
THE NATIONAL ANGUS REID/SOUTHAM NEWS POLL

- CANADIANS' ECONOMIC OUTLOOK -



© Angus Reid Group, Inc.

Public Release Date: Sunday, October 6th, 1996

This National Angus Reid/Southam News Poll was conducted by telephone between September 20th and 29th, 1996 among a representative cross-section of 1516 Canadian adults.

The actual number of completed interviews in each region was as follows: B.C. - 200; Alberta - 150; Manitoba/Saskatchewan - 120; Ontario - 526; Quebec - 400; Atlantic - 120. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to the 1991 Census data.

With a national sample of 1516, one can say with 95 percent certainty that the results are within ± 2.5 percentage points of what they would have been had the entire adult Canadian population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population.

CANADIANS' ECONOMIC OUTLOOK

Canadian consumers' economic outlook continues to show signs of modest improvement. One-half of Canadians now believe the national economy is in good shape, nearly one in three expect economic conditions in the country to improve during the coming year, and a similar number are optimistic about their personal financial prospects. But "job anxiety" remains fairly prevalent, with one in three Canadians worried that they or someone else in their household is in danger of losing their job. These findings emerged from a National Angus Reid/Southam News Poll conducted among a representative cross-section of 1,516 Canadian adults between September 20th and 29th, 1996.

The Public's Assessment of the Canadian Economy Today

- Consumer confidence in the country continues to edge upwards, although the public still offers only a mixed review of the current state of the Canadian economy. A slim majority (51%) of surveyed Canadians gave positive marks to the current overall state of the national economy (49% rated it as "good", only 2% as "very good"), while a similar number (49%) offered an unfavourable assessment (41% "poor", 8% "very poor"). Significantly, however, the proportion who give a "thumbs up" to the economy has been climbing slowly but steadily since the beginning of the year – a marginal increase (2 points) since the previous sounding in July, but fully 14 points higher than January when the public's assessment was decidedly critical (only 37% good shape versus 62% bad shape). (Table 1)
- Albertans are the most bullish about the state of the Canadian economy today: close to three-quarters (73%) opted for the "good/very good" characterization, up from 54 percent in July. An overall favourable appraisal was also provided by a majority of respondents from British Columbia (53%), Manitoba/Saskatchewan (55%) and Ontario (also 55%). In sharp contrast are Quebecers, two-thirds (64%) of whom feel the national economy is presently in poor shape. A majority (53%) of Atlantic Canadians share this view.

Canadians' "Job Anxiety"

- Many Canadians continue to harbour "job anxiety". One in three (31%) of those surveyed indicated that they, or another member of their household, is worried about losing their job or being laid off. This level of "job anxiety" has been essentially unchanged since early 1994. Regionally, British Columbians are the least likely to report being worried about losing their job (23% compared to between 30% and 33% in all other major regions). (Table 2)

Consumers' Outlook for the National Economy

- Consistent with the modest improvement in consumers' assessment of the state of the Canadian economy, consumers also continue to become more optimistic about the prospects for the coming year. Nearly one in three (31%) Canadians surveyed in late September said they expect the country's economy will "improve" during the next 12 months, versus one in five (21%) who believe it will "get worse". A large plurality (46%) still feel that economic conditions over the next year will "stay about the same". Consumer confidence has been inching upwards since the start of the year: the 31 percent who now expect the Canadian economy to pick up steam is 13 points higher than the number recorded in January, when pessimism exceeded optimism by a two-to-one margin (35% get worse, 18% improve). (Table 3)
- The one-year outlook for the Canadian economy is brightest among residents of Alberta and Ontario, where optimists outnumber pessimists by a margin of fully three to one. The balance also tips in favour of optimism among British Columbians (28% versus 23%) and in Manitoba/Saskatchewan (27% to 21%). The opposite is true among their counterparts in Quebec (27% get worse compared to 22% improve). In Atlantic Canada, meanwhile, there are equal numbers in both camps.

Canadians' Forecast for Their Provincial Economies

- Albertans remain by far the most bullish when it comes to the prospects for their provincial economy – fully 60 percent of those surveyed said they expect their province's economy to get better during the coming year (up 6 points from the July reading), versus only 6 percent who predicted a downturn. Positive expectations also surpass the negative among residents of Ontario, though by a much more modest margin (35% versus 23%). (Table 4)
- Quebecers are the most pessimistic about their province's economic prospects for the year ahead – more than one in three (37%) of those polled opted for the "get worse" scenario, almost three times as many as expected their provincial economy to improve (14%). Residents of the Atlantic region also lean towards a negative outlook for their respective provincial economies (34% get worse, 23% improve).
- In the two remaining major regions – British Columbia and Manitoba/Saskatchewan – the number of optimists and pessimists is fairly equal, with nearly one-half expecting the status quo to prevail.

Consumers' Expectations for Personal Financial Prospects

- Consumer confidence also continues to improve on the home front. Three in ten (29%) surveyed Canadians said they expect their own economic situation to improve over the next year, more than twice the number worried that things will worsen (13%); more than one-half (57%) envisioned essentially no change. The proportion of Canadian consumers expecting an improvement in their personal financial circumstances has increased by a marginal 2 points since May and by 5 points since the January survey, with a corresponding decrease in the number anticipating things will get worse for them. (Table 5)

- Optimism regarding personal financial prospects is most evident among residents of Alberta (39%) and British Columbia (36%), although optimists outnumber pessimists in the other major regions as well.

For further information, contact:

John Wright
Senior Vice-President
Angus Reid Group
(416) 324-2900

Darrell Bricker
Senior Vice-President
Angus Reid Group
(613) 241-5802