

# Polling - Income tax and inequality

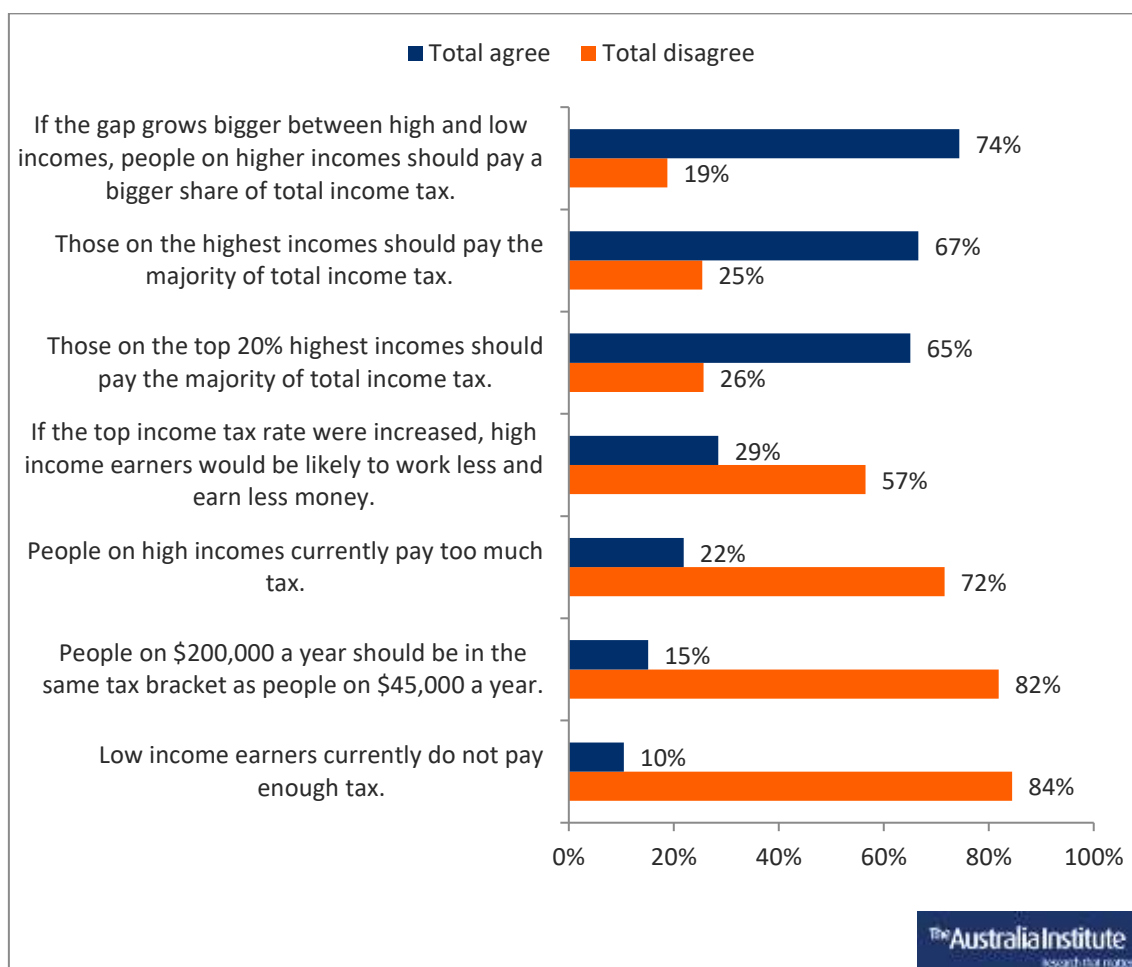
*October 2018*

The Australia Institute surveyed a nationally representative sample of 1,449 Australians about income inequality and income taxation. Overall, most respondents agreed with principles of progressive taxation and disagreed that income tax in Australia should be made less progressive.

## Key Results

Respondents were presented with a randomised list of statements and were asked to what extent they agreed or disagreed. Results are shown in Figure 1.

**Figure 1 - Attitudes to income tax and inequality – total agree or disagree**



- 74% of respondents agreed that if the gap between high and low incomes grows, people on higher incomes should pay more of the total income tax. This is a key consequence of a progressive income tax system.
- Most respondents disagreed with the idea that increasing the top income tax rate would discourage high income earners from working less and earning less money (57% disagree). This is key claim often made for reducing higher income tax rates.
- 67% agreed that those on the “highest” incomes should pay the majority of the income tax. 26% strongly agreed.
- When specified as the top 20% of highest income earners, there were similar levels of agreement (65%). 26% strongly agreed.
- Respondents overwhelmingly disagreed that people on high incomes currently pay too much tax (72% disagree) and that people on low incomes do not pay enough (84% disagree).
- Respondents overwhelmingly disagreed that people on \$200,000 a year in the same tax bracket as people on \$45,000 a year. This change has been legislated as part of the government’s income tax cut package.

## Method

The Australia Institute conducted a national survey of 1,449 people 3 August and 15 August 2018, online through Research Now, with nationally representative samples by gender, age and state and territory.

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, United Australia Party and Independent/Other.

## Detailed results

*These questions are about incomes and tax.*

*To what extent do you agree or disagree with the following?*

*If the gap grows bigger between high and low incomes, people on higher incomes should pay a bigger share of total income tax.*

	Total	Male	Female	NSW	Qld	Vic	WA
<b>Total agree</b>	<b>74%</b>	<b>77%</b>	<b>72%</b>	<b>75%</b>	<b>72%</b>	<b>73%</b>	<b>80%</b>
<b>Total disagree</b>	<b>19%</b>	<b>19%</b>	<b>18%</b>	<b>18%</b>	<b>19%</b>	<b>20%</b>	<b>15%</b>
Strongly agree	<b>30%</b>	32%	29%	31%	32%	30%	28%
Agree	<b>44%</b>	45%	43%	44%	41%	43%	52%
Disagree	<b>14%</b>	15%	14%	13%	15%	15%	10%
Strongly disagree	<b>4%</b>	5%	4%	5%	4%	5%	5%
Don't know / not sure	<b>7%</b>	3%	10%	7%	9%	7%	5%

	LNP	ALP	GRN	PHON	Other	Undec
<b>Total agree</b>	<b>65%</b>	<b>83%</b>	<b>80%</b>	<b>72%</b>	<b>70%</b>	<b>67%</b>
<b>Total disagree</b>	<b>26%</b>	<b>13%</b>	<b>12%</b>	<b>18%</b>	<b>24%</b>	<b>18%</b>
Strongly agree	18%	36%	42%	39%	29%	27%
Agree	47%	47%	38%	33%	41%	40%
Disagree	20%	10%	7%	14%	19%	15%
Strongly disagree	6%	3%	5%	5%	5%	4%
Don't know / not sure	9%	4%	8%	10%	6%	15%

***Those on the highest incomes should pay the majority of total income tax.***

	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>NSW</b>	<b>Qld</b>	<b>Vic</b>	<b>WA</b>
<b>Total agree</b>	<b>67%</b>	<b>68%</b>	<b>65%</b>	<b>67%</b>	<b>65%</b>	<b>66%</b>	<b>69%</b>
<b>Total disagree</b>	<b>25%</b>	<b>26%</b>	<b>25%</b>	<b>25%</b>	<b>27%</b>	<b>25%</b>	<b>23%</b>
Strongly agree	<b>26%</b>	26%	26%	24%	27%	28%	24%
Agree	<b>41%</b>	42%	40%	43%	38%	39%	44%
Disagree	<b>20%</b>	20%	20%	19%	21%	20%	18%
Strongly disagree	<b>5%</b>	6%	5%	5%	6%	5%	5%
Don't know / not sure	<b>8%</b>	6%	10%	8%	9%	8%	8%

	<b>LNP</b>	<b>ALP</b>	<b>GRN</b>	<b>PHON</b>	<b>Other</b>	<b>Undec</b>
<b>Total agree</b>	<b>59%</b>	<b>74%</b>	<b>71%</b>	<b>63%</b>	<b>62%</b>	<b>60%</b>
<b>Total disagree</b>	<b>34%</b>	<b>19%</b>	<b>17%</b>	<b>27%</b>	<b>29%</b>	<b>27%</b>
Strongly agree	17%	31%	36%	27%	24%	22%
Agree	42%	43%	36%	37%	38%	39%
Disagree	27%	16%	10%	20%	24%	22%
Strongly disagree	7%	3%	6%	6%	5%	5%
Don't know / not sure	7%	7%	12%	10%	10%	13%

***Those on the top 20% highest incomes should pay the majority of total income tax.***

	Total	Male	Female	NSW	Qld	Vic	WA
<b>Total agree</b>	<b>65%</b>	<b>69%</b>	<b>61%</b>	<b>65%</b>	<b>64%</b>	<b>62%</b>	<b>71%</b>
<b>Total disagree</b>	<b>26%</b>	<b>25%</b>	<b>27%</b>	<b>26%</b>	<b>26%</b>	<b>27%</b>	<b>20%</b>
Strongly agree	<b>26%</b>	25%	27%	26%	29%	25%	27%
Agree	<b>39%</b>	43%	34%	39%	36%	36%	45%
Disagree	<b>21%</b>	19%	23%	21%	21%	23%	16%
Strongly disagree	<b>5%</b>	5%	4%	5%	5%	4%	4%
Don't know / not sure	<b>9%</b>	7%	12%	9%	10%	11%	9%

	LNP	ALP	GRN	PHON	Other	Undec
<b>Total agree</b>	<b>57%</b>	<b>72%</b>	<b>70%</b>	<b>62%</b>	<b>61%</b>	<b>58%</b>
<b>Total disagree</b>	<b>34%</b>	<b>20%</b>	<b>17%</b>	<b>22%</b>	<b>31%</b>	<b>27%</b>
Strongly agree	18%	30%	38%	32%	23%	20%
Agree	39%	42%	32%	30%	38%	39%
Disagree	28%	17%	15%	17%	24%	23%
Strongly disagree	6%	3%	2%	5%	6%	4%
Don't know / not sure	9%	8%	13%	16%	8%	15%

***People on \$200,000 a year should be in the same tax bracket as people on \$45,000 a year.***

	Total	Male	Female	NSW	Qld	Vic	WA
<b>Total agree</b>	<b>15%</b>	<b>19%</b>	<b>11%</b>	<b>16%</b>	<b>12%</b>	<b>15%</b>	<b>13%</b>
<b>Total disagree</b>	<b>82%</b>	<b>80%</b>	<b>84%</b>	<b>81%</b>	<b>84%</b>	<b>82%</b>	<b>84%</b>
Strongly agree	5%	6%	3%	4%	7%	4%	5%
Agree	10%	13%	8%	13%	5%	11%	7%
Disagree	34%	32%	35%	30%	35%	32%	39%
Strongly disagree	48%	48%	49%	51%	49%	50%	45%
Don't know / not sure	3%	1%	5%	3%	4%	3%	3%

	LNP	ALP	GRN	PHON	Other	Undec
<b>Total agree</b>	<b>17%</b>	<b>13%</b>	<b>13%</b>	<b>17%</b>	<b>18%</b>	<b>11%</b>
<b>Total disagree</b>	<b>79%</b>	<b>85%</b>	<b>85%</b>	<b>80%</b>	<b>79%</b>	<b>83%</b>
Strongly agree	5%	3%	3%	12%	6%	3%
Agree	12%	10%	10%	5%	12%	8%
Disagree	39%	31%	27%	31%	32%	36%
Strongly disagree	40%	53%	57%	49%	47%	47%
Don't know / not sure	3%	3%	3%	4%	3%	6%

***If the top income tax rate were increased, high income earners would be likely to work less and earn less money.***

	Total	Male	Female	NSW	Qld	Vic	WA
<b>Total agree</b>	<b>29%</b>	<b>28%</b>	<b>29%</b>	<b>30%</b>	<b>25%</b>	<b>33%</b>	<b>24%</b>
<b>Total disagree</b>	<b>57%</b>	<b>61%</b>	<b>52%</b>	<b>57%</b>	<b>58%</b>	<b>53%</b>	<b>60%</b>
Strongly agree	6%	7%	5%	8%	7%	6%	3%
Agree	22%	21%	23%	22%	18%	27%	22%
Disagree	40%	41%	38%	38%	42%	36%	46%
Strongly disagree	17%	20%	14%	19%	16%	16%	14%
Don't know / not sure	15%	10%	20%	13%	17%	15%	16%

	LNP	ALP	GRN	PHON	Other	Undec
<b>Total agree</b>	<b>31%</b>	<b>25%</b>	<b>25%</b>	<b>32%</b>	<b>33%</b>	<b>30%</b>
<b>Total disagree</b>	<b>54%</b>	<b>61%</b>	<b>55%</b>	<b>52%</b>	<b>54%</b>	<b>45%</b>
Strongly agree	6%	5%	4%	13%	8%	6%
Agree	25%	20%	22%	19%	25%	24%
Disagree	41%	42%	36%	41%	32%	34%
Strongly disagree	14%	19%	20%	11%	21%	11%
Don't know / not sure	14%	15%	19%	16%	13%	24%



***People on high incomes currently pay too much tax.***

	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>NSW</b>	<b>Qld</b>	<b>Vic</b>	<b>WA</b>
<b>Total agree</b>	<b>22%</b>	<b>23%</b>	<b>21%</b>	<b>23%</b>	<b>22%</b>	<b>23%</b>	<b>18%</b>
<b>Total disagree</b>	<b>72%</b>	<b>72%</b>	<b>71%</b>	<b>70%</b>	<b>72%</b>	<b>69%</b>	<b>76%</b>
Strongly agree	<b>5%</b>	5%	5%	7%	5%	6%	5%
Agree	<b>16%</b>	18%	15%	16%	18%	18%	14%
Disagree	<b>40%</b>	40%	40%	34%	42%	39%	46%
Strongly disagree	<b>32%</b>	32%	31%	36%	31%	30%	29%
Don't know / not sure	<b>7%</b>	4%	9%	7%	5%	8%	6%

	<b>LNP</b>	<b>ALP</b>	<b>GRN</b>	<b>PHON</b>	<b>Other</b>	<b>Undec</b>
<b>Total agree</b>	<b>31%</b>	<b>15%</b>	<b>13%</b>	<b>19%</b>	<b>30%</b>	<b>23%</b>
<b>Total disagree</b>	<b>61%</b>	<b>79%</b>	<b>79%</b>	<b>74%</b>	<b>68%</b>	<b>61%</b>
Strongly agree	7%	4%	2%	7%	6%	4%
Agree	23%	11%	11%	12%	24%	19%
Disagree	41%	42%	37%	31%	40%	35%
Strongly disagree	21%	37%	42%	43%	27%	27%
Don't know / not sure	8%	6%	8%	6%	3%	15%