

The Star-Ledger/Eagleton-Rutgers Poll

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Release 136-5

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A story based on the survey findings presented in this release and background memo will appear in the Sunday, March 17th *Star-Ledger*. We ask users to properly attribute this copyrighted information to “**The Star-Ledger/Eagleton-Rutgers Poll.**”

NEW JERSEYANS VIEW BUDGET PROBLEMS AS SERIOUS *But They're Not Willing to Pay Higher Taxes To Solve Them*

New Jerseyans say the state's current budget problems are serious, and they blame them on too much government spending by the previous gubernatorial administration rather than on the soured state economy. According to the *Star-Ledger/Eagleton-Rutgers Poll*, 83 percent of Garden State residents describe the budget problems as serious, including 39 percent who call them “very serious.” Only 10 percent of residents classify the problems as either “not very” or “not at all” serious.

Despite the perceived gravity of the problem, however, residents are not supportive of plans that could call for direct self-sacrifice on their parts, such as increased income or gas taxes, or delayed or reduced property tax rebates. They feel the most helpful plan to balance the budget is to reduce waste and bureaucracy in the state government. In addition, while loath to raise their own taxes, they do not mind raising taxes imposed on businesses – 65 percent approve of such a plan.

The *Star-Ledger/Eagleton-Rutgers Poll* was conducted by telephone among a scientifically selected random sample of 803 adults statewide from February 28 through March 6. The margin of sampling error is ± 3.5 percentage points.

Residents agree with Governor James McGreevey that the current budget problems are a result of too much spending by the previous administration, rather than a result of the economic slowdown. Two-thirds – 66 percent – blame the budget problems on the previous administration and only 20 percent fault the state economy. These numbers are very similar to attitudes in March of 1990, when Governor Jim Florio faced budget shortfalls – at that time 65 percent of residents blamed the budget problems on the Kean administration's spending rather than the economic slowdown.

The Star-Ledger/Eagleton-Rutgers Poll • Eagleton Institute of Politics

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The current poll asked respondents about a host of possible budget-balancing measures. Half of respondents were asked whether they supported the proposals as ways to balance the budget, and the other half were asked how helpful they thought each proposal would be in balancing the budget. On both measures taxes score lowest.

POSSIBLE BUDGET-BALANCING MEASURES

	% Approve of	% Find helpful
Reducing government waste	84%	84%
Increasing corporate taxes	65%	71%
Laying off state personnel	49%	56%
Decreasing/delaying property tax rebates	42%	54%
Reducing state services	39%	48%
Increasing gas tax	28%	46%
Increasing income tax	21%	45%

New Jerseyans do not approve of raising either the state tax on gasoline or state income taxes, nor do they approve of delaying or decreasing the state's property tax rebates to homeowners. Only 21 percent of residents approve of increasing the income tax, while 77 percent disapprove. Seven in ten oppose raising the gas tax while only 28 percent support it, and 54 percent oppose touching property tax rebates while 42 percent support the idea. At the same time, however, substantial portions of the population admit that these methods could be at least somewhat helpful in balancing the budget. Over half of New Jerseyans feel that dipping into property tax rebates could be helpful in balancing the budget. Smaller numbers think increasing the gas or income tax would help – 46 percent and 45 percent respectively.

Also among the least popular proposals is reducing state services. Only 39 percent of New Jerseyans approve of reducing services as a way to help balance the budget, and only 48 percent believe it would be helpful. But when asked to choose between the unpalatable options of raising taxes and cutting services, residents choose cutting services. Nearly two-thirds would prefer to cut state services to balance the budget, while only 23 percent would rather increase taxes. These numbers again echo sentiments during the early days of the Florio administration.

In March 1990, 65 percent of state residents said they would rather see services cut than taxes raised, while only 27 percent preferred to raise taxes.

The most popular proposal of those included in the survey is reducing government waste and bureaucracy. Eighty-four percent of New Jerseyans approve of reducing government waste as a way to balance the budget, and an equal number feel that it would be helpful, including 63 percent who say it would be “very helpful.” Raising corporate or business taxes is also popular. Such a proposal receives approval from 65 percent of Garden State residents, while only 30 percent disapprove. Seventy-one percent feel raising business taxes would be helpful in balancing the budget.

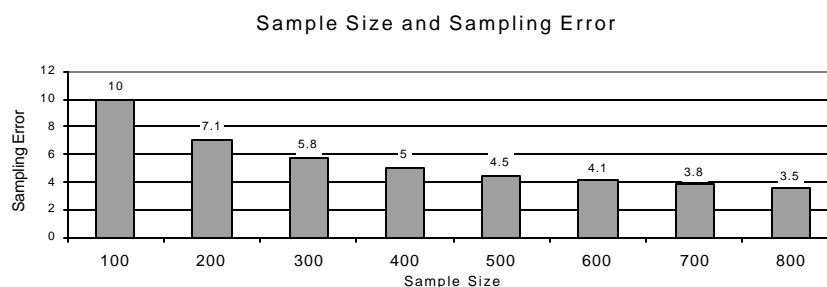
Residents are divided over the idea of laying off government personnel as a way to balance the budget. Just under half – 49 percent – approve of the idea, but 46 percent disapprove. New Jerseyans do feel, however, that it could be helpful. Twenty-one percent say laying off government personnel would be “very helpful” and another 35 percent feel it would be “somewhat helpful.”

Monika McDermott, interim director of the poll, sums up the findings: “New Jerseyans blame the government, not the economy, for the state’s budget problems. Perhaps as a result, residents think the money to fix these problems should come from the state government cleaning up its act, and not from their own pockets.”

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BACKGROUND MEMO – RELEASE (EP136-5) March 17, 2002

The latest *Star-Ledger*/Eagleton-Rutgers Poll was conducted by telephone from February 28 to March 6 with a scientifically selected random sample of 803 New Jersey adults. The figures in this release are based on this sample size. All surveys are subject to sampling error, which is the expected probable difference between interviewing everyone in a population versus a scientific sampling drawn from that population. The sampling error is ± 3.5 percent, at a 95 percent confidence interval. Thus if 50 percent of New Jersey residents thought the state's budget problems were "very serious," one would be 95 percent sure that the true figure would be between 46.5 and 53.5 percent (50 ± 3.5) had all New Jersey residents been interviewed, rather than just a sample. Sampling error increases as the sample size decreases, so statements based on various population subgroups, such as separate figures reported for Republicans, Independents or Democrats, are subject to more error than are statements based on the total sample. The following chart shows the relationship between sample size and sampling error.



Sampling error does not take into account other sources of variation inherent in public opinion studies, such as non-response, question wording or context effects. The verbatim wording of all questions asked is reproduced in this background memo. The sample has been stratified based on county and the data have been weighted on age and education to insure an accurate proportional representation of the state. The questions referred to in this release are as follows:

“On another subject, how serious do you think New Jersey’s budget problems are – very serious, somewhat serious, not very serious, or not at all serious?” [B1]

	<u>Very serious</u>	<u>Somewhat serious</u>	<u>Not very serious</u>	<u>Not at all serious</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
March 2002	39%	44%	8%	2%	7%	100%	(803)
<u>Party ID</u>							
--Democrat	46	42	6	2	4	100	(275)
--Independent	41	38	11	1	9	100	(275)
--Republican	26	56	9	4	5	100	(201)
March 1982	26	46	15	3	10	100	(1206)

[ASKED OF HALF SAMPLE]

“As you may know, the state government faced a budget deficit this year of nearly THREE BILLION dollars, and projections are that next year’s deficit will be SIX BILLION dollars. I am going to read you a list of possible ways to help bring down the deficit, for each one, please tell me whether you would approve or disapprove of doing that. Would you approve or disapprove of ...[FILL – RANDOMIZE] (A. Increasing the state income tax , B. Increasing the state tax on gasoline, C. Decreasing or delaying state property tax REBATES to homeowners, D. Laying off personnel in state government offices, E. Reducing state services, F. Increasing corporate or business taxes, G. Reducing waste and bureaucracy in state government) as a way to decrease the deficit?” [B2A-G]

	<u>Approve</u>	<u>Disapprove</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
<u>INCREASING INCOME TAX</u>					
March 2002	21%	77%	2%	100%	(402)
<u>Party ID</u>					
--Democrat	26	72	2	100	(130)
--Independent	23	75	2	100	(145)
--Republican	12	87	1	100	(101)
<u>INCREASING GAS TAX</u>					
March 2002	28%	70%	2%	100%	(402)
<u>Party ID</u>					
--Democrat	27	71	2	100	(130)
--Independent	33	66	1	100	(145)
--Republican	23	76	1	100	(101)
<u>DECREASING PROPERTY TAX REBATES</u>					
March 2002	42%	54%	4%	100%	(402)
<u>Party ID</u>					
--Democrat	47	50	4	101	(130)
--Independent	44	49	6	99	(145)
--Republican	37	62	1	100	(101)
<u>LAYING OFF GOVERNMENT PERSONNEL</u>					
March 2002	49%	46%	5%	100%	(402)
<u>Party ID</u>					
--Democrat	40	53	7	100	(130)
--Independent	52	46	3	101	(145)
--Republican	58	39	2	99	(101)
<u>REDUCING STATE SERVICES</u>					
March 2002	39%	54%	7%	100%	(402)
<u>Party ID</u>					
--Democrat	29	64	7	100	(130)
--Independent	34	58	7	99	(145)
--Republican	60	36	4	100	(101)

	<u>Approve</u>	<u>Disapprove</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
<u>INCREASING CORPORATE OR BUSINESS TAXES</u>					
March 2002	65%	30%	5%	100%	(402)
<u>Party ID</u>					
--Democrat	72	24	4	100	(130)
--Independent	61	35	4	100	(145)
--Republican	63	33	4	100	(101)
<u>REDUCING GOV'T WASTE & BUREAUCRACY</u>					
March 2002	84%	11%	5%	100%	(402)
<u>Party ID</u>					
--Democrat	79	16	5	100	(130)
--Independent	87	7	6	100	(145)
--Republican	90	10	--	100	(101)

[ASKED OF HALF SAMPLE]

“As you may know, the state government faced a budget deficit this year of nearly three billion dollars, and projections are that next year’s deficit will be six billion dollars. I am going to read you a list of possible ways to help bring down the deficit, for each one, please tell me whether you think it would be very helpful, somewhat helpful, or not very helpful in reducing the deficit. Do you think**[FILL – RANDOMIZE]** (A. Increasing the state income tax, B. Increasing the state tax on gasoline, C. Decreasing or delaying state property tax REBATES to homeowners, D. Laying off personnel in state government offices, E. Reducing state services, F. Increasing corporate or business taxes, G. Reducing waste and bureaucracy in state government) would be very helpful, somewhat helpful, or not very helpful in reducing the deficit?” [B3A-G]

	<u>Very helpful</u>	<u>Somewhat helpful</u>	<u>Not very helpful</u>	<u>Not helpful at all (VOL)</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
<u>INCREASING INCOME TAX</u>							
March 2002	17%	28%	48%	2%	5%	100%	(401)
<u>Party ID</u>							
--Democrat	19	25	47	3	5	99	(145)
--Independent	16	30	47	3	5	101	(131)
--Republican	14	28	54	1	3	100	(100)
<u>INCREASING GAS TAX</u>							
March 2002	16%	30%	47%	3%	4%	100%	(401)
<u>Party ID</u>							
--Democrat	20	26	45	4	4	99	(145)
--Independent	14	30	45	4	8	101	(131)
--Republican	10	32	54	2	1	99	(100)
<u>DECREASING PROPERTY TAX REBATES</u>							
March 2002	19%	35%	39%	2%	4%	99%	(401)
<u>Party ID</u>							
--Democrat	22	31	40	3	3	99	(145)
--Independent	16	36	43	1	4	100	(131)
--Republican	14	42	37	3	4	100	(100)

	<u>Very helpful</u>	<u>Somewhat helpful</u>	<u>Not very helpful</u>	<u>Not helpful at all (VOL)</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
<u>LAYING OFF GOVERNMENT PERSONNEL</u>							
March 2002	21%	35%	36%	2%	7%	101%	(401)
<u>Party ID</u>							
--Democrat	18	31	43	2	5	99	(145)
--Independent	20	34	34	2	10	100	(131)
--Republican	22	42	29	1	5	99	(100)
<u>REDUCING STATE SERVICES</u>							
March 2002	16%	32%	42%	1%	9%	100%	(401)
<u>Party ID</u>							
--Democrat	11	23	52	2	12	100	(145)
--Independent	17	30	43	--	10	100	(131)
--Republican	21	53	25	--	2	101	(100)
<u>INCREASING CORPORATE OR BUSINESS TAXES</u>							
March 2002	40%	31%	24%	1%	5%	101%	(401)
<u>Party ID</u>							
--Democrat	43	25	25	--	6	99	(145)
--Independent	42	33	18	3	4	100	(131)
--Republican	30	35	33	1	1	100	(100)
<u>REDUCING GOV'T WASTE & BUREAUCRACY</u>							
March 2002	63%	21%	9%	--	7%	100%	(401)
<u>Party ID</u>							
--Democrat	59	23	13	--	5	100	(145)
--Independent	62	19	10	--	9	100	(131)
--Republican	72	21	3	--	4	100	(100)

“The state constitution requires that New Jersey have a balanced budget each year. To balance the state budget next year, if you had to choose, which would you prefer – raising taxes to keep state services at their current level, or cutting state services to keep taxes at their current level?” [B4]

	<u>Raise taxes</u>	<u>Cut state services</u>	<u>Both / Some of each (VOL)</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
March 2002	23%	64%	5%	8%	100%	(803)
<i>Party ID</i>						
--Democrat	28	57	7	7	99	(275)
--Independent	25	61	6	8	100	(275)
--Republican	17	75	1	7	100	(201)
March 1990*	27	65	3	5	100	(800)

**Question wording: “... if you had to choose between reducing spending for government services, or increasing taxes to keep government services at current levels, which would you prefer?”*

“In general, which do you think is more responsible for New Jersey's current budget problems -- the slowdown in the state's economy, which resulted in less tax revenue for the state, OR too much government spending during the previous administration when the state had a budget surplus?” [B5]

	<u>Economic slowdown</u>	<u>Too much spending</u>	<u>Both (VOL)</u>	<u>Other (VOL)</u>	<u>DK</u>	<u>Total</u>	<u>(n)</u>
March 2002	20%	66%	7%	--	7%	100%	(803)
<i>Party ID</i>							
--Democrat	14	77	4	--	5	100	(275)
--Independent	15	68	11	--	7	101	(275)
--Republican	34	49	10	--	7	100	(201)
March 1990*	20	65	5	1	9	100	(800)

**Question wording: “... too much government spending during Governor Kean's administration...”*