



Support for Tax Options

Omnibus Results

[June 2008]



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Methodology

This report is based on a telephone survey of a nationally representative sample of New Zealanders aged 18 years or over.

Fieldwork was conducted from 6th to 11th June 2008 at UMR Research's national interview facility in Auckland.

The margin of error for sample size of 750 for a 50% figure at the '95% confidence level' is $\pm 3.6\%$.

Summary of Findings

■ Overview

New Zealanders reject the idea of tax cuts that lead to increased debt or reduced Government spending, particularly if the alternative is more user pays. The general consensus is that political parties should release information on how they would pay for their election promises as soon as possible.

- Informed that the Government's tax cuts have exhausted the surplus and that any further cuts in taxes would require increased debt or reduced public service spending, most respondents (60%) were opposed to the idea of increased tax cuts ('somewhat opposed' or 'strongly opposed'). One in three (33%) expressed support including 13% who 'strongly supportive'.

Females expressed slightly more opposition than males (63% and 57% respectively), and lower to middle income earners (those earning \$15,000 to \$40,000) were also slightly more opposed (between 60% and 69%) compared to higher income earners (between 57% and 59%).

- A solid plurality of respondents (49%) think political parties should release details on how they would pay for their election promises as soon as possible. 30% said the details should be released as soon as the formal election campaign begins and 19% said the details should be released at anytime as long as it is before the election itself.

Females were more supportive than males of details being released as soon as possible (52% to 46%).

- Respondents were then asked if they would prefer A) to keep taxes as they are and thus keeping user charges for services low, or B) cutting taxes and having higher user chargers. Nearly three in four respondents (71%) said they preferred to keep taxes as they are, while 23% said they would prefer to cut taxes.

A majority of respondents (60%) were either 'somewhat' or 'strongly' opposed to larger tax cuts when informed that budget figures show that these would mean increased Government debt or reduced spending on public services. 33% however, expressed support for this notion, including 13% who were 'strongly' supportive.

SUPPORT OR OPPOSE LARGER TAX CUTS	
<i>As you may be aware, the recent budget included tax cuts costing ten point six billion dollars over the next three years. According to Treasury, the surplus is now gone and larger tax cuts would require the government to increase debt or reduce spending on public services. Would you strongly support, somewhat support, somewhat oppose or strongly oppose larger tax cuts if they meant increased debt or reduced spending on public services.</i>	
	JUN 08 %
Strongly support	13
Somewhat support	20
TOTAL SUPPORT	33
Somewhat oppose	25
Strongly oppose	35
TOTAL OPPOSE	60
Unsure	7
Base: All, n=750	

Half of all respondents (49%) stated that political parties should release details on how they would pay for their election promises as soon as possible. 30% said the details should be released as soon as the formal election campaign begins and 19% said should release the details at anytime, so long as it is before the election itself.

TIMING OF POLICY RELEASES	
<i>When do you think political parties should release details to the public on how they would pay for their pre-election promises?</i>	
	JUN 08 %
A) As soon as possible	49
B) As soon as the formal election campaign begins	30
C) Whenever they like as long as it is before the election itself	19
Unsure	2
TOTAL	100
Base: All, n=750	

A solid majority of respondents (71%) said they would prefer to leave taxes as they are, and use them to fund services such as health and education. Nearly one in four (23%) preferred to cut taxes and have higher user charges for services.

PREFERRED TAX OPTION	
<i>Which would you prefer?</i>	
	JUN 08 %
Keeping taxes as they are and using taxes to keep user charges for services such as health and education as low as possible	71
Cutting taxes further and having higher user charges for services such as health and education	23
Depends	3
Unsure	3
TOTAL	100
Base: All, n=750	

SUPPORT OR OPPOSE LARGER TAX CUTS

As you may be aware, the recent budget included tax cuts costing ten point six billion dollars over the next three years. According to Treasury, the surplus is now gone and larger tax cuts would require the government to increase debt or reduce spending on public services. Would you strongly support, somewhat support, somewhat oppose or strongly oppose larger tax cuts if they meant increased debt or reduced spending on public services.

	Base	Strongly support	Somewhat support	Somewhat oppose	Strongly oppose	Unsure
ALL	750	13%	20%	25%	35%	7%
SEX						
Male	359	17%	20%	22%	35%	6%
Female	391	10%	19%	29%	34%	8%
AGE GROUP						
Under 30	157	13%	25%	27%	30%	5%
30-44	225	14%	18%	31%	30%	7%
45-59	196	13%	20%	23%	36%	8%
60 Plus	172	13%	16%	20%	43%	8%
OCCUPATION						
Professionals, Managers	199	15%	20%	31%	31%	3%
Technicians, Associate Professionals	76	10%	20%	21%	43%	6%
Clerks	42	10%	13%	38%	34%	5%
Sales and service workers	60	15%	18%	22%	38%	7%
Blue collar	98	13%	22%	21%	35%	9%
Students	60	8%	28%	22%	30%	12%
Retired	129	12%	18%	22%	41%	7%
Homemaker	50	16%	17%	25%	34%	8%
PERSONAL INCOME						
Less than \$15,000	119	16%	21%	24%	33%	6%
\$15,001-25,000	113	8%	22%	20%	40%	10%
\$25,001-30,000	61	7%	15%	29%	34%	15%
\$30,001-40,000	87	14%	12%	34%	35%	5%
\$40,001-50,000	79	14%	20%	26%	32%	8%
\$50,001-70,000	110	15%	23%	23%	36%	3%
More than \$70,000	111	18%	20%	24%	33%	5%
ETHNICITY						
Pacific Island	35	18%	20%	41%	21%	0%
Maori	82	8%	18%	25%	38%	11%
Non Maori/Non PI	639	14%	19%	25%	35%	7%

TIMING OF POLICY RELEASES

When do you think political parties should release details to the public on how they would pay for their pre-election promises?

- A) As soon as possible
- B) As soon as the formal election campaign begins
- C) Whenever they like as long as it is before the election itself

	Base	A)	B)	C)	Unsure
ALL	750	49%	30%	19%	2%
SEX					
Male	359	46%	30%	22%	2%
Female	391	52%	30%	16%	2%
AGE GROUP					
Under 30	157	55%	25%	19%	1%
30-44	225	51%	35%	13%	1%
45-59	196	46%	30%	22%	2%
60 Plus	172	44%	29%	24%	3%
OCCUPATION					
Professionals, Managers	199	50%	33%	17%	0%
Technicians, Associate Professionals	76	62%	25%	12%	1%
Clerks	42	45%	26%	29%	0%
Sales and service workers	60	58%	22%	16%	4%
Blue collar	98	50%	34%	15%	1%
Students	60	49%	26%	19%	6%
Retired	129	43%	33%	22%	2%
Homemaker	50	37%	34%	25%	4%
PERSONAL INCOME					
Less than \$15,000	119	49%	34%	15%	2%
\$15,001-25,000	113	54%	25%	19%	2%
\$25,001-30,000	61	50%	30%	18%	2%
\$30,001-40,000	87	62%	26%	10%	2%
\$40,001-50,000	79	49%	31%	20%	0%
\$50,001-70,000	110	44%	30%	23%	3%
More than \$70,000	111	37%	39%	24%	0%
ETHNICITY					
Pacific Island	35	74%	16%	10%	0%
Maori	82	54%	26%	18%	2%
Non Maori/Non PI	639	48%	31%	19%	2%

PREFERRED TAX OPTION

Which would you prefer?

- A) Keeping taxes as they are and using taxes to keep user charges for services such as health and education as low as possible
 B) Cutting taxes further and having higher user charges for services such as health and education

	Base	A)	B)	Depends	Unsure
ALL	750	71%	23%	3%	3%
SEX					
Male	359	67%	27%	3%	3%
Female	391	74%	19%	3%	4%
AGE GROUP					
Under 30	157	74%	25%	0%	1%
30-44	225	71%	26%	0%	3%
45-59	196	70%	19%	6%	5%
60 Plus	172	71%	20%	6%	3%
OCCUPATION					
Professionals, Managers	199	72%	23%	2%	3%
Technicians, Associate Professionals	76	67%	29%	3%	1%
Clerks	42	61%	24%	11%	4%
Sales and service workers	60	83%	14%	1%	2%
Blue collar	98	67%	30%	1%	2%
Students	60	81%	17%	0%	2%
Retired	129	71%	20%	6%	3%
Homemaker	50	76%	17%	2%	5%
PERSONAL INCOME					
Less than \$15,000	119	72%	22%	2%	4%
\$15,001-25,000	113	78%	15%	4%	3%
\$25,001-30,000	61	83%	12%	2%	3%
\$30,001-40,000	87	73%	23%	3%	1%
\$40,001-50,000	79	67%	26%	3%	4%
\$50,001-70,000	110	68%	29%	3%	0%
More than \$70,000	111	65%	27%	5%	3%
ETHNICITY					
Pacific Island	35	72%	28%	0%	0%
Maori	82	80%	15%	2%	3%
Non Maori/Non PI	639	70%	23%	4%	3%