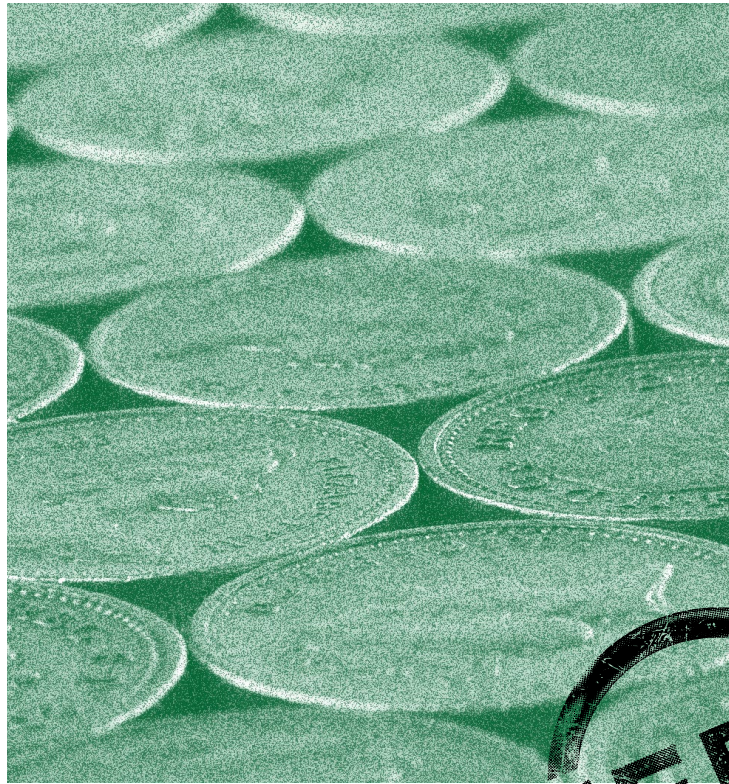


FEBRUARY 2021:

**PUBLIC OPINION:**  
**TAX RISES IN THE**  
**POST-COVID RECOVERY**





**ZERO**  
**CARBON**

# OVERVIEW

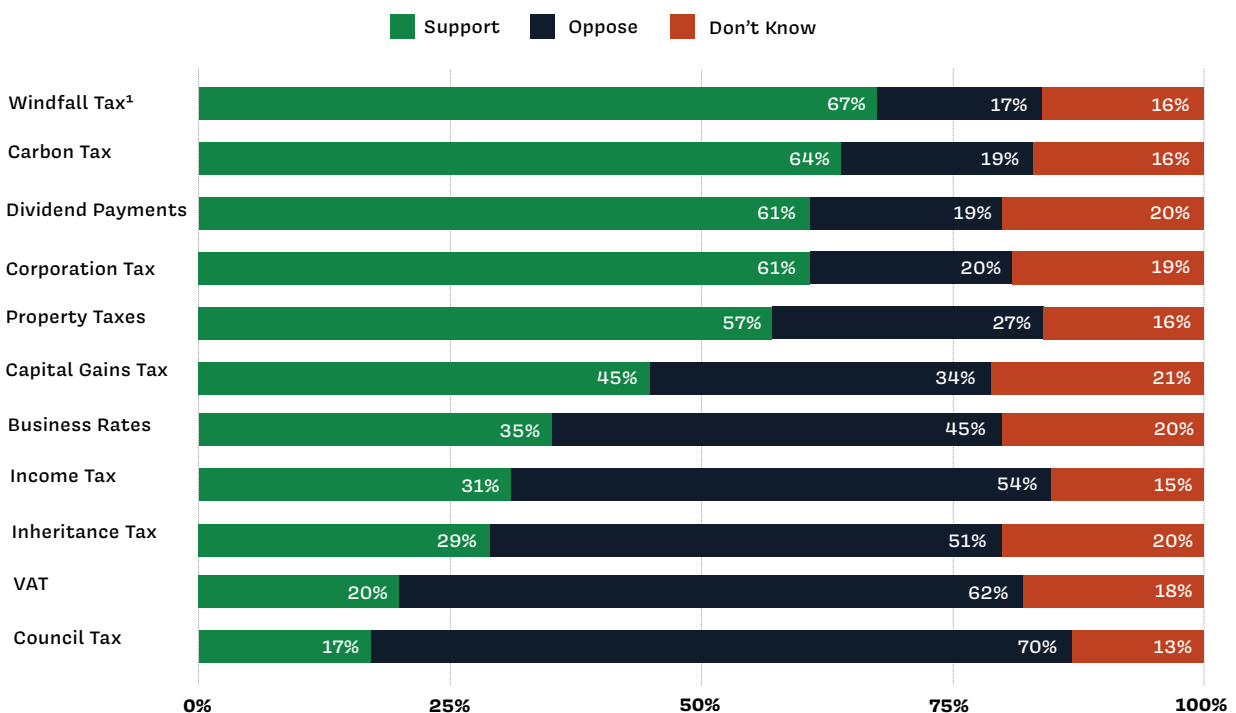
The British public want the Government to take stronger action on climate change - both at home and abroad. They are most likely to support climate policies which they consider to be fair and effective, and which ensure that those most responsible for climate change are made to play a role in addressing it.

They recognise that taxes will need to go up to pay for the recovery from COVID-19, and are supportive of the Government increasing taxes on those they believe deserve to pay, including big polluters. However, although there is an expectation that the Government will increase taxes to pay for the recovery, they - perhaps unsurprisingly - don't want them to go up yet (this year).

## There is widespread support for taxing big emitters for the greenhouse gases they produce, providing that cost impacts are managed

**64% of the public support a carbon tax on those who produce polluting greenhouse gases, compared to only 19% who oppose this policy.** When it is specified that the money raised will be used to support consumers through the low-carbon transition, support remains at 64% but opposition falls from 19% to 6%. This is likely to be because of perceived cost impacts - 38% believe that a carbon tax on big polluters will lead to increased costs for consumers.

**FIG 1: RELATIVE SUPPORT FOR DIFFERENT POST-PANDEMIC TAX OPTIONS, IN ORDER OF POPULARITY**



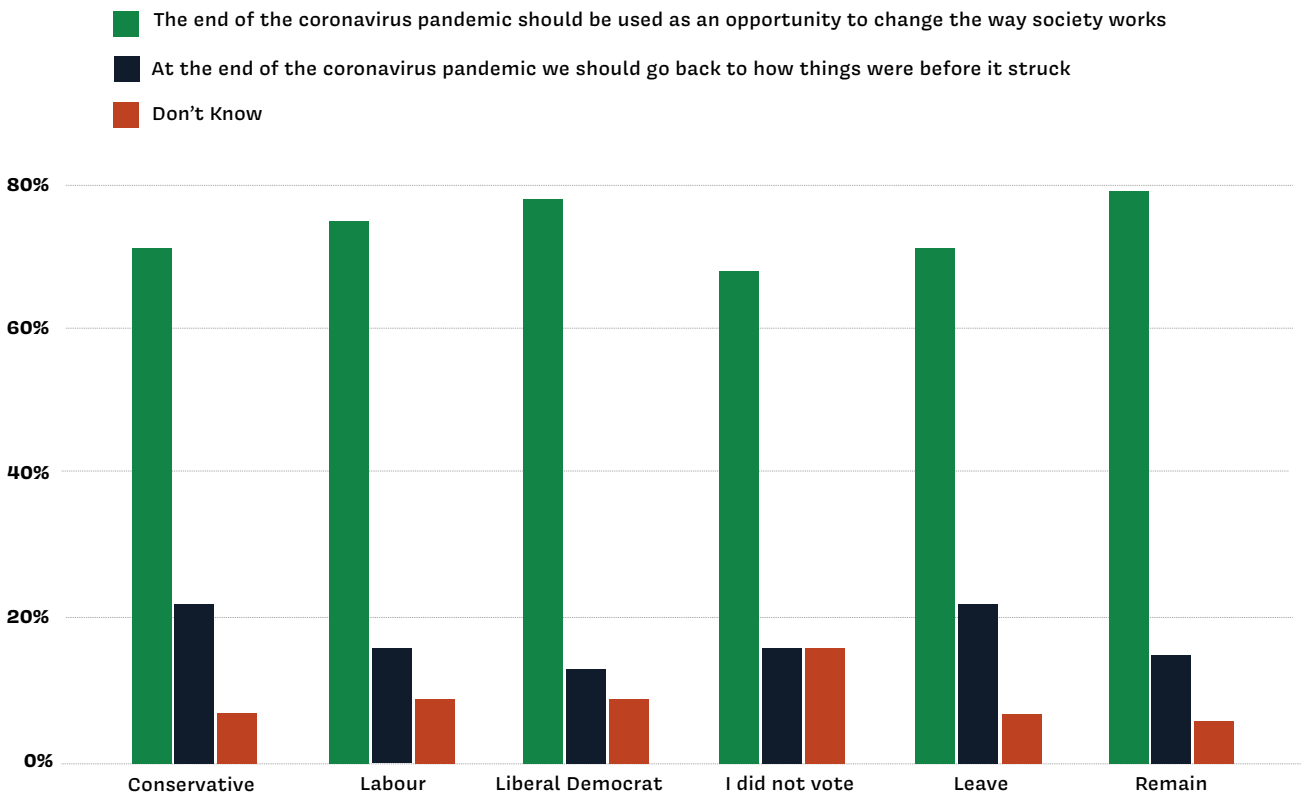
Source: Public First (February 2021), Tax Rises in the Post-Covid Recovery. P = 2,000.

<sup>1</sup> A one-off tax on businesses who have made higher profits during the coronavirus crisis.

## The public believe that now is the time for change, tax increases included

There is overwhelming and bipartisan support for using the end of the pandemic as an opportunity for societal change. 73% say that the end of the pandemic should be used as an opportunity to change how society works. This support is consistent across political divides.

FIG 2: WHICH OF THE FOLLOWING COMES CLOSEST TO YOUR VIEW?

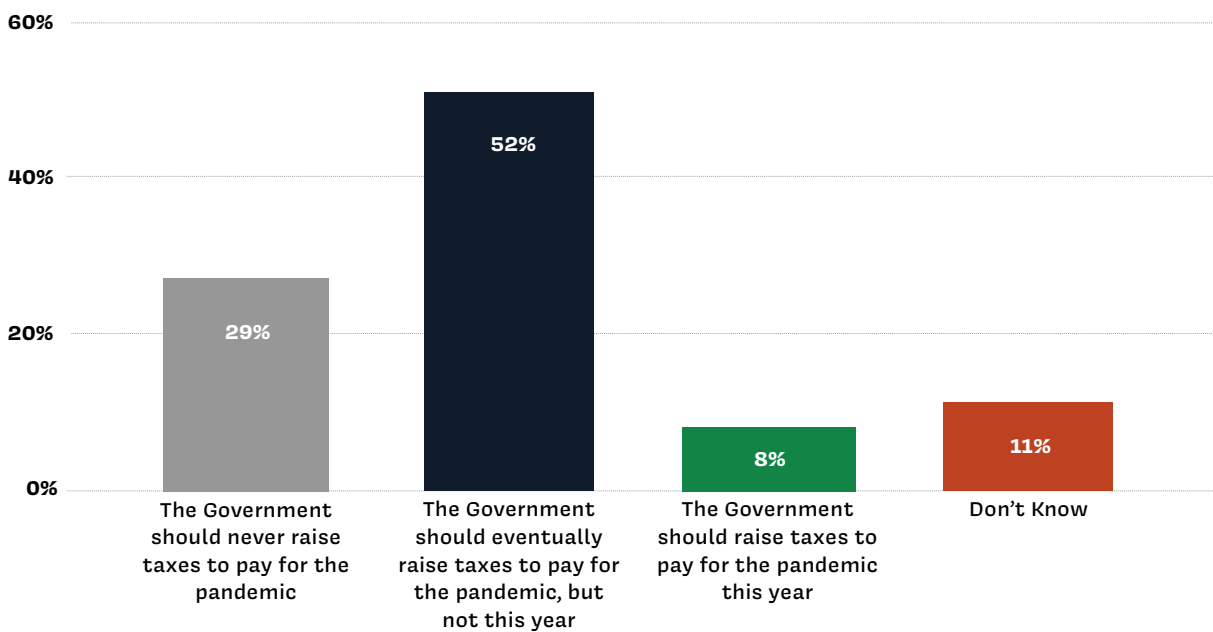


Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

The majority think taxes eventually will rise, and should rise, to pay for the cost of the pandemic. This is true even of those who are traditionally more anti-tax. 60% think that the Government *should* raise taxes to pay for the cost of supporting people through the pandemic *at some point*, and 76% think that the Government *will* do so. 51% expect their own tax bill to increase, with 87% of them saying this is because they expect the Government to raise taxes. 50% of those who say that it is generally better to have lower taxes, say that the Government should raise taxes at some point to support the pandemic recovery.

Although there is widespread support for (and an expectation of) tax increases, people would prefer that these are not introduced immediately. Fewer people expect (20%) or want (8%) taxes to rise this year, and when asked if it would be better for the Government to raise taxes, cut spending or borrow money, 30% support raising taxes, and 33% support cutting spending. This may be on account of the perceived cost impacts of tax increases, although it is not necessarily the case that households on lower incomes are more concerned about the cost impacts of taxation; the AB<sup>1</sup> group are more likely to think that the cost of living will increase as a result of a carbon tax (42%) than those in the DE group (37%).

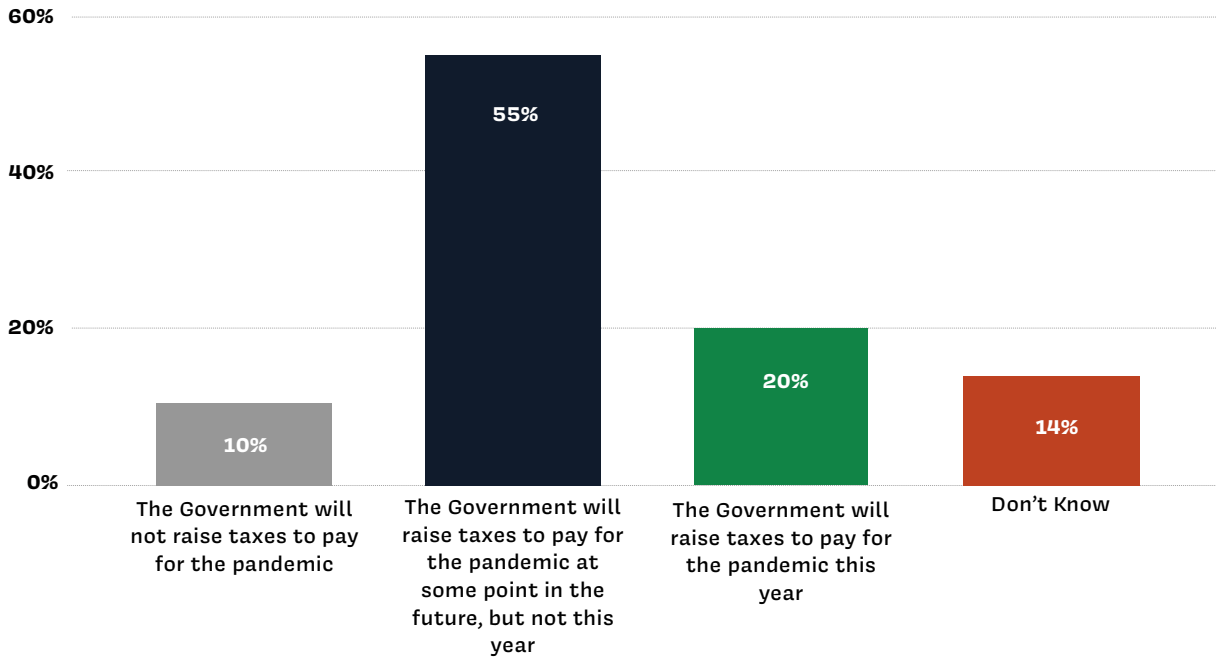
**FIG 3: DO YOU THINK THE GOVERNMENT SHOULD OR SHOULD NOT RAISE TAXES TO PAY FOR THE COST OF SUPPORTING PEOPLE DURING THE CORONAVIRUS PANDEMIC?**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

<sup>1</sup> Note: Segmented according to NRS social grade classifications. 'AB voters' are defined as upper middle class (higher managerial, administrative or professional), while 'DE voters' are defined as working class (semiskilled and unskilled manual workers).

**FIG 4: DO YOU THINK THE GOVERNMENT WILL OR WILL NOT RAISE TAXES TO PAY FOR THE COST OF SUPPORTING PEOPLE DURING THE CORONAVIRUS PANDEMIC?**



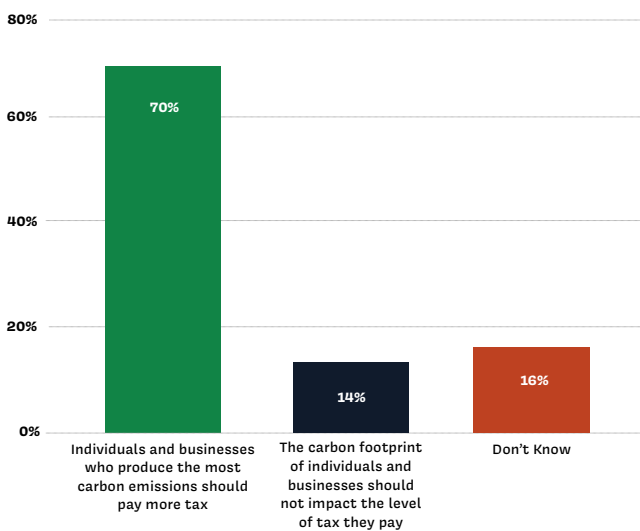
Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

## People are most likely to support climate policies that they consider to be fair

The public wants to see those with the biggest carbon footprints pay the most in tax. 70% say businesses and individuals who produce the most carbon emissions should pay more tax, compared with just 14% who say that carbon footprint should have no impact on the level of tax paid. Even of the small number (9%) who say that climate change is not that much of a concern or no concern at all, 39% agree that those with higher emissions should pay more in tax, compared to 44% who say emissions should have no impact on tax payments.

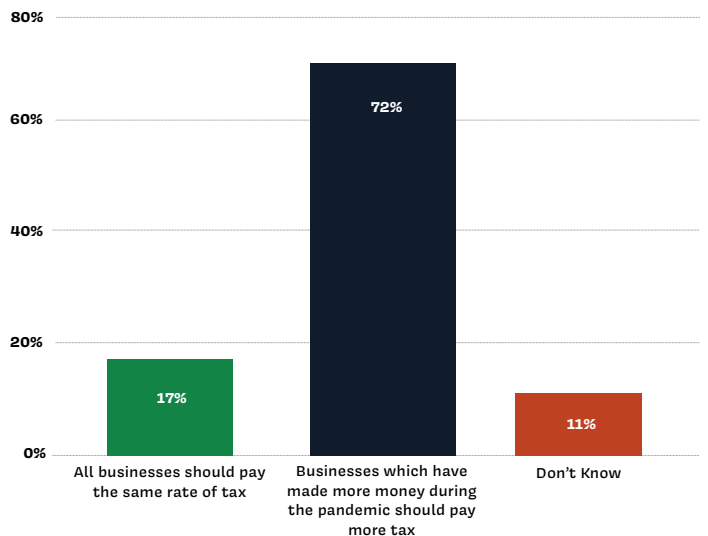
Support for this policy seems to be driven by an expectation for taxes to rise, but a preference for tax rises to impact those who “deserve” it. As Figure 1 illustrates, post-pandemic taxes which impact individuals directly (such as council tax and VAT), and those that impact businesses which have suffered (business rates) see far lower levels of support than those which hit the wealthiest (dividend payments) and those who “deserve” to pay (carbon tax and a windfall tax on those who have made more money during the pandemic).

**FIG 5: WHICH OF THE FOLLOWING COMES CLOSEST TO YOUR VIEW?**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

**FIG 6: WHICH OF THE FOLLOWING COMES CLOSEST TO YOUR VIEW?**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.



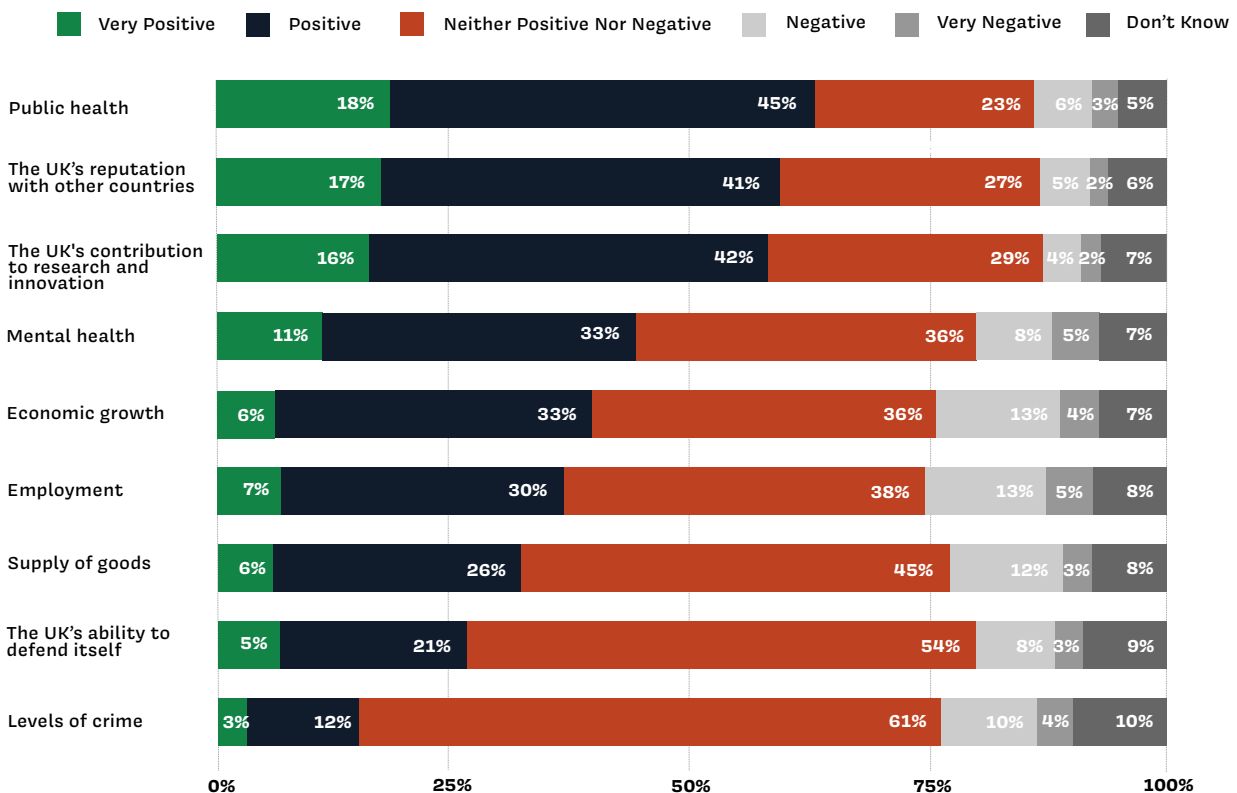
## It's not about punishment - support for climate policies is determined by their perceived effectiveness

There is a strong belief that action to address climate change would have positive impacts on the economy, health, jobs and Britain's status as a global leader.

As Figure 8 illustrates, support for different climate policies is partly dictated by a perception of their effectiveness. For example, there is relatively low support (30%) for increasing the cost of petrol and diesel, because this is not perceived to be an effective environmental measure; 68%

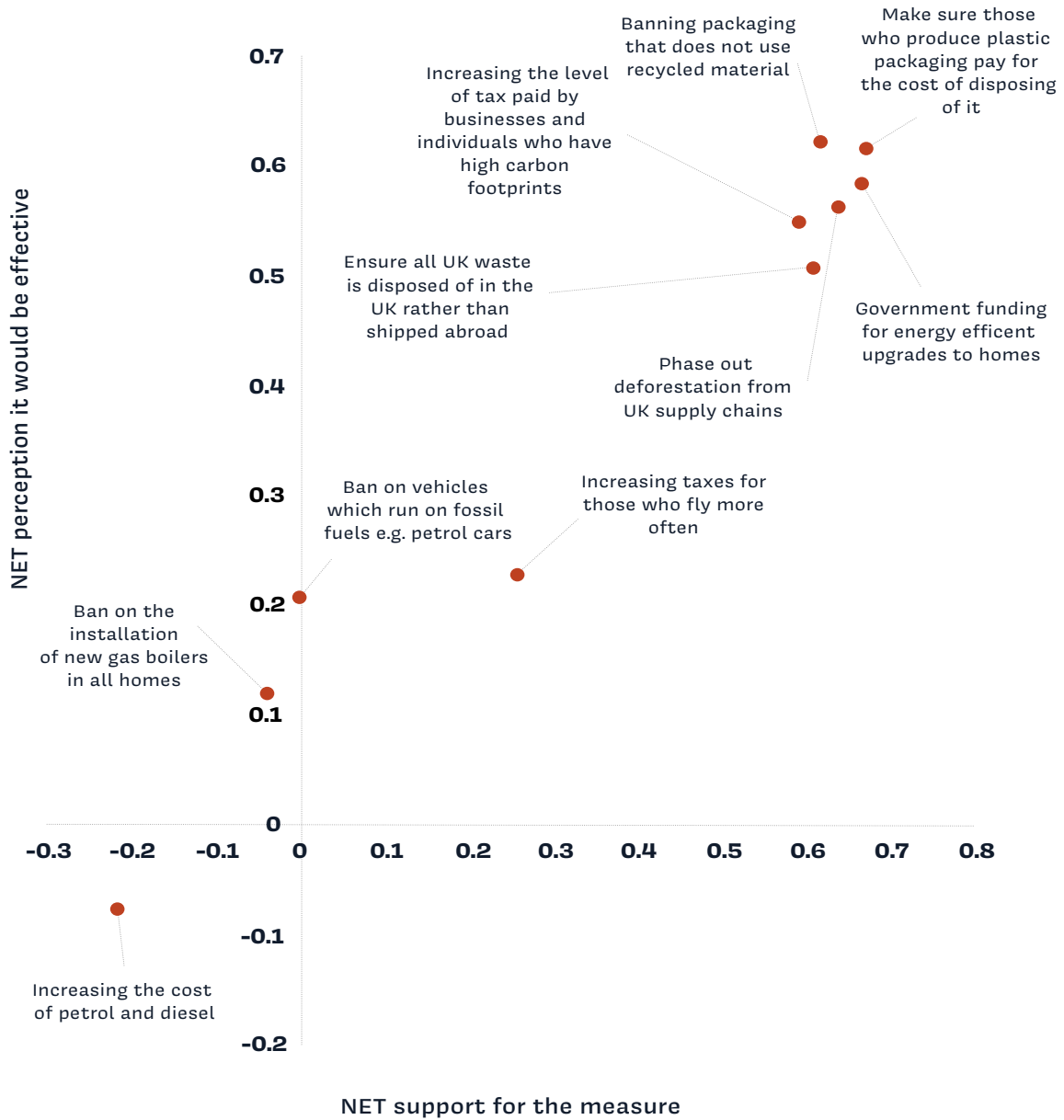
of those who oppose this policy do not believe that cost increases will stop people from using these products. This is in spite of the fact that cars were considered to be the biggest contributor to UK emissions (59%), ahead of international flights (50%), manufacturing (42%) and home heating (27%).

**FIG 7: FOR EACH OF THE FOLLOWING, PLEASE INDICATE IF YOU BELIEVE ACTIONS TO ADDRESS CLIMATE CHANGE IN THE UK WILL GENERALLY HAVE A POSITIVE OR NEGATIVE IMPACT ON THEM:**



Source: Public First (February 2021), Tax Rises in the Post-Covid Recovery, P = 2,000.

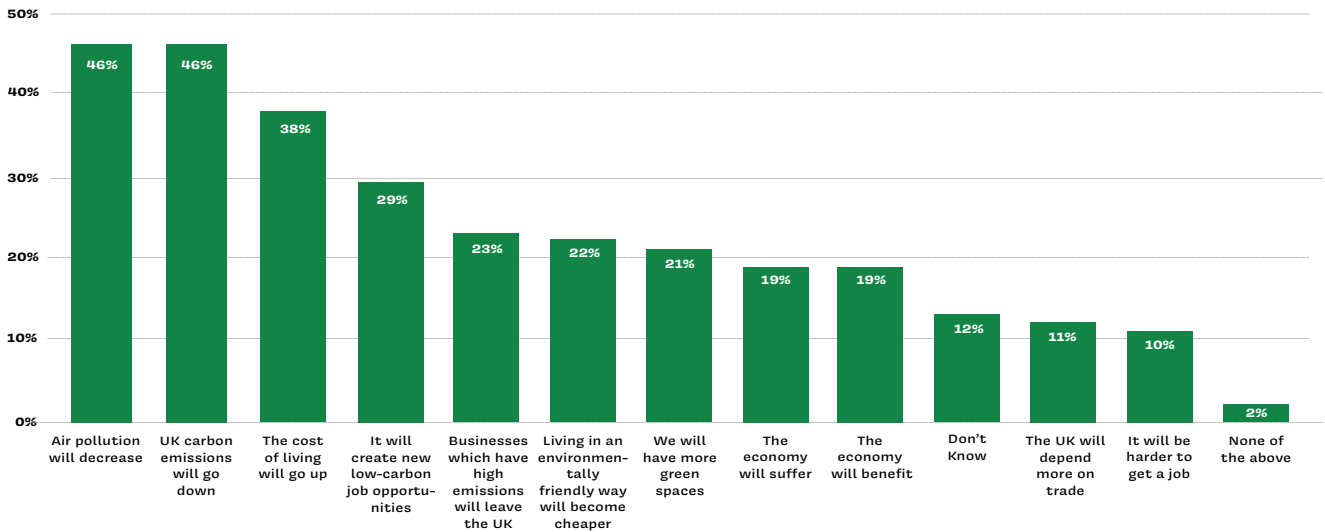
**FIG 8: SUPPORT AND EFFECTIVENESS OF PROPOSED POLICIES**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

**A carbon tax is seen as having multiple benefits**, including effectively reducing emissions (46% say emissions will go down) and tackling air pollution (46% say air pollution will go down). However, there is also an expectation that a carbon tax will increase the cost of living (38%). Overall, 71% believe that that increasing the level of tax paid by businesses and individuals who have high carbon footprints will be effective or very effective in reducing the damage that the UK does to the environment.

**FIG 9: WHAT WOULD YOU EXPECT TO BE THE IMPACT OF INCREASING TAXES ON CARBON OR GREENHOUSE GAS EMISSIONS IN THE UK? PLEASE SELECT ALL WHICH YOU WOULD EXPECT TO BE AN IMPACT OF THIS**



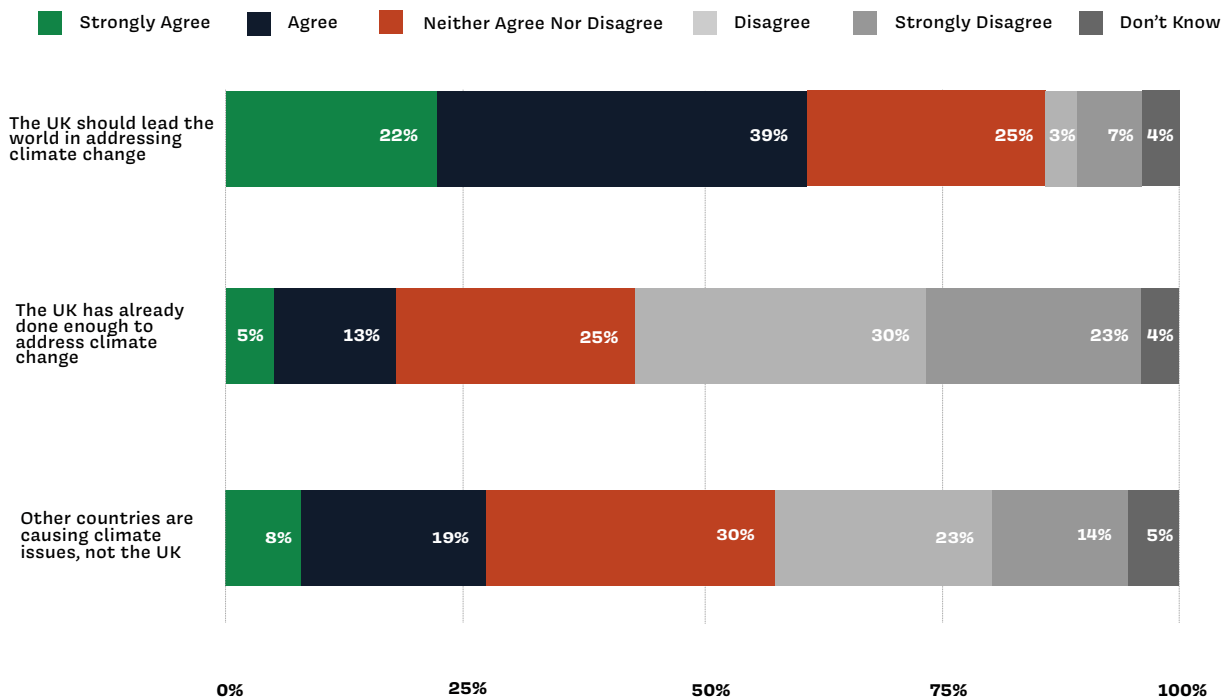
Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

## The public believe that the UK can and should take the lead in addressing climate change internationally

**A clear majority of the public want to see the UK take the lead in tackling climate change.** 61% agree (to 10% disagree) that the UK should lead the world in addressing climate change, whilst 53% disagree (to 18% agree) with the statement “The UK has already done enough to address climate change.”

38% of people disagree that “other countries are causing climate issues, not the UK” (compared to 27% who agree), with Leave voters and Conservative voters being more likely to agree with this statement than other groups (38% to 29% agree among Leave voters, and 37% to 29% agree among Conservative voters). In spite of the perception that the UK is not necessarily causing climate change, both of these groups do still agree that the UK should lead the world in addressing climate change, albeit to a slightly lesser extent than their political opposites.

**FIG 10: FOR EACH OF THE FOLLOWING, PLEASE INDICATE IF YOU TEND TO AGREE OR DISAGREE:**

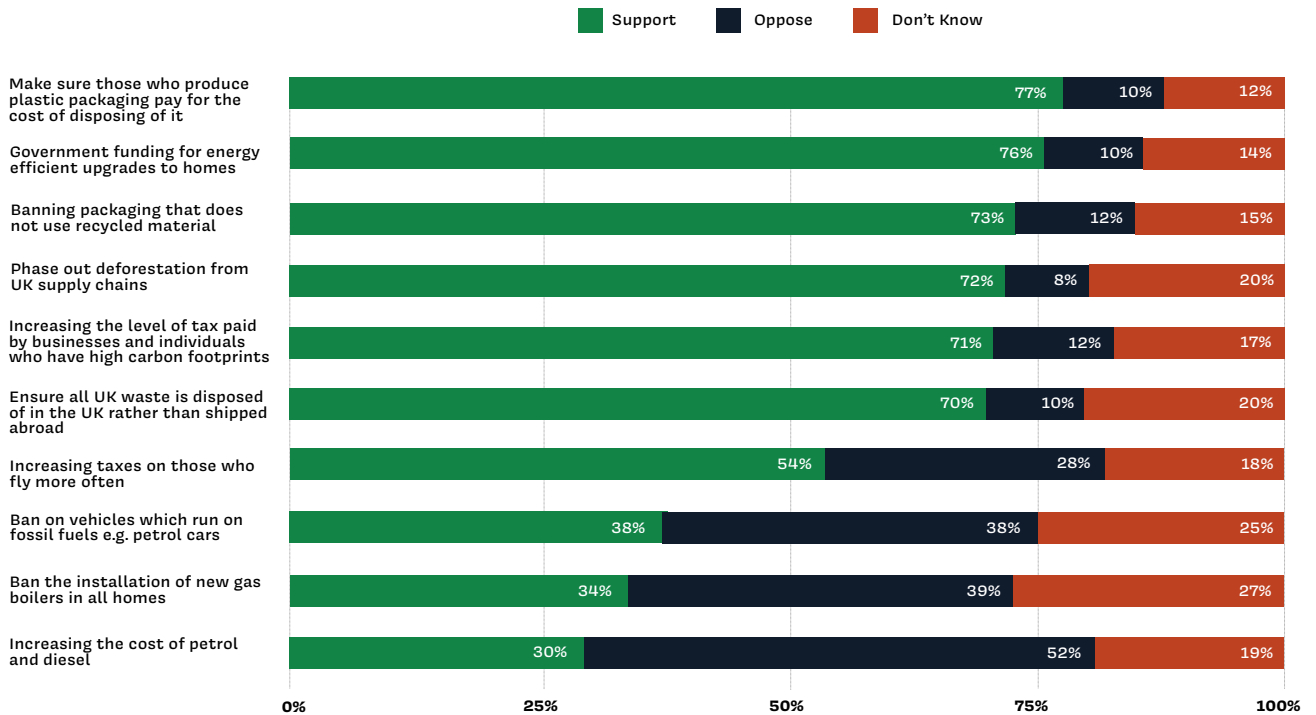


Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

**The public also want to see the UK take responsibility for its climate impacts.** For example 70% support (to 10% oppose) “ensuring all waste is disposed of in the UK rather than shipped abroad”, and 72% (to 8% oppose) a move to “phase out deforestation from UK supply chains.”

A majority (58%) believe that action on climate change will have a positive impact on the UK’s reputation internationally, compared to 7% who believe that the impact of climate interventions would be negative.

**FIG 11: DO YOU THINK YOU WOULD SUPPORT OR OPPOSE THE GOVERNMENT INTRODUCING THE FOLLOWING TO REDUCE THE DAMAGE WHICH THE UK DOES TO THE ENVIRONMENT?**



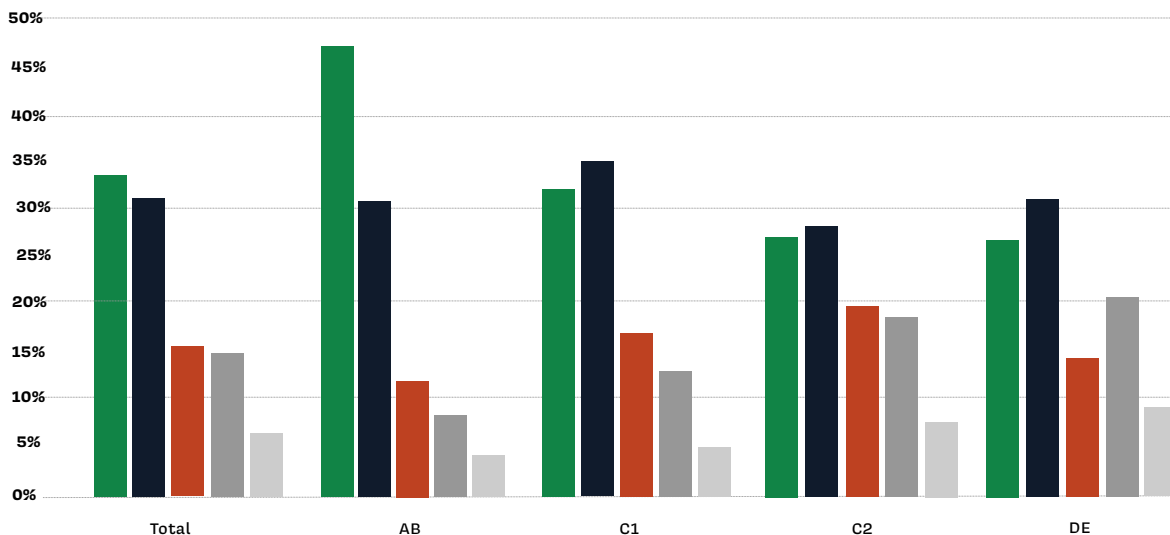
Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

## ISSUES IN FOCUS

### How concern and awareness about climate change dictate levels of support for environmental policies

A greater proportion of our sample were aware of what ‘net zero’ means compared to June 2020. 33% now say they have *definitely* heard of net zero, and 31% are *fairly sure* they have heard of it whereas previously this awareness was at 25% and 24% respectively. Knowledge of COP26 was much lower; only 21% correctly identified COP26 as being a climate change conference, and 52% say they have definitely not heard of it.

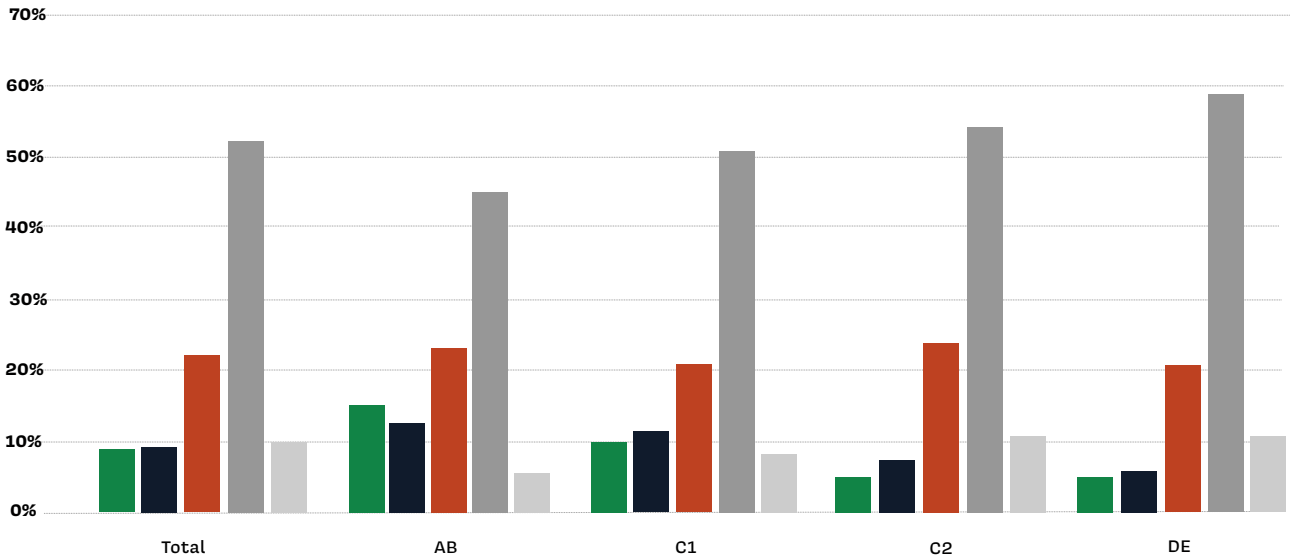
**FIG 12: BEFORE THE CORONAVIRUS OUTBREAK IN THE UK, THE GOVERNMENT ANNOUNCED PLANS TO ACHIEVE NET ZERO IN THE UK BY 2050. PRIOR TO TAKING THIS POLL, HAD YOU HEARD OF THIS PLAN?**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

- Yes, I have definitely heard of it
- Yes, I am fairly sure I have heard of it
- No, I don't think I've heard of it
- No, I definitely have not heard of it
- Don't know

**FIG 13: PRIOR TO TAKING THIS POLL, HAD YOU HEARD OF COP26?**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

- Yes, I have definitely heard of it
- Yes, I am fairly sure I have heard of it
- No, I don't think I've heard of it
- No, I definitely have not heard of it
- Don't Know

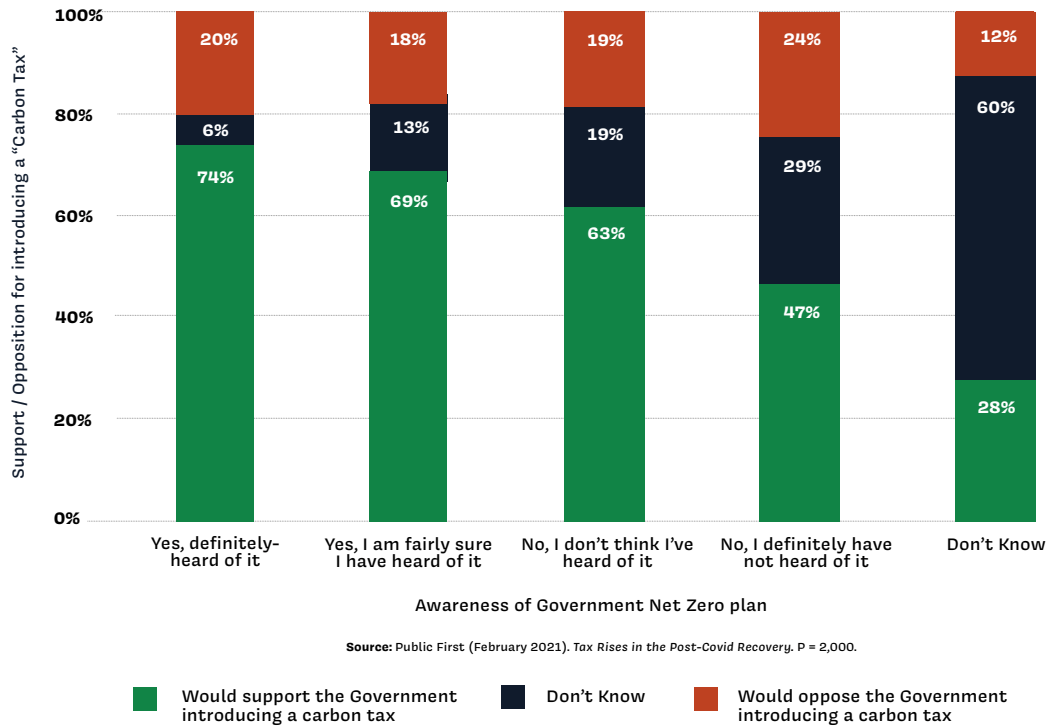
**There is some correlation between awareness of net zero, and likelihood of supporting action on climate change.** For example (and although we cannot assume directionality) those who are aware of what Net Zero is, are more likely to support the introduction of a carbon tax.

**Belief in the severity of climate change dictates levels of support for policy interventions.** 53% of those who support the introduction of a carbon tax (64%) regard climate change as being one of the most pressing issues of our time, and a further 11% of them regard it as being the single most important issue at the moment.

On the other hand, 11% of those who oppose the introduction of a Carbon Tax (19%) say they do not regard climate change as being a concern at all, 14% say it is not that much of a concern, and 40% cite it as being a concern, but think other issues are more important at the moment.

Those who say that climate change is not a concern at all are less likely to support climate interventions across the board, and are less likely to believe that they will have a positive impact. **This suggests that this group is generally opposed to climate intervention measures on account of their belief that climate change is not a concern, rather than because they are specifically opposed to a carbon tax.**

**FIG 14: SUPPORT FOR INTRODUCING A CARBON TAX BY KNOWLEDGE OF GOVERNMENT NET ZERO PLAN**



**FIG 15: HOW PERCEPTION OF EFFECTIVENESS DRIVES SUPPORT FOR CLIMATE POLICY INTERVENTIONS**

What would you expect to be the impact of increasing taxes on carbon or greenhouse gas emissions in the UK?	Total	Supporters of carbon tax as post-pandemic measure	Opponents of carbon tax as post-pandemic measure
Air pollution will decrease	46%	57%	28%
UK carbon emissions will go down	46%	60%	25%
The cost of living will go up	38%	37%	51%
It will create new low-carbon job opportunities	29%	40%	11%
Businesses which have high emissions will leave the UK	23%	24%	27%
Living in an environmentally-friendly way will become cheaper	22%	29%	11%
We will have more green spaces	21%	27%	12%
The economy will benefit	19%	23%	13%
The economy will suffer	19%	14%	38%
The UK will depend more on trade	12%	11%	18%
It will be harder to get a job	11%	8%	25%
Don't Know	13%	7%	9%
None of the above	2%	1%	3%



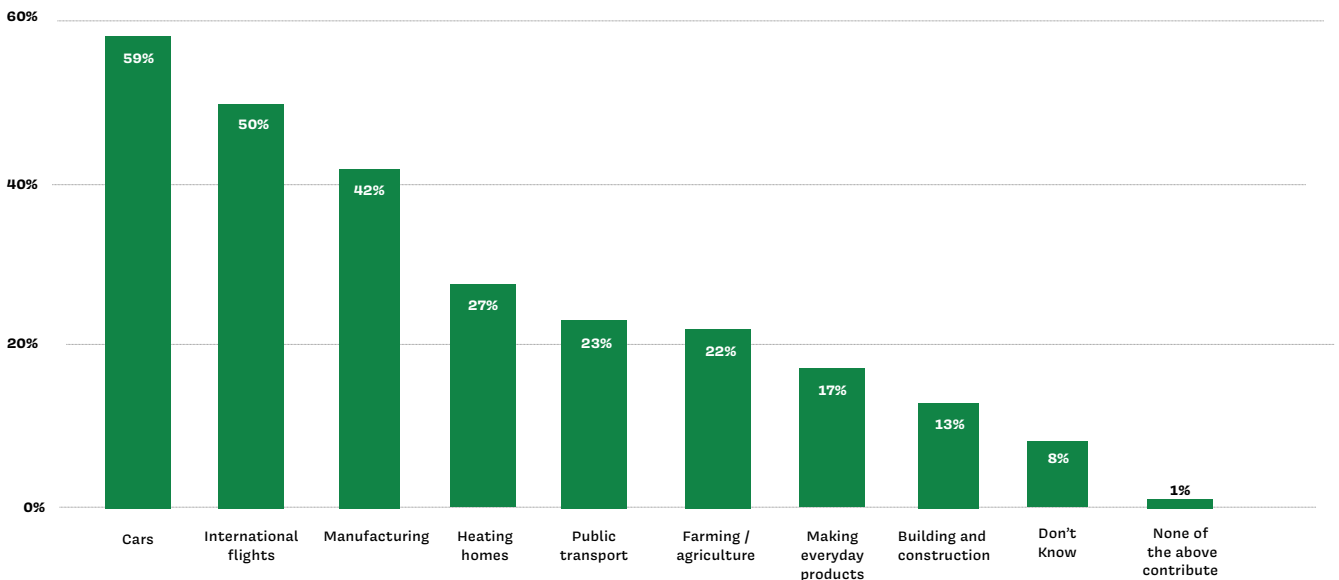
## ISSUES IN FOCUS

### Cost as a barrier to action on heating

The main barriers towards switching from gas to electric heating are cost and disruption, rather than a lack of awareness about environmental impacts. 70% of respondents use gas to heat their homes, with a clear age trend (43% of 18-24s rising to 85% of 65+), as well as a trend with regards to the type of area (57% of those in urban areas, 79% in small towns, 68% in villages).

People are generally aware that electricity is better for the environment than gas; only 24% put gas ahead of electricity when asked to rank different heat sources by environmental impact. However, when asked to rank different activities on account of their carbon footprint, heating does not register as highly as we might expect.

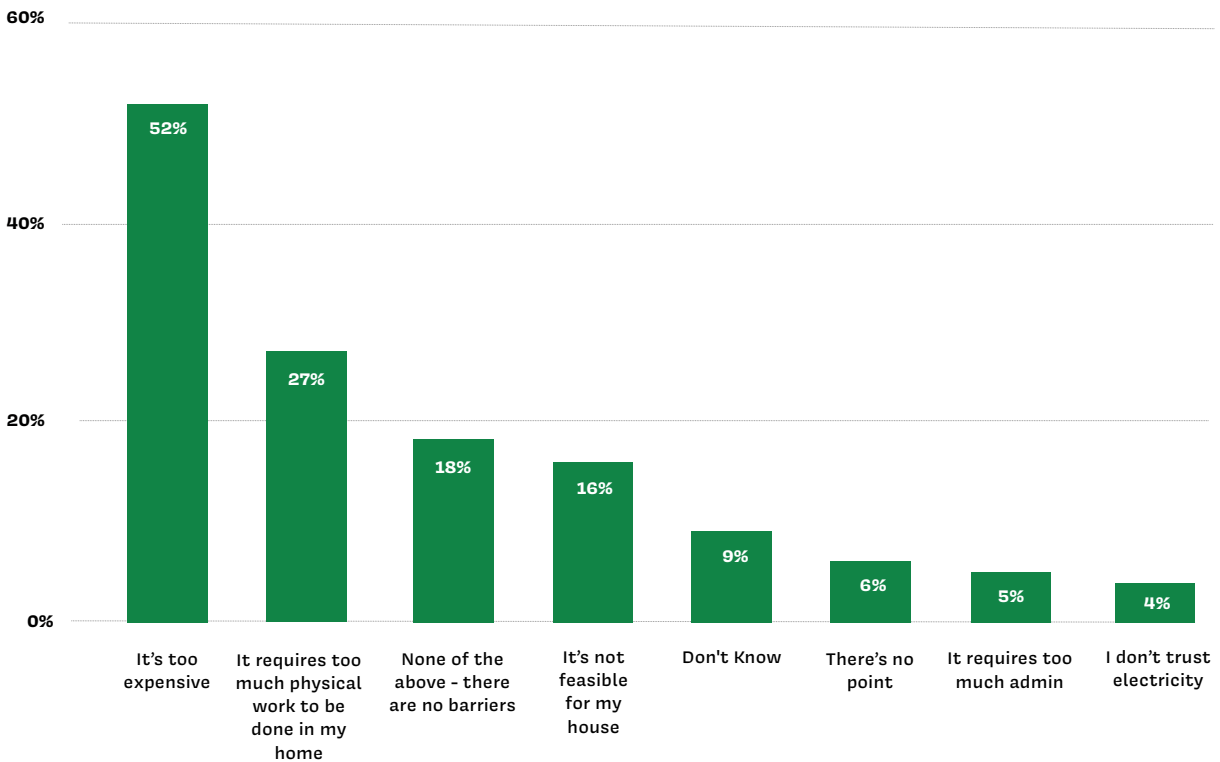
**FIG 16: IN YOUR VIEW, WHICH OF THE FOLLOWING CONTRIBUTES MOST TO UK CARBON EMISSIONS? PLEASE SELECT UP TO THREE**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

**Among those who do use gas to heat their homes, 88% have never tried to transition, rising from 64% among 18-24s to 98% among 65+.** The main reason cited for never having tried to switch heat sources was expense; 52% say it is too expensive, 27% say that it requires too much physical work to be done to their house and 18% say there are no barriers. Notably 64% of 65+ say it is too expensive, compared to 33% among 18-24s.

**FIG 17: YOU SAID YOUR HOUSE CURRENTLY USES GAS FOR THE MAJORITY OF THE CENTRAL HEATING. WHAT, IF ANYTHING, ARE THE MAIN BARRIERS TO MOVING TO ELECTRICITY?**



Source: Public First (February 2021), Tax Rises in the Post-Covid Recovery. P = 2,000.

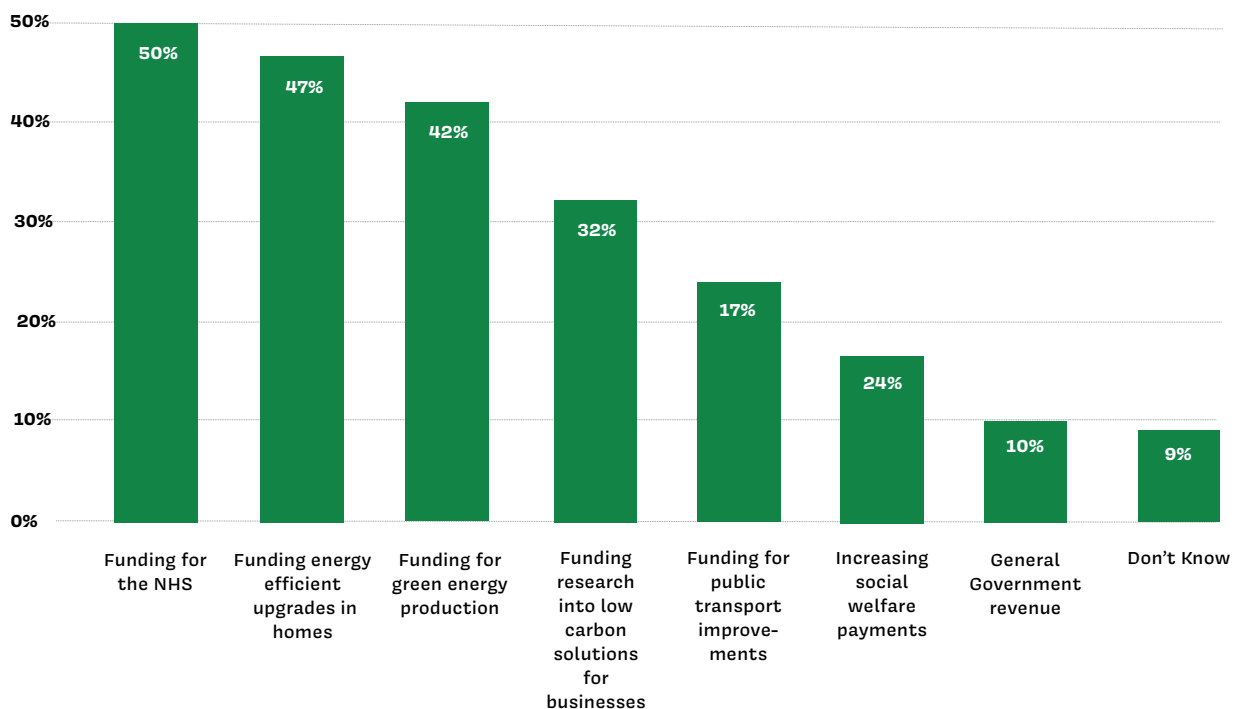
## ISSUES IN FOCUS

### What to do with the money raised

When asked how the money from general tax increases should be spent during the Coronavirus recovery, spending on the NHS was by far the most popular option, with 72% selecting it as their top priority. Whilst the context of the pandemic will naturally have had an effect here, the environment ranks low in terms of spending priorities (with only 24% selecting it among their top three spending options).

However, when asked specifically about how to spend the revenue from increasing taxes on those who produce the highest volume of emissions, NHS falls to 50% when presented alongside various green options, with funding for energy efficient homes almost level at 47%. This is unsurprising, given that we know the cost of switching from gas to electricity is a key barrier to action. Conservatives are less likely to select the NHS than other options, at 44% compared to Labour’s 57%.

**FIG 18: IF THE GOVERNMENT WAS TO RAISE TAXES ON THOSE WHO PRODUCED EMISSIONS FROM FOSSIL FUELS, IN WHAT WAYS WOULD YOU PREFER TO SEE IT SPENT? PLEASE SELECT UP TO THREE**



Source: Public First (February 2021). Tax Rises in the Post-Covid Recovery. P = 2,000.

**Note on the methodology:**

The Zero Carbon Campaign commissioned Public First to conduct **Quantitative opinion research** to test attitudes towards carbon charging, as well as general attitudes towards climate change and tax options for funding the post-pandemic recovery.

The research comprised a nationally representative poll with a 2,014 sample and fieldwork took place on the 3rd - 5th February 2021. Full data tables are available from [Public First](#).