

## Fairfax-Ipsos poll: Budget passes fairness test but Labor's support surges

Phillip Coorey, AFR, 14 May



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Last week's federal budget has passed the fairness test but failed to help the Turnbull government, with the latest poll showing a surge in support to the Labor Party.

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This is a swing towards Labor of 2 percentage points since the last poll a month ago and is driven by a jump in Labor's primary vote from 34 per cent to 37 per cent. The Coalition's primary vote was unmoved at 36 per cent as was the Greens' vote of 11 per cent.

While Malcolm Turnbull's personal ratings remain streets ahead of Mr Shorten's, overall the poll numbers will be of little comfort inside government ahead of the five by-elections to be held on the same day in either late June or early July.



The poll of 1200 voters was taken from Thursday night to Saturday night last week, just after Tuesday's budget and its centrepiece of \$140 billion in income tax cuts. On Wednesday, the [High Court's ruling on dual citizenship](#) triggered four more byelections, which will be held alongside the Perth byelection caused by the resignation of Labor MP Tim Hammond.

On Thursday night, as polling began, Mr Shorten gave his budget reply in which he pledged to almost double the government's tax cuts for low and middle-income earners, spend more on health and education and pay down debt faster. He criticised the second and third stages of the government's three-step, seven-year tax plan as too skewed towards people on higher incomes.

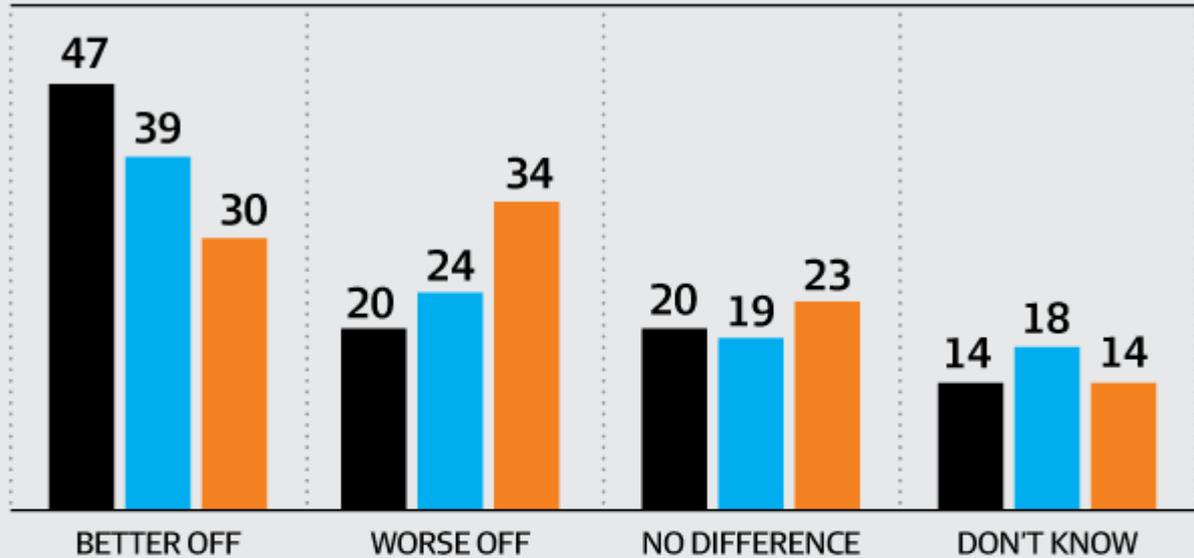
On fairness, a key test for any budget, the poll shows 39 per cent of voters regarded the budget as fair and 33 per cent thought it was unfair. Also, 38 per cent thought they would be better off and 35 thought they would be worse off.

However, most who believed the budget was fair or thought they would personally benefit, tended to vote Coalition and be on higher incomes.

For example 65 per cent of Coalition voters and 45 per cent of those on combined household incomes over \$100,000 thought the budget to be fair whereas 24 per cent of Labor voters and 39 per cent of those on household incomes between \$40,000 and \$100,000 thought it to be fair.

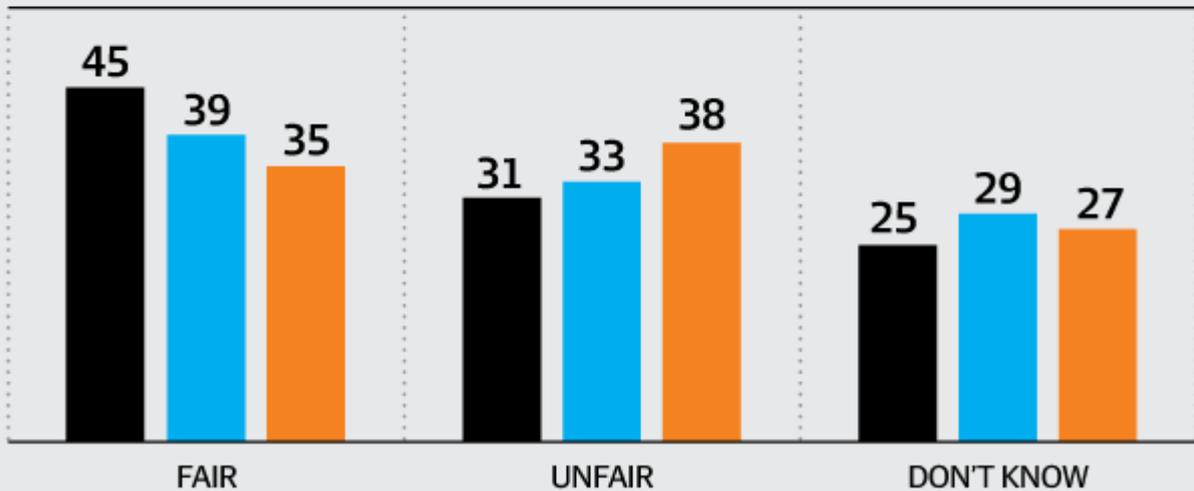
Thinking now about how the federal budget will affect you personally, do you feel you will be better off or worse off?^ (%)

HOUSEHOLD INCOME ■ >100k ■ 40-100k ■ <40k



Do you believe the federal budget announced on Tuesday by the Treasurer, Mr Morrison, was a fair budget, or not?^ (%)

HOUSEHOLD INCOME ■ >100k ■ 40-100k ■ <40k



^May not add to 100 due to rounding.

SOURCE: FAIRFAX IPSOS

The poll is also consistent with other published polls in that it finds people are more concerned with paying off debt than receiving a tax cut.

Asked whether extra revenue should be used to fund income tax cuts or pay down debt, 37 per cent nominated income tax cuts and 57 per cent supported debt reduction.

The demarcation was strongest among Coalition voters with just 29 per cent favouring tax cuts and 68 per cent wanting debt reduction.

Mr Turnbull's personal approval rating rose 4 points to 51 per cent and his disapproval rating fell 4 points to 39 per cent. Mr Shorten's approval rating rose 1 point to 39 per cent and his disapproval fell 2 points to 51 per cent.

Mr Turnbull leads Mr Shorten as preferred prime minister by 52 per cent to 32 per cent.

Labor's two-party-preferred lead of 54 per cent to 46 per cent is based on how preferences flowed at the last election. When voters were asked how they would allocate preferences this time, Labor leads by 53 per cent to 47 per cent. In the last poll in April, the parties were tied at 50-50 on this stated preferences indicator.

On Sunday, Mr Shorten said Labor was able to do more in terms of tax cuts, debt reduction and spending on essential services because it had made the tough policy decisions to curb such tax breaks as negative gearing, capital gains tax deduction, and cash payments for excess franking credits. As well, as *The Australian Financial Review* revealed on Saturday, [Labor is poised to oppose tax cuts for all companies with turnovers above \\$10 million](#), meaning it will bank the lion's share of the \$80 billion the tax cuts are forecast to cost over the next decade.

Treasurer Scott Morrison urged voters not to be fooled by Mr Shorten into thinking his promises were being funded by denying big business a tax cut.

He noted that the largest companies would not receive their tax cut until the middle of next decade, under the 10-year company tax cut plan. The income tax cuts and other promises Mr Shorten has made for the short term were coming at the expense of higher taxes, such as denying retirees their cash payments for excess franking credits.

"It's not big companies, it's not multinationals. They will be paying the same tax under both parties for many years to come. It's Nannas, Nonnas, and Yia Yias who are going to pay the tax for Bill Shorten," he said.