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Rocky Mountain Poll

NEWS RELEASE
RMP 2003-III-08

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BUSINESSES LIST WAYS FOR GOVERNOR TO HELP STIMULATE THE ECONOMY

Phoenix, Arizona, August 15, 2003. Two-thirds of business people here believe there are specific things the Governor's Office can do to help stimulate the economy. At the top of the list are two categories of activity: economic development programs, with the greatest emphasis on business expansion and retention incentive programs for existing Arizona businesses and second, additional tax reforms. These two categories account for over 60 percent of the recommendations offered by business people to a straight-forward question: "What do you think are the two most important things the Governor of Arizona can do to help stimulate the economy?"

Within the lead category of economic development activism, the most common response was to suggest the governor support what are commonly known as "expansion and retention" programs designed to help existing local businesses grow. This is the first time in recent memory that this category has been larger than (in fact twice as large as) calls for providing companies willing to relocate, incentives to move to Arizona. This may reflect growing belief that Arizona government needs to focus less on attracting industry than on growing what is already here, or it may simply reflect belief that in tough economic times, the emphasis should be on survival of the family businesses struggling to keep their doors open.

An interesting aspect of the suggestion about tax reform is the lack of specificity. Most simply said there need to be more tax cuts without reference, even where pushed for detail, to which tax cuts would be most beneficial to business.

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Suggestions that the Governor's Office work to reduce government regulation and red tape, a common complaint of business people, occur at lower levels, as do calls for reduced state spending. Suggestions that the governor throw her weight behind transportation and education system improvements receive surprisingly little mention, as business people focus more on programs and initiatives that would directly benefit their operations, e.g., promoting business and providing business growth incentives.

The findings outlined in this report are based on a survey of 400 owners and managers of private businesses in Maricopa county. The **BusinessTRACK™** studies were initiated in January of 1990 and are completed twice a year in the public interest. The estimated margin of error for this study is plus or minus **five** percent at a .95 confidence interval. To qualify for this study a respondent must be an owner or manager of the company. The survey was completed between July 16th and July 23rd, 2003, by the Behavior Research Center of Arizona as part of the Center's independent and non-partisan Rocky Mountain Poll series. For more information you may visit www.brcpolls.com.

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EDITOR'S NOTE: This Rocky Mountain Poll Arizona (2003-III-08) is based on 400 telephone interviews conducted from July 16, 2003 to July 23, 2003 with owners or managers of businesses in the metropolitan Phoenix area which have from three to 100 employees and which are not subsidiaries of larger corporations. In a sample of this size, one may say with 95 percent certainty that the results have a statistical precision of plus or minus 5.0 percent of what they would have been had the entire population of owners and managers of such small businesses been surveyed. **BusinessTRACK™** Arizona is co-sponsored by the ASU College of Business Center for the Advancement of Small Business and Behavior Research Center.

This statement conforms to the principles of disclosure of the National Council on Public Polls.

STATISTICAL DATA

Behavior Research Center
Rocky Mountain Poll - Arizona
RMP 2003-III-08

For this and other polls, see www.brcpolls.com/results

“What do you think are the two most important things the Governor of Arizona can do to help stimulate the economy?”

	ALL BUSINESSES	THOSE WITH A RECOMMENDATION
<u>ECONOMIC DEVELOPMENT ACTIVITIES (NET)</u>	<u>(38%)</u>	<u>(57%)</u>
Expansion and retention incentives for existing Arizona businesses	12	18
Stimulate local job expansion and hiring	8	12
Relocation incentives to attract companies to relocate here	6	9
More job training programs	4	6
Promote tourism	4	6
All other comments	5	8
<u>TAX REFORM (NET)</u>	<u>(23%)</u>	<u>(34%)</u>
More tax reduction (no detail)	17	25
Cut property tax, income tax or sales tax	3	5
Raise taxes	3	5
<u>REDUCE STATE BUDGET, SPENDING/REGULATIONS (NET)</u>	<u>(12%)</u>	<u>(18%)</u>
Cut spending, balance budget	8	12
Cut red tape – regulatory fees	5	8
<u>END PARTISAN BICKERING AND GOVERNMENT BY LOBBYIST (NET)</u>	<u>(6%)</u>	<u>(9%)</u>
<u>HEALTH INSURANCE REFORM (NET)</u>	<u>(5%)</u>	<u>(8%)</u>
<u>INVEST MORE IN EDUCATION (NET)</u>	<u>(4%)</u>	<u>(6%)</u>
<u>PRO-CON STATEMENTS ON ILLEGAL IMMIGRANTS (NET)</u>	<u>(3%)</u>	<u>(5%)</u>
<u>BETTER GROWTH PLANNING (NET)</u>	<u>(2%)</u>	<u>(3%)</u>
<u>IMPROVE STATE’S TRANSPORTATION SYSTEM (NET)</u>	<u>(1%)</u>	<u>(1%)</u>
<u>NOT SURE WHAT GOVERNOR CAN DO (NET)</u>	<u>(33%)</u>	-

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