

The Star-Ledger/Eagleton-Rutgers Poll

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(Release 143-1)

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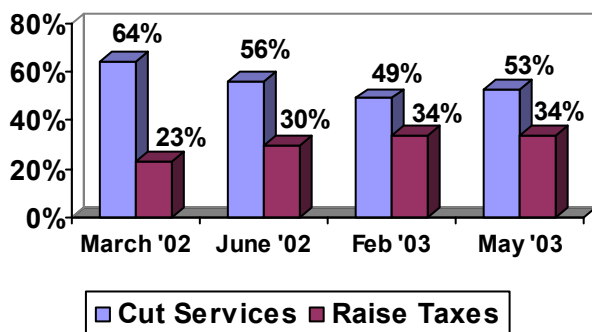
A story based on the survey findings presented in this release and background memo appears in the Thursday, May 8, 2003 Star-Ledger. We ask users to properly attribute this copyrighted information to "*The Star-Ledger/Eagleton-Rutgers Poll.*"

NEW JERSEYANS SUGGEST ITEMS FOR THE BUDGET AX PESSIMISM ABOUT THE STATE'S ECONOMY GROWS

As the Governor and state legislature hunker down to pass a constitutionally mandated balanced budget, a new *Star-Ledger/Eagleton-Rutgers Poll* finds that state residents continue to favor the Governor's approach of cutting services instead of raising taxes – it's just a question of which services. This comes at a time when New Jerseyans voice their most pessimistic views of the state's economy since the early 1990s' recession.

The current survey shows that more residents would prefer to cut services (53%) rather than raise taxes (34%) in order to balance this year's budget. However, public

Tradeoff Between Tax Increase and Service Reduction

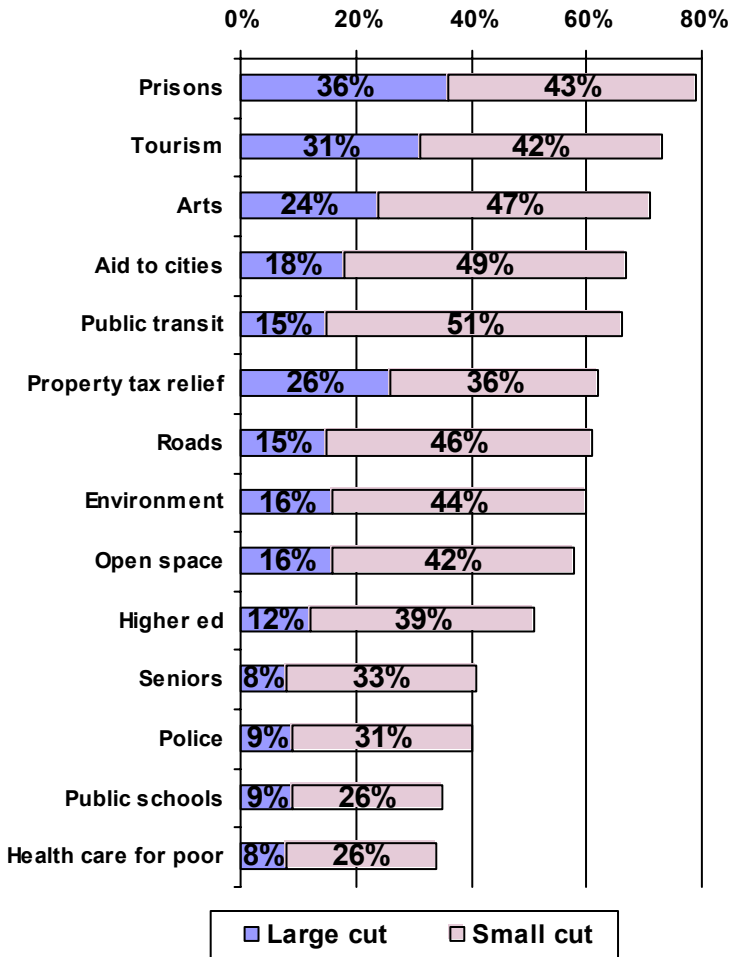


opinion on the matter has shifted since last year's budget process. In March of last year, far more residents – by a margin of 41 percentage points – favored a service cut (64%) over a tax increase (23%). The current gap stands at 19 percentage points.

The Star-Ledger/Eagleton-Rutgers Poll • Eagleton Institute of Politics
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While most residents prefer service cuts over tax hikes, they have clear priorities for which programs should be spared the knife. Among 14 different state services asked about in the survey, five are low priorities – prisons, tourism promotion, arts and cultural programs, aid to cities, and public transportation. Another five are considered high priorities for maintaining current funding – health care for the poor, public schools, police and security, senior programs, and higher education. The remaining four – property tax relief, roads and highways, environmental protection, and open space preservation – fall in the middle of New Jersey’s list of funding priorities.

PROGRAM FUNDING THAT COULD BE REDUCED



Low priority services:

Two-thirds or more New Jerseyans name prisons (79%), tourism promotion (73%), arts and cultural programs (71%), aid to cities (67%), and public transportation (66%) as candidates for a funding cut.

Moderate priority services:

About 6-in-10 nominate property tax relief (62%), roads and highways (61%), environmental protection (60%), and open space preservation (60%) for the budget ax.

High priority services:

Just half of all New Jerseyans feel that funds for higher education (51%)

can afford to be cut and only a minority of Garden State residents feel that programs for seniors (41%), police and state security (40%), public grade and high schools (35%), and health care for the poor (34%) should suffer any funding cuts at all.

In addition to these overall priorities, one-quarter or more residents identify four programs that should receive a greater share of reductions in the state budget. Among low priority programs, those New Jerseyans are most likely to point to as candidates for a large cut are prisons (36%), tourism promotion (31%), and arts and cultural programs (24%). And while property tax relief is a moderate funding priority overall, 26 percent of state residents say that this program should see a relatively larger cut.

“There are key programs in the state that residents want to see protected from cuts, such as health care for the poor, education, public safety and senior programs,” commented Patrick Murray, the poll’s associate director. “However, with pessimism about the state’s economy on the rise, New Jerseyans agree with the governor that the budget ax must fall, as long as it doesn’t fall indiscriminately.”

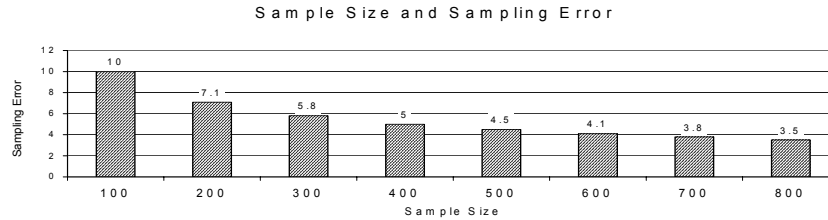
In fact, New Jerseyans are more negative about the state’s economy than they have been for nearly 10 years, when more than two-thirds of state residents classified the economy as bad. In the current survey, more residents – by a 2 to 1 margin – say the Garden State is in bad (65%) rather than good (28%) economic times right now. This marks a reversal of fortune over the past two years. In April 2001, 67 percent of residents described the state as being in good economic shape compared to 24 percent who felt times were bad. By June 2002, opinion was split – with 44 percent saying the state was experiencing good times and 46 percent characterizing the economy as bad.

The latest *Star-Ledger/Eagleton-Rutgers Poll* was conducted between April 24 and May 4 with a scientific sample of 1,002 New Jersey residents. The associated sampling error is ± 3.1 percentage points.

The poll also found that nearly 9-in-10 state residents describe the state’s current budget problems as either very (39%) or somewhat (49%) serious, which is about the same level as during last year’s budget process. However, the 39 percent who view the budget problems as “very serious” is down from a poll taken on the eve of Governor McGreevey’s budget message in February. At that time, a majority (55%) felt that New Jersey was facing “very serious” budget problems. While the Governor’s office continues to project a deficit of about 5 billion dollars, a number of previously announced funding cuts have been tentatively restored since the budget was first unveiled.

BACKGROUND MEMO – RELEASE (EP143-1) May 8, 2003

The latest *Star-Ledger*/Eggleton-Rutgers Poll was conducted by telephone from April 24 to May 4 with a scientifically selected random sample of 1002 New Jersey adults. 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 for 1002 is ± 3.1 percent, at a 95 percent confidence interval. Thus if 50 percent of New Jersey residents were found to be less likely to agree with a statement, one would be 95 percent sure that the true figure would be between 46.9 and 53.1 percent (50 ± 3.1) 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 residents of North, Central and South Jersey, 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:

“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?” [BT1]

	<u>Good times</u>	<u>Bad times</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
May 2003	28%	65%	7%	100%	(1002)
<i>Party ID</i>					
-- Democrat	26	67	7	100	(313)
-- Independent	22	71	7	100	(322)
-- Republican	37	57	7	101	(242)
<i>Household Income</i>					
-- Under \$35,000	28	67	6	101	(161)
-- \$35,000 to \$70,000	30	64	6	100	(303)
-- \$70,000 or more	28	66	6	100	(424)
PAST SURVEYS					
-- June 2002	44	46	10	100	(801)
-- March 2002	34	55	11	100	(803)
-- April 2001	67	24	9	100	(802)
-- February 1995	41	50	10	101	(801)
-- February 1994	28	66	5	99	(801)
-- February 1993	22	72	6	100	(801)
-- January 1992	8	84	7	99	(800)
-- February 1991	12	84	4	100	(800)
-- March 1990	36	55	8	99	(800)
-- September 1989	57	31	12	100	(1,000)

“How serious do you think New Jersey’s budget problems are – very serious, somewhat serious, not very serious, or not at all serious?” [BT2]

	<u>Very Serious</u>	<u>Somewhat Serious</u>	<u>Not Very Serious</u>	<u>Not at All Serious</u>	<u>Don't Know</u>	<u>Total</u>	<u>(n)</u>
May 2003	39%	49%	4%	2%	5%	99%	(1002)
<i>Party Affiliation</i>							
--Democrat	47	44	2	1	5	99	(313)
--Independent	38	53	3	3	3	100	(322)
--Republican	33	50	8	4	5	100	(242)
<i>Household Income</i>							
-- Under \$35,000	44	41	7	4	4	100	(161)
-- \$35,000 to \$70,000	39	51	4	2	4	100	(303)
-- \$70,000 or more	39	53	4	1	3	100	(424)
PAST SURVEYS							
-- February 2003	55	36	2	1	5	99	(401)
-- September 2002	41	37	8	3	11	100	(804)
-- June 2002	37	48	7	2	7	101	(801)
-- March 2002	39	44	8	2	7	100	(803)
-- March 1982	26	46	15	3	10	100	(1206)

“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?” [BT3]

	<u>Raise Taxes</u>	<u>Cut State Services</u>	<u>Both/Some of each</u>	<u>DK/ Refuse</u>	<u>Total</u>	<u>(n)</u>
May 2003	34%	53%	4%	9%	100%	(1002)
<i>Party ID</i>						
-- Democrat	44	44	2	10	100	(313)
-- Independent	30	58	6	6	100	(322)
-- Republican	25	64	2	9	100	(242)
<i>Household Income</i>						
-- Under \$35,000	30	60	3	7	100	(161)
-- \$35,000 to \$70,000	39	51	3	7	100	(303)
-- \$70,000 or more	37	52	4	7	100	(424)
PAST SURVEYS						
--February 2003	34	49	5	12	100	(401)
--June 2002	30	56	6	8	100	(801)
--March 2002	23	64	5	8	100	(803)
--January 1992 *	22	70	3	5	100	(799)
--March 1990 *	27	65	2	5	100	(800)

*Question wording was: “As you may know 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 between reducing spending for government services or increasing taxes to keep government services at current level, which would you prefer?”

“I’m going to read you a list of some state government services. In order to balance the budget please just tell me whether you would be willing to see a LARGE CUT in each, a SMALL CUT, or NO CUT. First, the money going to [READ ITEM] -- a large cut, small cut or no cut?” [BT4]

May 2003	<u>Large Cut</u>	<u>Small Cut</u>	<u>No Cut</u>	<u>DK/ Refuse</u>	<u>Total</u>	<u>(n)</u>
Roads and highways	15%	46%	38%	1%	100%	(501)
Grade and high schools	9	26	63	1	99	(501)
Environmental protection	16	44	39	1	100	(501)
Prisons	36	43	19	2	100	(501)
Programs for seniors	8	33	57	1	99	(501)
Public transportation— buses and commuter railroads	15	51	32	2	100	(501)
Health care services for the needy	8	26	65	1	100	(501)
Aid to cities	18	49	31	3	101	(501)
Cultural programs and the arts	24	47	27	1	99	(501)
Open space preservation	16	42	37	4	99	(501)
Property tax relief	26	36	32	6	100	(501)
Police forces and state security	9	31	58	1	99	(501)
Promoting tourism in New Jersey	31	42	25	2	100	(501)
Public colleges and universities	12	39	47	1	99	(501)