

PRESS RELEASE

Slim Majority (52%) of Canadians Believe Recession is Coming Within a Year

While Most Canadians (77%) Agree that Balancing Federal Budget is Important, they're Split on Whether Balancing the Budget (31%), Tax Cuts (36%) or Increasing Spending (33%) Is the Top Priority

Toronto, ON, October 10, 2019 — The future of the Canadian economy is uncertain, with a slim majority (52%) of Canadians agreeing (10% strongly/42% somewhat) that Canada will enter into a recession in the next year. Conversely, nearly half (48%) disagree (5% strongly/43% somewhat), according to a new Ipsos poll conducted on behalf of Global News. Green (60%) and Conservative (58%) voters are most inclined to believe that Canada is headed for a recession, followed by NDP (53%), Bloc (43%) and Liberal voters (42%).

Canadians are also split on whether they agree (51% -- 5% strongly/46% somewhat) or disagree (49% -- 10% strongly/39% somewhat) that Canada is well positioned to weather a recession. They're even less certain of their own ability to manage, with only 46% agreeing (8% strongly/36% somewhat) that they are personally well positioned to weather a recession, while a majority (54%) disagree (19% strongly/35% somewhat) that they're ready.

Balancing Budget Important, But No Consensus on Whether It's the Top Priority

Most (77%) Canadians agree (27% strongly/51% somewhat) that it is important to them that the next government balance the federal budget and not run a deficit. In fact, a majority of voters for every party agree, but to varying degrees, including Tory (87%), Bloc (87%), NDP (73%), Green (71%) and Liberal voters (66%).

However, when it comes to prioritizing a balanced budget over other options, Canadians aren't closely aligned:

- One in three (31%) say **balancing the budget is top priority**, even if it means spending cuts or tax increases.
- Another third (36%) say that **lower taxes are the priority**, even if it means continued budget deficits or spending cuts.
- The final third (33%) say that **investing in government programs** is the priority, even if it means no tax cuts or continued budget deficits.

While Conservative voters generally prefer balanced budgets (45%) and tax cuts (40%) over increased investments in government programs (15%), Liberal voters prefer increased spending (52%) over lower taxes (28%) and balanced budgets (20%). NDP voters are similar in preferring increased spending on programs (47%) to lower taxes (29%) or balancing the budget (24%).

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Canadians Lukewarm on the Economy; Majority (55%) Negative about their Ability to Save for Retirement or Emergencies

While a slim majority think the national (57%) or their provincial (58%) economy is in good shape, they're less positive about their ability to save for the future. Just 45% say their ability to save for retirement or an emergency is good. The chart below shows the percentage of Canadians who rate each of the following as excellent/good or terrible/poor.

	% excellent/good	% terrible/poor
The national economy of Canada	57% (3%/53%)	43% (5%/39%)
The economy within your province	58% (4%/54%)	42% (6%/35%)
Your personal financial situation	59% (7%/52%)	41% (10%/31%)
Your ability to afford the basics, like housing, transportation, food and clothing	63% (11%/51%)	37% (8%/29%)
Your job security (among working Canadians)	76% (17%/59%)	24% (4%/20%)
Your ability to save for retirement or an emergency	45% (8%/37%)	55% (18%/37%)

There are significant differences when it comes to the assessment of one's own provincial economy. Those in Quebec (75%) are the most likely to give their province's economy a positive rating, followed by those in BC (63%), Ontario (60%), Saskatchewan and Manitoba (55%), Atlantic Canada (40%) and, finally, Alberta (27%).

Differences also exist by gender: men are more likely than women to positively rate their provincial economy (62% men vs. 55% women), their own personal financial situation (63% men vs. 56% women), and their ability to save (49% women vs. 41% men).

On Balance, Canadians Lean Pessimistic for the Next Year

Looking at the next year, Canadians are more likely to believe that the national economy (16% improve vs. 22% worsen), their ability to save (15% improve vs. 22% worsen), and general levels of affordability (17% improve vs. 19% worsen) will deteriorate rather than improve. The chart below outlines Canadians forecast for the next year.

	% improve	% stay the same	% worsen
The national economy of Canada	16%	62%	22%
The economy within your province	15%	63%	21%
Your personal financial situation	22%	61%	17%
Your ability to afford the basics, like housing, transportation, food and clothing	17%	65%	19%
Your job security (among working Canadians)	15%	72%	13%
Your ability to save for retirement or an emergency	15%	63%	22%

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On balance, Ontarians are most pessimistic when it comes to their local economy (net score: improve – worsen = net score of -15), followed by British Columbians (-8), Saskatchewan and Manitoba (-7), and Atlantic Canada (-7). Albertans are equally positive as negative (net score = 0), while Quebecers are more optimistic on balance (+6).

Reflecting on the future of their own personal situation, Albertans are most positive for the future (net score +14), followed by those in Quebec (+8), Ontario (+4), British Columbia (+2) and Saskatchewan and Manitoba (+1). Only Atlantic Canadians are net pessimistic (-5) about their own future. By age, those aged 18-34 are most optimistic (net score +20), followed by those aged 35-54 (+5). Boomers are net pessimistic (-5).

These are some of the findings of an Ipsos poll conducted between October 4 to 7, on behalf of Global News. For this survey, a sample of n = 1502 Canadians aged 18+ was interviewed online via the Ipsos I-Say panel and non-panel sources. Respondents earn a nominal incentive for their participation. Quotas and weighting were employed to balance demographics to ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe (weighting efficiency = 62.6%). The precision of Ipsos polls which include non-probability sampling is measured using a credibility interval. In this case, the poll is accurate to within ± 2.9 percentage points, 19 times out of 20, had all Canadians been polled. The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error. Ipsos abides by the disclosure standards established by the CRIC, found here: <https://canadianresearchinsightscouncil.ca/standards/>

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<https://ipsosintelligence.ca/canadiancontext/>



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For more information on this news release, please contact:

Darrell Bricker, PhD
CEO, Ipsos Global Public Affairs
416-324-2002
Darrell.Bricker@ipsos.com

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