
NATIONAL ANGUS REID POLL

- CANADIAN CONSUMERS' ECONOMIC OUTLOOK -



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This National Angus Reid Poll was conducted by telephone between May 12th and 17th, 1998 among a representative cross-section of 1,516 Canadian adults.

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 1996 Census data.

With a national sample of 1,516, one can say with 95 percent certainty that the overall 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.

CANADIAN CONSUMERS' ECONOMIC OUTLOOK

Canadian consumer confidence remains solid: three-quarters of Canadians say the national economy today is in good shape overall, and almost one-half expect further improvement for the year ahead. In addition, optimism concerning personal finances continues to edge up, with one in three Canadians expecting their own economic situation to get better during the next 12 months.

On the provincial economic front, residents of Alberta and Ontario remain the most optimistic about the prospects for their respective provincial economies for the coming year, while most British Columbians continue to fear that economic conditions in their province will deteriorate.

These findings were yielded by a National Angus Reid Poll conducted among a representative cross-section of 1,516 Canadian adults between May 12th and 17th, 1998.

Appraisal Of Canada's Economy Today

- ◆ Canadians' already-favourable assessment of the national economy continues to get brighter. In a mid-May National Angus Reid Poll, fully three-quarters (74%) of those surveyed offered a positive appraisal of the current overall state of the Canadian economy – 69 percent rated it “good” while only 5 percent opted for “very good”. This is three times as many as said the economy is in bad shape right now (21% “poor”, 3% “very poor”). (Table 1)
- ◆ The number of Canadians who believe the national economy is in “good/very good” shape has risen by 7 percentage points since the beginning of the year, is 9 points higher than one year ago, and is fully 19 points ahead of the January 1997 figure (when a much more modest 55% provided a favourable rating).
- ◆ The overall state of the Canadian economy today receives a “thumbs up” from most residents of all major regions, ranging from a high of 86 percent of Albertans to a more modest majority of British Columbians (58%).

Outlook For The National Economy

- ◆ Consumer confidence in the Canadian economy this spring remains solid. Nearly one-half (44%) of survey respondents said they expect the national economy to “improve” during the next 12 months, triple the number who predict economic conditions will “get worse” (14%). Four in ten (41%) continue to believe the status quo will prevail. These expectations are unchanged from those recorded in the previous sounding taken in March. (Table 2)
- ◆ Residents of Ontario continue to be the most optimistic about the prospects for the Canadian economy in the year ahead: a clear majority (54%) anticipate improvement. Optimists also outnumber pessimists by a sizable margin in each of the following regions: Alberta (41% improve versus 15% get worse, although today’s 26-point spread has narrowed steadily from the 51-point gap observed in the fall of 1997); Manitoba/Saskatchewan (39% to 19%); Québec (40% compared to 12%); and Atlantic Canada (40% to 15%). In B.C., the results are closer to a split verdict (29% improve, 24% worsen).

Expected Performance Of The Provincial Economies

- ◆ Residents of the two provinces with the strongest economies, Ontario and Alberta, also have the most upbeat provincial economic outlooks. One-half of surveyed Ontarians (49%) and Albertans (51%, still well shy of the 74% recorded last September) forecasted better times ahead for their respective provincial economies in the coming year. (Table 3)
- ◆ Optimism also exceeds pessimism by a healthy margin in Manitoba/Saskatchewan (31% improve versus 19% get worse), Québec (32% to 18%) and the Atlantic region (38% compared to 18%).
- ◆ At the other end of the spectrum, British Columbians remain downcast about the economic prospects on the west coast, with more than one-half (56%) expecting further deterioration for the year ahead versus only one in ten (13%) who expect improvement.

Forecast For Personal Financial Prospects

- ◆ Canadians' optimism regarding their personal financial prospects continues to edge up, slowly but surely. Fully one in three (34%) Canadians polled in mid-May said they expect their own economic situation to improve during the coming year, compared to only one in ten (12%) who fear things will take a turn for the worse. A slim majority (53%) continue to foresee no change on the personal finances front. (Table 4)

- ◆ Canadians' expectations for personal economic well-being have improved marginally since our previous reading last November (up 2 points) and are significantly brighter than before that (a 7-point increase since the 27% recorded in both May and November 1996). Indeed, the current level of optimism about personal finances has almost reached the peak of 37 percent recorded by the Angus Reid Group back in April 1988.

- ◆ Regionally, optimism concerning personal financial prospects is highest in Ontario (39% expect improvement) and Alberta (36%, although this is down 13 points since November). Meanwhile, the most reserved expectations can be found in British Columbia (25% improve, down 13 points from the previous sounding) and Manitoba/Saskatchewan (25%), with solid majorities in each of these two regions anticipating no change.

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