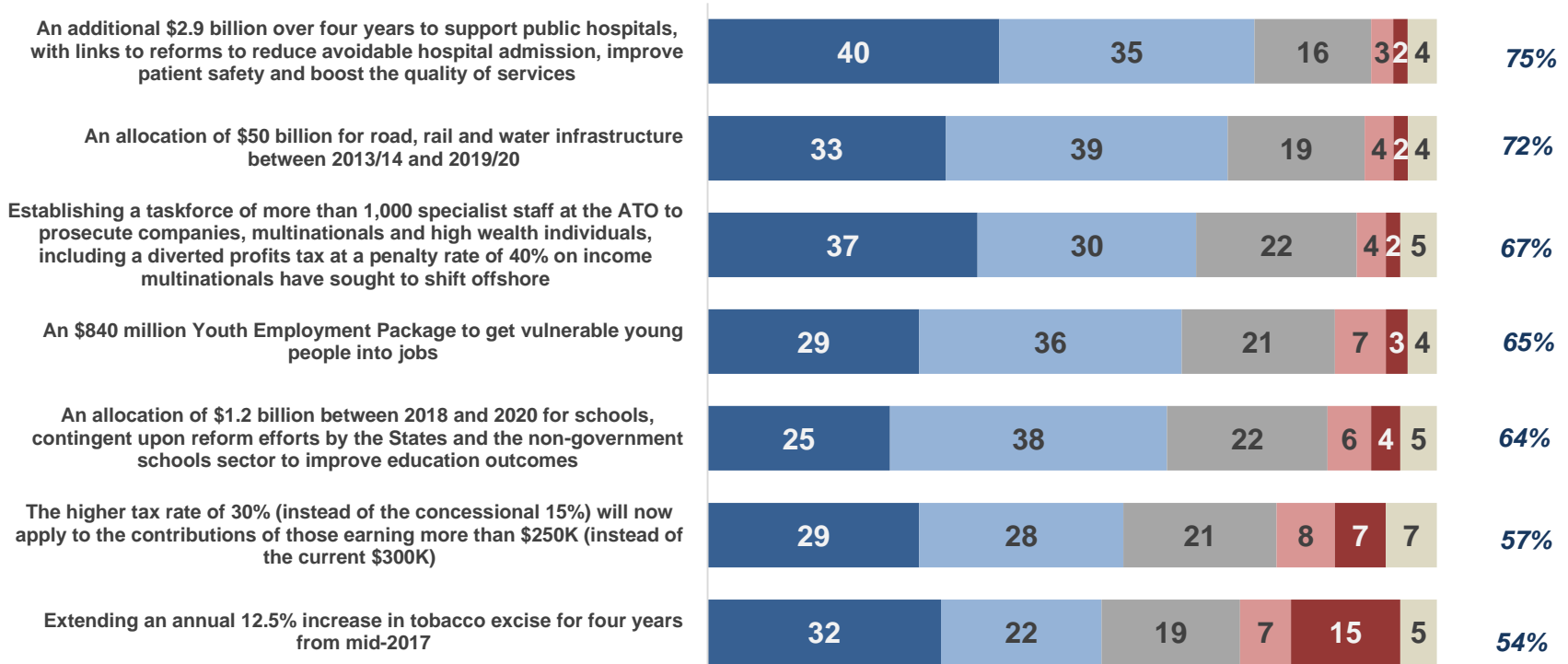
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INVESTMENT IN HOSPITALS AND INFRASTRUCTURE ARE THE HIGHEST RATED BUDGET MEASURES

“Do you support or oppose the following measures contained in the Federal Government’s 2016 Budget?”

Support for Measures Contained in the Federal Government’s 2016 Budget (%)

Total Support = Strongly + Somewhat



■ Strongly support ■ Somewhat support ■ Neither support nor oppose ■ Somewhat oppose ■ Strongly oppose ■ Don't Know

Base: All Respondents n=1,002

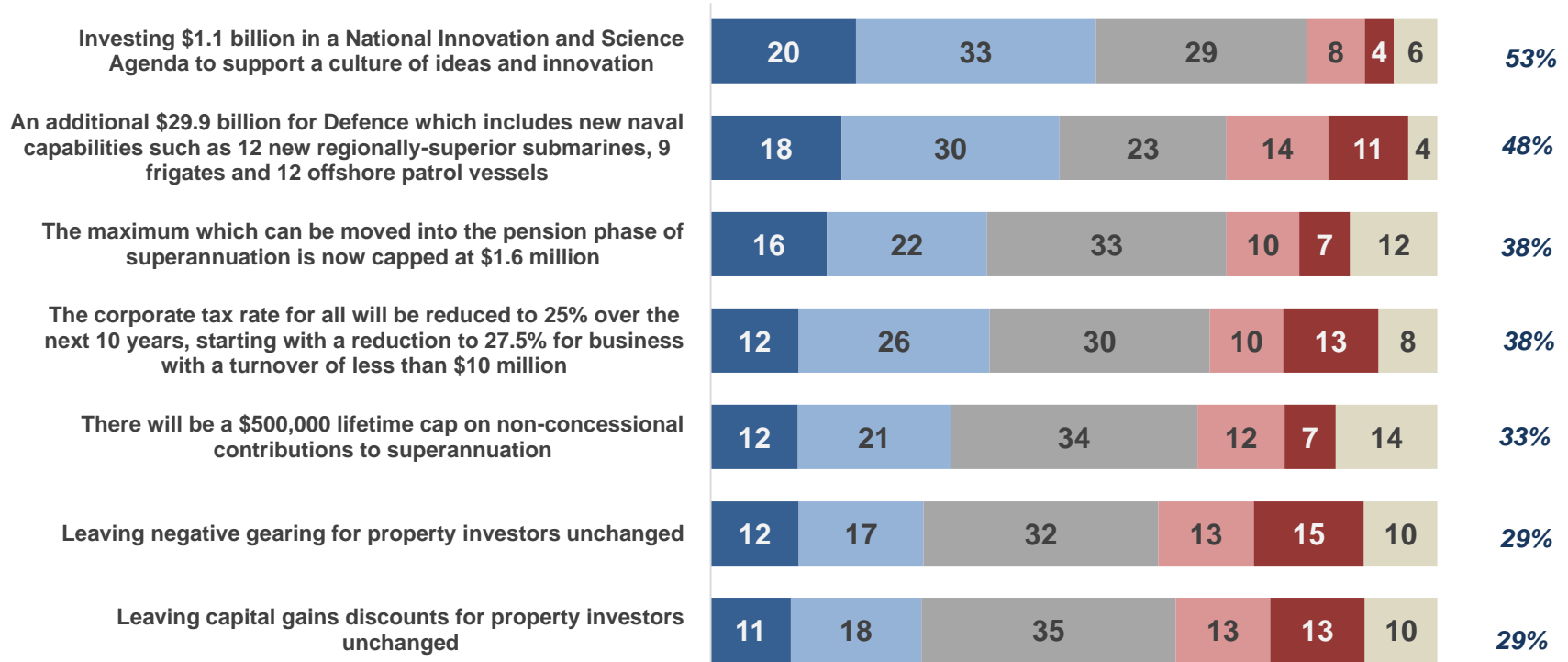
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LEAVING THE CAPITAL GAINS DISCOUNT AND NEGATIVE GEARING UNCHANGED ARE THE LEAST SUPPORTED MEASURES

“Do you support or oppose the following measures contained in the Federal Government’s 2016 Budget?”

Support for Measures Contained in the Federal Government’s 2016 Budget (%)

**Total Support =
Strongly +
Somewhat**



■ Strongly support ■ Somewhat support ■ Neither support nor oppose ■ Somewhat oppose ■ Strongly oppose ■ Don't Know

Base: All Respondents n=1,002

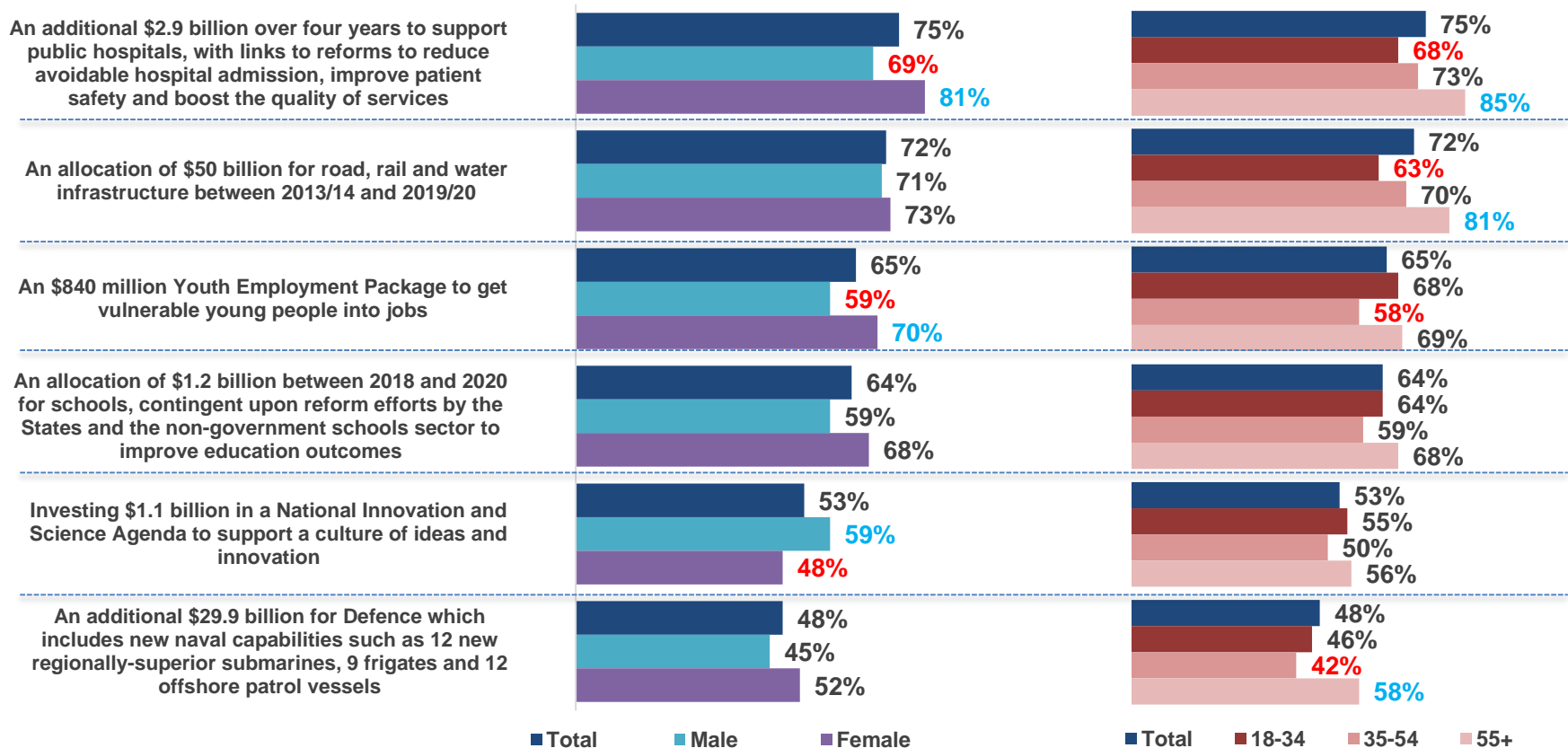
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WOMEN AND THOSE AGED 55 AND OVER TEND TO SHOW HIGHER LEVELS OF SUPPORT FOR BUDGET INVESTMENT MEASURES

“Do you support or oppose the following measures contained in the Federal Government’s 2016 Budget?”

Support for Measures Contained in the Federal Government’s 2016 Budget – Investment Measures

Total Support = Strongly + Somewhat



Base: All Respondents n=1,002

Significantly higher than total at 95% confidence interval, Significantly lower than total at 95% confidence interval

Note: All figures are rounded to the nearest whole number for the purpose of reporting. Sub-totals may differ from individual percentage results by +/-1% due to rounding. * Use caution in interpreting datasets indicated with an asterisk, as this indicates a low base size of n= ≤60 for noted subgroup(s).

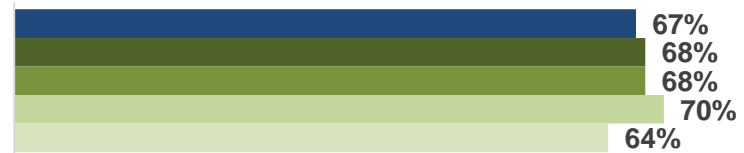
THOSE IN HIGHER INCOME BRACKETS SHOW GREATER SUPPORT FOR BUDGET TAX MEASURES

“Do you support or oppose the following measures contained in the Federal Government’s 2016 Budget?”

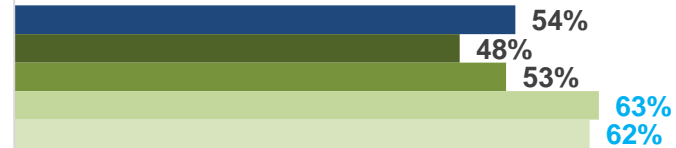
Support for Measures Contained in the Federal Government’s 2016 Budget – Tax Measures

Total Support = Strongly + Somewhat

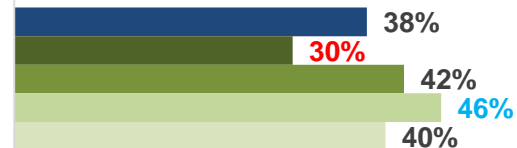
Establishing a taskforce of more than 1,000 specialist staff at the ATO to prosecute companies, multinationals and high wealth individuals, including a diverted profits tax at a penalty rate of 40% on income multinationals have sought to shift offshore



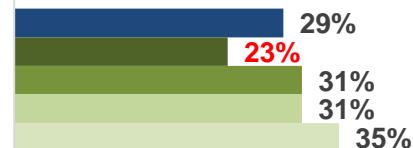
Extending an annual 12.5% increase in tobacco excise for four years from mid-2017



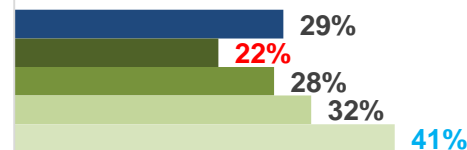
The corporate tax rate for all will be reduced to 25% over the next 10 years, starting with a reduction to 27.5% for business with a turnover of less than \$10 million



Leaving negative gearing for property investors unchanged



Leaving capital gains discounts for property investors unchanged



■ Total ■ Up to \$50k ■ \$50-75k ■ \$75-100k ■ \$100k plus

Base: All Respondents n=1,002

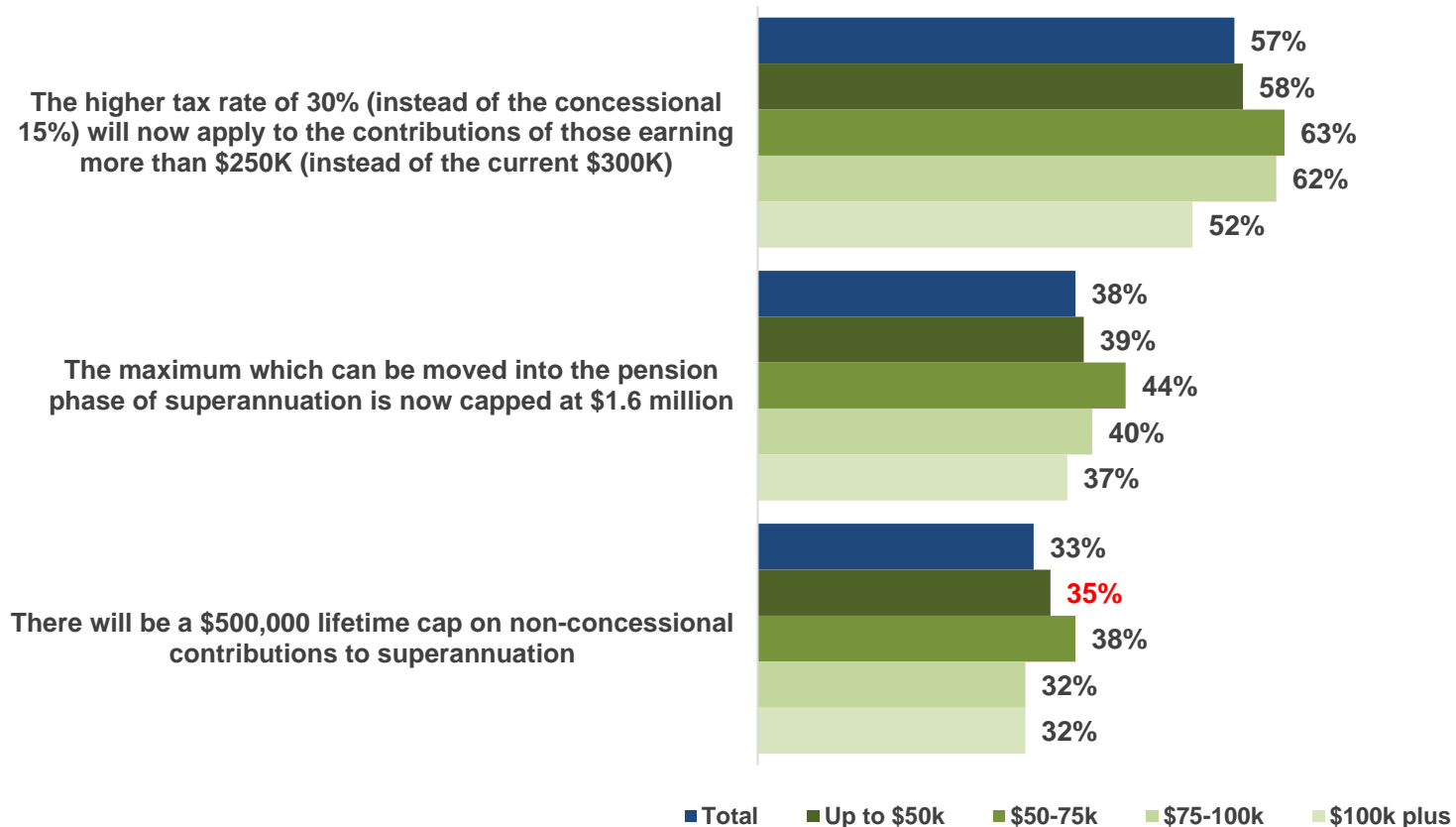
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SUPPORT FOR BUDGET SUPERANNUATION MEASURES IS RELATIVELY EVEN AMONGST ACROSS ALL INCOME BRACKETS

“Do you support or oppose the following measures contained in the Federal Government’s 2016 Budget?”

Support for Measures Contained in the Federal Government’s 2016 Budget – Superannuation Measures Total Support = Strongly + Somewhat



Base: All Respondents n=1,002

Note: All figures are rounded to the nearest whole number for the purpose of reporting. Sub-totals may differ from individual percentage results by +/-1% due to rounding. * Use caution in interpreting datasets indicated with an asterisk, as this indicates a low base size of n= ≤60 for noted subgroup(s).

BACKGROUND AND OBJECTIVES

True Issues is a research tool designed to assist Australian organisations to understand where their issues truly sit within the contemporary issues landscape.

The economy, health, education; certainly all important top of mind issues to Australians, but where does that leave the many other issues and what is it that truly focuses attention on these matters?

True Issues is a unique offering. Run three times a year, True Issues not only tracks and prioritises issues facing Australians, but delves deeper to truly identify what is driving the prioritisation of issues.

This special release examines the results of questions on the 2016 Federal Budget.

For further enquiries or to include your issue in the next wave, please contact John Scales at jscales@jwsresearch.com or on 0409 244 412.

To download our regular True Issues reports, please go to: www.jwsresearch.com/#issues.

RESEARCH METHODOLOGY

True Issues Wave 9 (W9): in field 10 – 13 May, 2016

Comprised of a representative sample of 1,002 Australians aged 18+

Conducted as an online survey with sample drawn from the Cint's OpinionHUB panel marketplace platform (www.cint.com)+

Margin of error is +/-3.1% at the 95% confidence level for results near 50%

Previous waves: W1 = Wave 1, June 2013; W2 = Wave 2, November 2013; W3 = Wave 3, March 2014; W4 = Wave 4, July 2014; W5= Wave 5, November 2014; W6= Wave 6, March 2015; W7= Wave 7, June 2015; W9= Wave 8, November 2015

Conducted in compliance with AS-ISO 20252

**THERE ARE OVER
24 MILLION PEOPLE
IN AUSTRALIA...**

**FIND OUT
WHAT THEY'RE
THINKING.**

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