

THE GRANITE STATE POLL

UNIVERSITY OF NEW HAMPSHIRE

ECONOMIC CONFIDENCE SLIPS IN NH

FOR RELEASE

May 18, 2005

By: Andrew E. Smith, Ph.D. 603/862-2226
UNH Survey Center www.unh.edu/survey-center

DURHAM, NH – New Hampshire consumers are still positive about the economic prospects of the state and of the country, but are less confident than in past months.

These findings are based on the latest **Granite State Poll**,[?] conducted by the University of New Hampshire Survey Center. The Granite State Poll is sponsored by the University of New Hampshire. Five hundred two (502) randomly selected adults were interviewed by telephone between April 24 and May 2, 2005. The margin of sampling error for the survey is +/- 4.4 percent.

For more detailed results, visit the Survey Center web site at www.unh.edu/survey-center/ccon51805.pdf

U.S. Business Conditions

New Hampshire residents are fairly optimistic about the short-term prospects of the U.S. economy, but their expectations have been tempered in recent months. In the most recent Granite State Poll, 44 percent of New Hampshire residents say they expect businesses in the U.S. will experience good times in the next 12 months, 37 percent anticipate bad times for U.S. businesses, and 19 percent think conditions will be mixed. These figures are at their lowest level since the February, 2003 Granite State Poll and represent a 10 percentage point drop since February.

Granite Staters are split about long-term prospects for the U.S. economy. Forty percent of New Hampshire residents believe that the U.S. economy will experience continuous good times over the next 5 years, 40 percent expect periods of widespread unemployment and depression, and 19 percent see a mix of good and bad conditions. This measure of confidence in the economy has returned to 2003 levels after a slight increase was seen in 2004.

N.H. Business Conditions

Granite Staters are still optimistic about business conditions in New Hampshire – 56 percent of adults think New Hampshire will have good times economically in the next twelve months, 25 percent feel there will be bad times, and 19 percent foresee mixed conditions. Confidence in the New Hampshire economy has been consistently higher than confidence in the US economy since 2002. (It is important to note that this survey was conducted before the announced closing of the Portsmouth Naval Shipyard by the Base Closing and Realignment Commission.)

[?] We ask that this copyrighted information be referred to as *the Granite State Poll*, sponsored by the University of New Hampshire.

Personal Financial Conditions

When asked about their personal financial situations, 41 percent of Granite Staters say they are better off now than they were a year ago, 30 percent say they are worse off, and 29 percent say things are about the same. There has been little change in this measure over the past two years.

Turning to family finances a year from now, most people in New Hampshire think they will be better off, or at least the same. Thirty-two percent of New Hampshire residents believe they will be better off financially a year from now, 15 percent think they will be worse off and 52 percent think they will be about the same. This measure has also not changed significantly over the past year.

When asked about making major household purchases, 64 percent of New Hampshire adults feel that it is a good time to buy things such as furniture and appliances, 21 percent think it is a bad time, and 15 percent think it depends. This measure has declined slightly since February, but is still strongly positive..

Subgroup Analysis

There are few demographic differences in the economic expectations of New Hampshire residents, but there are meaningful political differences. Younger adults are more likely to say they are better off financially than they were a year ago and that they expect to be better off a year from now than are older adults, many of whom have recently retired or expect to retire soon. Residents of the Manchester area are more upbeat about their personal economic situations than are residents of other parts of the state. Republicans and conservatives are consistently more optimistic about current and future economic conditions than are Democrats and liberals.

Granite State Poll Methodology

These findings are based on the most recent Granite State Poll conducted by the University of New Hampshire Survey Center from April 24 and May 2, 2005. A random sample of 502 New Hampshire adults was interviewed by telephone. In 95 of 100 cases, the statewide estimates will be accurate to plus or minus 4.4 percent. Results reported for other subgroups have potential for somewhat larger variation than those for the entire population.

The data have been weighted to adjust for numbers of adults and telephone lines within households, respondent sex, and region of the state. In addition to potential sampling error, all surveys have other potential sources of non-sampling error including question order effects, question wording effects, and non-response.

Business Conditions in U.S. in 12 Months

"Turning to business conditions in the country as a whole – do you think that during the next twelve months we'll have good times financially, or bad times, or what?"

	<u>Good Times</u>	<u>Mixed</u>	<u>Bad Times</u>	<u>(N=)</u>
Apr. '05 (Latest)	44%	19%	37%	(450)
Feb. '05	54	20	26	(488)
July '04	52	21	26	(446)
Apr. '04	56	18	26	(468)
Feb. '04	53	16	31	(461)
Oct. '03	48	17	35	(455)
June '03	49	20	31	(491)
Apr. '03	48	15	37	(477)
Feb. '03	31	20	49	(606)
June '02	37	22	41	(599)
Apr. '02	52	22	26	(484)
Feb. '02	49	19	32	(300)
Oct. '01	25	27	49	(493)

5 Year Economic Outlook - U.S.

"Looking ahead, which would you say is more likely – that in the country as a whole we will have continuous GOOD TIMES during the next FIVE YEARS or so, or that we will have periods of WIDESPREAD UNEMPLOYMENT or DEPRESSION, or what?"

	<u>Continuous Good Times</u>	<u>Mixed</u>	<u>Depression/ Unemployment</u>	<u>(N=)</u>
Apr. '05 (Latest)	40%	19%	40%	(455)
Feb. '05	43	19	37	(497)
July '04	49	15	36	(431)
Apr. '04	45	17	38	(467)
Feb. '04	39	22	39	(454)
Oct. '03	42	16	42	(457)
June '03	40	19	41	(479)
Apr. '03	43	20	38	(470)
Feb. '03	32	22	46	(607)
June '02	31	27	42	(603)
Apr. '02	41	22	37	(463)

Business Conditions in New Hampshire in 12 Months

"Turning to business conditions in the New Hampshire as a whole – do you think that during the next twelve months we'll have good times financially, or bad times, or what?"

	<u>Good Times</u>	<u>Mixed</u>	<u>Bad Times</u>	<u>(N=)</u>
Apr. '05 (Latest)	56%	19%	25%	(433)
Feb. '05	60	21	19	(453)
July '04	59	21	20	(444)
Apr. '04	58	20	22	(457)
Feb. '04	54	17	29	(448)
Oct. '03	52	19	28	(449)
June '03	50	17	32	(485)
Apr. '03	48	16	35	(462)
Feb. '03	41	19	40	(577)
June '02	52	21	27	(588)
Apr. '02	58	20	22	(462)

Household Financial Condition Compared to 12 Months Ago

"We are interested in how people are getting along financially these days. Would you say that you and your family living there are BETTER OFF or WORSE OFF financially than you were a year ago?"

	<u>Better Off</u>	<u>About the Same</u>	<u>Worse Off</u>	<u>(N=)</u>
Apr. '05 (Latest)	41%	29%	30%	(493)
Feb. '05	37	36	27	(537)
July '04	40	34	25	(495)
Apr. '04	45	32	23	(538)
Feb. '04	34	38	28	(503)
Oct. '03	36	32	32	(496)
June '03	35	28	36	(514)
Apr. '03	36	30	34	(504)
Feb. '03	30	29	40	(647)
June '02	38	33	29	(650)
Apr. '02	40	29	31	(507)

Household Financial Condition 12 Months From Now

"Now, looking ahead – do you think that a year from now you and your family will be better off financially ... or worse off ... or just about the same?"

	<u>Better Off</u>	<u>About the Same</u>	<u>Worse Off</u>	<u>(N=)</u>
Apr. '05 (Latest)	32%	52%	15%	(485)
Feb. '05	36	55	9	(524)
July '04	37	54	9	(477)
Apr. '04	38	54	8	(509)
Feb. '04	37	52	10	(488)
Oct. '03	32	59	9	(486)
June '03	35	54	10	(501)
Apr. '03	42	49	9	(489)
Feb. '03	34	55	11	(622)
June '02	33	57	10	(625)
Apr. '02	38	55	7	(479)
Feb. '02	35	56	10	(305)
Oct. '01	26	62	13	(500)

Good Time to Buy Major Household Item

"Now thinking about the big things people buy for their home – such as furniture, a refrigerator, a stove, television and things like that. Generally speaking, do you think now is a good time or a bad time for people to buy major household items?"

	<u>Good Time</u>	<u>Pro-Con</u>	<u>Bad Time</u>	<u>(N=)</u>
Apr. '05 (Latest)	64%	15%	21%	(446)
Feb. '05	70	13	18	(478)
July '04	67	12	21	(456)
Apr. '04	71	9	20	(487)
Feb. '04	58	15	28	(462)
Oct. '03	65	14	21	(468)
June '03	63	14	23	(475)
Apr. '03	60	12	28	(487)
Feb. '03	53	16	31	(600)
June '02	68	10	22	(613)
Apr. '02	71	11	18	(480)
Feb. '02	65	10	26	(298)
Oct. '01	63	15	22	(506)

Personal Financial Condition Compared to 1 Year Ago

	<u>Better Off</u> 41%	<u>About The Same</u> 29%	<u>Worse Off</u> 30%	<u>(N)</u> 493
STATEWIDE				
Registered Democrat	25	27	48	101
Undeclared	37	28	35	178
Registered Republican	58	32	11	149
Not registered	39	24	38	57
Democrat	27	28	45	186
Independent	32	32	36	78
Republican	56	29	15	201
Liberal	26	27	47	105
Moderate	34	33	33	185
Conservative	59	24	17	158
Union household	39	32	29	61
Non-union	41	28	31	420
Employed	48	23	29	333
Not working	28	44	28	134
Unemployed	10	11	78	17
18 to 34	59	12	29	74
35 to 49	48	26	26	182
50 to 64	35	31	34	145
65 and over	14	48	38	69
Male	45	29	26	238
Female	38	28	34	254
High school or less	36	33	30	132
Some college	39	30	31	121
College graduate	48	22	30	152
Post-graduate	36	33	32	75
Less than \$30K	21	32	46	50
\$30K to \$60K	39	27	34	96
\$60K to \$75K	44	22	35	52
\$75K to \$100K	45	31	24	63
More than \$100K	56	24	20	91
Married	43	27	30	340
Divorced/separated	28	36	36	91
Never married	50	25	25	50
Protestant	34	29	36	166
Catholic	50	27	22	161
Other	38	29	33	136
Attend 1 or more/week	38	32	30	133
1-2 times a month	44	19	37	52
Less often	44	32	24	132
Never	41	27	32	149
Northern NH	38	36	26	67
Western NH	30	37	32	46
Central/Lakes	41	23	36	78
Hillsborough County	49	26	26	148
Seacoast	39	28	33	154
1st Cong. District	42	28	29	246
2nd Cong. District	40	29	31	247
1st E.C. District	39	33	29	99
2nd E.C. District	39	32	29	103
3rd E.C. District	37	27	36	97
4th E.C. District	47	27	26	91
5th E.C. District	42	25	33	97

HH Finances in 12 Months From Now

STATEWIDE	<u>Better Off</u> 32%	<u>Worse Off</u> 15%	<u>About</u> <u>the Same</u> 52%	<u>(N)</u> 485
Registered Democrat	22	28	50	101
Undeclared	26	18	56	175
Registered Republican	44	7	48	146
Not registered	38	6	56	56
Democrat	23	26	52	181
Independent	36	13	51	77
Republican	40	8	52	200
Liberal	24	22	53	109
Moderate	30	16	54	175
Conservative	39	11	49	157
Union household	32	19	49	58
Non-union	33	15	52	417
Employed	38	13	48	328
Not working	21	20	58	132
Unemployed	18	19	63	16
18 to 34	44	6	49	74
35 to 49	42	8	50	180
50 to 64	26	23	51	142
65 and over	12	24	64	67
Male	32	15	52	234
Female	33	15	53	250
High school or less	30	12	59	131
Some college	31	13	56	119
College graduate	39	19	42	153
Post-graduate	28	18	54	70
Less than \$30K	24	14	61	49
\$30K to \$60K	29	14	57	94
\$60K to \$75K	30	16	54	52
\$75K to \$100K	43	20	37	59
More than \$100K	41	13	46	89
Married	34	17	49	335
Divorced/separated	29	10	61	90
Never married	30	11	58	50
Protestant	26	19	55	162
Catholic	35	15	49	160
Other	38	9	53	135
Attend 1 or more/week	31	21	48	133
1-2 times a month	37	10	54	50
Less often	33	15	52	133
Never	32	13	55	144
Northern NH	27	18	55	66
Western NH	27	10	63	46
Central/Lakes	32	17	51	73
Hillsborough County	36	10	54	147
Seacoast	33	19	47	153
1st Cong. District	34	13	53	240
2nd Cong. District	31	17	52	245
1st E.C. District	29	18	53	98
2nd E.C. District	33	13	54	98
3rd E.C. District	30	23	47	96
4th E.C. District	45	11	44	87
5th E.C. District	26	12	62	100

Business Conditions in NH 12 Months From Now

	<u>Good Times</u> 56%	<u>Some Good- Some Bad</u> 19%	<u>Bad Times</u> 25%	<u>(N)</u> 433
STATEWIDE				
Registered Democrat	36	21	43	89
Undeclared	51	25	24	161
Registered Republican	71	13	15	134
Not registered	57	14	29	42
Democrat	37	29	34	159
Independent	50	24	27	69
Republican	72	11	17	183
Liberal	36	29	35	97
Moderate	52	25	22	157
Conservative	74	7	19	140
Union household	47	12	41	52
Non-union	57	20	23	372
Employed	56	18	26	299
Not working	57	21	22	114
Unemployed	10	49	41	11
18 to 34	60	21	19	69
35 to 49	54	21	26	160
50 to 64	52	17	31	123
65 and over	62	19	19	61
Male	54	20	26	221
Female	58	18	24	213
High school or less	52	14	34	113
Some college	58	14	28	107
College graduate	56	26	18	141
Post-graduate	55	24	21	61
Less than \$30K	49	18	33	45
\$30K to \$60K	57	16	26	81
\$60K to \$75K	58	14	28	49
\$75K to \$100K	47	20	33	55
More than \$100K	62	26	12	80
Married	60	18	22	297
Divorced/separated	50	20	30	79
Never married	40	25	35	49
Protestant	53	21	26	146
Catholic	63	13	23	142
Other	49	26	26	121
Attend 1 or more/week	58	19	23	115
1-2 times a month	58	27	15	49
Less often	56	14	30	116
Never	51	23	26	134
Northern NH	57	12	31	64
Western NH	57	13	29	41
Central/Lakes	52	21	27	65
Hillsborough County	55	27	17	131
Seacoast	56	15	28	132
1st Cong. District	58	19	24	215
2nd Cong. District	53	20	27	219
1st E.C. District	61	10	30	91
2nd E.C. District	55	20	24	92
3rd E.C. District	56	14	30	80
4th E.C. District	56	25	20	77
5th E.C. District	50	28	22	89

Business Conditions in US in 12 Months From Now

	Good Times 44%	Some Good- Some Bad 19%	Bad Times 37%	(N) 450
STATEWIDE				
Registered Democrat	14	22	64	94
Undeclared	39	21	40	163
Registered Republican	63	18	18	135
Not registered	55	9	37	51
Democrat	19	24	57	174
Independent	39	21	40	72
Republican	64	16	20	178
Liberal	21	28	52	101
Moderate	37	21	42	168
Conservative	65	13	22	137
Union household	35	11	55	57
Non-union	44	21	36	383
Employed	41	22	37	309
Not working	48	15	37	116
Unemployed	19	4	78	17
18 to 34	54	14	32	70
35 to 49	40	22	38	167
50 to 64	35	23	42	132
65 and over	51	12	37	58
Male	45	20	35	228
Female	42	19	40	222
High school or less	44	14	43	114
Some college	43	17	40	109
College graduate	42	25	33	149
Post-graduate	40	21	39	65
Less than \$30K	37	19	44	43
\$30K to \$60K	42	16	41	89
\$60K to \$75K	41	19	40	48
\$75K to \$100K	35	20	44	56
More than \$100K	43	25	32	83
Married	46	17	36	304
Divorced/separated	35	22	43	86
Never married	33	28	38	50
Protestant	41	21	38	157
Catholic	46	18	36	140
Other	41	19	40	126
Attend 1 or more/week	47	19	34	123
1-2 times a month	35	25	39	48
Less often	40	20	40	124
Never	44	16	40	132
Northern NH	39	25	36	61
Western NH	46	16	38	43
Central/Lakes	37	17	46	68
Hillsborough County	48	22	30	135
Seacoast	44	16	40	143
1st Cong. District	44	20	36	221
2nd Cong. District	43	18	39	229
1st E.C. District	40	20	40	89
2nd E.C. District	47	19	35	91
3rd E.C. District	42	16	42	91
4th E.C. District	43	22	35	83
5th E.C. District	44	20	36	91

US 5 Year Economic Outlook

STATEWIDE	<u>Continuous Good Times</u> 40%	<u>Mixed</u> 19%	<u>Widespread Unemployment/ Depression</u> 40%	<u>(N)</u> 455
Registered Democrat	18	21	61	98
Undeclared	33	24	44	161
Registered Republican	69	16	15	138
Not registered	25	14	61	52
Democrat	18	23	59	176
Independent	22	25	53	70
Republican	68	14	18	187
Liberal	21	19	61	105
Moderate	33	25	42	168
Conservative	66	13	21	143
Union household	24	17	60	58
Non-union	42	20	38	387
Employed	41	19	40	308
Not working	43	22	36	122
Unemployed	0	10	90	17
18 to 34	42	10	49	72
35 to 49	44	19	37	168
50 to 64	38	21	41	135
65 and over	34	27	39	61
Male	46	22	32	223
Female	35	16	48	232
High school or less	39	7	53	119
Some college	41	25	35	110
College graduate	40	23	37	147
Post-graduate	39	24	37	67
Less than \$30K	31	15	53	46
\$30K to \$60K	36	17	47	93
\$60K to \$75K	40	21	39	48
\$75K to \$100K	37	25	38	57
More than \$100K	55	13	32	84
Married	45	19	36	311
Divorced/separated	29	25	46	84
Never married	28	9	63	49
Protestant	39	23	38	154
Catholic	49	14	37	143
Other	31	21	48	131
Attend 1 or more/week	45	23	32	122
1-2 times a month	39	27	34	47
Less often	45	13	42	122
Never	31	19	50	141
Northern NH	46	16	38	63
Western NH	34	30	37	40
Central/Lakes	39	20	41	71
Hillsborough County	42	15	43	139
Seacoast	39	21	40	142
1st Cong. District	38	19	42	226
2nd Cong. District	42	19	39	229
1st E.C. District	43	19	38	92
2nd E.C. District	42	19	40	93
3rd E.C. District	37	25	38	88
4th E.C. District	39	15	46	85
5th E.C. District	39	19	42	93

Good Time To Buy Major Household Item

STATEWIDE	<u>Good Time</u> 64%	<u>Pro-Con</u> 15%	<u>Bad Time</u> 21%	<u>(N)</u> 446
Registered Democrat	45	25	30	94
Undeclared	63	15	22	161
Registered Republican	77	11	12	131
Not registered	62	16	22	52
Democrat	52	19	29	169
Independent	49	21	30	72
Republican	81	9	10	180
Liberal	59	15	26	96
Moderate	56	17	27	172
Conservative	77	12	11	136
Union household	61	21	18	55
Non-union	64	15	21	381
Employed	66	15	19	306
Not working	61	19	20	116
Unemployed	32	4	64	16
18 to 34	66	12	22	71
35 to 49	66	13	21	166
50 to 64	61	16	23	125
65 and over	64	21	15	61
Male	68	12	20	219
Female	60	19	21	226
High school or less	66	14	20	124
Some college	66	14	20	109
College graduate	67	12	21	140
Post-graduate	50	28	22	61
Less than \$30K	51	22	27	40
\$30K to \$60K	64	17	18	91
\$60K to \$75K	62	21	17	46
\$75K to \$100K	70	5	26	59
More than \$100K	62	14	25	77
Married	66	16	19	309
Divorced/separated	59	19	22	81
Never married	61	7	32	47
Protestant	58	15	27	151
Catholic	73	13	14	148
Other	60	17	22	122
Attend 1 or more/week	68	15	17	119
1-2 times a month	63	7	30	49
Less often	58	16	26	119
Never	66	16	18	136
Northern NH	67	12	21	61
Western NH	68	15	17	41
Central/Lakes	60	18	22	76
Hillsborough County	66	13	21	134
Seacoast	61	19	20	134
1st Cong. District	67	14	19	221
2nd Cong. District	61	17	22	225
1st E.C. District	69	12	19	91
2nd E.C. District	62	22	16	98
3rd E.C. District	61	15	24	86
4th E.C. District	68	11	21	75
5th E.C. District	62	15	23	90