

HST CHANGES TURN REFERENDUM INTO A CLOSE CONTEST

Six-in-ten (60%) British Columbians Approve of Announced Changes to HST

'Keep HST' (42%, up 6 points) Now in Dead Heat with 'Scrap HST' (40%, down 12 points)



Ipsos Reid

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Vancouver, BC – A new Ipsos Reid poll in British Columbia shows that for the first time there is a real possibility that the HST could survive the upcoming referendum. Six-in-ten British Columbians say they approve of the changes announced by the provincial government. Referendum voting intentions are now equally divided between keeping the HST and scrapping the HST.

At the start of the online survey, all respondents were shown the following information about changes to the HST recently announced by the provincial government.

On Wednesday May 25th, provincial Finance Minister Kevin Falcon announced that the government will make some changes to the HST if British Columbians vote to keep the HST in the upcoming referendum.

Specifically, if British Columbians vote to keep the HST ...

- The rate will be cut to 10% (from current 12%) by 2014, including a drop to 11% in July 2012 and a drop to 10% in July 2014.
- All families with children under 18 and lower income seniors will get by the end of the year a one-time transition cheque, which will be \$175 for each child and \$175 for seniors.
- The rebates now being sent out to low income British Columbians will continue.
- The tax cuts and cheques will be financed with an increase in the general corporate income tax from 10% to 12% in January 2012 and an increase in tobacco taxes. In addition, the reduction in the small business tax rate to zero, which was to have taken effect in April 2012, is being postponed indefinitely.

Approval of Announced Changes

Six-in-ten (60%) British Columbians say they approve of the changes to the HST announced by the provincial government, including 16% who 'approve strongly'. One-third (33%) say they disapprove of the changes, including two-in-ten (20%) who 'disapprove strongly'. Seven percent are undecided.

Approval of Announced Changes

<i>Overall, do you approve or disapprove of these changes to the HST announced by the provincial government?</i>	May 26-27 (n=1,150) %
Approve strongly	16
Approve somewhat	44
Disapprove somewhat	13
Disapprove strongly	20
Don't know	7
<i>Total Approve</i>	60
<i>Total Disapprove</i>	33

Approval of the announced changes is higher among men (65% approve) than among women (57% approve). And while approval is much higher among 2009 BC Liberal voters (71% approve) than among 2009 NDP voters (53% approve), it is notable that majority approval is achieved with both groups.

Referendum Preference

With the announced changes in mind, British Columbians are now split in their referendum preferences. Forty-two percent say they expect to vote to 'keep the HST' while 40% say they expect to vote to 'remove the HST and reinstate the PST and GST'. Eighteen percent are undecided or say they will not vote in the referendum.

Referendum Preference

<i>How do you expect to vote in the mail-in referendum on the HST that will take place this summer?</i>	May 26-27 (n=1,150) %	May 9-13 (n=1,200) %
Keep the HST	42 (+6)	36
Remove the HST and reinstate the PST and GST	40 (-12)	52
Undecided/Will not vote	18 (+6)	12

This result is a significant change in public opinion from an Ipsos Reid poll taken just two weeks ago (fielded May 9-13). Since that time, support for scrapping the HST has dropped by 12 points (52% to 40%). Half of that drop has gone to support for keeping the HST (36% to 42%) and half has gone to the undecided/will not vote category (12% to 18%).

Support for the HST continues to be divided along gender lines. Men favour keeping the HST (53% keep vs. 37% scrap) while women favour scrapping the tax (42% scrap vs. 33% keep). Many women, however, are still undecided or will not vote (25% of women vs. 10% of men).

A majority of 2009 BC Liberal voters (61%) say they will vote to keep the HST, while one-quarter (27%) will vote to scrap the tax. Among 2009 NDP voters, one-quarter (27%) will vote to keep the HST, while 53% will vote to scrap it.

Caveat to These Findings

There are two important caveats to these findings.

First, all survey respondents were informed of the specific changes to the HST announced by the provincial government. This makes survey respondents different from the general population of voters who likely have far less than universal awareness of the announced changes.

Second, this survey did not measure the likelihood of respondents actually voting in the mail-in referendum. While overall public opinion on the HST is split, it may well be that one side is more motivated to participate in the referendum than the other.

These are the findings of an online Ipsos Reid poll of 1,150 adult British Columbians conducted using Ipsos Reid's national online household panel between May 26 and 27, 2011. A survey with an unweighted probability sample of this size and a 100% response rate would have an estimated margin of error of ± 2.9 percentage points, 19 times out of 20. The margin of error would be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual BC population according to 2006 Census data.

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