

# The Bermuda Omnibus Survey

## Top-Line Highlights – Second Quarter 2008

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The following are Top-Line Highlights from the latest Bermuda Omnibus Survey, a syndicated quarterly survey of Bermuda residents. The survey consisted of telephone interviews with a representative sample of 408 Bermuda residents that were conducted between June 3<sup>rd</sup> and 11<sup>th</sup>, 2008. A sample of this size drawn from the population provides results accurate to within plus or minus 4.9 percent in 95 out of 100 samples. A detailed report on the results of this survey will be provided to subscribers.

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### Important Issues in Bermuda Today

- **Most Important Issue.** Given the recent increase in Bermuda's crime rate, it is not surprising that residents are now more likely to consider crime to be the most important issue facing Island residents. Overall, **crime** (21%, up 7 points from last quarter) and **housing / the cost of living** (20%, down 10 points) are most frequently identified as the most important issue facing Bermuda. **Education** (15%, down 2 points) closely follows as a commonly identified issue. Other topics that residents consider to be important issues facing the Island include **Government** (7%, up 4 points), the **economy** (6%, unchanged), **drug problems** (4%, unchanged), and **racism** (3%, down 2 points).
- **Road Safety.** It has been predicted that Bermuda could experience one of its worst years for fatal crashes as the Island recorded this year's tenth road fatality in early June. To address this issue, the vast majority of residents believe that greater police presence would have a positive impact on reducing the number of accidents that result in serious injury or fatalities. Specifically, one-half of residents think that greater police presence would have a **significant impact** (50%) and an additional one-quarter think it would have **moderate impact** (28%).
- **Traffic Congestion.** Coupled with road safety, residents also believe that traffic congestion is a serious issue on the Island. The vast majority of residents believe that traffic congestion is either a **very** (49%) or **somewhat serious** (42%) problem in Bermuda. Those most likely to consider traffic congestion to be a very serious issue include less affluent residents, female residents, older residents, and Bermudians.

In order to reduce the volume of traffic on Island roads, residents were asked their opinion about four potential initiatives that could be enacted to assist in reducing the Island's traffic congestion.

Currently, residents believe that introducing **school buses for both public and private schools** (79%) would have the most positive impact on traffic reduction. Closely following this idea, support is also strong for placing **further reductions on the size and number of cars** on Island to reduce traffic congestion (76%). Of the remaining two tested initiatives, most residents (70%) also believe that offering **free public transit** to residents will have significant or moderate impact on reducing traffic on Island. Compared with the first three concepts, residents are less likely to believe that **car**

**pooling initiatives** will have as notable an impact on the Island (57%).

## Economic Mood

- Consumer Confidence.** Consumer confidence has reached the second lowest point recorded in the past ten years, with the lowest level recorded after the U.S. terrorist attacks in September 2001. Related to this steadily declining confidence, the Government recently released figures that indicated the Island's inflation rate is at an all-time high. As confidence is directly associated with both the Island's and residents' current and future economic outlook, it is not surprising that confidence has fallen steadily in the past six months. The Consumer Confidence Index (CCI) stands at 75 this quarter (down from 88 three months ago and 98 in June 2007).
- Bermuda Economy.** As Bermuda's economy continues to be impacted by the U.S. and global shifts, residents are beginning to express concern over the current state of the Island's economy and of their own economic future. Marking a significant shift in perceptions about Bermuda's economy, results this quarter show the largest percent of residents stating the economy is **worse** compared with last year (47%, up 17 points from last quarter). Only four-in-ten (40%, down 15 points) residents believe the **economy is about the same**, while a handful (11%, down 2 points) think the economy is now **better** than it was this time last year.
- There is little anticipated improvement in the economy in the next year as the majority of residents believe the Island's economy will continue to **worsen** (55%, up 19 points) over the coming year. One-third of residents (34%, down 4 points) believe the economy will **remain the same**, while less than one-in-ten (8%, down 14 points) think Bermuda's economy will **improve**.
- Household Finance.** Most residents think their standard of living has remained **the same over the past year** (62%, up 4 points from March). The remainder of residents are equally likely to believe that their own well-being has **improved** (17%, down 10 points) as they are to believe that it has **declined** (18%, up 4 points).
- As seen during previous economic slowdowns, the impact appears to be less severe on resident's personal outlook. Currently one-half (49%, down 1 point) of residents anticipate their personal well-being to remain the same in the coming year. Although fewer residents now think their household's well-being will **improve** (26%, down 8 points), the increase in the proportion of residents that think their well-being will **worsen** is minimal (21%, up 8 points).
- Purchase Conditions.** Given the limited changes in residents' household economic well-being, there has been little shift in perceptions required to purchase a major item. Currently one-in-ten residents (13%, down 5 points from March) think conditions are **better** while one-half (49%, down 2 points) think purchase conditions **are unchanged** from one year ago. Only one-third of residents (31%, up 5 points) believe that buying conditions are **worse**.

## Consumer and Lifestyle Trends

- **“Best” Bank.** When asked which bank, if any, is the best in Bermuda, residents are equally likely to identify HSBC/Bank of Bermuda (37%) and Butterfield Bank (34%). Capital G was identified as the best bank by only a handful of residents (6%). It should be noted that one-quarter (22%) of residents are unable to identify a specific bank as “the best” bank. As may be expected, residents are most likely to identify the bank where they do the majority of their household banking as the “best” bank.
- **Internet Usage.** The vast majority of households have Internet access in their home as penetration remains constant at eight-in-ten households (82%). Further expanding Bermuda Omnibus’s new series focused on the “best” of Bermuda, Internet users were asked to identify Bermuda’s best website. Although a notable percentage of Internet users (43%) were unable to identify a single website, **e-moo.com** (17%) was the site identified most often. Other sites mentioned include Bermuda.com (5%), bermynet.com (5%), weather.bm (4%), and royalgazette.com (3%).

## Government and Politics

- **Government Performance.** Satisfaction with the performance of the Government led by Dr. Ewart Brown has declined notably in the quarter, showing a notable decline from the slight increase during the first quarter of this year. Currently residents are more likely to be dissatisfied with the Government than satisfied. Fewer than one-half of residents (45%, down 11 points) express some level of satisfaction with the Government led by Premier Dr. Ewart Brown. Conversely, one-half (49%, up 9 points) of residents are either completely or mostly dissatisfied with the Government.