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## **GARDEN STATE IN SOUR ECONOMIC MOOD**

*Economic views at lowest point since early 1990s*

*“It’s the economy, stupid.”* A significant number of Garden State residents are worried about paying their bills, saving for retirement, and even keeping their jobs. These results are part of the latest **Monmouth University/Gannett New Jersey Poll** which also finds views of the state’s economy at their lowest point of the past two decades.

An overwhelming 85% of residents say New Jersey is currently experiencing bad economic times. Only 9% describe current economic conditions as good. The last time New Jersey had an economic outlook this poor was in the early 1990s, when 12% said the state was experiencing good times, compared to 84% who said the economic situation then was bad.

Given the present economic climate, most New Jerseyans do not recommend making any large outlays or significant life changes. For example, nearly all residents (90%) say that it is currently a bad time to sell a house. However, that does not necessarily mean it is a good time to buy one. While 50% indicate that real estate has entered a buyers’ market, another 44% feel it is still a bad time to purchase a home.

Also, only 30% feel that now is a good time to buy a car, compared to 53% who say it is not. And just 11% say that starting a new job search is advisable right now, compared to 77% who say that it is not the time to look for a career change.

When the poll asked about the personal finances of New Jersey families, the picture seemed better at first blush – 73% say their household financial situation is good, compared to

just 25% who say it is bad. However, only 12% would characterize their family finances as “very good.”

“They’re trying to be optimistic about their own situation, but many Garden State residents are anxious about their family’s financial security for both the long and short term,” said Patrick Murray, director of the Monmouth University Polling Institute.

The poll found that 1-in-3 (33%) New Jerseyans are very concerned that someone in their household might be out of work in the coming year, 23% are somewhat concerned, and 42% are not concerned at all. Job security worries are most prevalent among those who earn the least – 41% of those earning less than \$50,000 a year are very concerned about someone in their household being out of work. This compares to 34% of those earning \$50,000 to \$100,000 and 25% of those earning over \$100,000 who feel the same.

Individually, 30% of New Jerseyans currently in the workforce say they have less job security today than they did a few years ago, while a similar number (27%) feel they have more job security. Another 42% of working residents say their sense of job security has not changed in the past couple of years.

Among long-term financial worries, more than 4-in-10 (42%) New Jerseyans are very concerned about not having enough money for retirement, 33% are somewhat concerned, and only 23% are not concerned at all about this.

Among three choices presented in the poll, New Jerseyans say their biggest economic concern is paying everyday bills (35%), followed by health care costs (19%), and saving for retirement (14%). Another 20% say that other expenses are their main concern and 9% choose all three as their biggest economic concern.

When asked to name which household bill causes them the most worry, nearly 1-in-3 (32%) residents say it is their monthly mortgage or rent. This is followed by gas and transportation costs (16%), property taxes (15%), utility bills (9%), health care costs (9%), and grocery bills (5%). Parents of young children (47%) are nearly twice as likely as those without kids (26%) to name housing costs as the household bill that most concerns them.

In light of the current economic outlook, 8-in-10 residents report cutting back on their family’s day-to-day spending in the past few years, including 26% who say those cutbacks have been severe. Only 20% say they have made no changes to their family’s spending habits in recent years. About 1-in-3 (33%) households earning below \$50,000 report making severe

cutbacks, compared to 26% of those in the \$50,000 to \$100,000 income bracket and just 16% of those earning more than \$100,000.

Recent jumps in gas and food prices have caused financial hardships for many New Jersey families. Gasoline price increases have caused a lot of hardship for 40% of New Jerseyans and a little hardship for 27%. Only 32% say their pocketbooks have not been affected by escalating prices at the pump. At the grocery store, increases in food prices have caused a lot of hardship for 23% of state residents and a little hardship for 31%. Less than half (45%) say rising food prices have not posed a hardship for their households.

The poll also asked about housing expenses and found that about 1-in-5 (22%) mortgage and rent payers feel they are paying more than they can afford – this includes 19% of mortgage payers and 28% of renters. On the other hand, 17 percent say they could actually afford to pay more for their housing – including 33% of those earning over \$100,000. Another 6-in-10 (60%) say that they are paying about as much as they can afford for their home.

<b>Comparison of New Jersey and the National Mood</b>		
	<u>New Jersey</u>	<u>National*</u>
Own financial situation is <i>VERY GOOD</i>	12%	9%
<i>Total with "GOOD" financial situation</i>	73%	72%
Biggest concern: <i>EVERYDAY BILLS</i>	35%	29%
Biggest concern: <i>HEALTH CARE</i>	19%	24%
Biggest concern: <i>RETIREMENT</i>	14%	25%
Biggest concern: <i>OTHER</i>	20%	13%
Very concerned about retirement funds	42%	43%
Very concerned about losing job	33%	28%
<i>Feel MORE</i> job security today	27%	21%
<i>Feel LESS</i> job security today	30%	35%
Housing cost is <i>MORE THAN</i> can afford	22%	13%
Housing cost is <i>AS MUCH AS</i> can afford	60%	56%
<i>COULD PAY MORE</i> if wanted	17%	25%
Gas prices cause hardship	67%	67%**
Made <i>SEVERE</i> spending cutbacks	26%	28%
Made <i>LESS SEVERE</i> spending cutbacks	53%	51%
Made <i>NO</i> spending cutbacks	20%	21%

\* Source – New York Times/CBS News, April 2008, except

\*\* Source – ABC News, April 2008

The poll also found that many residents believe the Garden State economy has been hit harder than the rest of the country. Nearly 4-in-10 (38%) say economic conditions are worse in New Jersey compared to other states, while just 15% feel the state is doing better than average. Another 40% say New Jersey is in the same economic boat as the rest of the country. However, a comparison of the current poll's results with recent national polls that asked the same questions indicates that the economic mood in New Jersey is almost identical to the mood nationally (*see table on previous page*).

The *Monmouth University/Gannett New Jersey Poll* was conducted by telephone with 803 New Jersey adults from April 24 to 28, 2008. This sample has a margin of error of  $\pm 3.5$  percent. The poll was conducted by the Monmouth University Polling Institute and originally published by the Gannett New Jersey newspaper group (Asbury Park Press, Courier-Post, Courier News, Daily Journal, Daily Record, and Home News Tribune).

### DATA TABLES

The questions referred to in this release are as follows:

(\* Some columns may not add to 100% due to rounding.)

1. How would you generally describe economic conditions in New Jersey right now – would you say that New Jersey is in good times or bad times?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Good times	9%	9%	8%	11%	9%	9%	10%	7%	11%
Bad times	85%	86%	84%	84%	85%	85%	85%	88%	81%
(VOL) Don't know	6%	5%	8%	5%	6%	6%	5%	6%	7%
Unwtd N	803	203	265	229	235	561	165	349	279

TREND:	April 2008	May 2003*	April 2001*	February 1995*	February 1991*	September 1989*
Good times	9%	28%	67%	41%	12%	57%
Bad times	85%	65%	24%	50%	84%	31%
(VOL) Don't know	6%	7%	9%	10%	4%	12%
Unwtd N	803	1002	802	801	800	1000

\* Source: Eagleton-Rutgers Poll

2. Is the economic situation in New Jersey better, worse, or about the same as it is in the rest of the country?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Better	15%	7%	17%	22%	20%	13%	14%	18%	12%
Worse	38%	45%	38%	31%	43%	36%	37%	40%	35%
Same	40%	44%	36%	43%	33%	43%	43%	36%	43%
(VOL) Don't know	7%	4%	10%	4%	5%	7%	5%	6%	9%
Unwtd N	803	203	265	229	235	561	165	349	279

3. How would you rate the financial situation in your household these days – is it very good, fairly good, fairly bad or very bad?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Very good	<b>12%</b>	8%	8%	21%	9%	13%	10%	10%	15%
Fairly good	<b>61%</b>	55%	66%	65%	59%	62%	64%	61%	59%
Fairly bad	<b>19%</b>	24%	20%	11%	22%	18%	20%	21%	17%
Very bad	<b>6%</b>	10%	5%	1%	7%	6%	4%	7%	6%
(VOL) Don't know	<b>2%</b>	2%	0%	1%	3%	1%	2%	2%	3%
<i>Unwtd N</i>	<b>803</b>	203	265	229	235	561	165	349	279

4. What is your biggest personal economic concern right now - paying everyday bills, paying for healthcare, saving for retirement, or something else?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Everyday bills	<b>35%</b>	41%	43%	22%	42%	31%	41%	35%	29%
Healthcare	<b>19%</b>	23%	17%	15%	15%	21%	18%	15%	26%
Retirement	<b>14%</b>	5%	15%	25%	13%	15%	7%	20%	13%
Something else	<b>20%</b>	18%	16%	25%	20%	20%	21%	20%	19%
(VOL) All of above	<b>9%</b>	11%	8%	9%	9%	9%	11%	9%	8%
(VOL) Nothing	<b>2%</b>	1%	3%	3%	1%	3%	1%	1%	5%
(VOL) Don't know	<b>1%</b>	1%	0%	0%	0%	1%	1%	0%	1%
<i>Unwtd N</i>	<b>803</b>	203	265	229	235	561	165	349	279

5. And which one household bill is your biggest concern?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Mortgage, rent	<b>32%</b>	30%	38%	33%	47%	26%	41%	39%	15%
Property taxes	<b>15%</b>	13%	16%	13%	13%	17%	9%	16%	20%
Gas, tolls, transportation	<b>16%</b>	17%	12%	19%	11%	18%	19%	13%	15%
Utilities	<b>9%</b>	10%	9%	6%	6%	10%	8%	8%	10%
Health care, medical	<b>9%</b>	12%	6%	7%	6%	10%	4%	6%	17%
Food, groceries	<b>5%</b>	8%	4%	6%	2%	7%	3%	5%	9%
Tuition, education	<b>2%</b>	2%	2%	2%	2%	1%	3%	1%	1%
Credit cards	<b>2%</b>	2%	3%	3%	4%	2%	1%	2%	3%
Loans (auto, school)	<b>1%</b>	2%	2%	1%	2%	2%	0%	3%	0%
Insurance (life, auto)	<b>1%</b>	1%	2%	1%	1%	1%	2%	1%	1%
Other	<b>2%</b>	3%	1%	3%	1%	3%	3%	2%	1%
None	<b>1%</b>	1%	1%	3%	2%	1%	2%	1%	1%
(VOL) Don't know	<b>4%</b>	1%	4%	4%	3%	3%	4%	3%	4%
<i>Unwtd N</i>	<b>803</b>	203	265	229	235	561	165	349	279

6. How concerned are you about not having enough money for retirement – very concerned, somewhat concerned, or not at all concerned?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO			
Very concerned	<b>42%</b>	48%	43%	34%	49%	39%	48%	44%	34%
Somewhat concerned	<b>33%</b>	27%	35%	42%	35%	33%	32%	38%	29%
Not concerned	<b>23%</b>	25%	22%	24%	15%	27%	19%	18%	34%
(VOL) Don't know	<b>1%</b>	0%	0%	0%	0%	1%	1%	0%	2%
Unwtd N	<b>803</b>	203	265	229	235	561	165	349	279

7. How concerned are you that in the next 12 months you or someone else in your household might be out of work or looking for a job – very concerned, somewhat concerned, or not concerned at all?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Very concerned	<b>33%</b>	41%	34%	25%	38%	31%	39%	35%	25%
Somewhat concerned	<b>23%</b>	15%	28%	28%	25%	22%	28%	27%	14%
Not concerned	<b>42%</b>	40%	37%	47%	36%	44%	32%	38%	57%
(VOL) Don't know	<b>2%</b>	4%	1%	0%	2%	2%	2%	1%	4%
Unwtd N	<b>803</b>	203	265	229	235	561	165	349	279

8. Are you currently employed, temporarily out of work, not in the market for work at all, or retired?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Employed	<b>56%</b>	38%	63%	73%	71%	49%	65%	70%	28%
Out of work	<b>8%</b>	10%	10%	5%	10%	8%	10%	10%	5%
Not in labor market	<b>9%</b>	10%	9%	8%	13%	8%	17%	7%	4%
Retired	<b>26%</b>	41%	17%	13%	5%	35%	6%	12%	62%
(VOL) Other	<b>1%</b>	1%	0%	1%	1%	1%	1%	0%	1%
(VOL) Don't know	<b>0%</b>	0%	0%	0%	0%	0%	1%	0%	0%
Unwtd N	<b>803</b>	203	265	229	235	561	165	349	279

[NOTE: The following question was asked only of those who were EMPLOYED: moe=+/-4.7%]

9. In the past couple of years, would you say you have felt MORE secure and confident that you can continue in your job as long as you want, or LESS secure and confident, or has there been no change?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
More secure	<b>27%</b>	33%	27%	24%	24%	29%	38%	19%	27%
Less secure	<b>30%</b>	27%	25%	36%	29%	31%	25%	35%	27%
No change	<b>42%</b>	39%	47%	40%	47%	39%	35%	46%	46%
(VOL) Don't know	<b>1%</b>	2%	1%	0%	1%	1%	2%	0%	0%
Unwtd N	<b>438</b>	67	161	165	172	263	107	242	87

10. Do you currently rent your home, or are you buying it with a mortgage, or is it entirely paid for?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
Rent	<b>20%</b>	34%	18%	7%	17%	21%	35%	15%	12%
Mortgage	<b>47%</b>	28%	54%	69%	70%	37%	43%	65%	27%
Paid for	<b>30%</b>	34%	26%	24%	11%	38%	18%	18%	57%
(VOL) Live rent free	<b>2%</b>	3%	2%	0%	1%	2%	3%	0%	3%
(VOL) Don't know	<b>2%</b>	2%	0%	0%	1%	2%	1%	1%	2%
Unwtd N	<b>803</b>	203	265	229	235	561	165	349	279

[NOTE: The following question was asked only of those who said they RENT or have a MORTGAGE: moe=+/-4.4%]

11. Do you think what you are currently paying for housing is more than you can afford, about as much as you can afford, or could you afford more if you wanted?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
More than can afford	<b>22%</b>	40%	15%	10%	18%	25%	27%	17%	25%
As much as can afford	<b>60%</b>	54%	70%	56%	61%	59%	55%	63%	61%
Could afford more	<b>17%</b>	6%	14%	33%	20%	15%	18%	19%	10%
(VOL) Don't know	<b>1%</b>	0%	1%	1%	1%	1%	1%	1%	4%
Unwtd N	<b>503</b>	119	172	167	200	300	122	269	110

12. Have recent increases in gasoline prices caused any financial hardship for you or your household? If yes, would you say a lot or a little hardship?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
A LOT of hardship	<b>40%</b>	48%	40%	27%	46%	37%	45%	41%	32%
A LITTLE hardship	<b>27%</b>	19%	30%	36%	29%	27%	25%	30%	26%
No hardship	<b>32%</b>	34%	29%	37%	25%	35%	30%	29%	40%
(VOL) Don't know	<b>1%</b>	0%	0%	0%	0%	1%	0%	0%	2%
Unwtd N	<b>803</b>	203	265	229	235	561	165	349	279

13. Have recent increases in food prices caused any financial hardship for you or your household? If yes, would you say a lot or a little hardship?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
A LOT of hardship	<b>23%</b>	30%	24%	13%	29%	21%	20%	27%	21%
A LITTLE hardship	<b>31%</b>	30%	33%	30%	30%	32%	35%	30%	30%
No hardship	<b>45%</b>	40%	43%	56%	41%	46%	45%	43%	47%
(VOL) Don't know	<b>0%</b>	0%	0%	1%	0%	1%	1%	0%	1%
Unwtd N	<b>803</b>	203	265	229	235	561	165	349	279

14. In recent years, have you made cutbacks in your day-to-day spending? If yes, would you call those cutbacks severe or not so severe?

	TOTAL	INCOME			CHILDREN UNDER 18		AGE		
		< \$50K	\$50 to \$100K	> \$100K	YES	NO	18 to 34	35 to 54	55 or over
SEVERE cutbacks	<b>26%</b>	33%	26%	16%	29%	24%	28%	26%	22%
NOT SO SEVERE cutbacks	<b>53%</b>	48%	55%	59%	56%	52%	53%	55%	49%
No cutbacks	<b>20%</b>	18%	19%	24%	15%	23%	18%	18%	27%
(VOL) Don't know	<b>1%</b>	0%	0%	1%	0%	1%	1%	0%	2%
<i>Unwtd N</i>	<b>803</b>	203	265	229	235	561	165	349	279

15. In New Jersey right now, would you say it is a good time or bad time to [READ ITEM]?

[NOTE: READ PERCENTAGES ACROSS ROWS FOR THIS TABLE]

	Good time	Bad time	(VOL) Neither	(VOL) Don't know	(n)
Buy a house	50%	44%	2%	3%	803
Sell a house	6%	90%	1%	3%	803
Buy a car	30%	53%	7%	11%	803
Look for a new job	11%	77%	4%	9%	803

The Monmouth University/Gannett New Jersey Poll was conducted and analyzed by the Monmouth University Polling Institute research staff. The telephone interviews were collected by Braun Research on April 24-28, 2008 with a statewide random sample of 803 adult residents. For results based on the total sample, one can say with 95% confidence that the error attributable to sampling has a maximum margin of plus or minus 3.5 percentage points. Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported by gender or party identification, are subject to more error than are statements based on the total sample. In addition to sampling error, one should bear in mind that question wording and practical difficulties in conducting surveys can introduce error or bias into the findings of opinion polls.

*It is the Monmouth University Polling Institute's policy to conduct surveys of all adult New Jersey residents, including voters and non-voters, on issues which affect the state. Specific voter surveys are conducted when appropriate during election cycles.*

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