

IPSOS CANADA: 2025 REVIEW & 2026 OUTLOOK

From Elbows Up to Elbow Grease.

Canada begins to tackle the economic challenges posed by President Trump.



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From "Elbows Up" To Elbow Grease Canada Looks To Address Its Economic Challenges

Donald Trump has been a key figure in 2025, but the more influential driver of Canadian public opinion has been the decade-long decline in economic sentiment.

2025 unfolded in two acts. The first dominated by Trump's annexation threats and the second focused on Prime Minister Carney's calm pivot to economic growth initiatives.

We have gone from "elbows up" in a defensive stance against Trump to an "elbow grease" approach focused on strengthening Canada's economy.

For 2026, expect continued economic challenges with personal financial concerns persisting for many Canadians. While there are stark differences between generations, income and regions, all Canadians want a return to affordability and a path to economic opportunity.

At Ipsos, we are optimistic about current public support for change and the closer alignment between government actions and public sentiment. At the same time, we expect progress to be slow and uneven, and we are not sure if Canadians can afford to be patient and wait for the best laid plans to increase their personal prospects.

As 2026 approaches we are committed to helping all organizations understand the evolution of Canadian opinion, and we will continue to help our clients answer the question "what is next?", and to meet the challenges ahead.

All the best for 2026.



Mike.Colledge@ipsos.com

Executive Insights &
Sustainability Lead,
Ipsos Canada



Cynthia.Pachovski@ipsos.com

Chief Executive Officer,
Ipsos Canada

Overview

From a Canadian perspective, Donald J. Trump may very well be the man of the year for 2025. Not due to his favourability, but rather because he has been a central character in the Canadian political and economic drama ever since former Prime Minister Justin Trudeau dined at Mar-a-Lago in December of 2024. Since then, the President has threatened Canadian sovereignty, created economic uncertainty with his on again, off again, on again tariffs and delivered some stern messages about what he perceives to be a weak Canadian border and insufficient spending on national defense.

But Trump is not the maker of Canadian public opinion. The seeds for many of today's opinions were cast over a decade ago when economic sentiment started to decline. Canadians' response to his annexation threats and tariffs, [recent shifts in consumer behaviour](#), and the country's growing generational divisions are all connected to the decline in Canadians' prospects for prosperity.

Today, the primary lens through which Canadians view the world has become their personal financial

situation, forged by years of mounting economic uncertainty and affordability concerns.

It is cold comfort, but Canadians aren't alone in our economic worries. In October 2025, 37% of global citizens in Ipsos' [What Worries the World survey](#) rated their economy as "good". Canada (at 32%) falls below the global average. Among the countries who rank their economy higher than Canadians rank Canada are the United States (41%) and Australia (50%). Great Britain (27%) is also struggling alongside Canada.

Let's start where we finished 2024.

Last year we summed up our [year end commentary](#) suggesting that 2025 would be a period of transition rather than resolution. We noted that there was little evidence of "aspiration" in late 2024 public opinion. We cautioned that if 2024 felt disruptive, it was merely a preview of what was to come. The economic, social, and political challenges were not fading; they were set to intensify in 2025. And in a nod to the influence of President Trump we wrote *"the 2025 'contextual punch' for Canada may well have already been delivered by the US electorate"*.





Canada in 2025: A Sovereignty-Through-Growth Strategy.

There has been a recent tendency among Canadians to blame Trump for everything that ails us. However, the economic angst that Canadians are feeling today, with 6 in 10 agreeing Canada is going into a recession, has been well over a decade in the making.

While Canadians may feel together in their opposition to becoming the 51st State, they do not stand together from an economic perspective. Boomers and higher income Canadians appear to be largely sheltered from most of the economic disruption. Today, Canadians between the ages of 18 to 34 years old are four times more likely to be concerned about unemployment than those over 55 years old. In a sign of the shifting views of generations, older Canadians in 2010 were twice as likely as younger Canadians to be concerned about unemployment.

In the wake of a ground-breaking and possibly bank-breaking Federal Budget, a paradox has emerged. It appears Canadians want to move forward to reclaim a past they remember: a Canada that was affordable, where economic progress felt possible and whose future was optimistic.

The nation supports efforts to invest in national

projects, diversify our trade, and increase spending on national defense, all in the name of strengthening Canada's economy. [They even support running deficits and increasing Canada's debt load](#) – at least for now.

Time will tell if the support holds or if it fades under the weight of regional conflicts, Not-In-My-Backyard-ism and the patience of Canadians – whose support is tempered, not by their political affiliation but by the size of their bank account.

2025 Act One: "Trump Changed Everything."

That may well have been the title of this piece if the year had ended on June 1st, 2025.

By mid-May, with Trump's "Liberation Day" and the Canadian election concluded, and the President's focus turning elsewhere, his stranglehold on the Canadian psyche had begun to loosen. Prior to that, Trump had dominated the Canadian public environment. It was not just the news media and podcasts focusing on his pronouncements, it was all Trump, all the time, in our workplaces, our kitchens, and during our Federal Election. 'Elbows Up' became an anti-US rallying cry, an election platform, and a common way for Canadians to connote our renewed pride and our displeasure with President Trump.

Trump's musing that Canada would make for a nice 51st State scared Canadians as much as it angered us. Beyond the perceived lack of respect, Canadians knew that a weak economy, less than adequate civil and social infrastructure and low social cohesion (across regions and generations) made us vulnerable to his suggestion.

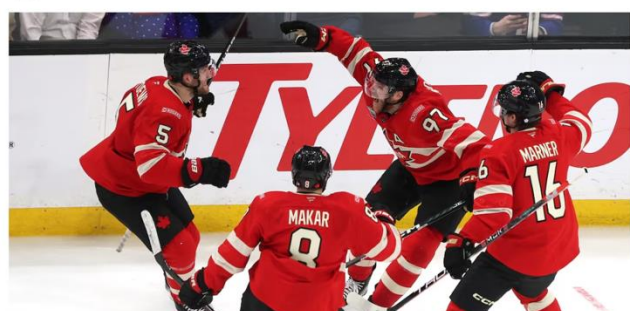
We had long taken US benevolence for granted, and this combined with our "Canada is back" mythology, trumped our economic frustrations. Canadian pride had been in decline long before 2025, eroded by the decay of the very programs, policies, and promises—from healthcare and immigration to the dream of home ownership—that once formed the core of our national identity.

Trump not only made the 4 Nations Hockey tournament a matter of Canadian pride; his very presence flipped the 2025 Election; from a long-expected slam dunk for Pierre Poilievre's Conservatives to a tight win for the newly led Mark Carney Liberal Party.

McDavid snaps overtime winner as Canada trumps United States in 4 Nations Face-Off final

'This was a win for 40-plus million people,' says Canadian coach Jon Cooper

Joshua Clipperton - The Canadian Press - Posted: Feb 20, 2025 11:29 PM EST | Last Updated: February 21



The 4 Nations Face-Off hockey tournament was an NHL experiment to evaluate fan interest in midseason exhibition events. It was a tournament for nothing, an alternative to an All-Star game. But with Trump's endorsement of Canada's statehood in our ears, it became proof that Canada could play and win with our "elbows up." Its outsized importance resulted in over six million Canadians tuning into the exhibition game.

While the issue of affordability was the dominant issue of the election, Donald Trump's presence was a powerful undercurrent. His unpredictable nature acted as a significant motivator, driving many voters—especially older Canadians—to seek the stability offered by Mr. Carney.

In short, Canada's weaknesses made us much more vulnerable to Trump's annexation overtures. And while we leaned heavily on the "Elbows Up" narrative of defiance, the views of younger Canadians suggested a crack in that consensus. Their surprising openness to the President's overtures forced an uncomfortable question into the open:

Why shouldn't Canada just become part of the United States?

Canadians recognized the need to act fast to re-assert our Canadianess. Prime Minister Carney responded by setting ambitious deadlines for Inter Provincial Free Trade (July 1, 2025) and a Canada-US deal (August 1, 2025). But these deadlines passed, and the year did not end at the mid-way point.

Act Two: "There is Work to Do and It Will Take Time"

That could be the title of this piece if we only looked at the period from June 1st, to when the Federal Government's Budget was released on November 4th.

Mr. Carney's focus is a clear departure from his predecessor's. No longer are we working under an assumption that the Canadian economy is one of abundance, where the primary goal is to share it more evenly. No longer do we believe that increased immigration will boost the economy. (In fact, the Federal Budget laid out the Government's plan to slow immigration as a means of lowering the demand on homes and the strain on services.) No longer do we believe that we should have carbon reducing initiatives even if they come at the expense of economic growth.

Prime Minister Carney, with President Trump in the shadows, has chosen a very different path. He has laid out a vision where Canada is not a land of current abundance, but of immense potential. This potential, however, is contingent on two conditions: policies to grow the economic pie (a concerted effort to increase investment and expand trade outside of the US) and the patience of Canadians to accept that sacrifice must precede success.

It is hoped (by Canadians) and promised (by our Leaders) that eventually (to mix metaphors) this bigger pie will lift all boats and improve the prosperity of all Canadians.

President Trump may have sparked this change in views when he threatened Canadian independence, but the long-standing feelings of falling behind financially provided more than enough fuel for Prime Minister Carney to harness this sentiment and shift the Canadian agenda.

Mr. Carney has shifted from “Elbows Up” in the first half of 2025 to “elbow grease” in the second half of the year. He seems to be on a personal mission to shift Canada from an economic laggard to an economic leader that can compete and win. His is an economy first, get the fundamentals right, and focus on the future agenda that aligns with the [current views of Canadians](#).

However, getting to a Canada where everything from houses to groceries is more affordable may demand more time than many Canadians can afford.

A [Statistics Canada report](#) has noted that “Real GDP per capita in Canada has declined and is currently near 2017 levels ... equating to a decline of about \$4,200 per person per year. To return to Canada’s pre-pandemic trend over the next decade, GDP per capita would need to grow at an average annual rate of 1.7%. Per capita growth of this magnitude is ambitious and a marked departure from recent trends.”

67% ▼-9
Agree

2019: 76% Agree

I feel very proud of my country.

Even with the Trump influenced rebound in patriotism, Canadian pride has not returned to pre-pandemic levels.

76% ▲+3
Agree

2019: 73% Agree

I prefer to buy products from this country rather than products from abroad.

For all the talk of Trump shifting the views of Canadians, domestic purchase desires are largely stable vs pre-pandemic.

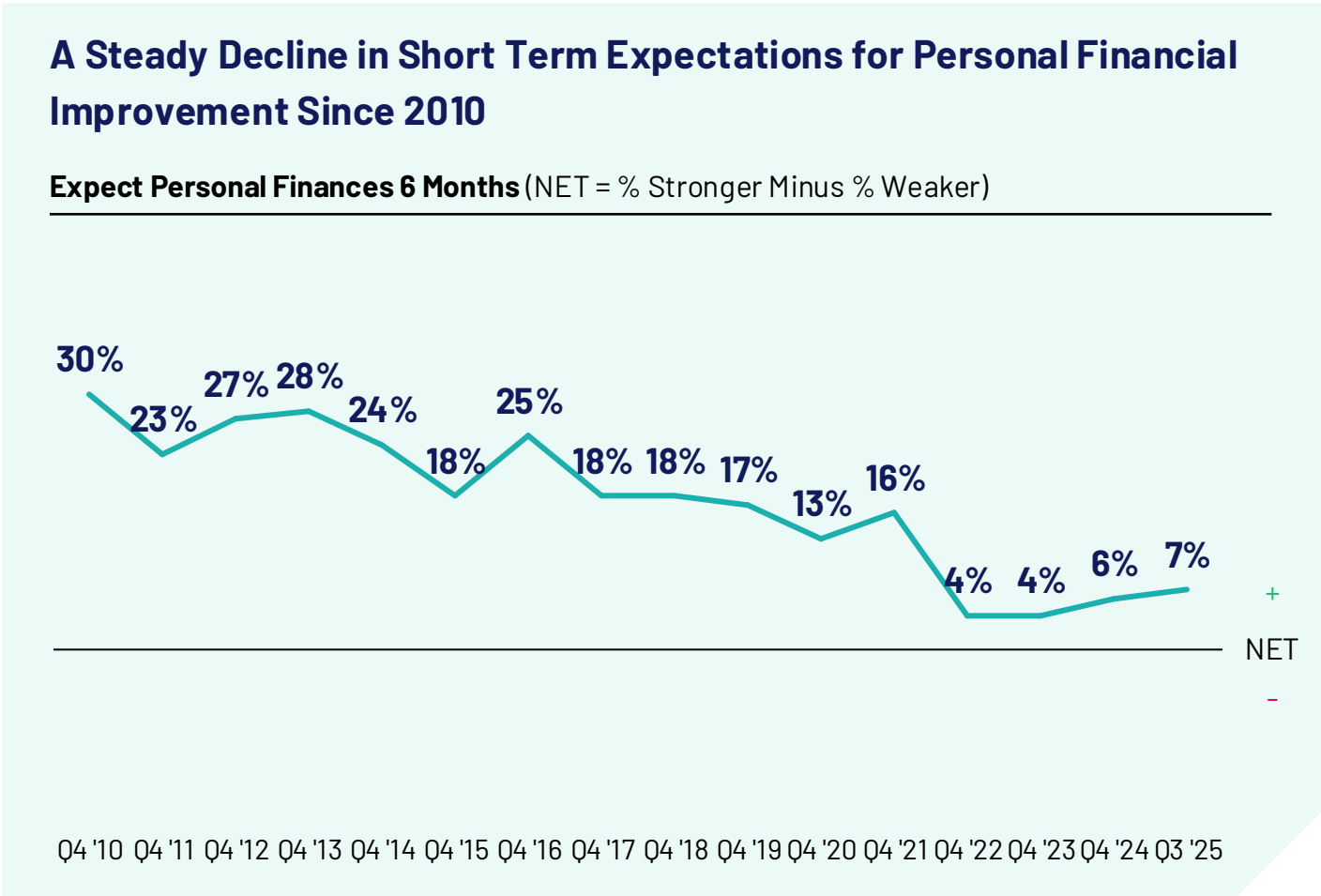
From a public opinion perspective, we have seen an even longer decline in sentiment. One that runs back as far as Q4 of 2010. Every month we ask Canadians whether they believe their economic prospects will be stronger or weaker in next 6 months. The net 15 years ago in Q3 was +30%, that is 30% more Canadians said their prospects were more likely to be stronger than weaker. By Q3 of 2025 only +7% of Canadians feel this way.

President Trump did not create the economic despair that Canadians are feeling. However, he seems to have stripped the wool (toque) from our eyes and injected a sense of urgency into Canadians.

Pre-Trump 2.0 there had been an almost benign acceptance among Canadians that both the Nation's and our own personal economic fate were not great, but about what we should expect. Trump changed this, and [we no longer appear willing to accept that fate](#).

More importantly, Trump pushed Canadian leaders into action. Prior to 2025 they seemed to be ignoring the declining sentiment of Canadians or used it as a wedge to achieve their political goals. In 2023 and 2024 Canadians worried about the post-Pandemic inflation and our leaders told us what we were experiencing was temporary. Were it not for Trump, much of what is now pointed to as progress toward long term prosperity (trade deals, national projects, inter-provincial cooperation, defense spending) may have remained merely plans on paper.

Will Carney and Canada succeed with this new approach? Can Canadians afford to be patient? With a Liberal minority government, their patience is sure to be tested sooner rather than later.





What is in store for 2026?

Last year we noted that public sentiment was anything but aspirational. This year the mood is shifting. A confluence of factors – support for policy changes, a new Prime Minister, calmer conversations with our neighbours to the south and a closer alignment between public opinion and our leaders' actions, has created a more hopeful – but not yet positive – public environment.

We still expect 2026 to be a volatile, disruptive, and quick-to-change public opinion environment. The World Series Ronald Reagan ads showed just how quickly things can move from calm to chaos.

As we said last year "hold on to your hats" – there continue to be as many challenges as there are opportunities.

We have seen a slight rebound in economic sentiment – from terrible to bad – but most of this came in the Spring of 2025. Since then, Canadians have been in a wait and see mode, looking for positive signals in their bank account or at the checkout counter and less so in the words of politicians and business leaders.

We expect to see citizens and consumers take an increasingly short-term and personal view of the world. Whether they are making a purchase or evaluating a government action, their lens will be "what will it mean for me today?"

They will be looking for tangible proof that a path to their own economic prosperity truly exists. Of course, their personal economic situation, age, and where they live, will influence these views and levels of patience.

Leaders looking to connect with Canadians by focusing on improving national conditions will miss the mark. Regional issues (pipelines in Alberta, auto closures in Ontario), local crime statistics and affordability of the essentials, are the KPIs that Canadians will respond to.

What follows are the issues poised to impact Canadians, governments, and business in 2026 and beyond, ranked by their potential to disrupt the public opinion environment.

The Economy

There are no shortcuts to economic growth or improving consumer sentiment. The reality of 2026 may be far harsher with uncertainty being the only given. We face a genuine threat of a jobless economic recovery. One where AI and technology expand the economy without increasing employment. And even in a best-case scenario, one where macro-economic growth and job growth move hand in hand, it will take time for individual Canadians to feel a difference. Because of this lag, as more people join the “have nots” and purchasing power continues to decline, the “economy” will be less abstract and even more of a personal issue for Canadians. As we [reported](#) recently the issue of cost is not only limiting people’s purchasing decisions, it is also driving their outlook on social and political issues. Immigration and addressing climate change are two examples. Both were once strongly supported by a majority of Canadians, but this support is declining as Canadians now see these issues through the lens of their own affordability challenges. Looking ahead, it is likely that the

economic divide between generations will not only grow but will also cement itself as [one of the key drivers of social and political polarization](#).

Generations

Generational divisions – once rooted in economic experiences, will increasingly become connected to [our values and outlook on life](#).

Generations that felt economically threatened could at one time be addressed through targeted income support or a well-timed cheque mailed before an election. But closing today’s generational divisions (e.g., comfortable retirement, home ownership, finding an entry level job) will require structural changes – new policies and national projects that will inevitably take years, not months, to succeed.

A majority of Canada’s Boomers will be in retirement by 2030, and we will continue to see a changing of the guard to younger leaders. We expect these younger leaders to hold on to their generation’s priorities, possibly at the expense of others.



Healthcare for example may shift to a greater focus on prevention and mental health and delivery via technology; all at the expense of acute care, hospital care, and/or elder care; creating tension as older, wealthier Canadians look for ways to use their wealth to ensure their health.

This generational divide may prove to be disruptive to any progress. A Canada that is not seen to be working in the interest of both younger and older citizens will be under constant political and economic pressure to respond in different directions. A return to the days of younger Canadians “respecting their elders” and older Canadians saying “the youth are our future” will take time and a concerted effort to build dialogue and understanding.

Tech and AI

This may be the issue where the disconnect between leaders and the public is greatest. Private and public sector executives are leaning heavily on AI and technology to deliver efficiencies and growth. The public on the other hand are more tech and AI wary, worried about job loss, privacy loss, and their ability to keep up with the pace of change. From a generational perspective, AI adoption by younger Canadians will be a double-edged sword. It will give them advantages in the labour market, but it may also [decrease the number of entry level job opportunities](#).


Immigration

Canada has slowed the intake of newcomers from record levels. The reduction in foreign students will necessitate a restructuring of some post-secondary institutions. But the focus of most Canadians will be on overall immigrations levels as perceived challenges are related to lack of affordable housing, pressures on the health and education systems, the labour market etc. This could change for the worse if unemployment becomes a more significant issue.

Governments and business can go strategically silent on some issues, but they will eventually need to make their case for continued and increased

immigration to counter low population growth and spur economic growth.

63%  +19
Agree



2019: 44% Agree

There are too many immigrants in my country.

The shift in views on immigration had nothing to do with Trump and everything to do with the lack of any plans (housing, health, education) to accommodate the substantial increase in immigration levels.

HealthCare

Like the economy, the 2026 outlook for healthcare is not overly optimistic. Despite being a [top concern of Canadians and a public service that fewer than half of Canadians rate as being good or very good](#).

The most recent Federal Budget allotted \$5-billion over three years for a dedicated Health Infrastructure Fund to help modernize the ageing buildings. Beyond that the issue has received little federal attention and the provinces appear to be left to their own devices to shift the system to better service an ageing population and meet the emerging expectations of younger Canadians. Concern over healthcare has become systemic and provincial budgets and actions will not likely innovate fast enough or far enough to address the needs of Canadians.



Look for a greater private sector role and more technology to fill the vacuum. Chief among these new services should be mental health care. On this front, younger, tech-savvy Canadians may lead the way, and we could see a new services gap emerge with younger Canadians getting more out of the system than older Canadians. Conversely, the economic power of older Canadians could make healthcare one more aspect of Canada that young Canadians feel is not working for them. No matter how the future of healthcare unfolds it looks to be [more divisive than unifying](#).

Geopolitics

As Canada looks to diversify its trading partners and as Canadians look away from the US as a travel destination, look for the diversity of Canada's population to be reflected in our actions. The CUSMA and sectoral tariff negotiations will ensure that businesses operating in Canada and the media will remain US centric. But the push to grow Canada's non-US trade will mean that all of Canada will take more interest in the social and political news of other countries. Canada will not be alone in widening our global view. [There is a shift in how the world sees the US](#) and all countries will be taking a more global perspective.

Domestic Politics

Trump and trade may drive uncertainty globally but in Canada it will be the Provincial Governments and

we may see national unity on the agenda. Alberta wants to see progress on a pipeline through British Columbia (so far against its will) to tidewater. Ontario won't rest until the future of the auto sector is secured. There will be a provincial election in Quebec in October of 2026 and current polling shows the separatist Parti Quebecois likely to win a majority and committed to holding a referendum on Quebec sovereignty.

There is potential for the provinces to collide, some threatening to leave and others looking for a better deal all while Donald Trump continues to muse about Canada becoming the 51st state.

Finally, the views of Canada's Indigenous peoples will ripple through 2026. If they are not a true partner in the progress, their views and demands around the national projects designed to diversify the Canadian economy have the potential to make progress more difficult and the outcomes less certain.

Crime

Most crime flows from economic despair. And while crime is usually a local issue (it manifests where policing touches people and where local stories make the headlines) it seems likely to grow as a national concern. Therefore, look for pressure to ramp up on the Federal Government to act.

71% ▼-5
Agree



2019: 76% Agree

We are heading for environmental disaster unless we change our habits quickly.

While still a majority who agree, the pressure to make it a country or government's primary mandate, has softened since the pandemic.

83% ▼-1
Agree



2019: 84% Agree

It is possible for a brand to support a good cause and make money at the same time.

The discussion around sustainability may be muted but at its core Canadians still believe that good corporate citizenship and business success can co-exist.

Environment

A disconnect will define climate action in 2026. While a majority of Canadians (71%) believe we are heading toward environmental disaster, the issue has been pushed to the back burner, with public and political urgency for action declining in the face of more immediate concerns.

Forest fires are becoming annual events and governments will be impacted politically by which populations experience those hazy, smoky summer days.

Severe weather will continue to impact the insurance and banking sectors. From a government perspective, severe storm damage results in unplanned costs, from re-building and repairing the damage to assigning blame to those who did not take the necessary steps to limit the damage. Unplanned costs and blame are two things that derail government plans. It is safe to say in the current economic climate we will hear less about preventing global warming and more about who will and how to pay for it after the fact.

What's Your Plan for 2026?

Last year we felt 2025 would be the first truly post-pandemic year. By that we meant the economic and social shadow cast by the pandemic would largely be behind us and we would be focusing forward.

2026 feels a bit like a new beginning to an old story. The narrative of economic decline is familiar, but what is new is the realization that Canada can no longer ignore its challenges – from productivity and trade to security, immigration and health – if we want to move forward. This 'awakening' is both daunting and refreshing. We can at least thank President Trump for helping us admit we had some problems to deal with.

Canada and Canadians are on the move. Progress will not be linear. There will be hits and misses in 2026. This will be true for governments, businesses and individuals.

The tone from the start of the year has shifted from aggressive and elbows up to calculated and cautious but not yet optimistic. We expect more slow progress in 2026.



Ipsos Foresight

In the complex environment we have just outlined, success demands more than data; it demands clarity. At Ipsos, this is our core mission. We pair decades of unparalleled consumer and citizen data with proprietary AI, all harnessed by the industry's most talented teams. We do not just provide information; we deliver foresight.

It is why our first question to ourselves in any engagement is, "What do we already know that can help?"

In 2026, as in every year before, that starting point is our unwavering commitment to ensuring you are not just reacting to the present (or the President) but are ready for what comes next.

Contacts



Mike Colledge

Executive Insights &
Sustainability Lead,
Ipsos Canada

Mike.Colledge@ipsos.com



Cynthia Pachovski

Chief Executive Officer,
Ipsos Canada

Cynthia.Pachovski@ipsos.com

THANK YOU