

True Issues[®] Special Release: Federal Budget 2026

May 2026

While Australians are often critical of the budget, there is strong support for many of its individual measures

Relatively strong knowledge of the budget likely reflects deep concerns over cost of living and the national economy

Australians were largely paying attention to Jim Chalmers' fifth budget. Two in three (68%) say they know a lot or little about the most recent federal budget. This compares to 62% for the 2024 budget. This greater engagement likely reflects the salience of the cost of living crisis and deep concerns over the national economy (with confidence in the Aussie economy hitting its lowest level to date in our main True Issues tracker).

Overall responses to the budget are much more likely to be negative than positive

Almost half (45%) of those people who know something about the budget believe it is 'poor' for them personally compared to just 12% who think it is 'good'. There is more optimism that it is 'good' for the nation (21%), but this is clearly outweighed by those who rate it as 'poor' (44%). Both sets of figures are worse than in 2024.

The greatest critics of the budget include men aged 55 years and over, with 57% saying it's a 'poor' budget for them personally. There is also little apparent enthusiasm among the budget's target audience of younger Australians, with 41% of them rating it as 'poor' for them personally and only 16% rating it as 'good'.

At the same time, there is majority support for many of the individual measures contained in the budget

There is majority support for nine of the 14 measures tested in the survey. Those attracting greatest support include:

- \$25 billion in additional funding for public hospitals (82% support)
- additional aged care funding, including 5,000 more beds (80%)
- extending the ban on foreign investors from buying existing homes (79%).

The depth of feeling on extending the foreign investor ban is particularly pronounced, with 55% 'strongly' supporting this. Indeed support is much stronger for this measure and the \$2 billion to speed up housing construction than for other measures designed to tackle housing affordability, including restricting negative gearing (37% support) and revising the capital gains tax discount (36% support). CGT reform is the only measure, where support does not outweigh opposition (36% support and 36% oppose).

This raises the question as to why the budget is rated so negatively if there is broad (and often) deep support for many of its measures. This could reflect the focus in the delivery, and reporting, of the budget on the measures with the lowest support, while the measures attracting higher support have been lost in the detail. It could also reflect frustration at a lack of action on the cost of living, coupled with a 'horn effect' in terms of wider pessimism over the nation economy.

The public want future budgets to better manage spending and focus on housing, sovereignty and rewarding work

Key guiding priorities for future economic and budget decisions include housing affordability, sovereignty and rewarding work

The recent federal budget was arguably hitting some of the right notes even if Australians are critical of the tune. The top three principles they believe governments should prioritise when making major economic and budget decisions in future include:

- improving housing affordability and helping younger Australians to build financial security (46%)
- building a more self-reliant economy that can better withstand global shocks (44%)
- making it more rewarding for people to work, earn more and get ahead financially (41%).

Principles that are lowest rated include:

- reducing emissions and supporting the transition to a lower carbon economy (18%) – suggesting the public's focus is on the short to medium-term economic pain rather than the climate crisis
- protecting younger generations from higher government debt and higher taxes (22%) – indicating that intergenerational fairness is not a priority when seen through this fiscal prism.

Australians want to see government spend responsibly rather than raise more revenue

There is an appetite for fiscal discipline. Three in five Australians (59%) think governments need to focus on reducing overall public spending rather than raise taxes (21%), with a further 19% unsure. This also potentially helps explain the overall negative reaction to the budget, if the narrative becomes one of 'raising taxes' rather than 'tax reform'.

On balance, the public are prepared for governments to break election promises if their decisions are in the national interest

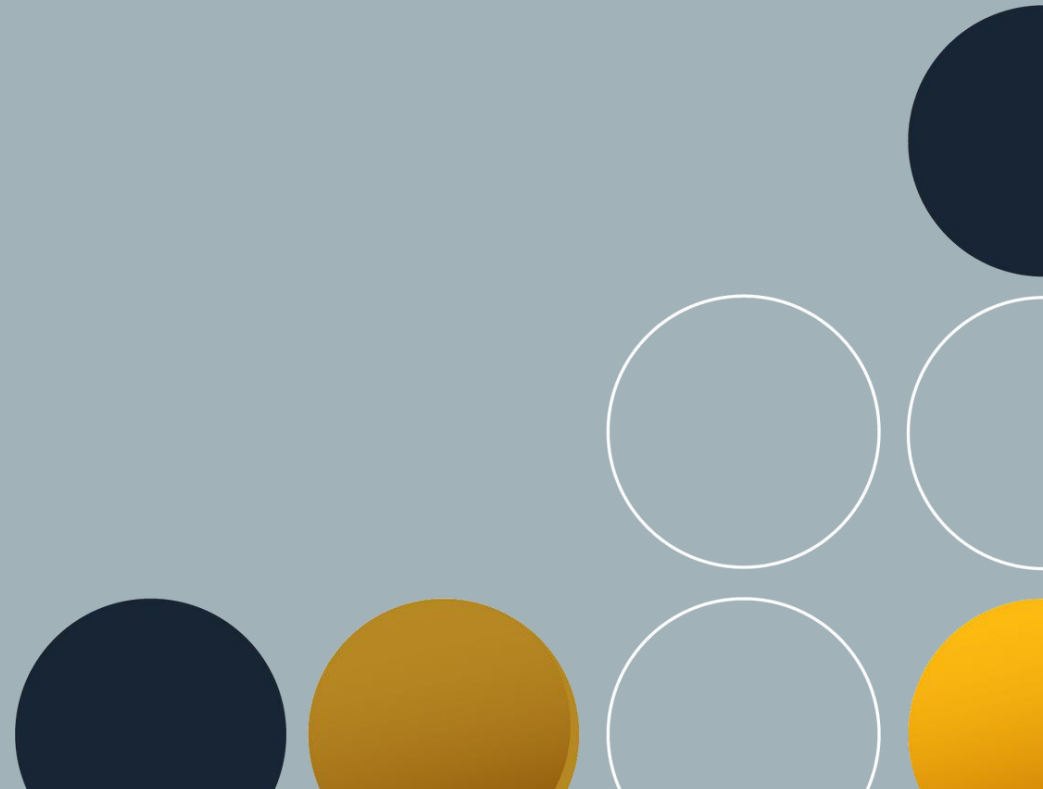
Half of Australians believe governments should prioritise 'making tough decisions in the national interest' (50%), even if it means breaking election promises' over 'sticking to election promises, even if it means delaying difficult decisions' (37%). This indicates an acceptance that sometimes governments need to spend their political capital.

There is majority support for tackling bracket creep

Three in five Australians (60%) support the Coalition's proposal to increase income tax thresholds each year in line with inflation while only 9% oppose it. Support is broad-based with majority support across age-brackets as well as across the political spectrum.

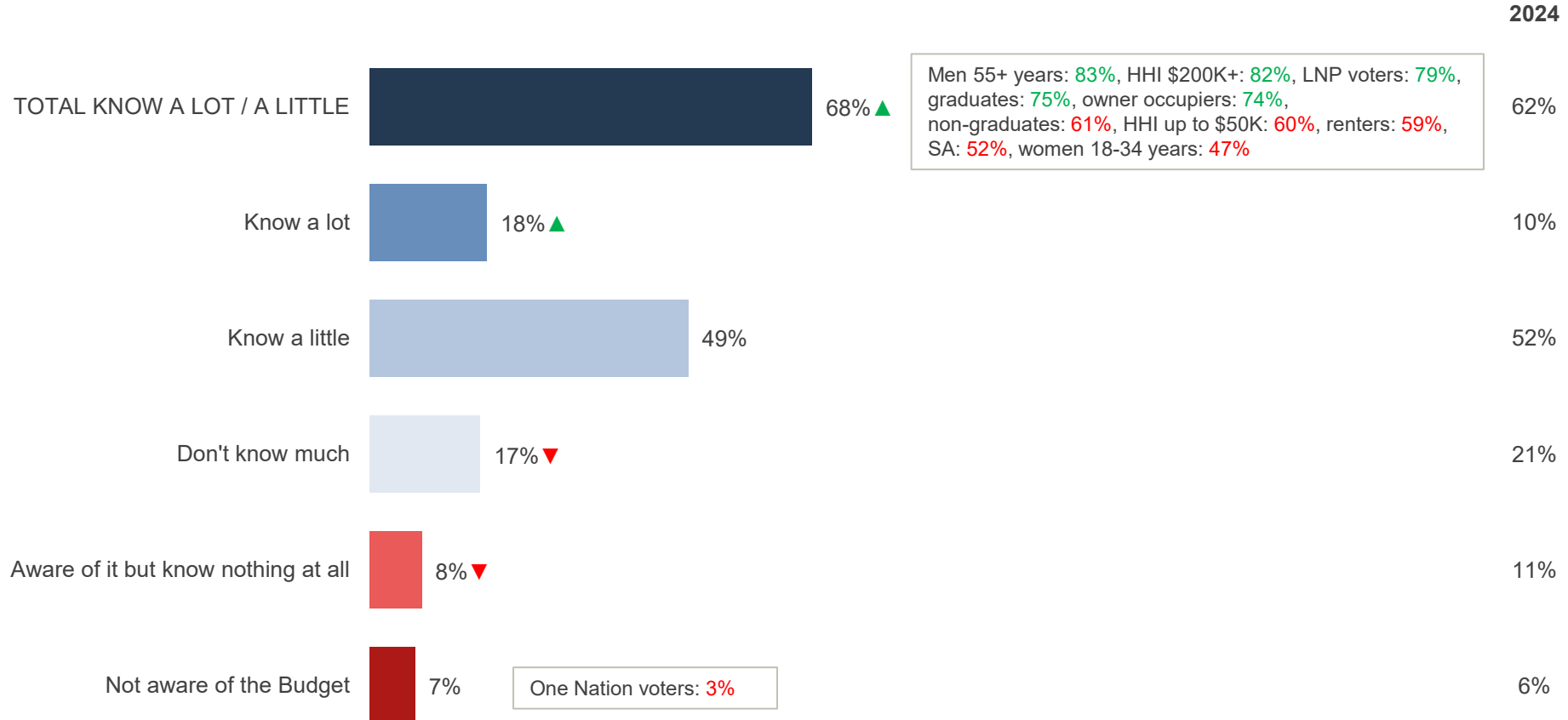
Australians also want to see immigration levels reduced, with 63% saying they are too high, compared to 4% who say too low, and 26% about right. This provides an interesting backdrop to the Coalition's announcement on further restricting benefits to Australian citizens.

Federal Budget



Knowledge of the budget is higher than in 2024, with two in three saying they know at least a little

Knowledge of 2026 budget (%)



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

Significantly ▲ higher / ▼ lower than the previous wave at the 95% confidence level.

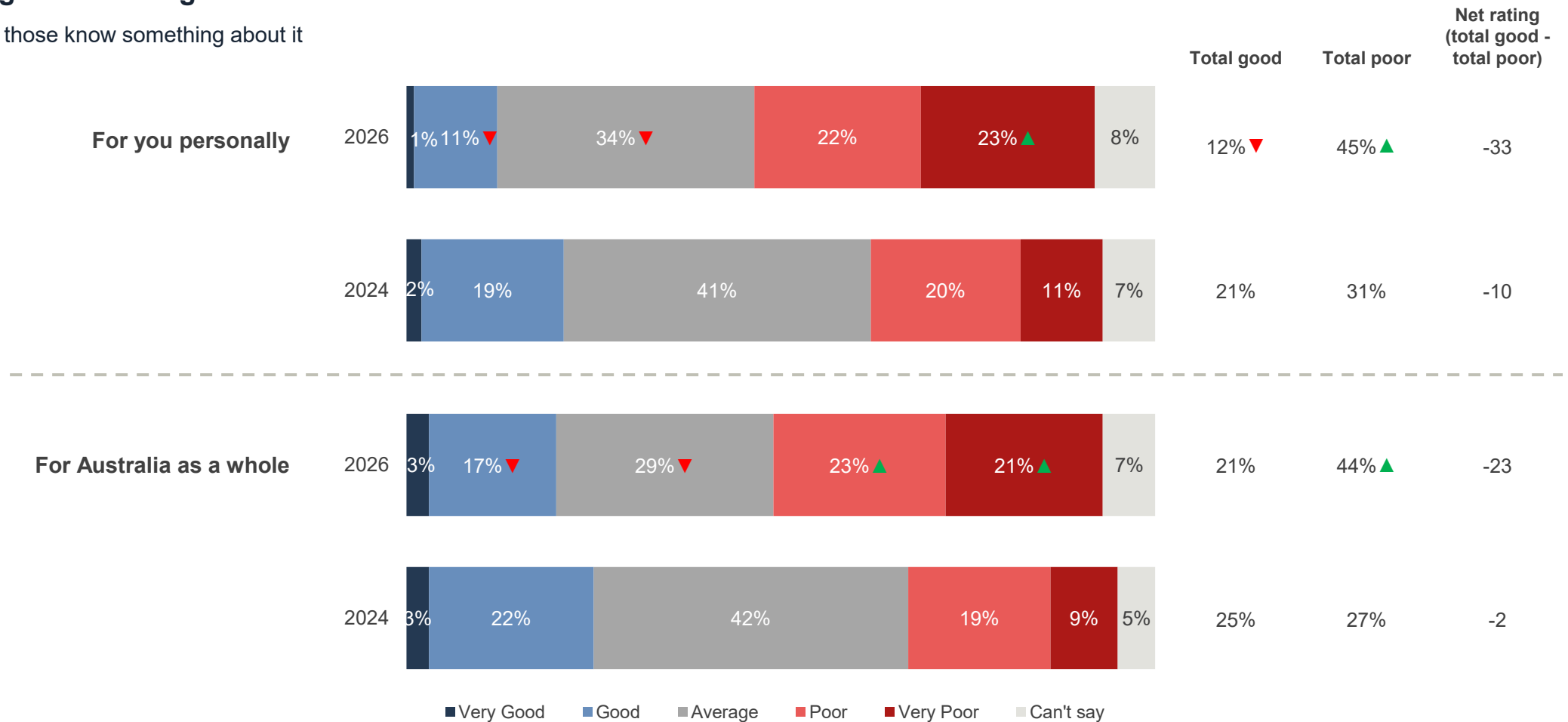
Q. Last Tuesday, the Federal Treasurer, Jim Chalmers, delivered the Budget for the Federal Labor Government. Firstly, were you aware of this and how much would you say you know about Tuesday's Federal Budget?

Base: All respondents – 2026 (n=1,000); 2024 (n=1,000).

Australians are much more likely to rate the budget as poor than good, and much moreso than in 2024

Rating of 2026 budget

Among those know something about it



Significantly ▲ higher / ▼ lower than the 2024 result at the 95% confidence level.

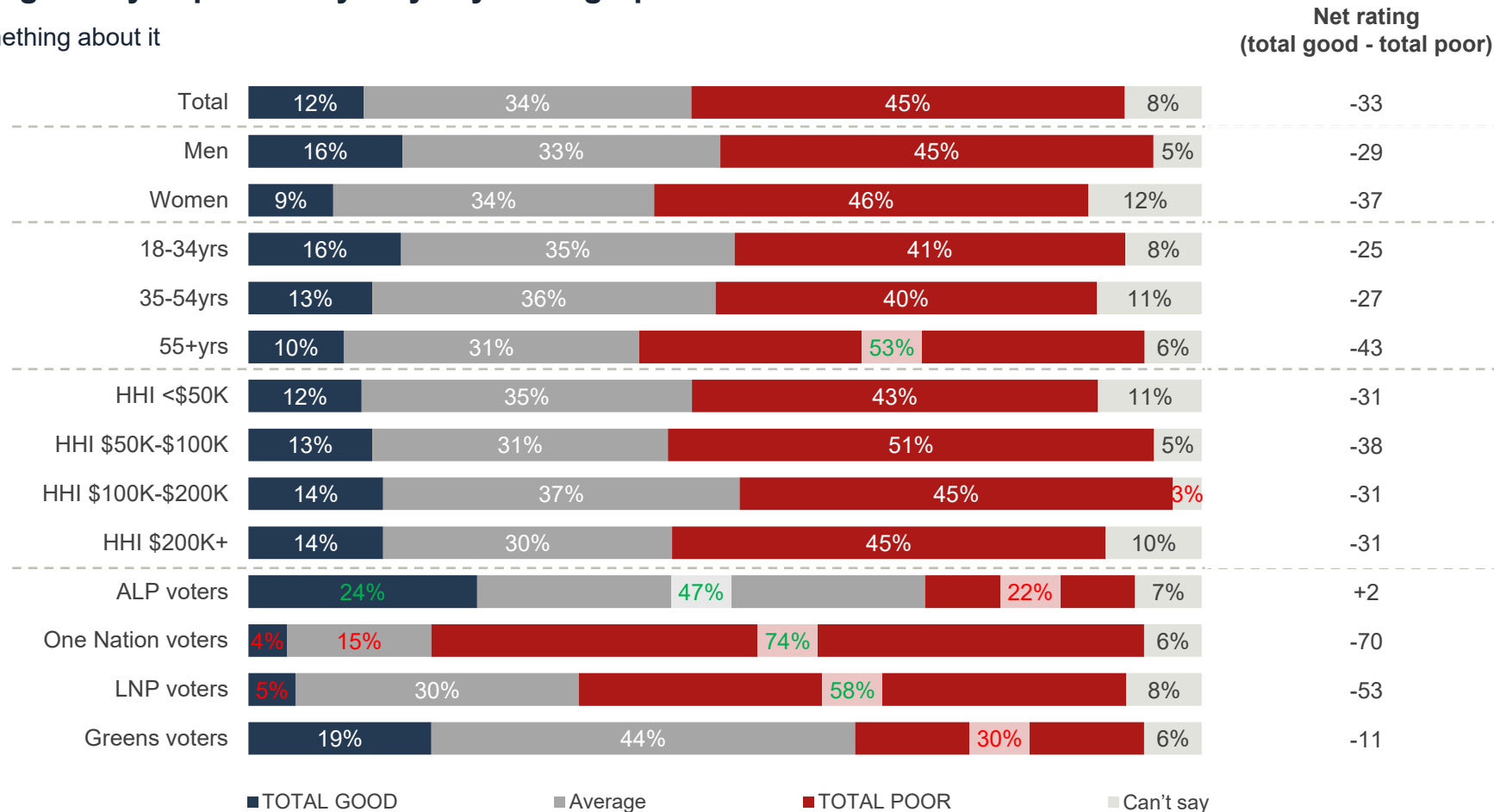
Q. How would you rate the budget for you personally? / And how would you rate the budget for Australia as a whole?

Base: Those who know something about the budget – 2026 (n=840); 2024 (n=826).

Most One Nation and LNP voters think it is a poor budget for them personally, while even ALP voters are pretty lukewarm

Rating of 2026 budget for you personally – by key demographics

Among those who know something about it



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

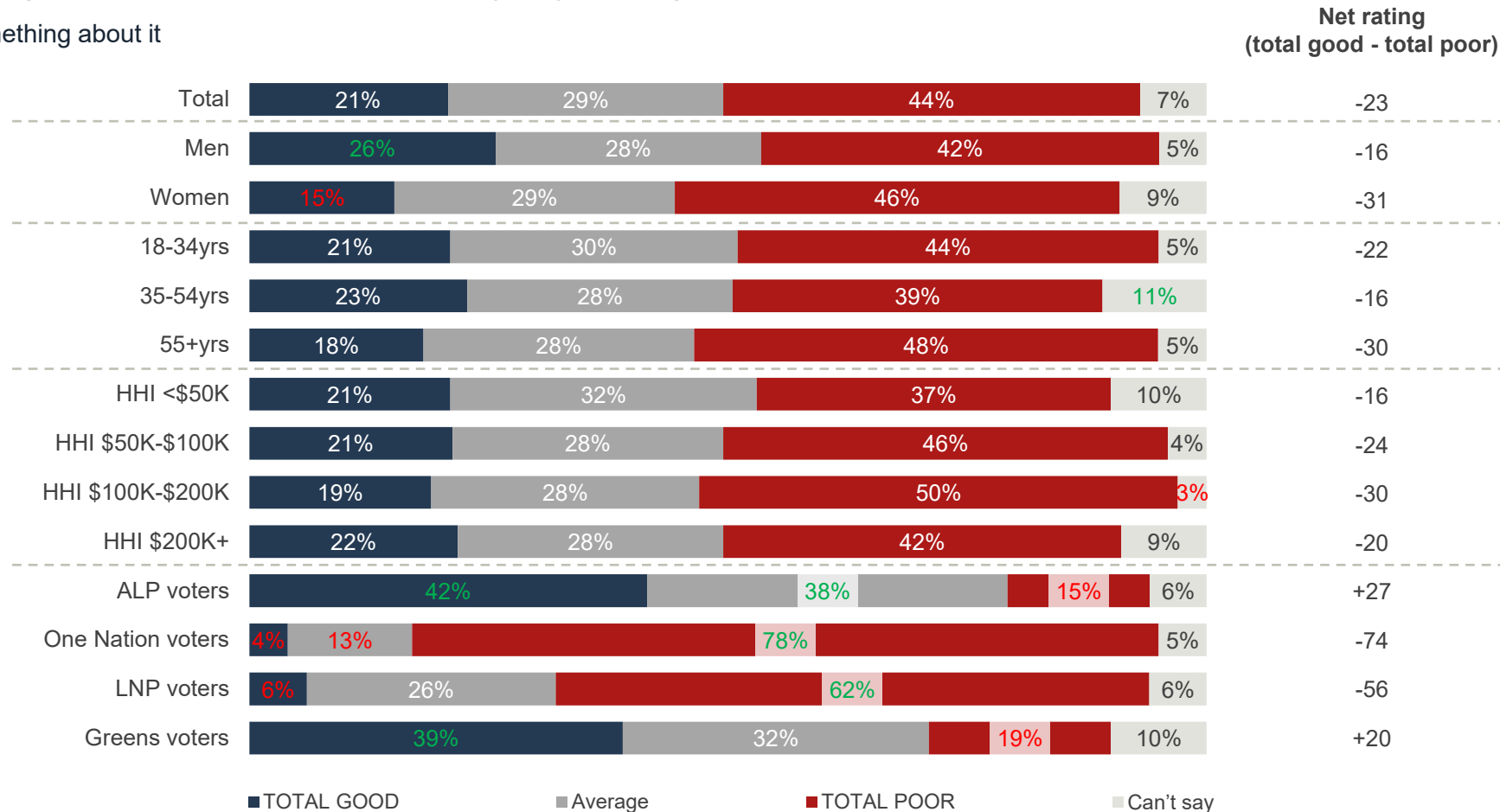
Q. How would you rate the budget for you personally? / And how would you rate the budget for Australia as a whole?

Base: Those who know something about the budget (n=840).

ALP and Greens voters are more convinced the budget will be good for Australia than it will be for them personally

Rating of 2026 budget for Australia as a whole – by key demographics

Among those who know something about it



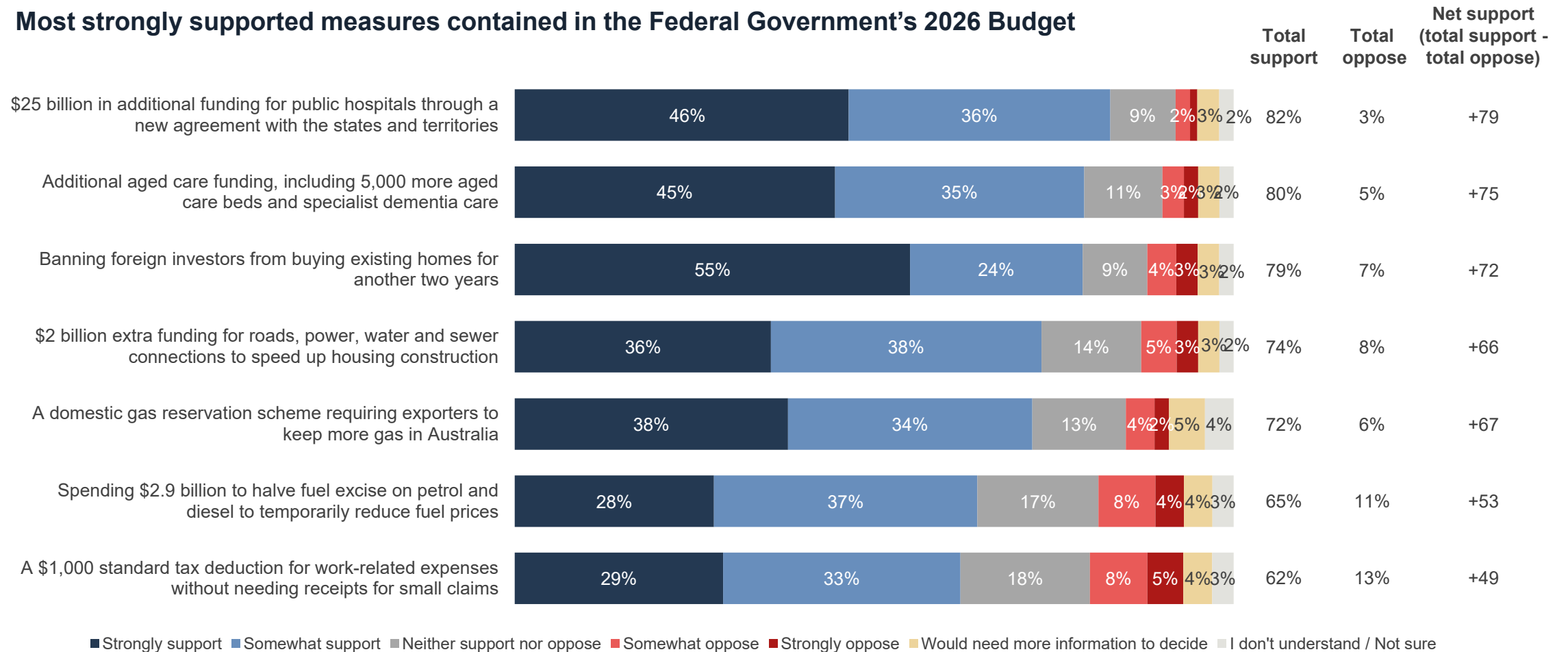
Significantly higher / lower than the national total at the 95% confidence level.

Q. How would you rate the budget for you personally? / And how would you rate the budget for Australia as a whole?

Base: Those who know something about the budget (n=840).

Additional funding for healthcare and aged care attract the highest support, alongside extending the foreign investor ban

Most strongly supported measures contained in the Federal Government's 2026 Budget

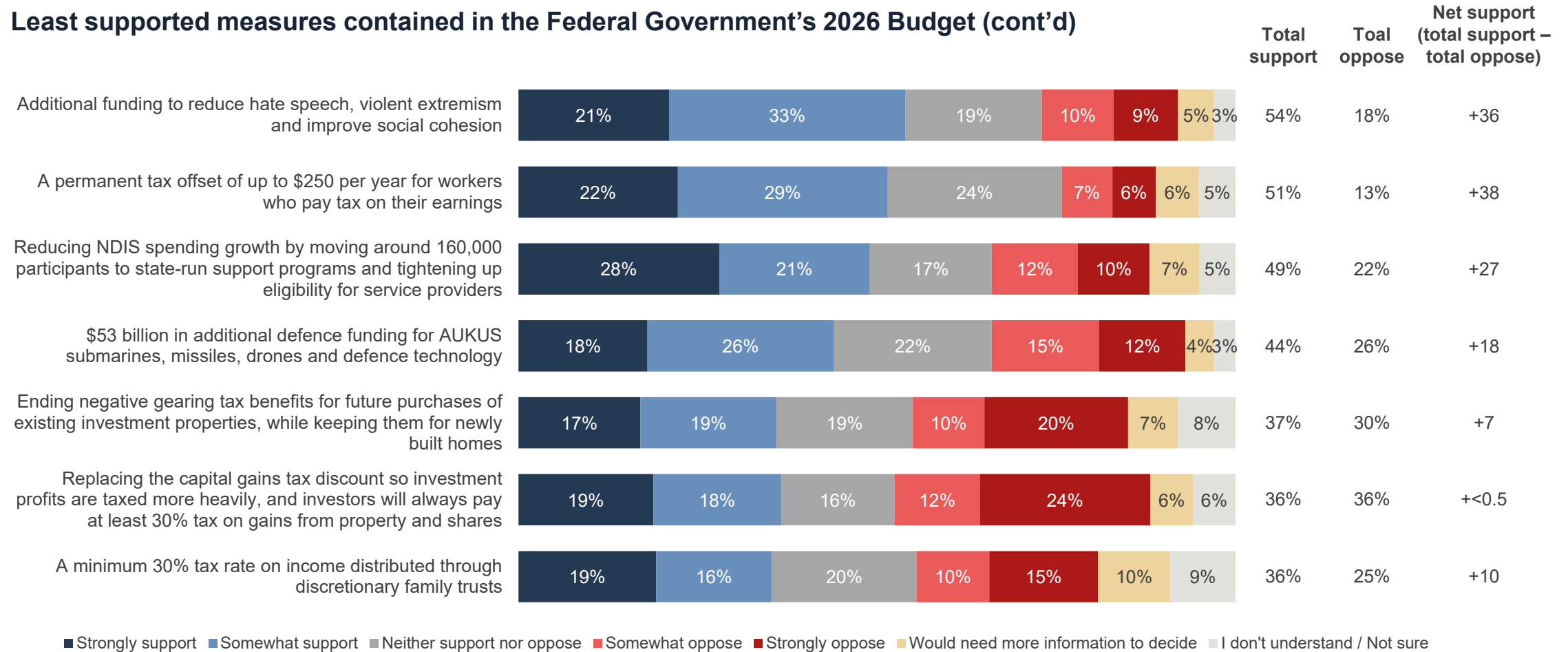


Q. Do you support or oppose the following measures contained in the Federal Government's 2026 Budget?

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

Support outweighs opposition for each of the budget measures, with the exception of capital gains tax reform

Least supported measures contained in the Federal Government's 2026 Budget (cont'd)



Q. Do you support or oppose the following measures contained in the Federal Government's 2026 Budget?
 Base: All respondents (n=1,000).

Support for these leading budget measures spans the generations and the political divide

Most strongly supported measures contained in the Federal Government's 2026 Budget – by key demographics

Total support

	Total	Men	Women	18-34 years	35-54 years	55+ years	ALP voters	One Nation voters	LNP voters	Greens voters
\$25 billion in additional funding for public hospitals through a new agreement with the states and territories	82%	81%	84%	80%	78%	88%	89%	82%	83%	82%
Additional aged care funding, including 5,000 more aged care beds and specialist dementia care	80%	77%	83%	73%	76%	89%	86%	76%	80%	80%
Banning foreign investors from buying existing homes for another two years	79%	76%	81%	75%	75%	85%	84%	83%	76%	71%
\$2 billion extra funding for roads, power, water and sewer connections to speed up housing construction	74%	77%	71%	69%	71%	80%	84%	69%	74%	71%
A domestic gas reservation scheme requiring exporters to keep more gas in Australia	72%	74%	70%	64%	67%	84%	79%	70%	73%	70%
Spending \$2.9 billion to halve fuel excise on petrol and diesel to temporarily reduce fuel prices	65%	64%	66%	64%	61%	69%	76%	67%	60%	62%
A \$1,000 standard tax deduction for work-related expenses without needing receipts for small claims	62%	61%	62%	66%	58%	62%	71%	59%	53%	64%

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

Q. Do you support or oppose the following measures contained in the Federal Government's 2026 Budget?

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

Younger people show little enthusiasm for some of the measures designed to improve housing affordability

Least supported measures contained in the Federal Government's 2026 Budget (cont'd) – by demographics

Total support

	Total	Men	Women	18-34 years	35-54 years	55+ years	ALP voters	One Nation voters	LNP voters	Greens voters
Additional funding to reduce hate speech, violent extremism and improve social cohesion	54%	51%	57%	51%	49%	61%	68%	39%	54%	52%
A permanent tax offset of up to \$250 per year for workers who pay tax on their earnings	51%	52%	50%	53%	53%	49%	66%	43%	39%	58%
Reducing NDIS spending growth by moving around 160,000 participants to state-run support programs and tightening up eligibility for service providers	49%	57%	41%	42%	47%	56%	53%	56%	51%	32%
\$53 billion in additional defence funding for AUKUS submarines, missiles, drones and defence technology	44%	48%	41%	36%	41%	53%	49%	54%	54%	14%
Ending negative gearing tax benefits for future purchases of existing investment properties, while keeping them for newly built homes	37%	43%	31%	36%	38%	36%	57%	21%	19%	53%
Replacing the capital gains tax discount so investment profits are taxed more heavily, and investors will always pay at least 30% tax on gains from property and shares	36%	40%	33%	40%	35%	35%	58%	15%	17%	61%
A minimum 30% tax rate on income distributed through discretionary family trusts	36%	42%	30%	30%	36%	40%	55%	25%	21%	43%

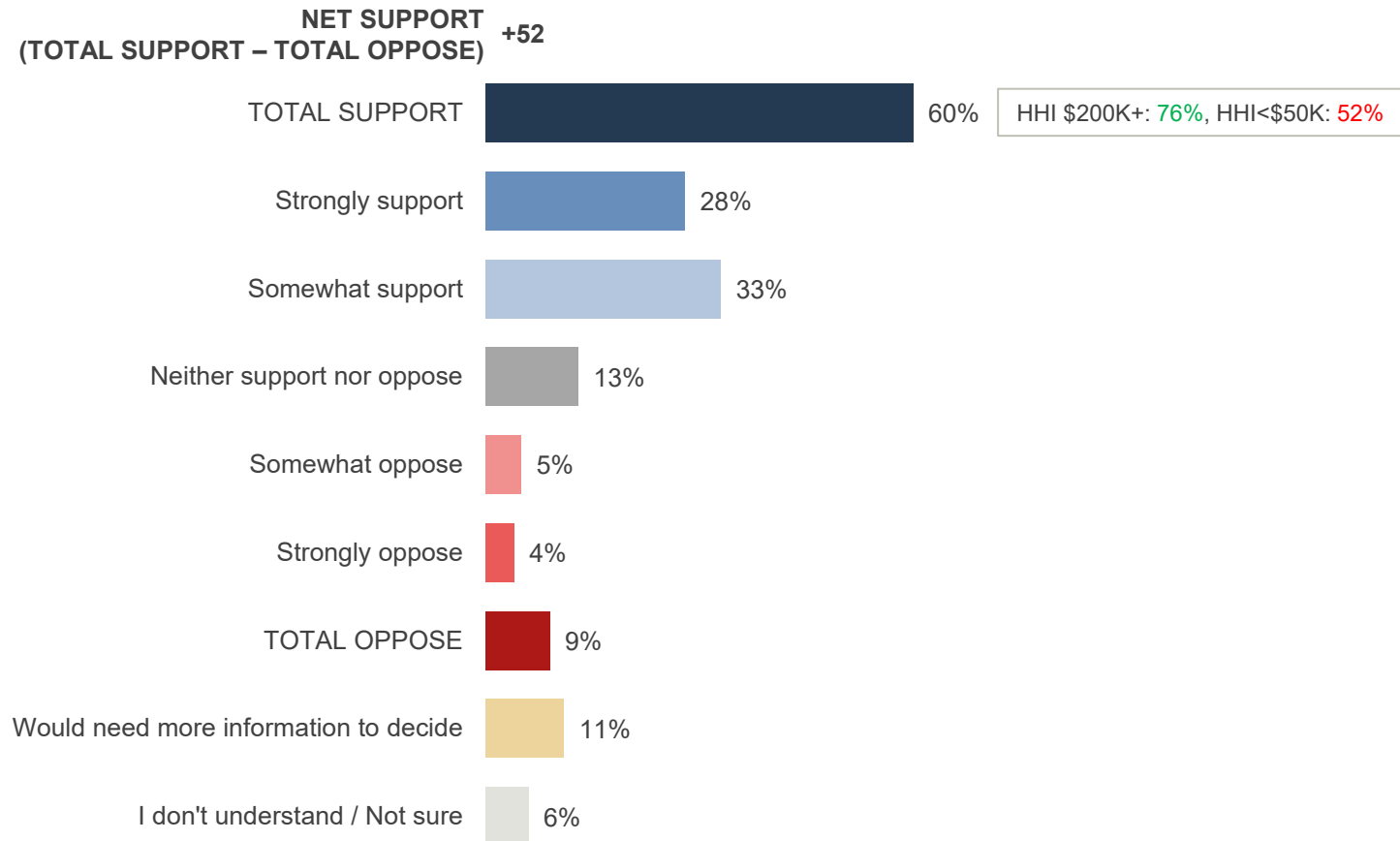
Significantly higher / lower than the national total at the 95% confidence level.

Q. Do you support or oppose the following measures contained in the Federal Government's 2026 Budget?

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

There is majority support for increasing income tax thresholds in line with inflation

Support for increasing income tax thresholds in line with inflation



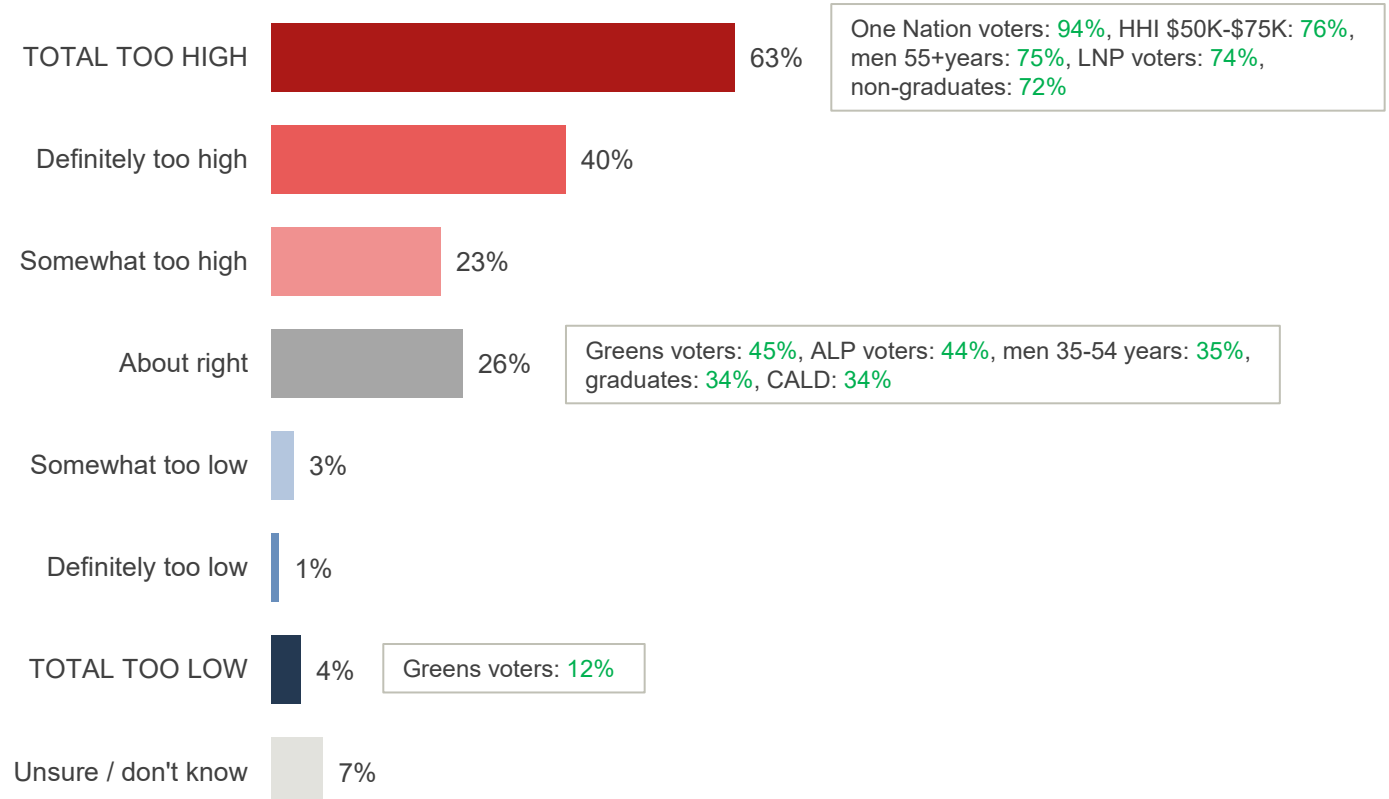
Significantly higher / lower than the national total at the 95% confidence level.

Q. Do you support or oppose increasing income tax thresholds each year in line with inflation, so people don't pay a higher tax rate just because wages rise with inflation (sometimes referred to as "bracket creep")?

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

The public feel immigration levels are currently too high

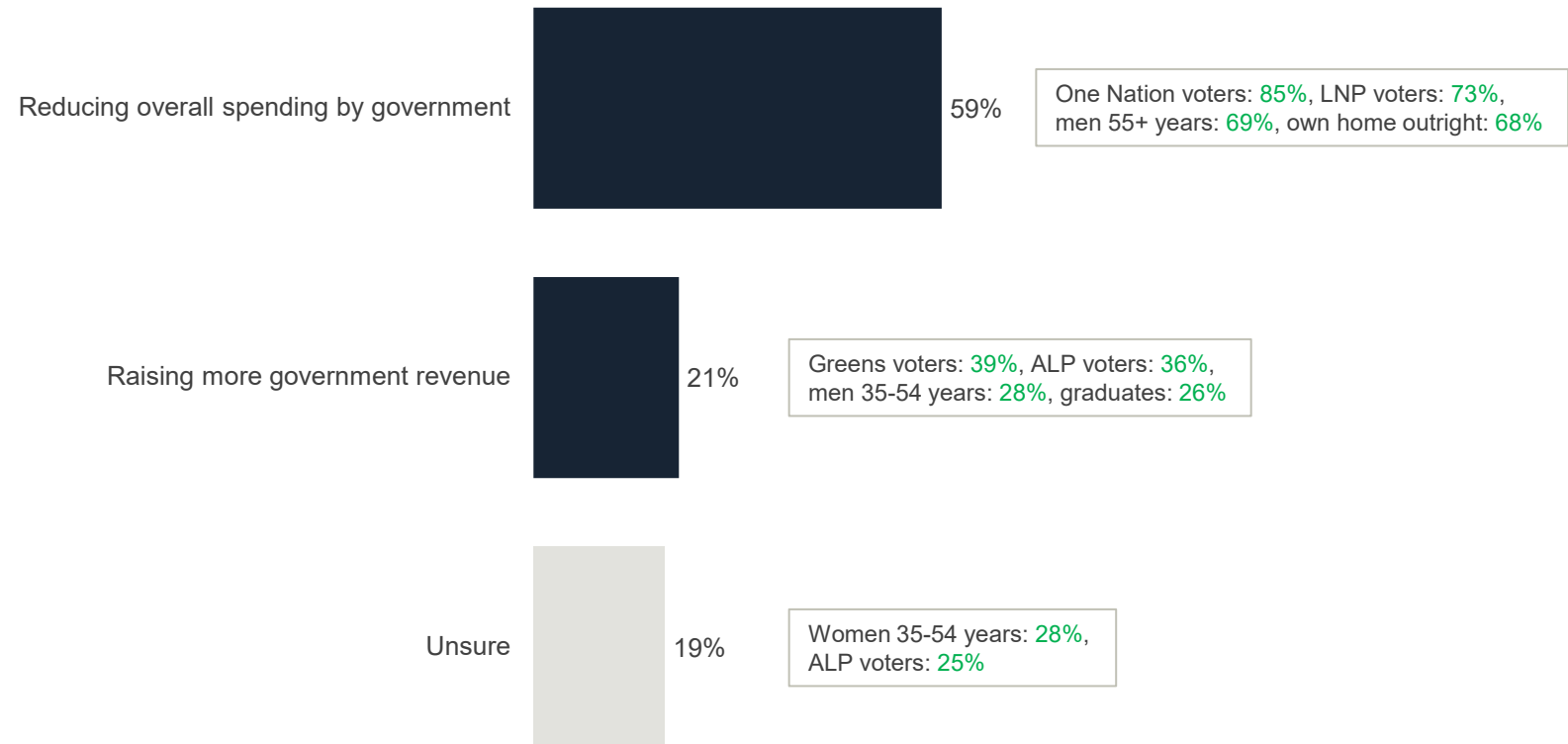
Perceived level of the current immigration in Australia



Significantly **higher** than the national total at the 95% confidence level.
Q. Now about something different. How do you view the current level of immigration in Australia?
Base: All respondents (n=1,000).

Most Australians think future government budgets should prioritise reducing spending rather than raising revenue

The greater priority government budgets should focus on in the next few years



Significantly **higher** than the national total at the 95% confidence level.

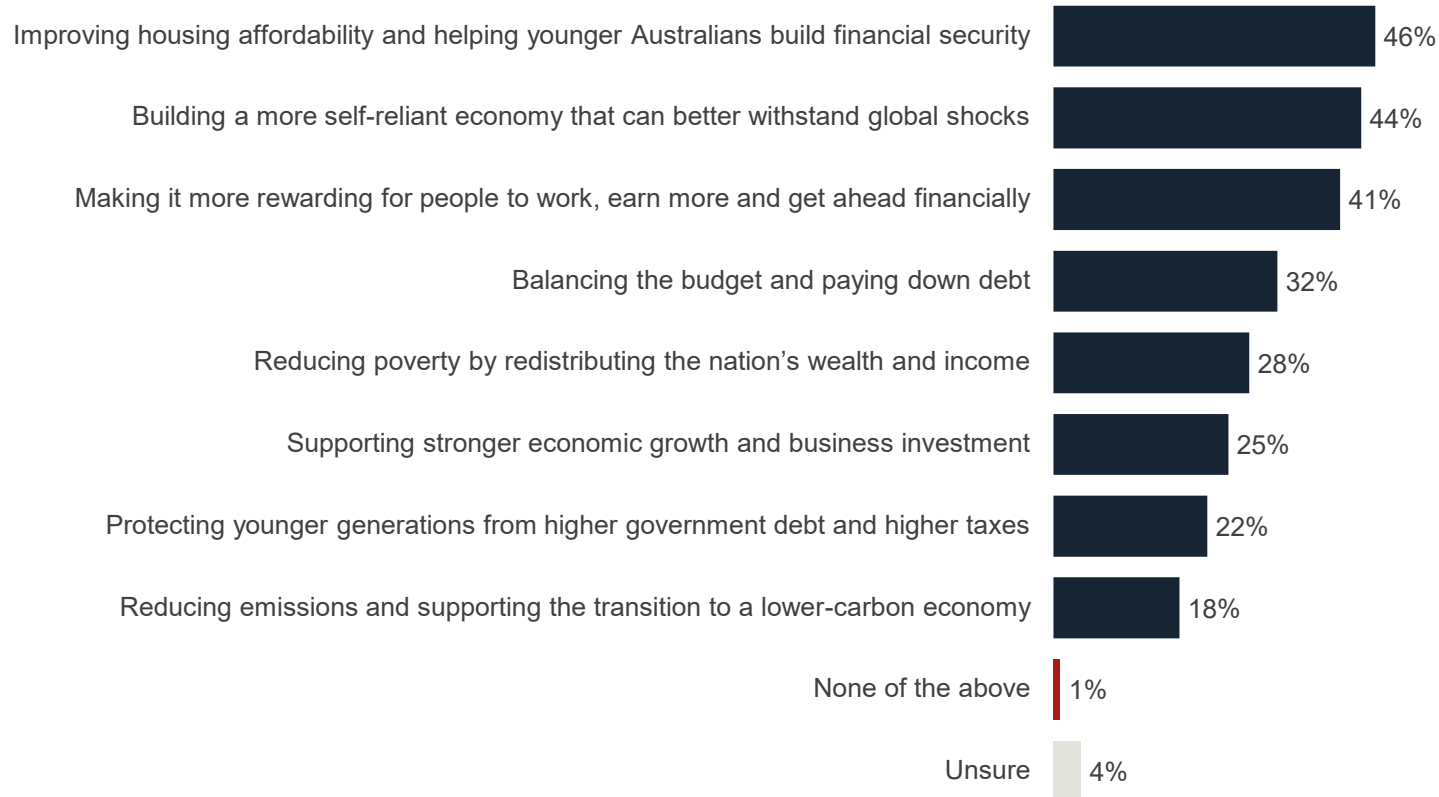
Q. Which is the greater priority government budgets should focus on in the next few years?

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

Guiding priorities for future economic decisions should be housing affordability, sovereignty and rewarding work

The biggest guiding priorities when governments make major economic and budget decisions

Multiple response – up to three responses allowed



Q. Which of the following should be the biggest guiding priorities when governments make major economic and budget decisions in the future?
Base: All respondents (n=1,000).

Younger Australians rate housing affordability over protecting them from high debt and taxes as a guiding economic principle

The biggest guiding priorities when governments make major economic and budget decisions – by key demographics

Multiple response – up to three responses allowed

	Total	Men	Women	18-34 years	35-54 years	55+ years	ALP voters	One Nation voters	LNP voters	Greens Voters
Improving housing affordability and helping younger Australians build financial security	46%	43%	48%	59%	41%	39%	55%	37%	38%	60%
Building a more self-reliant economy that can better withstand global shocks	44%	45%	44%	31%	45%	54%	43%	47%	50%	34%
Making it more rewarding for people to work, earn more and get ahead financially	41%	39%	43%	42%	45%	36%	34%	51%	44%	29%
Balancing the budget and paying down debt	32%	37%	28%	22%	29%	43%	27%	44%	45%	17%
Reducing poverty by redistributing the nation's wealth and income	28%	25%	30%	27%	26%	30%	36%	19%	13%	51%
Supporting stronger economic growth and business investment	25%	31%	20%	20%	22%	32%	21%	25%	44%	9%
Protecting younger generations from higher government debt and higher taxes	22%	20%	24%	35%	18%	17%	21%	26%	25%	22%
Reducing emissions and supporting the transition to a lower-carbon economy	18%	18%	17%	17%	18%	17%	25%	5%	5%	44%

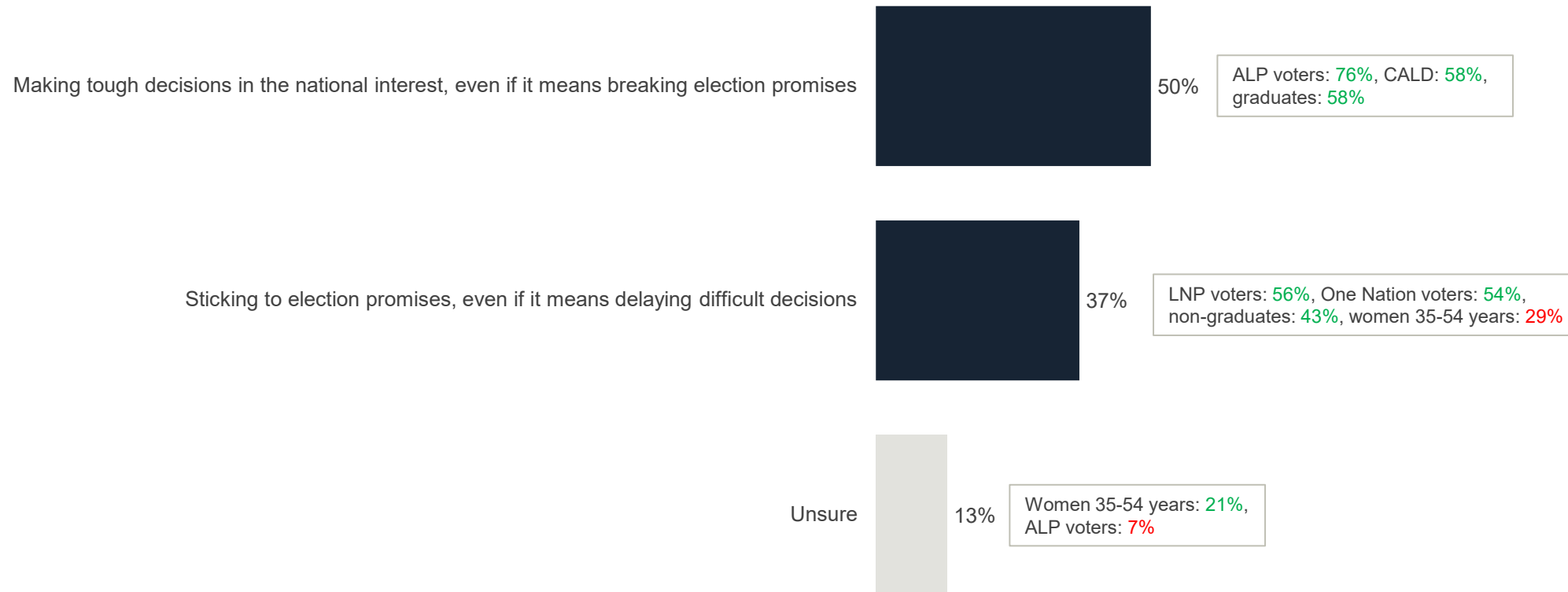
Significantly higher / lower than the national total at the 95% confidence level.

Q. Which of the following should be the biggest guiding priorities when governments make major economic and budget decisions in the future?

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

On balance, the public would rather governments make the tough calls, even if it means breaking election promises

Public view on whether governments should prioritise tough decisions or election promises



Significantly higher / lower than the national total at the 95% confidence level.
Q. Which of the following do you think governments should prioritise?
Base: All respondents (n=1,000).

Survey methodology

National Online Survey

n=1,000 Australian adults

- Conducted Friday 15th to Sunday 17th May 2026.
- 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.




The research was conducted in compliance with AS-ISO 20252.



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in Australia...

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 **Contact us**
03 8685 8555

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John Scales
Founder
jscales@jwsresearch.com

Mark Zuker
Managing Director
mzucker@jwsresearch.com

Katrina Cox
Director of Client Services
kcox@jwsresearch.com

Jessica Lai
Senior Research Director
jlai@jwsresearch.com

Tom Cameron
Business Development Manager
tcameron@jwsresearch.com

[jwsresearch.com](https://www.jwsresearch.com)
+61 3 8685 8555