

## ECONOMIC PANORAMA

# More People in Britain Think the Economy is in Dire Shape

*While other countries expect recovery, a third of Britons say their economy will get worse.*

[LONDON – Jul. 1, 2010] – People in Britain are increasingly concerned about the United Kingdom’s economic situation and fear things will only get worse, a new Angus Reid Public Opinion poll has found.

In the online survey of a representative sample of 2,008 British adults, a vast majority of respondents (88%) say the UK economy is in poor shape. The proportion of people who think the economy is in “very poor” condition is up 11 points to 34 per cent since the last Economic Panorama survey was conducted in May.

Two thirds of Britons (64%) rate their own financial situation as poor, up four points since May. And while in May a fifth of respondents expected the economy to continue deteriorating, now that proportion has jumped to 34 per cent.

Two thirds of respondents think the UK’s recession will not be over until after next year.

### Concerns, Inflation and Debt

The proportion of Britons reporting that they fear their household could be hit by unemployment has risen from 38 per cent to 44 per cent this month.

### KEY FINDINGS

- **88% say UK economy is in poor condition; 34% say it is “very poor”**
- **65% say their own financial situation is poor; 34% expect economy will decline further**
- **More people report worrying about unemployment compared to last month (44%, +6)**
- **50% trust Cameron, 48% trust Clegg to handle the economy**

Full topline results are at the end of this release.

*From June 23 to June 25, 2010, Angus Reid Public Opinion conducted an online survey among 2,008 randomly selected British adults who are Springboard UK panelists. The margin of error—which measures sampling variability—is +/- 2.2% for the entire sample. The results have been statistically weighted according to the most current education, age, gender and region data to ensure samples representative of the entire adult population of Great Britain. Discrepancies in or between totals are due to rounding.*

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About a third of respondents continue to worry about the safety of their savings (34%), the value of their investments (34%), being able to meet mortgage or rent payments (33%), or their employer facing serious financial problems (27%).

A large majority of respondents share the view that petrol prices will go up (85%), and so will the prices of a week's worth of groceries (83%), a new car (63%), a new TV (55%), and property (44%).

Britons agree that paying debt and saving money would be priorities if they had extra cash. Respondents were asked what they would do if they suddenly were given an extra £1,000. On average, people would allocate £276 to paying back debt; £199 to a savings bank account; £164 to cover daily expenses such as groceries; £109 to pay for personal items such as gifts or a treat; £110 to invest in an ISA; £112 towards a big purchase such as a car or a home improvement; and £29 to buy shares in a particular company.

### **The UK Economy Compared to Others**

Many respondents say Britain's economy compares poorly with that of most other industrialized countries, including China (52%), Canada (44%), Australia (43%), Japan (39%), Germany (38%), the United States (31%), and France (24%).

### **Political Leadership**

Only around half of Britons express confidence in Prime Minister David Cameron (50%) and Deputy Prime Minister Nick Clegg (48%) to make the right decisions regarding the economy. The level of trust expressed for Mervyn King, Governor of the Bank of England (48%), and George Osborne, Chancellor of the Exchequer (43%), hover around the same mark. Fewer Britons trust that Labour Shadow Chancellor Alistair Darling (28%) would make the right economic decisions.

Britons prefer the Conservatives over Labour to rein in the national debt (60% to 18%), end the recession (47% to 24%), create jobs (35% to 38%), and control inflation (50% to 25%). Compared to the May survey, the only indicator that has changed is "create jobs", with fewer respondents trusting the Tories to handle this task well (-6 points).

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#### *Download Full Methodology Statement*

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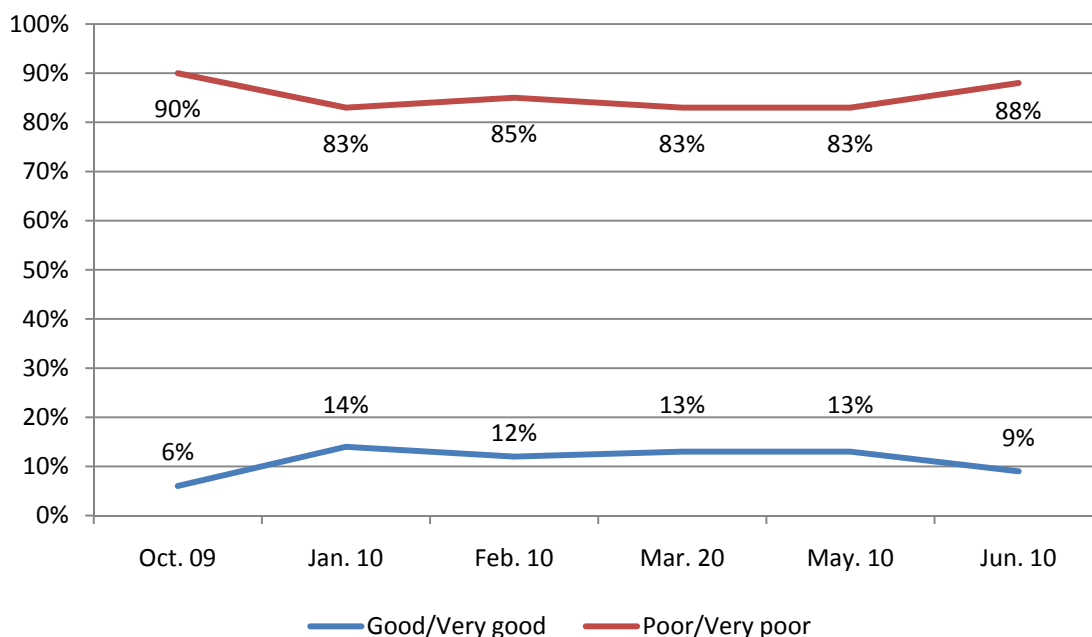
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How would you rate the economic conditions in the UK today? – Total Great Britain



### Economic Panorama

How would you rate the economic conditions in the UK today?

	Region					
	Total	London	Rest of South	Midlands and Wales	North	Scotland
<b>Very good</b>	1%	2%	0%	1%	1%	0%
<b>Good</b>	8%	13%	7%	6%	10%	8%
<b>Poor</b>	54%	54%	57%	52%	51%	54%
<b>Very poor</b>	34%	26%	34%	38%	34%	37%
<b>Not sure</b>	3%	5%	1%	3%	4%	1%
<b>Good – net</b>	9%	15%	8%	6%	11%	8%
<b>Poor – net</b>	88%	80%	91%	91%	86%	91%

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### Economic Panorama

How would you rate your own personal finances today?

Region						
	Total	London	Rest of South	Midlands and Wales	North	Scotland
Very good	2%	5%	1%	2%	3%	2%
Good	30%	30%	31%	28%	29%	27%
Poor	44%	43%	43%	45%	43%	50%
Very poor	21%	19%	22%	22%	22%	19%
Not sure	3%	3%	3%	3%	3%	2%
Good – net	32%	36%	32%	30%	32%	29%
Poor – net	65%	61%	65%	67%	65%	69%

### Economic Panorama

Over the next six months, do you think the UK economy will improve, remain the same, or decline?

Region						
	Total	London	Rest of South	Midlands and Wales	North	Scotland
Improve	16%	18%	18%	15%	15%	11%
Remain the same	43%	47%	45%	45%	41%	35%
Decline	34%	26%	30%	33%	39%	48%
Not sure	7%	8%	7%	8%	6%	6%

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### Economic Panorama

In the past couple of months, how often have you worried about each of the following? – *Total Britain*

	The safety of your savings	The value of your investments	Your employer running into serious financial trouble	Being able to pay your mortgage or rent	You, or somebody in your household becoming unemployed
Never worried	45%	48%	58%	50%	38%
Worried once or twice	21%	17%	15%	18%	18%
Worried occasionally	19%	18%	14%	16%	20%
Worried frequently	15%	16%	12%	17%	24%
Not worried – net	66%	66%	73%	67%	56%
Worried – net	34%	34%	27%	33%	44%

### Economic Panorama

Thinking about the next six months, do you expect the price of each of the following items to go up, stay about the same, or go down? – *Total Britain*

	Petrol	Property prices	A new car	A new TV	A week's worth of groceries
Prices will go up	85%	44%	63%	55%	83%
Prices will stay the same	9%	34%	24%	26%	13%
Prices will go down	2%	12%	5%	14%	2%
Not sure	4%	9%	8%	5%	2%

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### Economic Panorama

If you were given £1,000 today, what would you do with it? – *Total Britain*

Buy shares in a particular company	£29
Invest in an ISA	£110
Pay back debts	£276
Save in a bank account	£199
Put towards a big purchase (like a car or home improvements)	£112
Spend on personal items (gifts, special treats, etc.)	£109
Cover day to day expenses (groceries, travel costs etc.)	£164

### Economic Panorama

When do you think the UK economy will get out of recession?

	Region					
	Total	London	Rest of South	Midlands and Wales	North	Scotland
It is already out of recession	8%	12%	7%	6%	8%	6%
In the first half of 2010	2%	3%	2%	3%	1%	3%
In the second half of 2010	6%	8%	6%	5%	5%	5%
In 2011	21%	15%	21%	23%	22%	21%
After 2011	45%	41%	47%	44%	45%	48%
Not sure	18%	20%	17%	19%	19%	17%

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### Economic Panorama

The worldwide recession has affected countries differently. How would you say the UK economy is doing compared to each of the following countries? – *Total Britain*

	Canada	Japan	France	The United States	Australia	Germany	China
The UK's economy is doing better	5%	12%	13%	11%	5%	10%	8%
The UK's economy is doing about the same	19%	19%	36%	37%	21%	27%	11%
The UK's economy is doing worse	44%	39%	24%	31%	43%	38%	52%
Not sure	33%	30%	26%	22%	32%	25%	30%

### Economic Panorama

How much do you trust each of the following people to do the right thing to help the economy? – *Total Britain*

	David Cameron, Prime Minister	Nick Clegg, Deputy Prime Minister	Mervyn King, Governor of the Bank of England	George Osborne, Chancellor of the Exchequer	Alistair Darling, Labour Shadow Chancellor
Completely trust	13%	7%	9%	7%	5%
Moderately trust	37%	41%	38%	36%	23%
Moderately distrust	16%	19%	19%	18%	23%
Completely distrust	22%	21%	12%	23%	33%
Not sure	12%	12%	21%	16%	16%
Trust – net	50%	48%	48%	43%	28%
Distrust – net	38%	39%	32%	41%	56%

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**Economic Panorama**

Please indicate which party you think is best able to deal with the following issues – *Total Britain*

	Rein in the national debt	End the recession	Create jobs	Control inflation
Conservative Party	60%	47%	35%	50%
Labour Party	18%	24%	38%	25%
Don't know	22%	29%	27%	25%

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*Angus Reid Public Opinion is a practice of Vision Critical—a global research and technology company specialising in custom online panels, private communities, and innovative online methods. Vision Critical is a leader in the use of the Internet and rich media technology to collect high-quality, in-depth insights for a wide array of clients. Dr. Angus Reid and the Angus Reid Public Opinion team are pioneers in online research methodologies, and have been conducting online surveys since 1995*

*Vision Critical is now one of the largest market research enterprises in the world. In addition to its five offices in Canada—located in Vancouver, Calgary, Regina, Toronto, and Montreal—the firm also has offices in San Francisco, Chicago, New York, London, Paris and Sydney. Its team of specialists provides solutions across every type and sector of research, and currently serves over 200 international clients.*

*Angus Reid Public Opinion polls are conducted using the Angus Reid Forum ([www.angusreidforum.com](http://www.angusreidforum.com)), Springboard America ([www.springboardamerica.com](http://www.springboardamerica.com)) and Springboard UK ([www.springboarduk.com](http://www.springboarduk.com)) online panels, which are carefully recruited to ensure representation across all demographic and psychographic segments of these populations. Panel members pass through rigorous screening and a double opt-in process ensuring highly motivated and responsive members. These premier online survey platforms present respondents with highly visual, interactive, and engaging surveys, ensuring that panel members provide thoughtful and reliable responses. Each survey is actively sampled and weighted to model that characteristics of the universe required and employs the latest in quality control techniques to ensure data validity.*

*Since 2006, Angus Reid has covered eight provincial elections in Canada—more than any other pollster in the country—and the results have accurately predicted the outcome of each of these democratic processes.*

*Angus Reid, the only public opinion firm to exclusively use online methods to follow the views of the electorate during the 2008 federal campaign, offered the most accurate prediction of the results of Canada's 40th election. More information on our electoral record can be found at:*  
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**For more information, please contact  
our spokesperson listed in the footnote.**

**Copies of this poll are available on our website:  
<http://www.visioncritical.com/category/global-opinions-and-trends>**

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