



**TRUE ISSUES®**

**SPECIAL RESEARCH:  
TAX AND ECONOMIC  
REFORM OPTIONS**

August 2024



JWS RESEARCH

## A series of economic and tax reform options have combined support plus neutral opinion of 60% or more

A series of potential economic and tax reforms receive significantly stronger levels of support than opposition from Australians. Though none tested achieved majority support, a number do reach a comfortable majority when neutral opinions are combined with those already persuaded by the merits of the reform.

48% of Australians overall support further **income tax cuts**, with a further 21% neutral about the idea. An equal 21% sit opposed to further income tax cuts.

Changes to **negative gearing and capital gains tax** to slow house price growth is backed by 43% of the population, with another 18% neutral, and 24% sitting opposed. A **rent freeze and putting a two-year cap on future rent increases** is supported by 43% of Australians, with 16% neutral. 30% are opposed to this housing policy proposal. **Laws forcing supermarket chains to divest in an effort to improve grocery prices** has the backing of 39%, with 22% neutral and 24% opposed. **Tariffs on imports from countries failing to implement ambitious emissions reduction targets** is supported by 38% of the community. 26% are open to the idea as neutral while 22% are opposed.

For each of these policy options listed above, combined support plus neutral response rests at 60% or more. Two further controversial economic policy reforms fall just short of this aggregate 60% benchmark.

**Changing the Reserve Bank Act** to allow the government to stop an interest rate increase in exceptional circumstances like a cost of living crisis gets the support of 39% of the population, with 18% currently sitting as neutral. 31% say they are opposed to this proposal. This reform idea is not significantly more supported by any voter group (including Greens voters) but it is significantly more backed by those living in households with children (48% support).

The idea of introducing an **inheritance tax on estates worth more than \$6 million** is supported by 38% of Australians, with 16% neutral and 35% opposed. There is no significant difference in support or opposition to an inheritance tax among different age groups, but there is majority support for the idea among Labor leaning voters (53%) and majority opposition to it among LNP leaning voters (51%).

**Corporate tax cuts to help Australian businesses compete internationally** are backed by 32%, with an equal 32% opposed. 23% sit in the neutral camp on this economic policy option of business tax relief.

Previously publicly canvassed options to either **increase the GST rate or broaden the base** are decidedly unpopular, with only 1 in 5 Australians supportive of either option and a majority outright opposed to these potential reforms.

# Australians intuitively more receptive to arguments that government decisions are increasing inflation

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## Certain demographics do indicate majority or near majority support for certain reform options

Significant variations exist within certain demographics when presented with potential economic reforms. Despite the recent implementation of the Stage 3 tax cuts, appetite for more **income tax relief** is especially high among the middle-aged group of 35 to 54 year olds, who at 58% are 10 points more likely than average to support further income tax cuts.

Major changes to **negative gearing and capital gains tax** is higher supported by Labor voters (55% compared to 43% overall) and much less supported among LNP voters (33%). Greens voters are even more keen on these housing reforms at 60% support.

Introduction of **a rent freeze followed by a two-year rent cap** sees significantly higher support from women (49%) compared to men (37%), while LNP voters are 10 points lower in their support than the overall result of 43%. LNP voters are also a significant 6 points lower in their backing of **laws to force supermarket chains to divest** (33% compared to 39% overall) despite a related policy announcement by the Federal Opposition. **Tariffs on imports from countries with low ambition climate targets** almost achieves majority support from Labor voters (49%) and is significantly more popular among the over-55s (45%).

## Perceptions about government spending and managing inflation

There is a 2 to 1 comparative concern in the Australian community that government spending and policies are increasing the inflation rate rather than reducing it. Survey participants were presented with two contrasting viewpoints in the debate, one from the Reserve Bank Governor and the other from the Federal Treasurer. Having considered both perspectives, 34% of the population think government spending and policies are increasing inflation, 36% think it is not making any difference and 15% think government spending and policies are reducing inflation. Even among Labor leaning voters, slightly more believe government decisions are increasing inflation (26%) compared to those who think government is helping reduce the rate (24%). Belief that government is increasing inflation is significantly higher among men (40% compared to 34% overall).

It is instructive to examine these results next to the latest views about government performance on interest rates. 15% of the population rate the government's performance on interest rates as good, 36% regard it as average and 45% say it is poor. True Issues has now separated out interest rates from housing as two distinct issue areas for consideration.

# Gambling advertising is not popular, with barely one in ten comfortable with the regulatory status quo

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## Majority support a complete ban on both television and online gambling advertising

Asked about their views on the debate about gambling advertising, a majority of Australians indicated their support for a complete ban of gambling ads, both on television and online. 56% of the community back a total ban of gambling ads on television and 53% back a ban of them appearing online.

26% prefer to support restrictions that would not allow gambling advertising to appear immediately on TV before or during live sport and races. A similar 27% support such ad restrictions online.

12% prefer no further restrictions on TV and 14% prefer no further restrictions to online gambling advertising.

The final 5% say they don't know or prefer not to say in relation to gambling ads on TV and 6% don't know or prefer not to say when it comes to the online ads.

Support for completely banning television gambling ads is higher than average among over 55s (69%) and support for banning the online ads is higher than average among voters leaning to the non-major parties (64%).

Support for a complete ban across TV and online is broadly similar among Labor and LNP voters as overall and there is no difference whether people attended university or not. Voters in every state and territory support a complete ban and there is no significant difference in attitude towards a complete ban across household incomes.

The one age group where there is a significantly more support for leaving things as they are, with neither a total ban or further restrictions, is among 18 to 34 year olds, where the preference for no further restrictions is 6 points higher (20%) than average when it comes to online ads and 7 points higher (19%) when asked about TV ads.

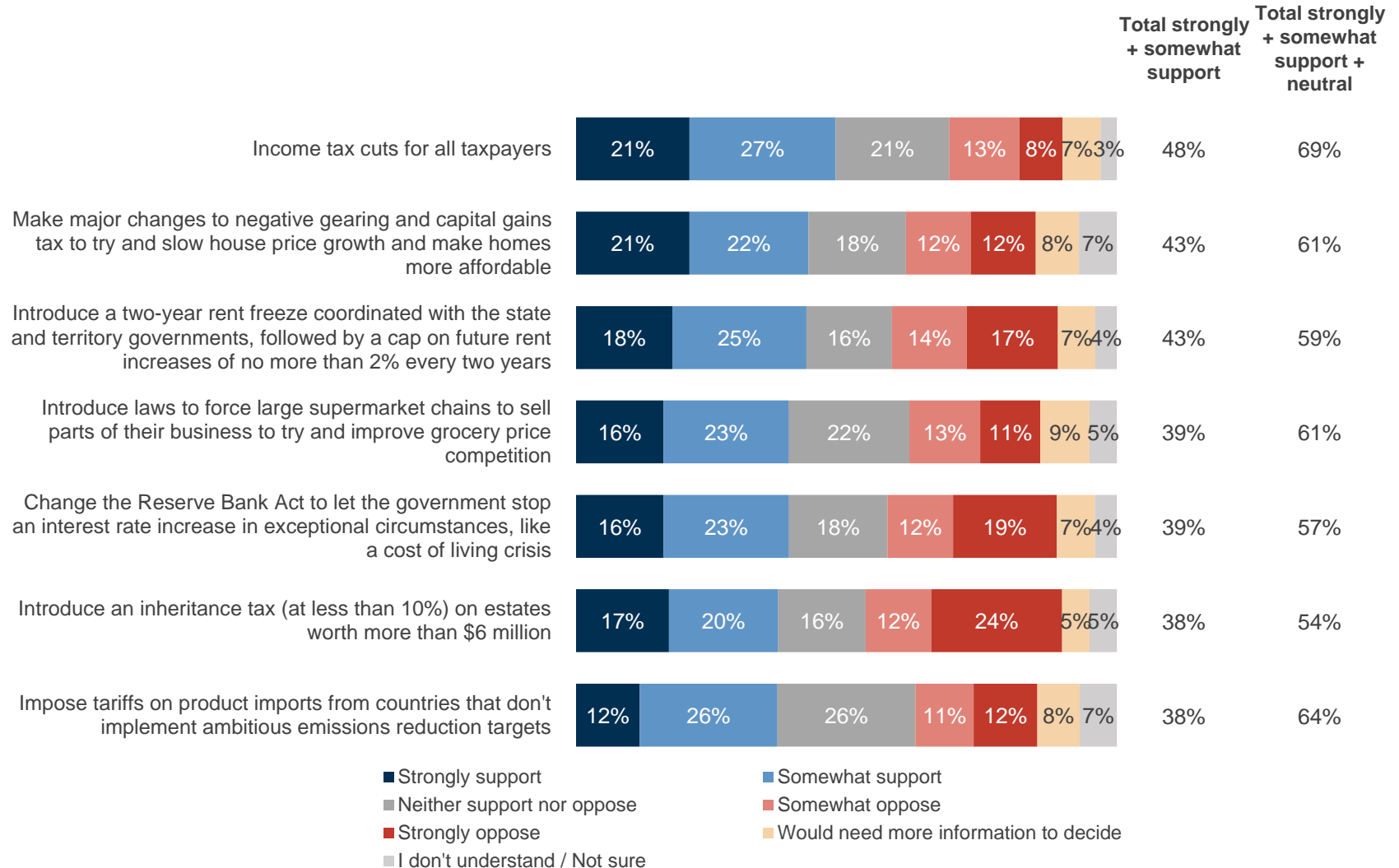
A preference for only imposing restrictions on gambling ads so they cannot appear around live sport is a significant 10 points higher than average in CALD households. Green voters (70%) are significantly more inclined to support a complete ban on the television ads than the population overall (56%).

Importantly the question balanced both sides of the policy argument, asking people to consider both the desire to reduce harmful gambling and what the revenue from the advertising supports such as free to air television and professional sport.



# Tax and economic reform options: higher levels of support

## Support for potential reforms to Australia's tax system and economic management



Q. Do you support or oppose the following potential reforms to Australia's tax system and economic management?  
 Base: All respondents (n=1,000).

# Demographic breakdowns on higher support – tax and economic reform options



## Support for potential reforms to Australia's tax system and economic management – by demographics (total strongly + somewhat support)

	Total	Men	Women	18-34 yrs	35-54 yrs	55+ yrs	Metro	Regions	ALP voters	LNP voters	Greens voters	Other voters
Income tax cuts for all taxpayers	48%	48%	49%	48%	58%	40%	49%	47%	51%	51%	44%	44%
Make major changes to negative gearing and capital gains tax to try and slow house price growth and make homes more affordable	43%	43%	43%	45%	42%	43%	43%	43%	55%	33%	60%	45%
Introduce a two-year rent freeze coordinated with the state and territory governments, followed by a cap on future rent increases of no more than 2% every two years	43%	37%	49%	43%	42%	44%	40%	50%	50%	33%	51%	52%
Introduce laws to force large supermarket chains to sell parts of their business to try and improve grocery price competition	39%	39%	40%	42%	42%	35%	40%	37%	45%	33%	44%	41%
Change the Reserve Bank Act to let the government stop an interest rate increase in exceptional circumstances, like a cost of living crisis	39%	35%	43%	39%	45%	34%	39%	39%	44%	35%	42%	39%
Introduce an inheritance tax (at less than 10%) on estates worth more than \$6 million	38%	37%	39%	35%	39%	38%	38%	37%	53%	26%	46%	34%
Impose tariffs on product imports from countries that don't implement ambitious emissions reduction targets	38%	36%	39%	31%	36%	45%	36%	43%	49%	30%	46%	47%

Significantly higher / lower than the national total at the 95% confidence interval.

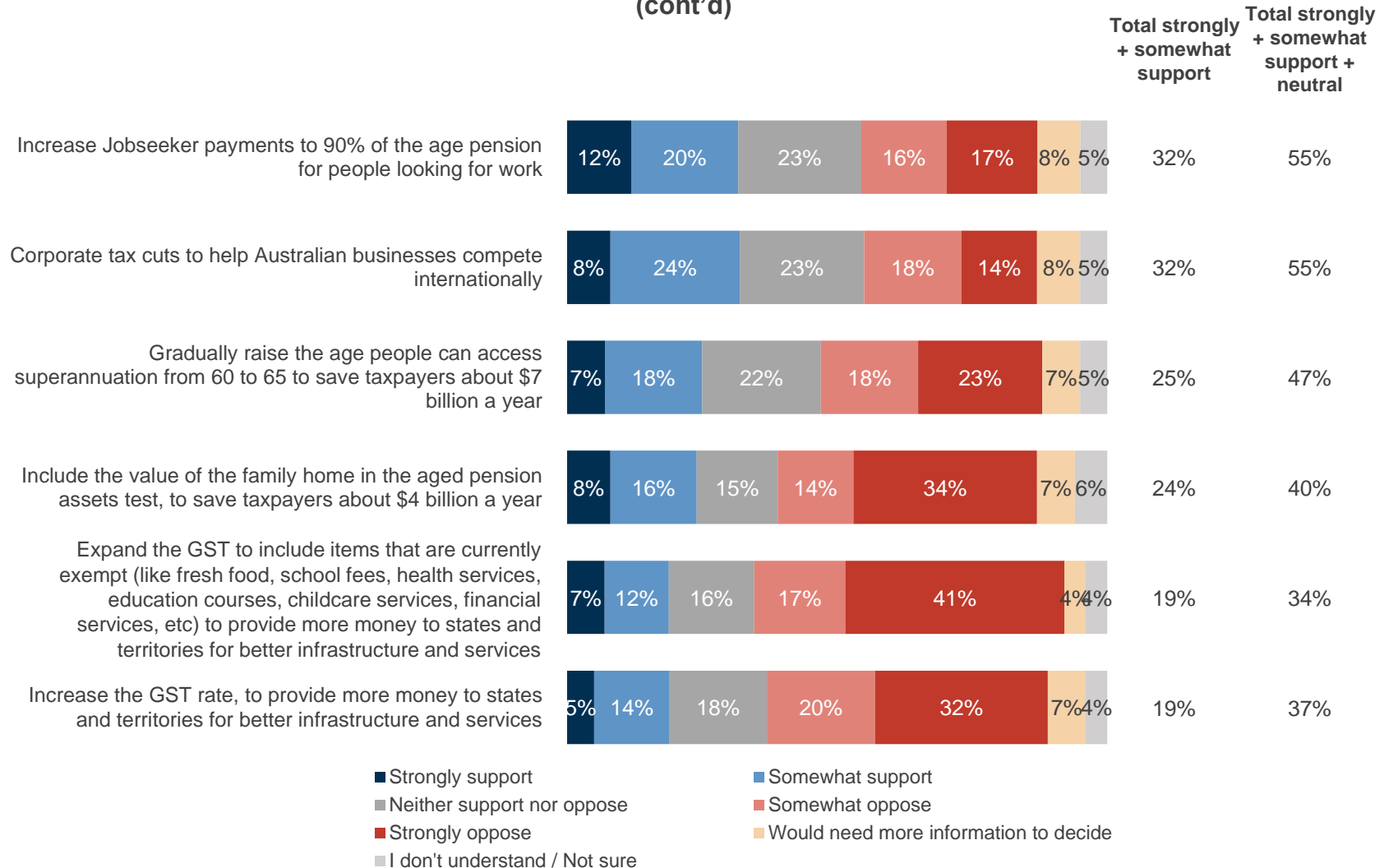
Q. Do you support or oppose the following potential reforms to Australia's tax system and economic management?

Base: All respondents (n=1,000).



# Tax and economic reform options: lower levels of support

## Support for potential reforms to Australia's tax system and economic management (cont'd)



Q. Do you support or oppose the following potential reforms to Australia's tax system and economic management?  
 Base: All respondents (n=1,000).

# Demographic breakdowns on lower support: tax and economic reform options



## Support for potential reforms to Australia's tax system and economic management – by demographics (cont'd) (total strongly + somewhat support)

	Total	Men	Women	18-34 yrs	35-54 yrs	55+ yrs	Metro	Regions	ALP voters	LNP voters	Greens voters	Other voters
Increase Jobseeker payments to 90% of the age pension for people looking for work	<b>32%</b>	31%	32%	28%	30%	37%	29%	38%	42%	20%	50%	29%
Corporate tax cuts to help Australian businesses compete internationally	<b>32%</b>	35%	29%	26%	36%	32%	32%	31%	32%	41%	13%	33%
Gradually raise the age people can access superannuation from 60 to 65 to save taxpayers about \$7 billion a year	<b>25%</b>	28%	22%	25%	23%	26%	27%	21%	28%	28%	21%	24%
Include the value of the family home in the aged pension assets test, to save taxpayers about \$4 billion a year	<b>24%</b>	27%	22%	33%	28%	13%	25%	23%	28%	23%	22%	23%
Expand the GST to include items that are currently exempt (like fresh food, school fees, health services, education courses, childcare services, financial services, etc) to provide more money to states and territories for better infrastructure and services	<b>19%</b>	24%	14%	21%	20%	16%	21%	13%	24%	21%	9%	16%
Increase the GST rate, to provide more money to states and territories for better infrastructure and services	<b>19%</b>	23%	15%	13%	17%	24%	19%	18%	23%	23%	11%	19%

Significantly higher / lower than the national total at the 95% confidence interval.

Q. Do you support or oppose the following potential reforms to Australia's tax system and economic management?

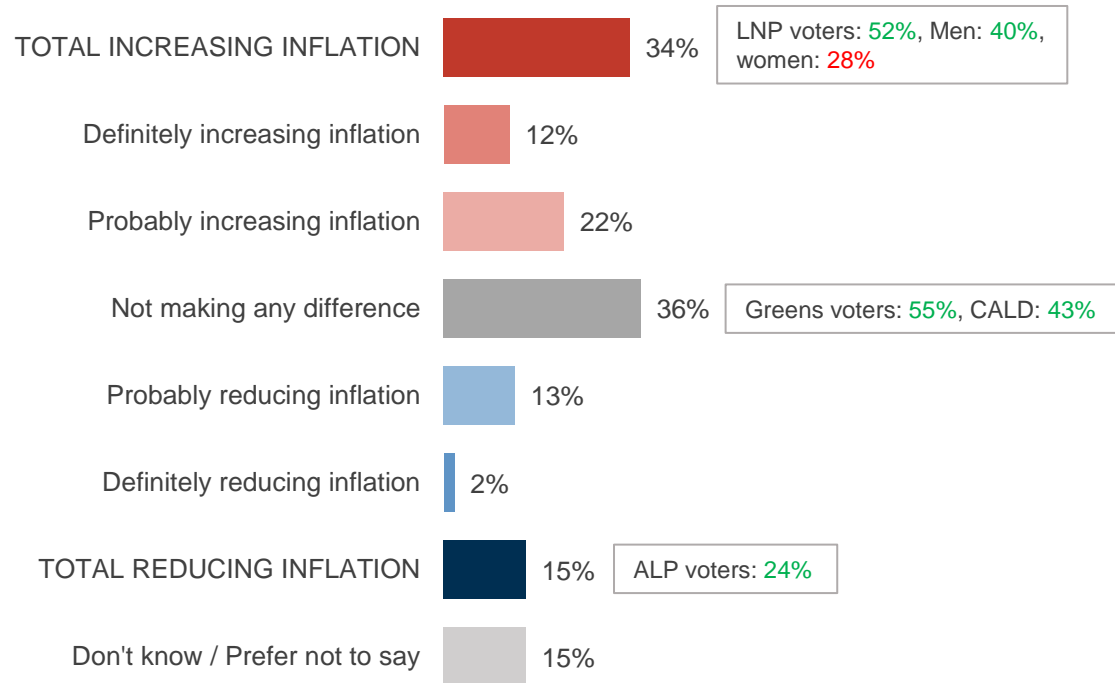
Base: All respondents (n=1,000).



# Australians far more likely to think government spending and policies are inflationary rather than deflationary



Is government spending and policies in Australia today increasing or reducing inflation, or not making a difference



Significantly higher / lower than the national total at the 95% confidence interval.

Q. Considering the ongoing debate about inflation and cost of living pressures in Australia, take a look at the following public commentary from earlier this month: The Reserve Bank of Australia say they expect headline inflation to go down in the next year due to government cost of living measures, but also state clearly that in the immediate term: "Public demand is forecast to be stronger than previously expected, reflecting recent public spending announcements by federal and state and territory governments." The Federal Treasurer Dr Jim Chalmers says the Government's policy approach is not placing upward pressure on demand and inflation: "The Government is rolling out substantial and responsible cost of living relief to help the fight against inflation... Data last week showed our policies across energy bill relief, cheaper childcare and rent have taken half a percentage point off inflation... We have also delivered the first back-to-back surpluses in almost two decades." Having considered both these perspectives, do you think government spending and policies in Australia today are increasing or reducing inflation, or not making any difference?

Base: All respondents (n=1,000).

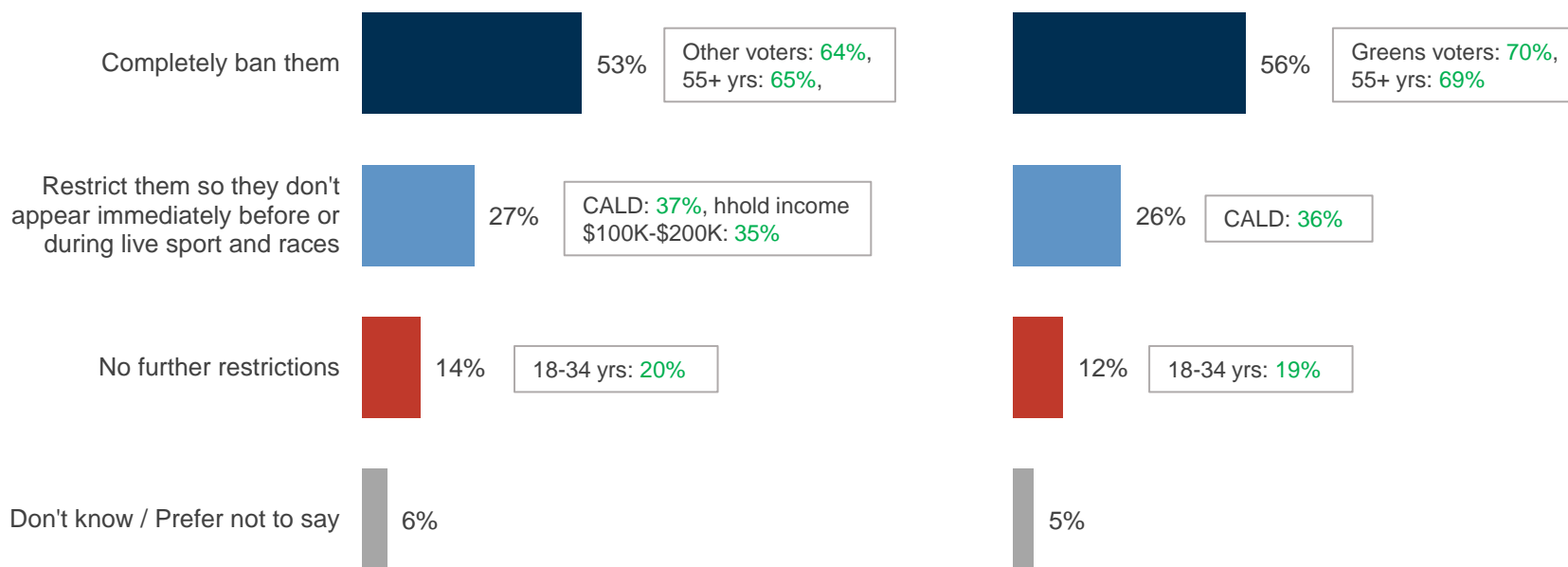
# Majority support for a complete ban on gambling advertisements – both online and television



## Views on gambling ad regulation

### Online gambling ads

### TV gambling ads



Significantly higher than the national total at the 95% confidence interval.

Q. The Federal Government is currently looking at imposing new restrictions on TV and online gambling advertising. It is weighing up a desire to reduce harmful gambling, while also recognising the financial role advertising revenue plays in supporting free-to-air television content and sponsoring professional and community sporting codes. Of the following options being considered, which of comes closest to your view on gambling ads?

Base: All respondents (n=1,000).



## Survey methodology



### National Online Survey

#### n=1,000 Australian adults

- Conducted Friday 9<sup>th</sup> – Monday 12<sup>th</sup> August 2024.
- Sample quotas on age, gender and location, with post-survey weighting to actual age / gender / location proportions from Census data.
- Maximum margin of error on n=1,000 is +/-3.1% at the 95% confidence level.
- Differences of +/-1% for net scores are due to rounding.

#### Explanation of index scores:

To facilitate ease of reporting and comparison of results over time, an **index score** has been calculated for performance measures (*very good* to *very poor* ratings).

The index score is represented as a score out of 100.

To calculate this score, the **survey percentage result** for each scale category (excluding 'don't know' responses) is multiplied by an **index factor** to produce an **index value** for each category. These values are then summed to produce the **index score**, equating to 43 in this example.

Rating category	Survey percentage	Index factor	Index value (percentage x factor)
<i>Very good</i>	5%	100	5
<i>Good</i>	17%	75	13
<i>Average</i>	40%	50	20
<i>Poor</i>	19%	25	5
<i>Very poor</i>	15%	0	0
<i>Don't know</i>	4%	-	-
<b>Index score</b>			<b>43</b>

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

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WHAT THEY'RE  
THINKING.**



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