



**the drum** mcr  
Market & Communications  
Research

June 2007

mcr

Ph: 07 3666 0360

Email: [mcr@mcrpl.com.au](mailto:mcr@mcrpl.com.au)

MCR is Queensland's top social research agency, having conducted work for both government and corporate clients for over 15 years. We regularly conduct polling and focus groups to tap into the very latest opinions on the public and community impact of a range of social issues. These include public health matters, the environment, transport, road safety, financial changes and government regulations.

## Welcome to our June edition.

*The Drum is a monthly publication which reports back on the views of MCR's special "public interest" focus group.*

*The group consists of 8 Brisbane residents who come from all walks of life and a range of Brisbane suburbs. They are aged from their early 20s to their 60s. Each month we get the group together and ask them to discuss a number of "hot" news issues.*

**This month we look at change in a number of forms. Changes in superannuation, changes in technology and the changing winds of Federal politics.**

### Superannuation – Changes are coming... but do people care?

Yes, definitely, say two-thirds of our respondents.

And superannuation funds should take note! A quick poll conducted during the group shows that superannuation is a more attractive investment for them now, than it was 12 months ago.

A big part of this increased interest is about the changes that the Federal Government has introduced. Super as a brand is just more front and centre at the moment.

But we also notice that it's related to people being more and more clued in to what financial investment is all about. Compared to two or three years ago, the financial literacy of respondents is definitely increasing.

#### ***What reforms are the most popular?***

It's horses for courses when it comes to who likes which change.

#### *60 and tax-free*

The older members of our group (50 and above) are very keen on the tax-free benefits for people aged 60 and over.

As one respondent put it, "I'm very happy. It means a tax-free future for us."

#### *Transition to retirement*

Some of the 30 and 40-something members of the group are more attracted to transition to retirement reforms and the idea of being able to create a retirement income stream from 55.

It's a big relief to them that they don't have to work full-time forever. Tapering down to part-time sounds really appealing, especially for women.

### Co-contribution

There was also a fair amount of enthusiasm for the Super Co-contribution initiative, even though this has been around for some time. Interestingly, some had investigated it but were not taking it up because of household budget constraints.

And this raises another finding.

Younger participants, particularly those with young families, appear to want to do *more* investing in super but are holding back because of other expenditure priorities.

There may be scope here for educating this demographic about how they might be able to do both – run their household budget AND invest in super.

### **A pretty positive reaction overall....**

Overall, it would seem that the recent changes are making people more interested in super as an investment strategy.

But there may be still some work to do to convince younger members that super doesn't have to be treated as an add-on to their financial management strategy, but rather an integral part of it.

## **Is it a case of 'Howard – The comeback kid'?**

We asked our participants to speculate on why Howard managed to claw back some ground on a recent Galaxy poll.

Our group gives the impression that they are starting to see some of the gloss come off the Rudd campaign.

For one thing, they think that the novelty factor associated with Rudd is dissipating and people's reaction to him is starting to become more subdued.

But, there is also a sense that Rudd is starting to make a few more slips and that he is losing some of the firm control he had earlier in the piece.

And which slip had the biggest traction for the group this month? That prize goes to Therese Rein.

### **Rein, Rein, Go away....**

The Rein affair brought some surprising comments from our group. One thing it has managed to do is leave participants with the clear impression that the Rudds are very well off. This wasn't really top of mind with them previously.

And this reminder of the Rudds' wealth has created an inconsistency for our group. Why? Because it undermines Kevin Rudd's previous emphasis on having started from humble 'Aussie battler' beginnings.

Our impression is that these participants are having trouble reconciling a clash of images.....the TV ad of Rudd talking about his struggling childhood on the Sunshine Coast on the one hand *versus* the Rudd that is now known to have a family asset worth more than \$170 million.

What appears to be creeping into the perceptions of our participants is that while Rudd sounds good and looks good, the substance doesn't always match.

And the Rein affair encapsulates this completely.

### **Meanwhile, Howard looms....**

The other part of the comeback factor that these participants see as important is Howard himself.

Regardless of where they are on the political spectrum, these respondents keep on suggesting month after month that Howard should never be discounted.

“He’s the master of politics”, says one member of the group.

It’s almost as though they are waiting for Howard to pull a rabbit out of the hat.

No doubt coming months will tell whether he’s as good a magician as our group thinks.

## **And are any election policies having an impact?**

### **The “green” vote**

Now that Howard has announced his climate change policy, we thought we would get the group to compare policies between Howard and Rudd.

There is no real evidence that either policy is setting the world on fire for our participants.

Certainly one thing that Rudd’s climate policy has over Howard’s is that it sets targets. But, having said this, participants are not really certain whether Rudd’s targets are workable.

The biggest factor working against Howard’s policy is its emphasis on nuclear power. “Nuclear” is still a dirty word for probably about half the group. They worry about waste problems and cost and generally feel uneasy about its use.

So even though it’s over 20 years since Chernobyl, the negative perceptions associated with nuclear energy are obviously hard to escape. Howard might need to tread softly on this front.

### **Union power and the ALP**

Despite all the ruckus over the last few weeks with rogue union leaders, our group have mixed views about how the union issue is going to play out for Labor.

A number in the group see it as a sleeper of an issue. They contend that Rudd has things under control for the moment and that the unions have been brought to heel.

But a number don’t expect this to last. They believe that some union officials are bristling with frustration and that it’s only a matter of time before they lash out and speak their mind.

So for at least some in our group, this is an issue to watch.

## **Technology – Both a blessing and a curse**

As politicians argue about what we should do about high speed broadband, we thought it was a good time to ask our group about their attitude to the advance of technology. We wanted to know just how they were coping.

There is no doubt that these respondents absolutely love some aspects of what modern technology can provide.

They think the internet is fantastic, and are almost in awe of the opportunities it can provide. They especially like its access to information and the way it facilitates communication both locally and globally.

As one respondent put it, “Who thought I could be playing internet chess with someone in South America?”

What is interesting is that this acceptance of technology seems to be just as true of the older respondents in the group as it does of the younger. In our experience, this is a big change from, say, five or six years ago, when most older respondents were quite afraid of technology.

### ***But it's a double edged sword....***

While our group wonders at the opportunities afforded by technology, they are also swift to point out how much it can frustrate them.

The main downside seems to be the imperative to keep up with the pace of technology.

"It's like being on a treadmill", says one. "It's hard work", says another.

But there's no sense of being so frustrated they want to give up. These respondents say quite firmly that you have to stay in touch with technology these days if you want to be part of the community. There really is no choice.

It's a case of keep up or miss out. No bones about it.

## **And finally....The Beattie Barometer**

### ***Going into debt***

Quite fortuitously, our group took place on the day the Queensland Budget was delivered.

From what they had seen so far, about half were pretty worried about the likely debt bill that would result from the Government's planned spending on infrastructure.

Not that the group is opposed to upgrading infrastructure. Far from it.

They see such spending as vital for the State, particularly given the number of people settling in Queensland each week.

But they worry about the amount of borrowing needed to deliver these infrastructure programs and what it means for the economic future of the State.

More importantly, they worry about what it means for them personally through future taxes.

So the moral of the story is that no matter what level of Government you represent, hip pocket issues still reign supreme.

### ***And how did the month generally go for Beattie?***

If Beattie is worried about the Merri Rose fallout, he can rest easy. This didn't even rate a mention from our group.

As with previous months, State politics is still a bit of a yawn for these participants. But overall Beattie gets a good score card this month, assisted by what our group sums up as "a quiet Opposition and no major scandals".

### **In coming issues.....**

- What makes for great advertising?
- Antecedents to changing brands – Successful marketing strategies under the microscope
- The deregulation of the energy market in Queensland – Will it make a difference?
- What's the solution for Brisbane's traffic congestion?
- Financial literacy
- Daylight saving – Is it time?
- The Beattie Barometer
- Our continuing analysis of Federal issues

Any other suggestions? Please send any topics to Annette Ruschena at [aruschena@mcrpl.com.au](mailto:aruschena@mcrpl.com.au)