

Political and economic barometer

GST and voting intentions

On the weekend before the launch of the Coalition's tax package in August, the Melbourne Institute's monthly survey of 1200 households, investigated attitudes to a GST. We asked: 'should a GST be part of tax reform?'

Should a GST be part of tax reform?

	Favour GST? (%)		
	Pro	Con	Undecided
Total	44	38	19
Coalition voter	78	8	14
Labor voter	26	58	16
Undecided voter	38	34	28
Metropolitan	43	38	18
Non-metro	44	37	19
Male	46	37	16
Female	41	38	21
High household income (over \$80 000)	63	22	15
Middle household income (\$3000-\$8000)	44	39	17
Low household income (below \$3000)	34	46	20
Managerial and professional	55	31	14
Tradespersons, labourers, clerks, salespersons	38	42	21
Tertiary-educated	49	36	16
Non-tertiary educated	41	39	20
Employed	47	36	17
Retired	40	38	23
Unemployment/home duties	39	43	18

More Australians favoured a GST than opposed it, but about 20 per cent were undecided or did not mind. Only about a quarter of voters were intending to vote for a Coalition party, with the great majority of these favouring a GST. 34 per cent were intending to vote Labor. They were mostly, though not so strongly, against the GST. About a quarter of the electorate was undecided who to vote for. Almost 30 per cent of these were also undecided on the GST. Thus, John Howard and Peter Costello had a large number of people to try to persuade about the GST. Of these uncommitted voters who had formed an opinion on the GST slightly more were in favour (38%) than opposed (34%). With this kind of a split in the uncom-

mitted voters, Labor's decision to de-emphasise the GST in the campaign is probably wise.

Men were more likely to favour the GST than women, those with higher incomes more than those with lower incomes, professionals more than labourers, higher educated more than less educated, employed more than those not employed. Multivariate analysis confirmed the separate impact of these social differences in attitudes towards the GST.

In the next issue, we will report how attitudes changed between August and October.

Family finances

Since coming out of the 'recession we had to have' in the early 1990's, when most people reported being worse off than before, the Family Finances graph has been above the long-run index average of 88 over the last four years. Ups and downs have occurred, but in the last few months we have been on a bit of an 'up'. Comparing people's expectations with actual outcomes reveals not only a distinct correlation, but also an indication of people's optimism given the relatively higher index.

Family finances compared to one year ago—Three month moving average

