

Inflation Expectations

McKinnon Poll | Susan McKinnon Foundation

August 2024



Research methodology



JWS Research has been commissioned to conduct public opinion research as part of this program.

JWS Research is an independent, privately and wholly Australian-owned research firm.

Established more than a decade ago, JWS Research has grown quickly to become an industry leader and one of the most respected firms in Australia for providing research-based advice to the government and business sectors, particularly on complex and challenging issues.

JWS Research is engaged by senior levels of business and government across Australia because they provide robust research and critical analysis to underpin strategic decision making and actions.

JWS pride themselves on their commitment to research design integrity to produce quality results and insights for their clients.

Quantitative

Online survey

n=3,000 Australians aged 18 years and over

- Survey quotas on age, gender and location, and weighting applied at the analysis stage to actual age / gender / location proportions based on ABS census data.
- The maximum margin of error on the total sample of n=3,000 is +/-1.8% at the 95% confidence level.
- Differences of +/-1% for net scores are due to rounding.
- 15 minutes in length.

Conducted 16th to 28th July 2024.

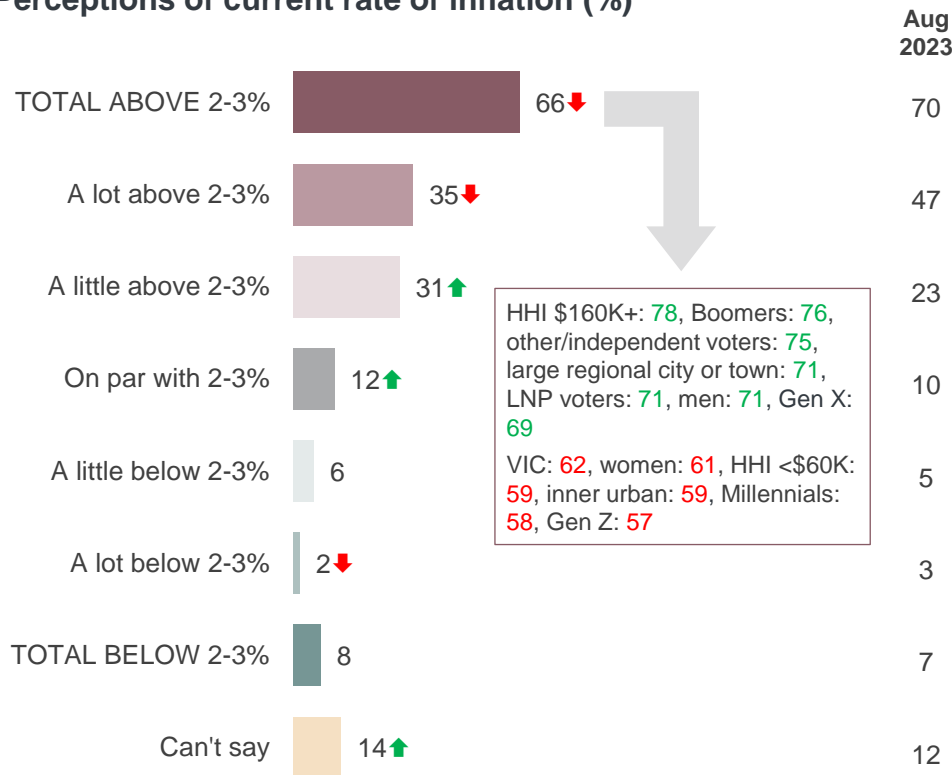
Where possible, results have been compared to previous surveys, also conducted among 3000 Australian adults in August, June and May 2023, and September 2022.

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

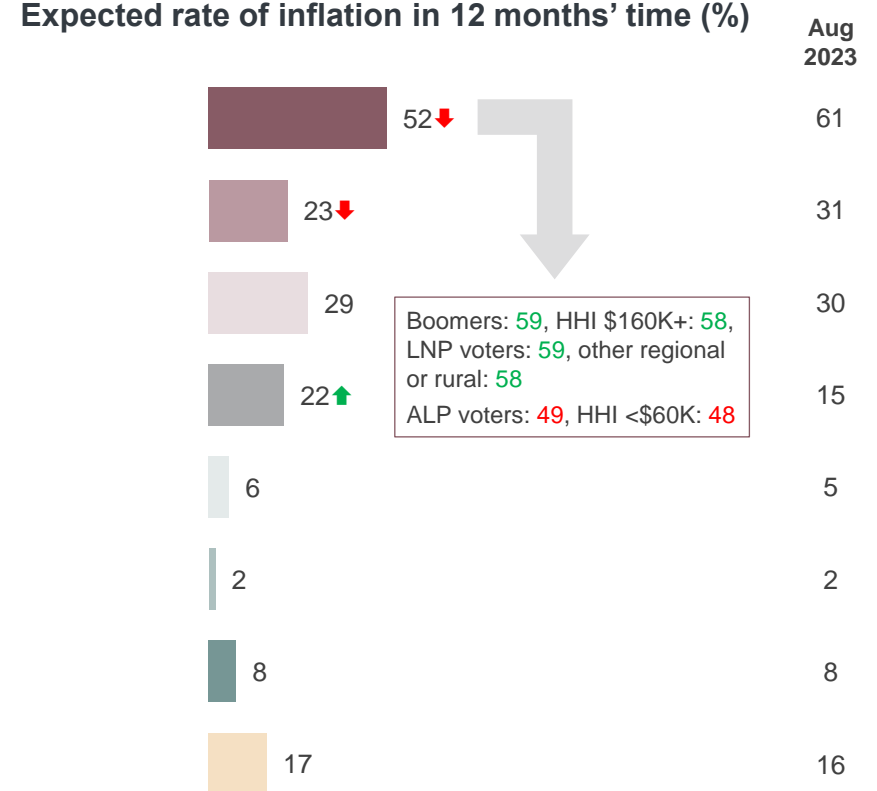


Significant decline in current and expected inflation above 2-3% since August 2023

Perceptions of current rate of inflation (%)



Expected rate of inflation in 12 months' time (%)



Significantly higher ↑ / lower ↓ than the previous wave at the 95% confidence interval.

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

Q4a. The Reserve Bank of Australia (RBA) has an inflation target of keeping inflation between 2-3%, on average, over time. What do you think the current rate of inflation is? (It's okay if you're not sure. We're interested in your impressions.) / Q4b. What do you think the current rate of inflation is? (It's okay if you're not sure. We're interested in your impressions.)

Q5. And what do you expect the inflation rate to be in 12 months' time?

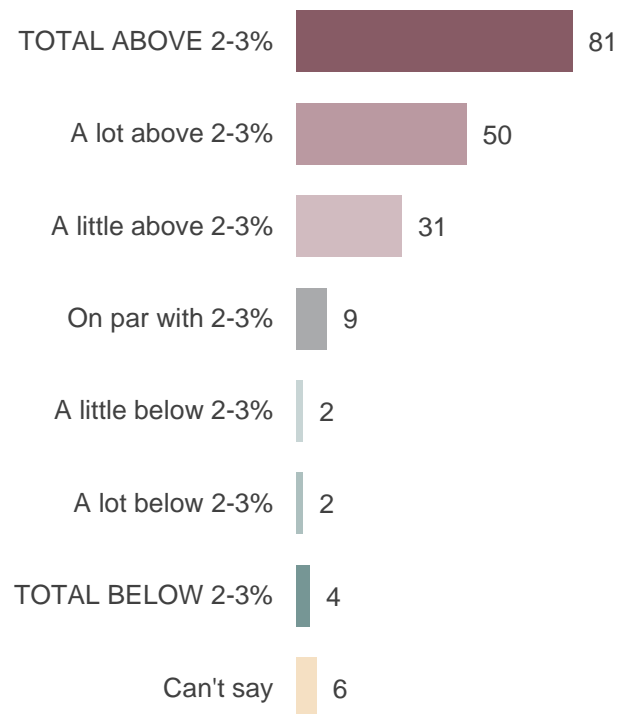
Base: All respondents – Jul 2024 (n=3,000); Aug 2023 (n=3,000).



People who believe current inflation is a lot, rather than a little, above 2-3% are more likely to expect it to remain so

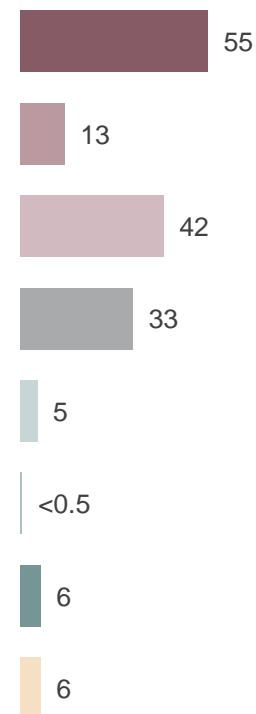
Expected inflation rate in next 12 months (%)

(among those who perceived the current inflation rate to be a lot above 2-3%)



Expected inflation rate in next 12 months (%)

(among those who perceived the current inflation rate to be a little above 2-3%)

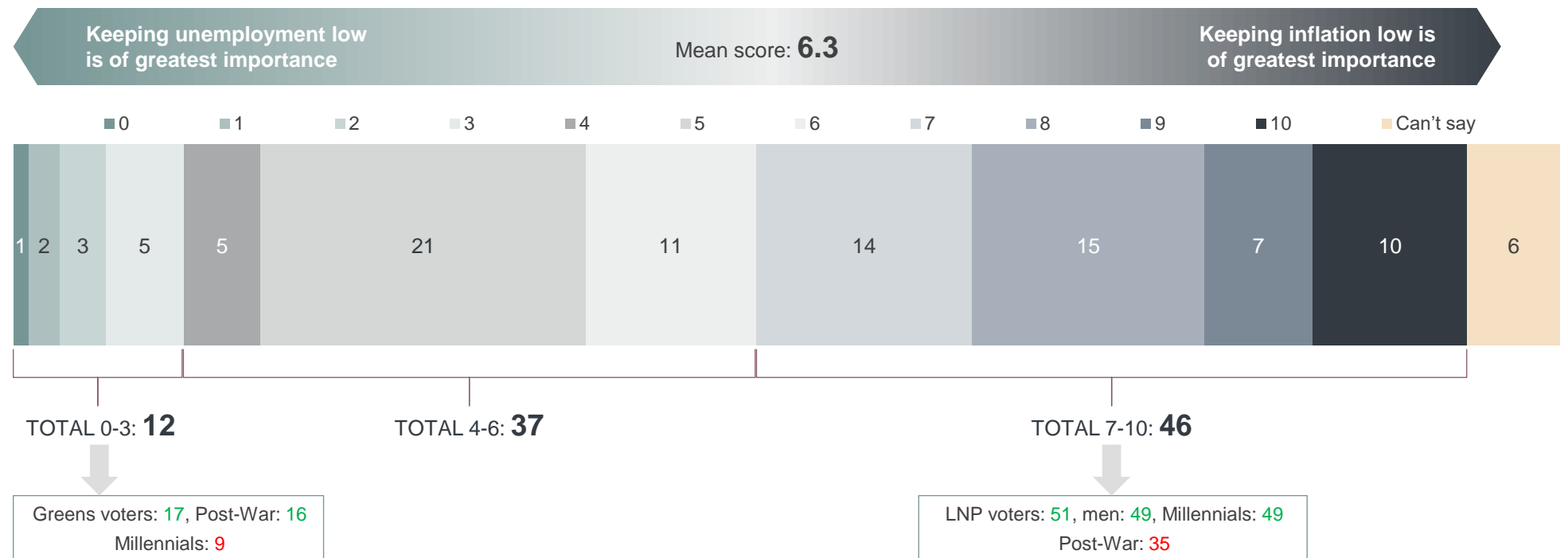


Q4a. The Reserve Bank of Australia (RBA) has an inflation target of keeping inflation between 2-3%, on average, over time. What do you think the current rate of inflation is? (It's okay if you're not sure. We're interested in your impressions.) / Q4b. What do you think the current rate of inflation is? (It's okay if you're not sure. We're interested in your impressions.) / Q5. And what do you expect the inflation rate to be in 12 months' time?
Base: Perception of current inflation rate "A lot above 2-3%" (1,051); perception of current inflation rate "A little above 2-3%" (921).



Australians tend to prioritise low inflation ahead of low unemployment

Importance of low unemployment versus low inflation (%)



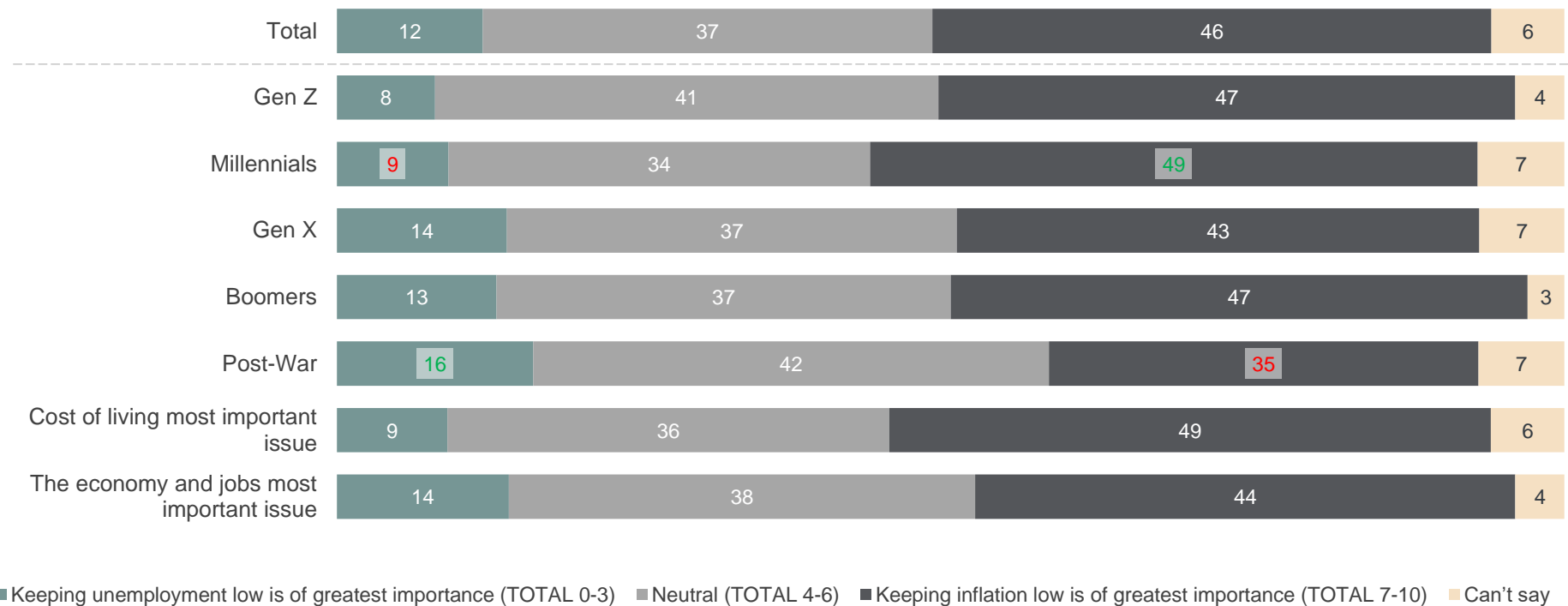
Significantly *higher* / *lower* than the total at the 95% confidence interval.
Q6. On a scale of 0 to 10 where 0 is 'keeping unemployment low is of greatest importance' and 10 is 'keeping inflation low is of greatest importance', how much would you prioritise low unemployment versus low inflation?
Base: All respondents (n=3,000).



Millennials most focused on keeping inflation low, Post-War most focused on low unemployment

Importance of low unemployment versus low inflation (%)

(0-10 scale)



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

Q6. On a scale of 0 to 10 where 0 is 'keeping unemployment low is of greatest importance' and 10 is 'keeping inflation low is of greatest importance', how much would you prioritise low unemployment versus low inflation?

Base: All respondents (n=3,000).



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