

CANADIANS LOOK TO THE GOVERNMENT TO COMBAT RECESSION

Three-Quarters of Canadians Believe that Special Measures are Required by the Federal Government to Deal with the Economic Downturn (78%) and that the Government Should Introduce a New Infrastructure Program to Create Jobs (74%)

However, Not at the Expense of a Deficit (43%), Increased Taxes (37%) or Cuts to Healthcare or Education (18%)

*Also, Most Expect the Economic Slowdown to be Short (52%)
And to Not Affect them Personally (46%)*

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Also, Most Expect the Economic Slowdown to be Short (52%) And to Not Effect them Personally (46%)

Toronto, ONTARIO – According to an Ipsos-Reid/Globe and Mail/CTV poll released today, Canadians appear to be looking toward the Federal Government for leadership in these uncertain economic times. Three-quarters (78%) of Canadians agree that special measures are urgently required by the federal government to deal with the on-coming economic recession and an equivalent number (74%) look to the national government to help create jobs through a new infrastructure program.

While Canadians look toward the federal government for economic leadership, they continue to fear a federal budget deficit. In fact, only four-in-ten (43%) agree that given the economic slowdown, it would be acceptable for the federal government to return to a deficit position. As well, just over one-third (37%) agree that they would rather see an increase in personal income taxes than to have a federal budget deficit.

On a related note, less than two-in-ten (18%) feel that it would be acceptable to cut into health and education spending in order to pay for new security programs to deal with terrorism.

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A majority (52%) of Canadians expect that the current economic slowdown will be relatively short and things will bounce back pretty quickly. This optimism is also reflected by the just under half (46%) of Canadians who do not expect the current downturn to have much of an impact on them personally.

This caution toward government spending is also exhibited by Canadian's response to the federal government's investment in the future economy through spending on research and development and on the expansion of the Internet into all communities. Six-in-ten (62%) say that the government should wait until the economy bounces back so there is money to pay for these initiatives rather than continuing to make investments in these areas if it means a small deficit (37%).

These are the findings of an Ipsos-Reid/Globe and Mail/CTV poll conducted between October 30th and November 1st, 2001. The poll is based on a randomly selected sample of 1,001 adult Canadians. With a sample of this size, the results are considered accurate to within ± 3.1 percentage points, 19 times out of 20, of what they would have been had the entire adult Canadian population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted to ensure the sample's regional and age/sex composition reflects that of the actual Canadian population according to the 1996 Census data.

Three-quarters (78%) of Canadians agree that special measures are urgently required by the federal government to deal with the on-coming economic recession.

- Canadians with a high school education (87%) are more likely than those with less than high school (79%), post-secondary education (78%) or a university degree (70%) to feel that urgent measures are need by the federal government to deal with the recession.



- Canadians from the lowest household income group (86%) are more likely than those from middle income households (77%) to feel urgent measures are required, while those from the highest household income group (73%) are less likely to believe this to be the case.
- Residents of Quebec (85%) are more likely to feel that special measures are required by the federal government, followed by those in British Columbia (80%), Atlantic Canada (78%), and Ontario (75%) while those in Saskatchewan/Manitoba (72%) and Alberta (71%) are the least likely to see this need.
- Those 55 years of age and older (81%) and those aged 18 to 34 (79%) are more likely than those aged 35 to 54 (74%) to feel urgent action is required.
- Women (80%) are more likely than men (75%) to believe that action is required by the federal government.

An equivalent number (74%) look to the national government to help create jobs through a new infrastructure program.

- Quebecers (89%) are more likely than those in other regions to seek this type of job creation, while those in Saskatchewan /Manitoba (67%) and Alberta (50%) are least likely.
- Canadians from households with incomes of less than \$30,000 (86%) are more likely than those from households with incomes of \$30,000 to just under \$60,000 (73%) or more than \$60,000 (67%) to look for a new job creating infrastructure program.
- Those with a high school education (84%) and less than a high school education (83%) are more likely to expect this type of initiative, while those with a post secondary (76%) or a university degree (61%) are less likely.



- Younger (82%) Canadians are more likely than their older (71%) or middle aged (69%) counterparts to feel that the government should undertake a new infrastructure program.
- Women (77% versus 70% of men) feel that this type of program should be introduced.

While Canadians look toward the federal government for economic leadership, they continue to fear a federal budget deficit. In fact, four-in-ten (43%) agree that given the economic slowdown, it would be acceptable for the federal government to return to a deficit position.

- Those in Atlantic Canada (62%) are more likely to accept a budget deficit, while those in Quebec (34%) and Alberta (32%) are less likely to accept a budget deficit in an economic slowdown.
- Younger (53%) Canadians are more likely to be accepting of a federal deficit than middle aged (41%) or older (35%) Canadians.
- Women (48% versus 38% of men) would accept a deficit in an economic slowdown.
- Those with a high school education (48%) and those with a post-secondary education (46%) are more likely to accept this idea, than those with less than a high school education (39%) or those with a university degree (39%).
- Canadians in the lowest household income bracket (47%) and middle income bracket (45%) are more likely to find a budget deficit acceptable compared to those in the highest bracket (37%).

As well, just over one-third (37%) agree that they would rather see an increase in personal income taxes than to have a federal budget deficit.



- Regionally, acceptance of increased income taxes rather than a deficit, is strongest among those in Ontario (43%), Atlantic Canada (38%), and Saskatchewan/Manitoba (38%). Followed by British Columbia (34%), Alberta (33%) and Quebec (31%).

On a related note, less than two-in-ten (18%) feel that it would be acceptable to cut into health and education spending in order to pay for new security programs to deal with terrorism. In fact, six-in-ten (60%) strongly disagree with this idea.

- Acceptance of this idea is strongest in Alberta (25%). Followed by Saskatchewan/Manitoba (22%), Atlantic Canada (21%) and British Columbia (20%). Residents of Ontario (16%) and Quebec (13%) are least likely to accept this proposal.
- Canadians with less than a high school education (21%), those with a post-secondary education below a university degree (20%) and those with a high school education (18%) are more likely to accept cuts to health and education spending to pay for new security programs, than those with a university degree (13%).

A majority (52%) of Canadians expect that the current economic slowdown will be relatively short and things will improve quickly.

- This view is more likely held by those in Atlantic Canada (62%), followed by Alberta (55%), Saskatchewan/Manitoba (53%), Ontario (55%). Those in Quebec (50%) and British Columbia (42%) are less likely to hold this view.
- Younger (57%) Canadians are more likely to hold this view than middle aged (51%) or older (48%) Canadians.
- Canadians in the middle household income bracket (55%) and higher income bracket (54%) are more likely to be optimistic than those in the lower (43%) income group.



- Men (55%) are more likely to feel that the downturn will be relatively short than women (49%).

This optimism is also reflected by just under half (46%) of Canadians who do not expect the current downturn to have much of an impact on them personally.

- Men (52% versus 40% of women) are more likely to believe that they will not be impacted by the current downturn.
- Canadians with a university degree (51%) and those with a high school education (49%) are more likely than those with less than high school (44%) or a post-secondary education (41%) to be optimistic for their personal economic situation.

This caution toward government spending is also exhibited by Canadian's response to the federal government's investment in the future economy through spending on research and development and on the expansion of the Internet into all communities. Six-in-ten (62%) say that the government should wait until the economy bounces back so there is money to pay for these initiatives rather than continuing to make investments in these areas if it means a small deficit (37%).

- Regionally, this view is strongest among those in Quebec (71%). Followed by Alberta (65%), Saskatchewan/Manitoba (62%) and Ontario (59%). This compares to those in British Columbia (56%) and Atlantic Canada (52%).
- Canadians with less than high school (68%) and a high school (67%) education are more likely than those with post-secondary (63%) or a university degree (53%) to say that the government should wait until the economy improves before investing in projects for the future economy.



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- Women (66%) are more likely than men (57%) to express this view.
- Canadians 55 and older (65%) and 35 to 54 (65%) are more likely than younger Canadians, aged 18 to 34 (55%) to feel cautious regarding government investment in the future economy.

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