

# trends

delivering the pulse of the nation to you



a quarterly TNS Canadian Facts newsletter

March 2009

## Recession has deep hold on Canadians

As Canadian enter the spring, there is little evidence that their negative outlook about the economy will change anytime soon.

In the United States, consumers are similarly gloomy, although Americans have been pessimistic about their economy for a longer period than Canadians have been about theirs.

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## National Indices

### Gloomy Outlook Continues to Have Hold on Canadians

The *Consumer Confidence Index*, which captures both short and long-term influences, now stands at 83.7 compared with 85.9 last month.

With the troubling economy continuing to dominate our news, it comes as no surprise that Canadians believe that current conditions are dismal.

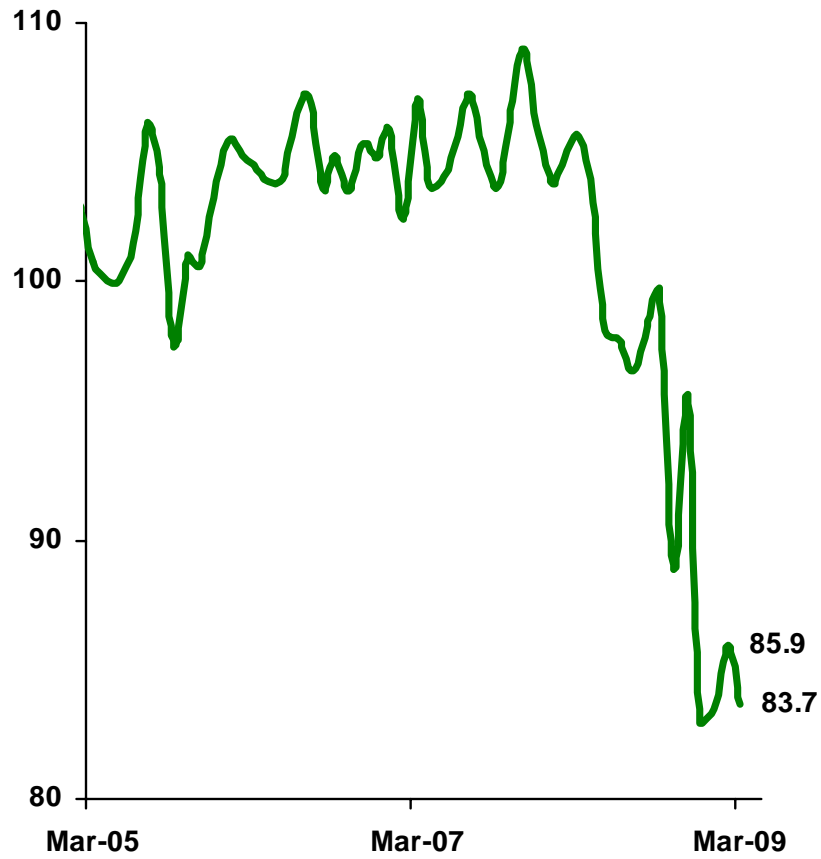
The *Present Situation Index*, which captures evaluations of the overall state of the economy and the employment situation, plunged to 72.1 from 78.2 last month. Only 16 per cent of Canadians think the current economy is at least fairly good (compared to 59% a year ago) and just 13 per cent think there are many jobs available today (versus 48% last year).

The *Expectations Index*, which measures consumers' estimation of the economy, household income and employment in six months, has managed to rise for the third consecutive month to 87.4. In February the Index stood at 86.5.

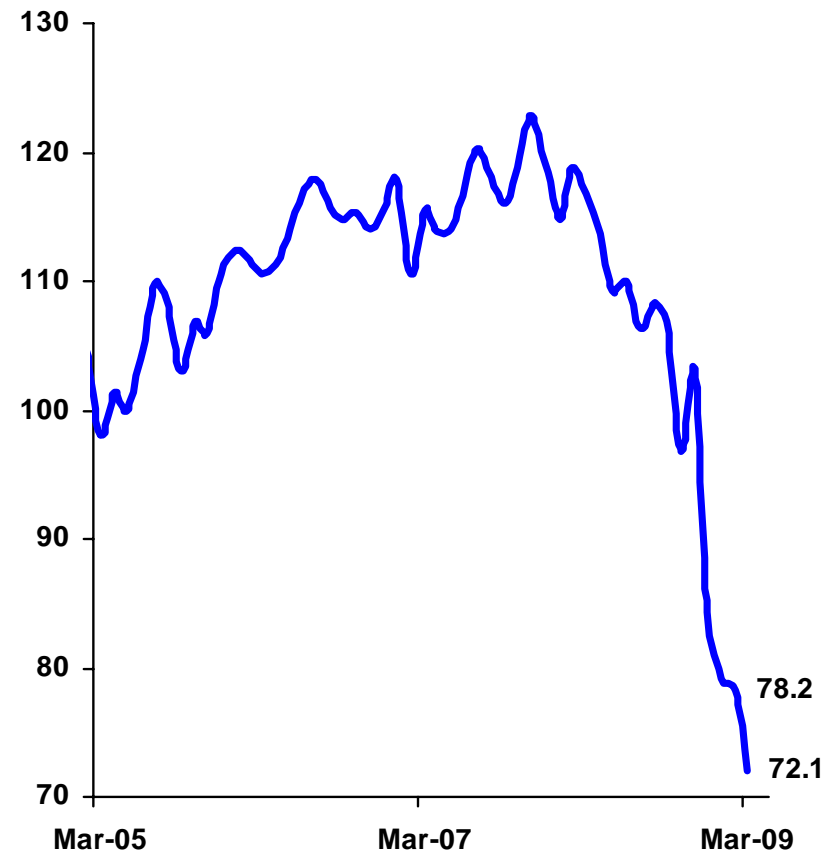
The *Buy Index*, which gauges the degree to which people think the current period is a good time to make major purchases, declined somewhat after a marked improvement in February. The index now sits at 95.3 compared to 95.6 last month.



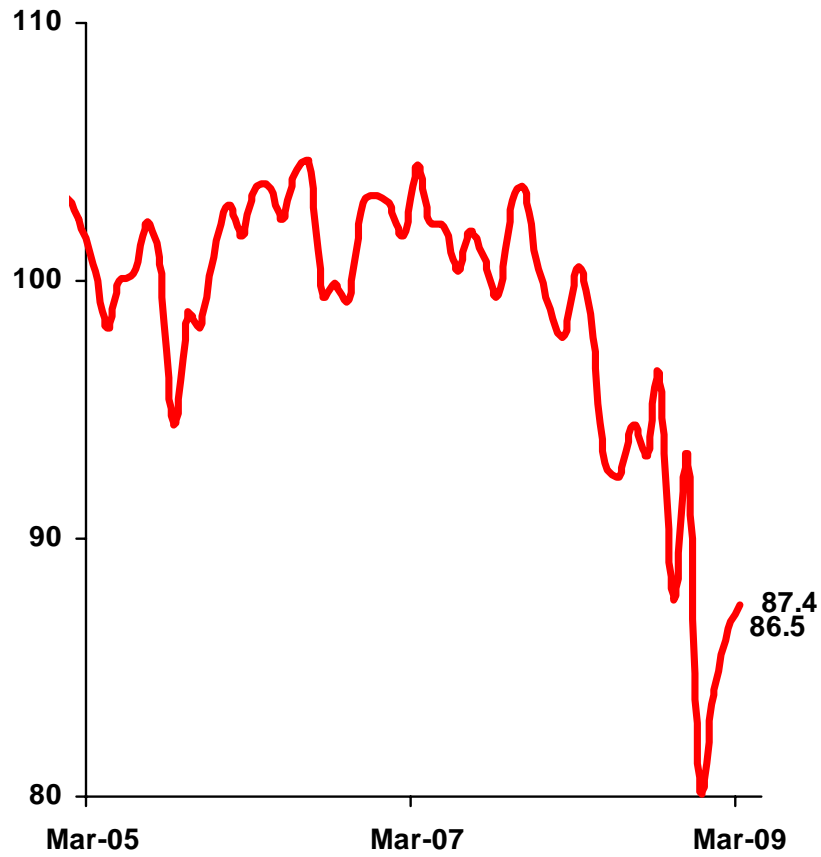
Consumer Confidence Index



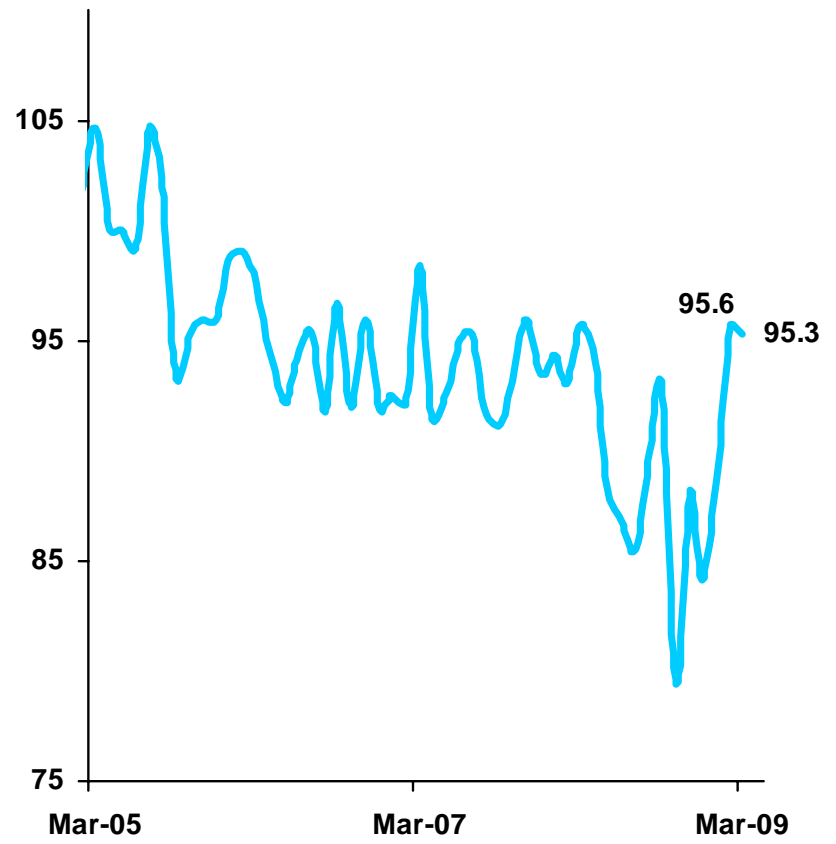
Present Situation Index



Expectations Index



Buy Index



## Consumer Confidence in the United States

**U.S. Confidence Declines Further in Q1**

The Canadian trend for consumer confidence continues to resemble that in the U.S. The findings of the Conference Board (U.S.) *Consumer Confidence Index* suggest, however, that confidence has continued to decline despite the hope that Obama brought to the White House.

If a U.S. recovery is essential for a Canadian recovery, consumer sentiment south of the border continues to be bad news for Canada.

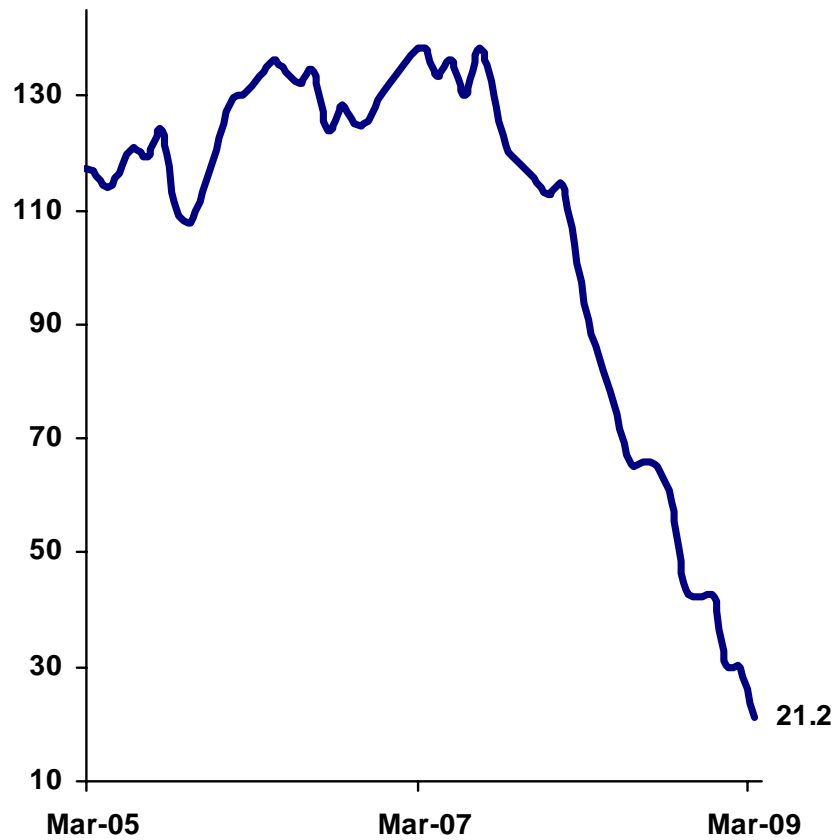
*Note: The U.S. Consumer Confidence Index is produced by the Conference Board®. The Conference Board is not responsible for the interpretation of the results provided herein.*

Consumer Confidence Index



\*The Conference Board Index is similar to but not exactly the same as the Canadian index.

### Present Situation Index



### Expectations Index



## Regional Results

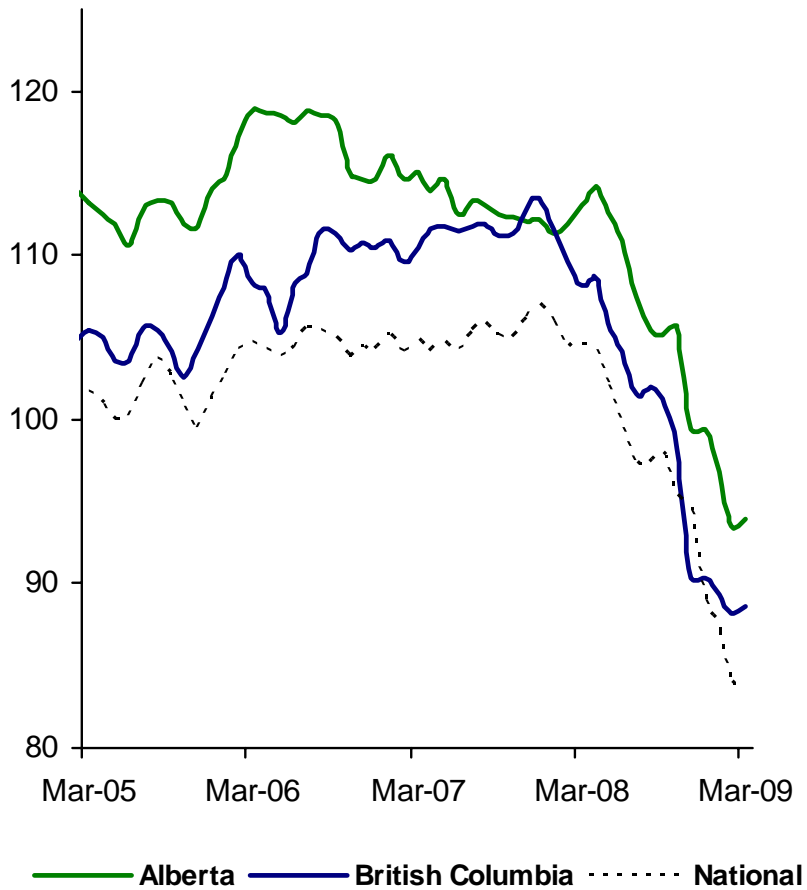
## Confidence Down Across The Nation

Even though the rolling, three-month average reduces the impact of any one month, it is clear that Ontario is the most negative and consistently well below the national levels across all indicators. The first quarter of 2009 has been very rough for Ontarians. Only 14 per cent think that the economy is fairly good and just 7 per cent think there are many jobs around.

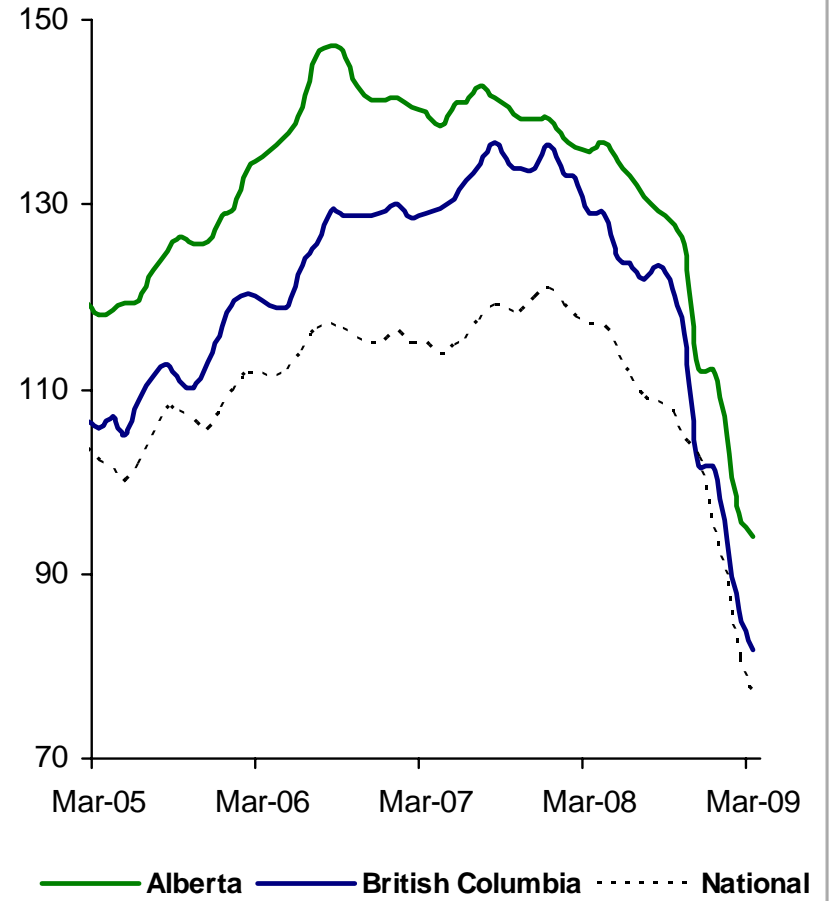
- Although Quebec is not as pessimistic as Ontario about the current situation, people in *la belle province* are less optimistic about the future.
- Alberta, which has also lost considerable confidence over the past year, continues to be much more positive about the economy (particularly the current state) than the rest of Canada.



Consumer Confidence Index

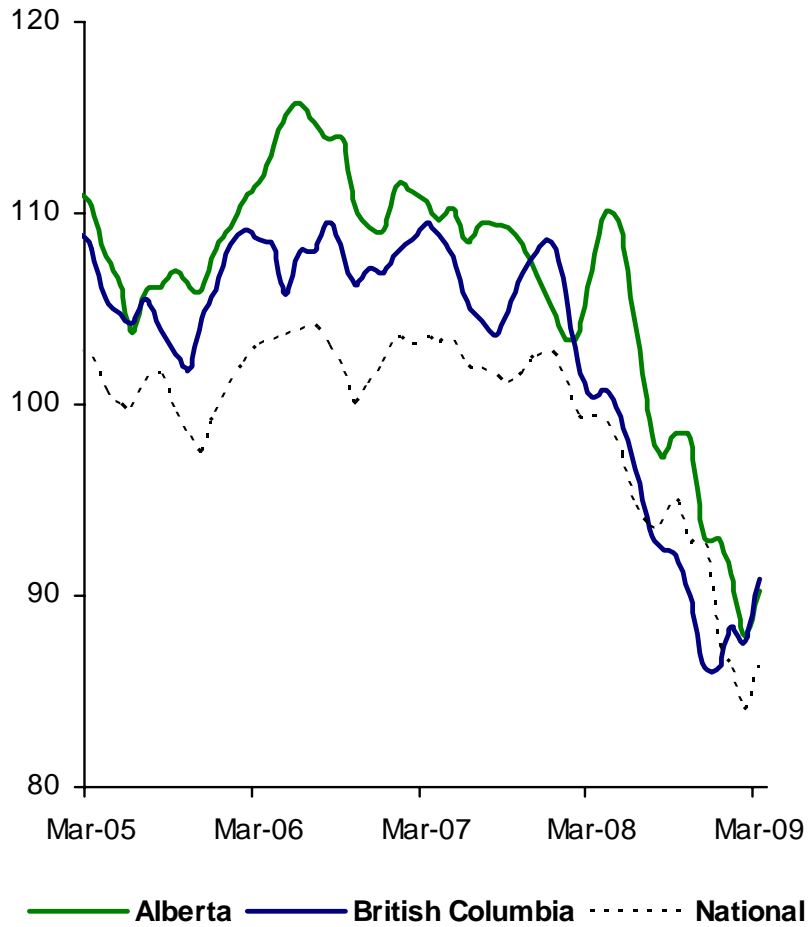


Present Situation Index

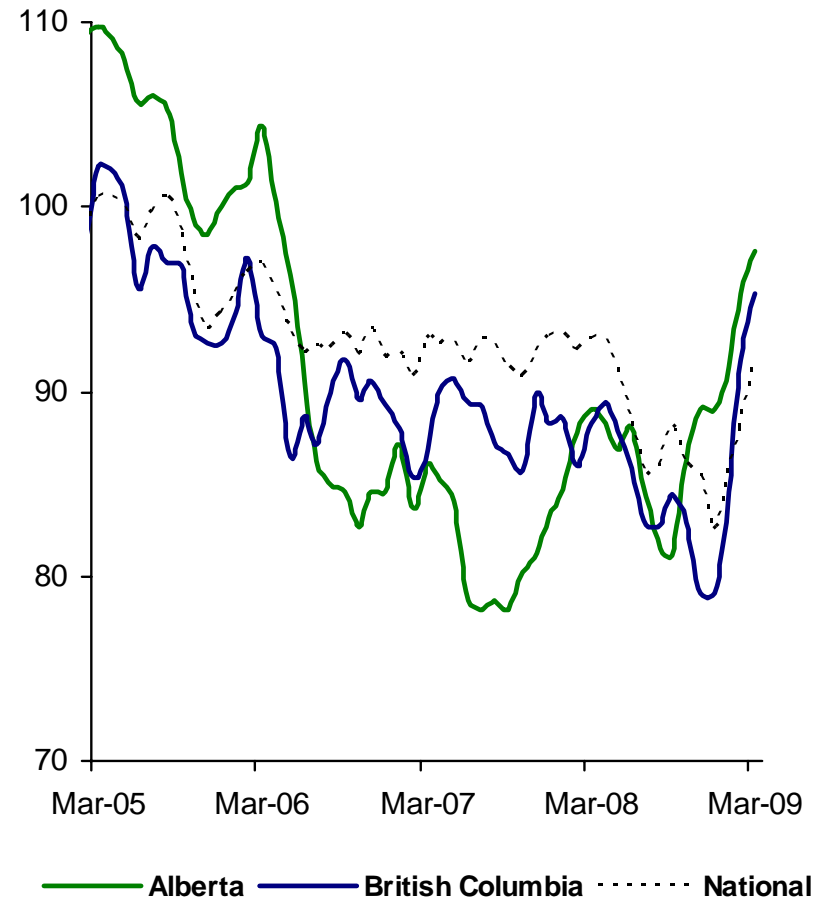


Monthly value is average for three previous months

Expectations Index

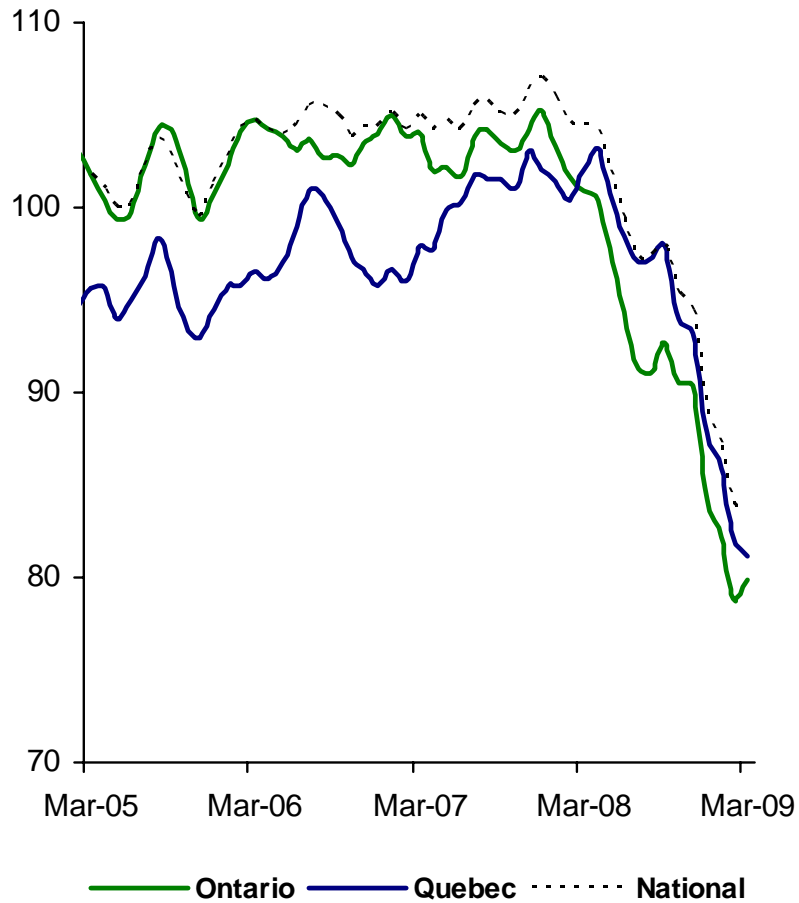


Buy Index

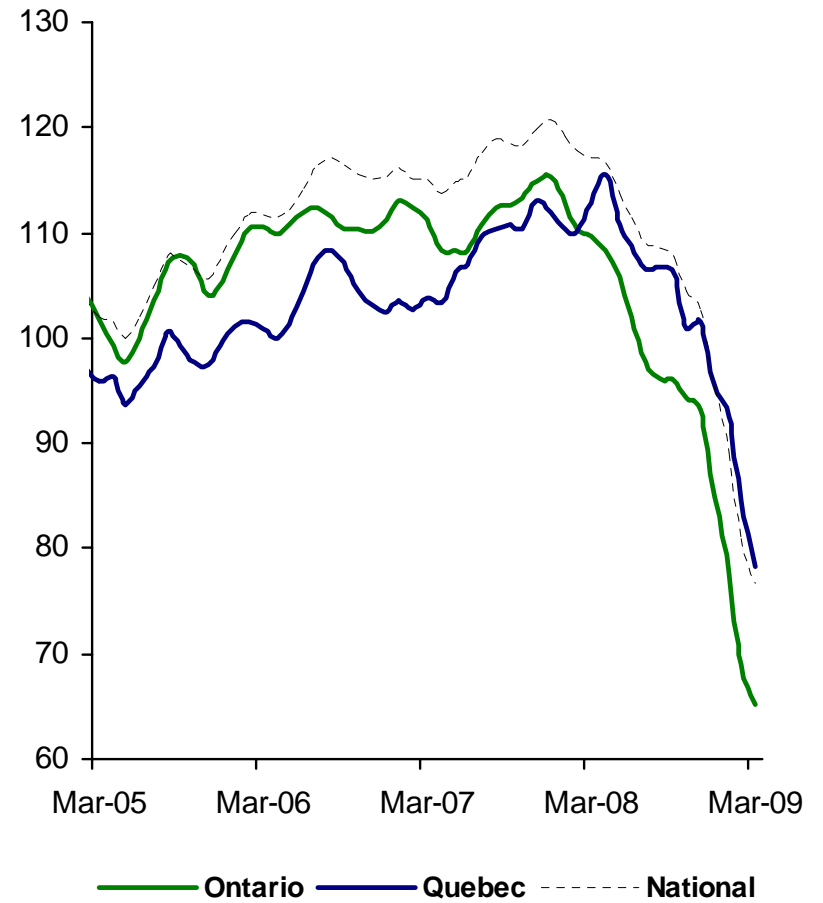


Monthly value is average for three previous months

Consumer Confidence Index

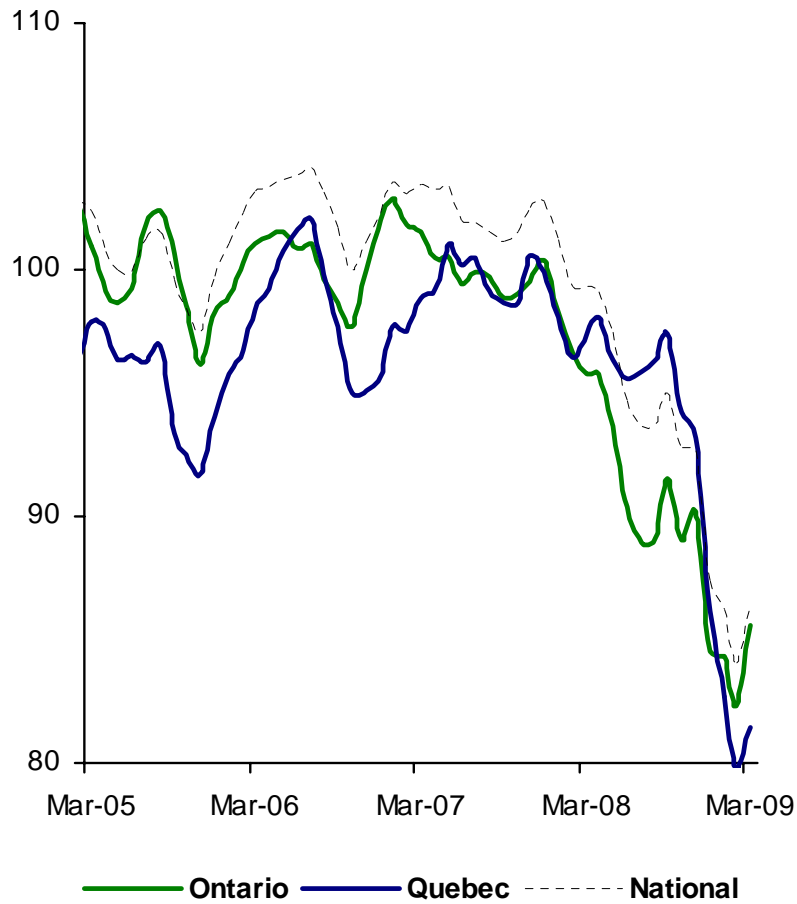


Present Situation Index

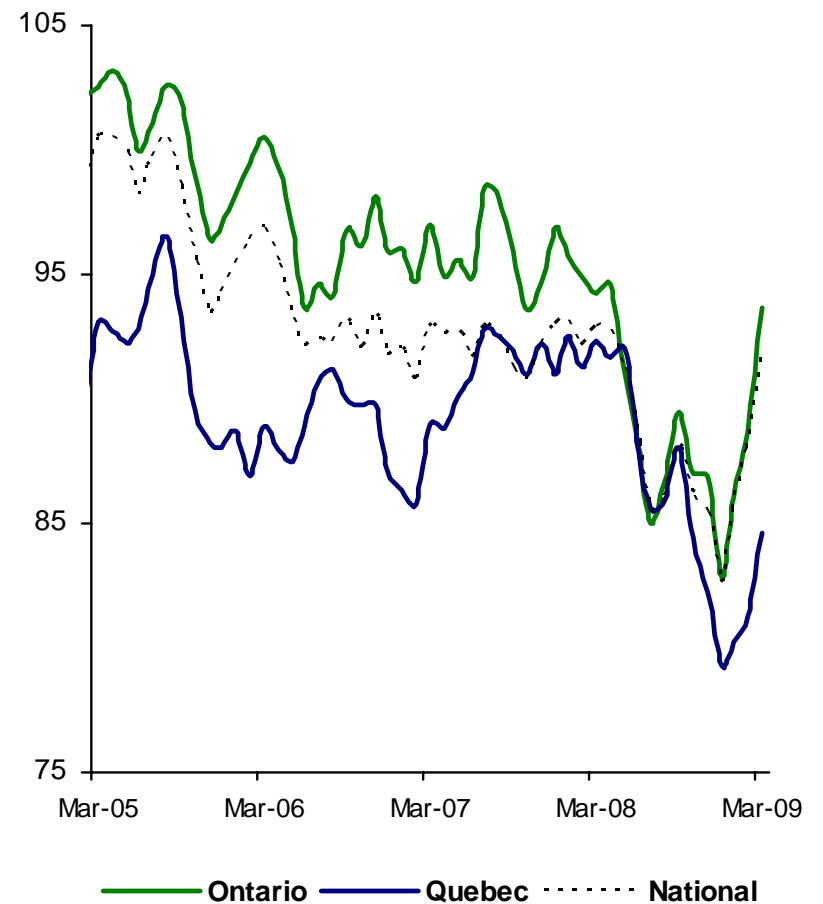


Monthly value is average for three previous months

Expectations Index

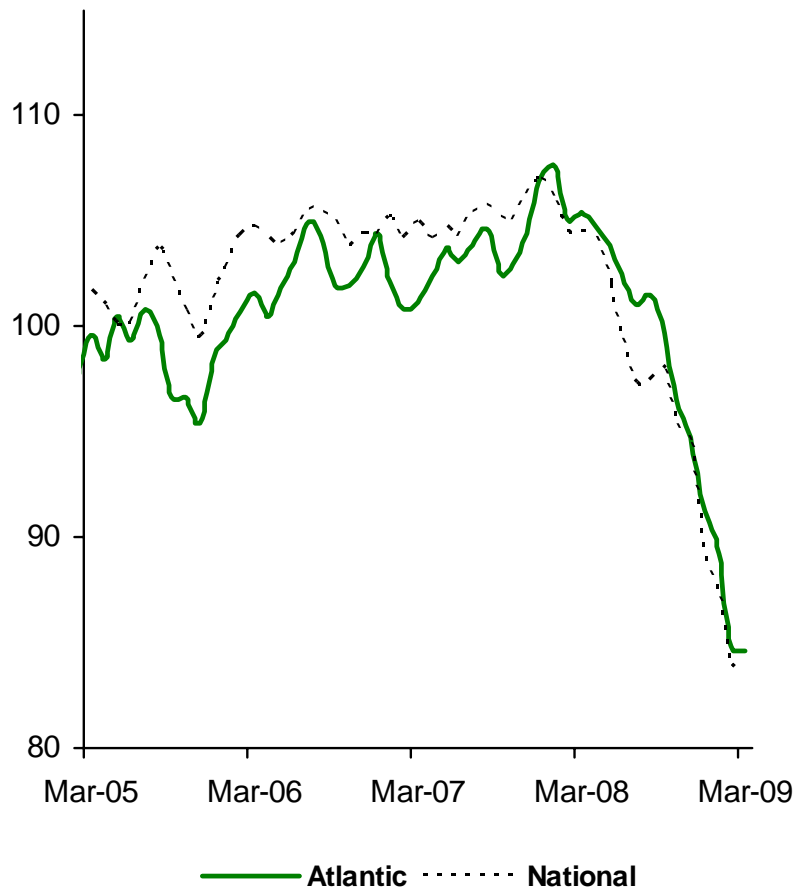


Buy Index

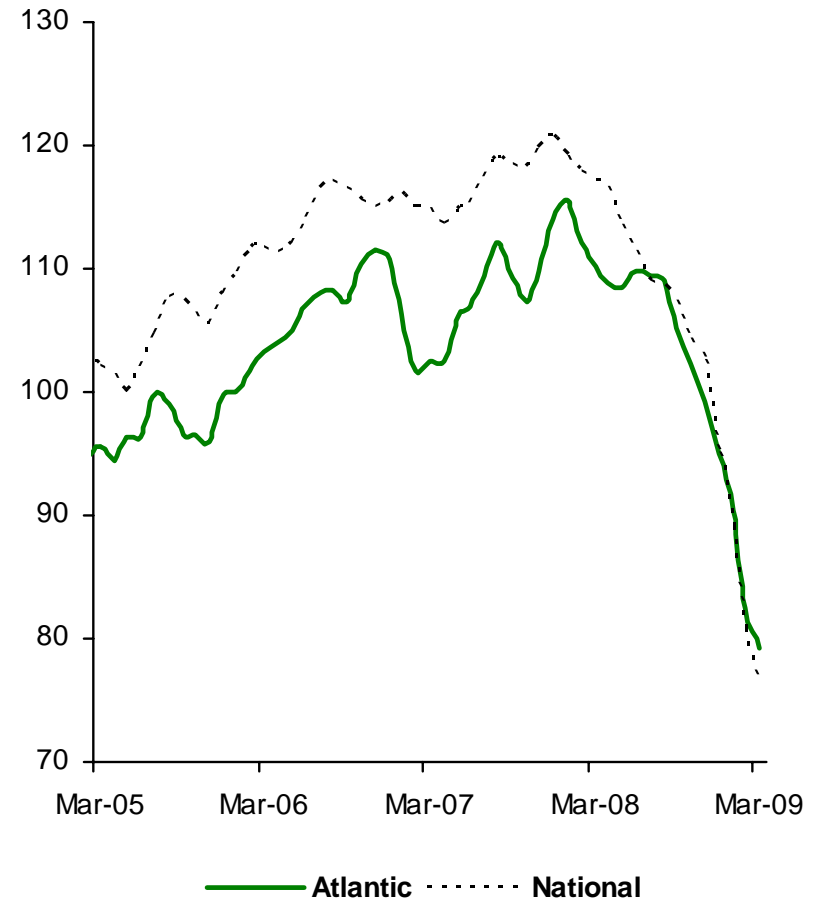


Monthly value is average for three previous months

Consumer Confidence Index

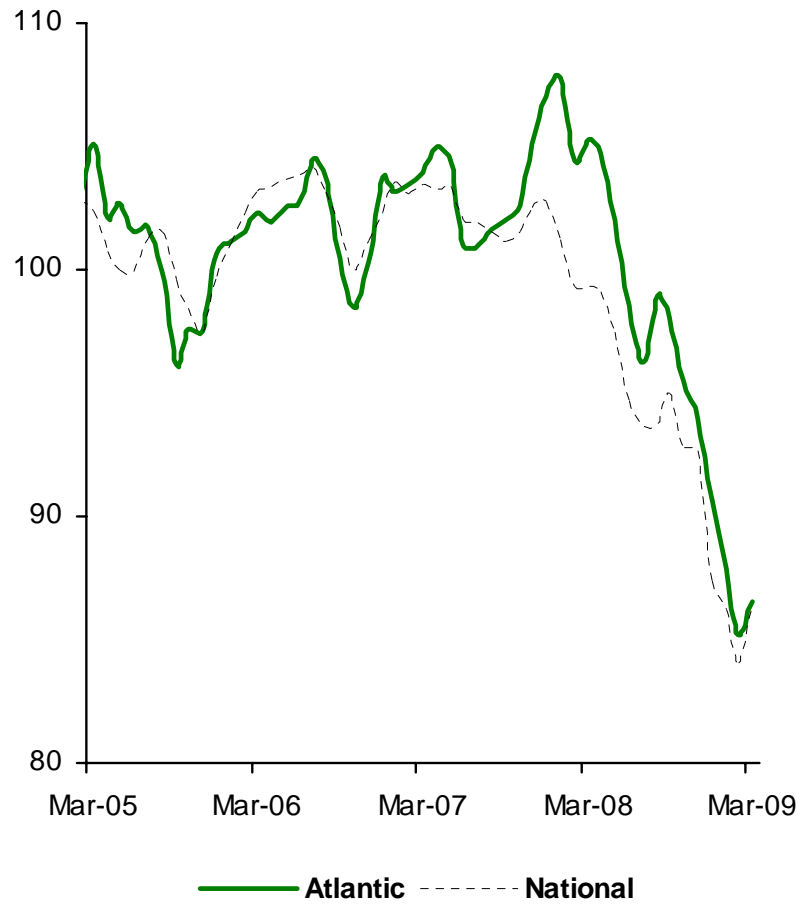


Present Situation Index

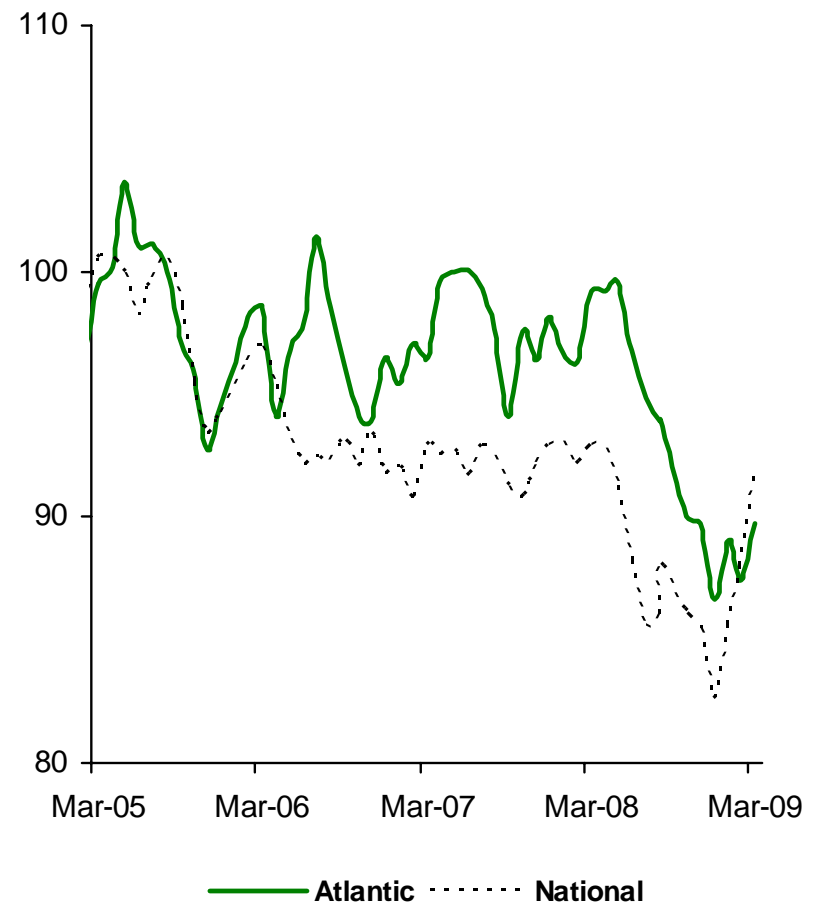


Monthly value is average for three previous months

Expectations Index



Buy Index



Monthly value is average for three previous months

## About the CCI study

Seven questions make up the core survey of Consumer Confidence. While the overall CCI index uses all 7 questions to produce an index score, there are three sub-indices that rely on some of the questions.

All quarterly indices are set so that the value of the index in Q3 of 2005 is 100.

**CCI Index:** Includes all 6 variables

**Present Situation Index:**

- How would you describe your country's current economic situation?
- How would you describe your country's current employment situation?

**Expectations Index:**

- What do you think will be your country's economic situation in the next 6 months?
- What do you think will be your country's employment situation in the next 6 months?
- What do you think your income will be in 6 months time?

**Buy Index:**

- Taking into consideration the cost of things today and the financial situation in general, to what extent would you say that now is a good or bad time to buy products such as: a house or apartment, a car, household appliances such as a washing machine, a refrigerator, a TV set etc.?

## Number of Cases Used Per Quarter

Atlantic: 315    Quebec: 741    Ontario: 1000    Alberta: 300    British Columbia: 456



### About Dr. Richard Jenkins:


An accomplished researcher, Dr. Jenkins is responsible for TNS Canadian Facts' public sector research. This includes traditional public opinion and market research as well as all research conducted by the Social and Policy Research Group at TNS. He is also the primary spokesperson for TNS Canadian Facts for news interviews and analysis of recent trends in public opinion and market behaviour.

Dr. Jenkins has more than nine years of experience, derived from both academic and private sector experience, as a researcher of public opinion and public policy. He has published articles in a number of respected peer-reviewed journals, including the Canadian Journal of Political Science, and chapters in a number of edited books, including the State of the Federation (2001) and the Review of Economic Performance and Social Progress (2002) and continues to contribute to our collective understanding of politics through his recent publications on turnout and attitudes about democracy.

Dr. Jenkins holds an Honours and Masters degree in Political Studies from Queen's University and a Doctoral Degree in Political Science from the University of British Columbia. His academic training focused on public opinion (including both methodological and substantive issues), public policy and Canadian politics. Before joining TNS Canadian Facts, Dr. Jenkins spent two years at EKOS Research Associates and two years as an Assistant Professor in Political Studies at Queen's University, where he taught Canadian politics, democracy and election, and statistics. He is a member of MRIA and a number of professional associations devoted to the study of public opinion and politics.

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