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**CANADIAN TRADE AND
ADJUSTMENT STUDY**

Report On The National Survey

67848-700

Submitted to: Employment and Immigration Canada
External Affairs and International Trade

Submitted by: Angus Reid Group, Inc.

APRIL, 1992

Dept. of Foreign Affairs
Min. des Affaires étrangères

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1.0 EXECUTIVE SUMMARY

Economic Outlook

- Expectations about the short-term future of the economy continue to worsen. This pessimism is being driven by anxiety about unemployment.
- Less than one-in-five think the federal government is doing a good job of managing Canada's economy. Provincial governments fare somewhat better on this issue, but all garner less than majority approval.
- Canadians believe the free trade agreement with the U.S. and the GST (i.e. specific government initiatives) are driving the current recession. The reason selected third most often is global economic conditions.

Competitiveness

- Awareness of the competitiveness issue has rebounded to the level recorded in the late summer (56%).
- A growing majority believe Canada is falling behind its international competitors and is not competing as well as it should be.
- Canadians without fail accept that the only way to preserve our standard of living is through trading competitively in the global marketplace.
- Only a minority (down from the majorities recorded previously) now believe the federal government is committed to making Canada internationally competitive.
- Most Canadians believe that Canadian businesses must take more responsibility for competitiveness by investing in research and employee retraining.
- A strong majority agree that to ensure that Canada's standard of social programs is maintained, Canada's economy must be more competitive.
- There is rising support for protectionism. Almost half agree that the government should take action to protect Canadian business and industry by limiting the amount of foreign goods sold here, even if it means that Canadians will pay more for their products.

- A fear persists among half the population that when the government talks about Canada becoming more competitive, they really mean that a lot of Canadians will lose their jobs.
- There is increasing acceptance that the government is committed to providing retraining opportunities to Canadians affected by changing market conditions.
- Fewer than one-in-five believe the Canadian government is adequately preparing Canadians for international competitiveness.
- A majority believe that the best way to ensure Canada is competitive in the international marketplace (even with the challenge of low-wage competitors) is to provide our workers with stronger job skills through training.

General Trade Issues

- A majority of Canadians believe that Canada is a net importer of goods and services (i.e. we import more than we export). If Canada works to reverse the perceived trade deficit, majorities believe that both average Canadians and Canadian businesses will be better off.
- Increased foreign investment, even with the trade offs of job creation and technology transfer, remains controversial because it is believed to limit the control we have over our economy.
- A strong majority think that adjustment to free trade is the joint responsibility of employers, workers, unions, business associations, and all levels of government.
- In terms of the credibility of potential spokespersons on trade issues, majorities would find at least some of what was said by trade economists and other experts in international trade, business leaders, and the media trustworthy. The least credible spokespersons are federal government leaders, labour leaders, and interest groups opposed to the FTA.

GATT

- Nearly three-quarters of those surveyed have heard of the GATT, 52% have heard something recently. In terms of specific recall, the threat to farmers' marketing boards was cited by nearly half as what they had heard most recently. Importantly, most of those who recalled the threat to marketing boards regarded it as a negative outcome.

- Canadians are divided on the question of whether or not the federal government should sign the GATT.
- Most Canadians do not believe the GATT will benefit family farmers, or that more jobs will be created.
- A majority feel that GATT will hurt Canadian farmers because it threatens their marketing boards for chicken, eggs and milk. However, a majority also believe that GATT will help Canadian grain farmers because it opens up world markets for Canadian exports.
- Canadians are split on whether the GATT will be good for consumers because it lowers the price of chicken, eggs and milk. There is also division on whether the GATT will create jobs in the Canadian food processing sector.
- Less than a third think there will be an increase in the cost of prescription drugs for Canadian consumers if Canada signs the GATT.
- A strong majority would prefer an open approach to GATT negotiations, even if it exposes Canada's negotiating position to other countries.

NAFTA

- A strong majority believe the federal government must be involved in the NAFTA discussions to protect Canada's interests.
- Canadians are split on whether Canada's concerns will be reflected in the final NAFTA agreement.
- Less than a third of those surveyed agree with the view that a NAFTA won't make much difference to Canada because we don't have much trade with the Mexicans now, and this is unlikely to change under the trade deal.
- Support for NAFTA has crashed since September 1991. Currently, only 29% of those surveyed support a NAFTA. Opposition is driven mostly by the belief that cheaper Mexican labour will threaten Canadian jobs. In addition, there are doubts that Canada can compete with Mexico because of its lower wages, environmental and safety standards.

- Even though opposition to NAFTA is strong, several arguments (if credibly made) can build support for an agreement. Specifically,
 - If they could be convinced that an agreement with Mexico will help build the Mexican economy so that Mexican wages, environmental and safety standards will substantially improve over the longer term, 48% of the opponents would support a NAFTA.
 - If they believed that under a NAFTA more companies will invest in Canada, 44% of the opponents would support the agreement.
 - If the case can be made that a NAFTA would be good for Canada because it opens up a new market for Canadian exports, 40% of the opponents would change their minds and support the agreement.
 - If they thought that the NAFTA would clarify and improve the rules of the existing FTA, 40% of the opponents would become supporters.

FTA

- There is a strong desire for the federal government to vigorously confront the U.S. on trade disputes.
- A slim plurality agree with the argument that even without the FTA, most of the job losses and industrial restructuring that Canada is experiencing today would have occurred anyway because of changes in the global economy.
- Canadians are split on whether or not Canadian businesses are doing all they can to take advantage of opportunities available under the FTA.
- Support for the FTA has dropped to 37%. Importantly, there is a clear and strong correlation between support for the FTA and support for the federal government's overall management of the economy.
- Slightly better than half of those surveyed describe themselves as "informed" about the FTA.

- A strong majority believe the FTA has hurt Canada since it has been in force. However, more troubling is the continued belief that in the long-term the agreement will hurt Canada. The top four reasons volunteered by those who have switched from believing the FTA has long-term benefits, to believing that Canada will be harmed in the long-term are:
 - Relocation of businesses to the U.S.
 - The FTA only benefits the U.S.
 - Loss of jobs
 - U.S. too strong
- Three-quarters of those surveyed believe that Canada has **lost** more trade disputes since the FTA went into effect. Additionally, a majority believe that more jobs have been lost than gained since the FTA was signed.
- While most opinions of the FTA are negative, a majority support the general concept of freer trade with the U.S. In addition, half of those surveyed would **not** re-open the current agreement.
- All of the arguments tested for building support for the FTA appear to be effective (refer to Table 37 in the report for details on specific arguments).

Training Issues

- Canadians have divided opinions on who should have primary responsibility for economic adjustment, but the plurality believe it should be the federal government.
- Less than one-in-five are satisfied with the federal government's performance in adjustment assistance. The major reasons offered for dissatisfaction include a general sense that nothing is being done, a lack of specific job creation initiatives, and unpopular government policies.
- Part of the reason for many respondents believing the federal government is under-performing on adjustment issues appears to be a lack of awareness of developments in training and learning. Additionally, there is an over-riding view that both federal and provincial adjustment programs are inaccessible.
- The most appropriate focus for federal employment initiatives is seen to be long-term skills development (as opposed to short-term job creation).
- While controversial, a slim majority (55%) support using U.I. funds for training unemployed workers.

- There is overwhelming support for allowing welfare recipients to re-train while still receiving their welfare benefits.
- There is a strong belief that jobs lost during the recession will not come back. However, there is also a sense that jobs are going unfilled because of a lack of qualified candidates. The key to new employment opportunities for the unemployed is seen to be training.
- A strong majority believe the federal government should focus on creating the right climate for private sector job creation rather than creating jobs directly.
- A majority agree that many unemployed Canadians are illiterate.
- There is a general belief that there should be an expansion of the role of business/workers in training, accompanied by a less "monopolistic" role for government.
- Moving to find employment is acceptable; both as a focus for government policy, and as a personal response to unemployment.
- Targeting of training programs to assist disadvantaged groups is a controversial practice. A slim majority agree with special training initiatives for target group members.
- The federal government's performance in providing assistance to older workers looking for work is seen as inadequate.

2.0 METHODOLOGY

The data discussed in this report are based on a nation-wide telephone survey of 1509 randomly-selected Canadian adults. The survey was in field from March 10th to March 17th, 1992.

These data were statistically weighted to ensure the sample's age/sex composition reflects that of the actual Canadian population.

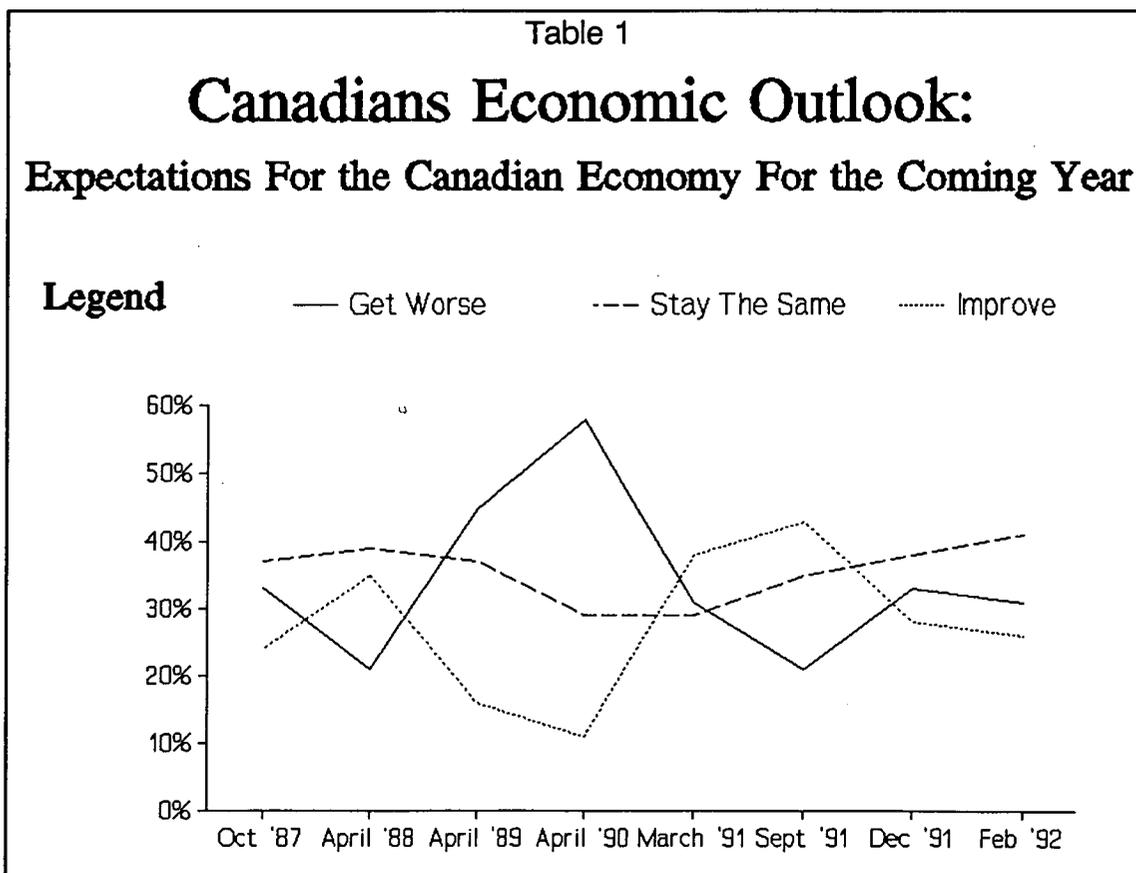
With a national sample of 1,509, one can say with 95 percent certainty that the results are within ± 2.5 percentage points of what they would have been had the entire adult Canadian population been surveyed. The margin of error will be larger within the regions and other sub-groupings of the survey population.

3.0 ECONOMIC OUTLOOK

Canadians' confidence about the short-term future of the economy continues to slide. As shown in Table 1, only one-in-four (26%, down 2% from December) believe the economy will improve over the next year. Regionally, the most pessimistic predictions come from the West (23% "will improve"), while Atlantic Canadians are the most optimistic (30% "will improve"). The greatest decline in confidence since our December survey has been in Québec ("will improve" 31%, down 10%).

Demographically, economic pessimism is most pronounced among the following subgroups:

- ▶ Women
- ▶ Less educated
- ▶ Francophones
- ▶ Lower income
- ▶ Service occupations

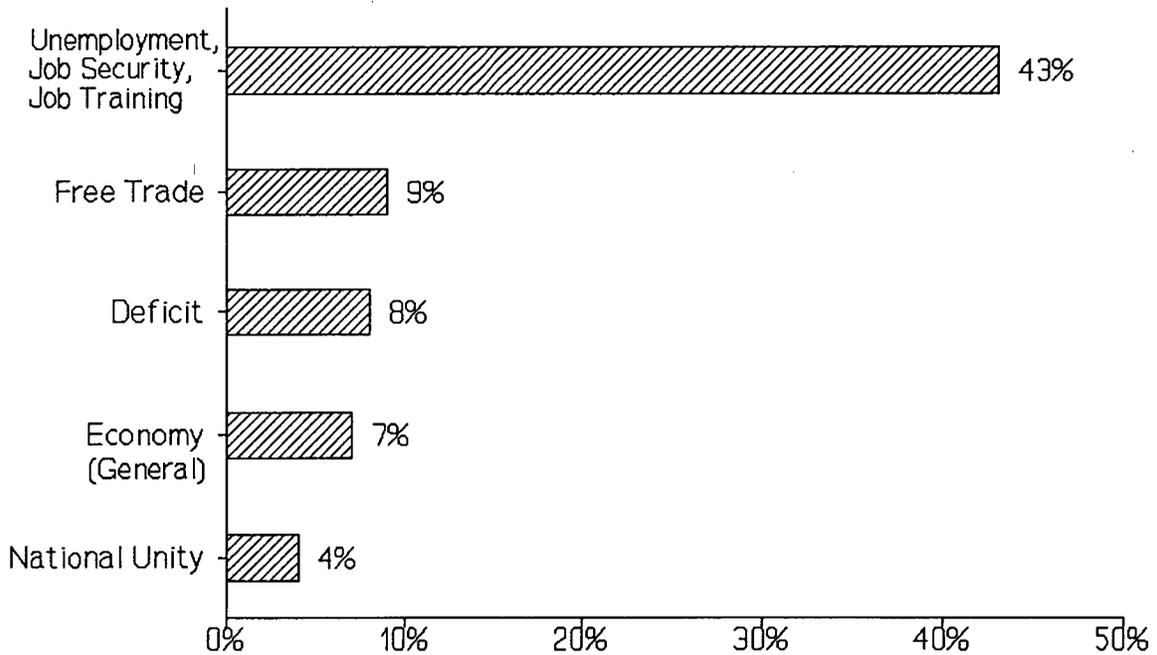


Canadians' pessimism about the economy is driven by their concern about job security and unemployment. Indeed, 43% volunteered "unemployment, job security, and job training" as the economic issue which requires the most attention from Canada's leaders (see Table 2). Unemployment was named as the most important economic issue in all regions, but concern is especially intense in Ontario (50%)

Other issues that are important from a regional perspective include the deficit (B.C., Alberta), and the free trade agreement with the United States (B.C., Québec).

Table 2

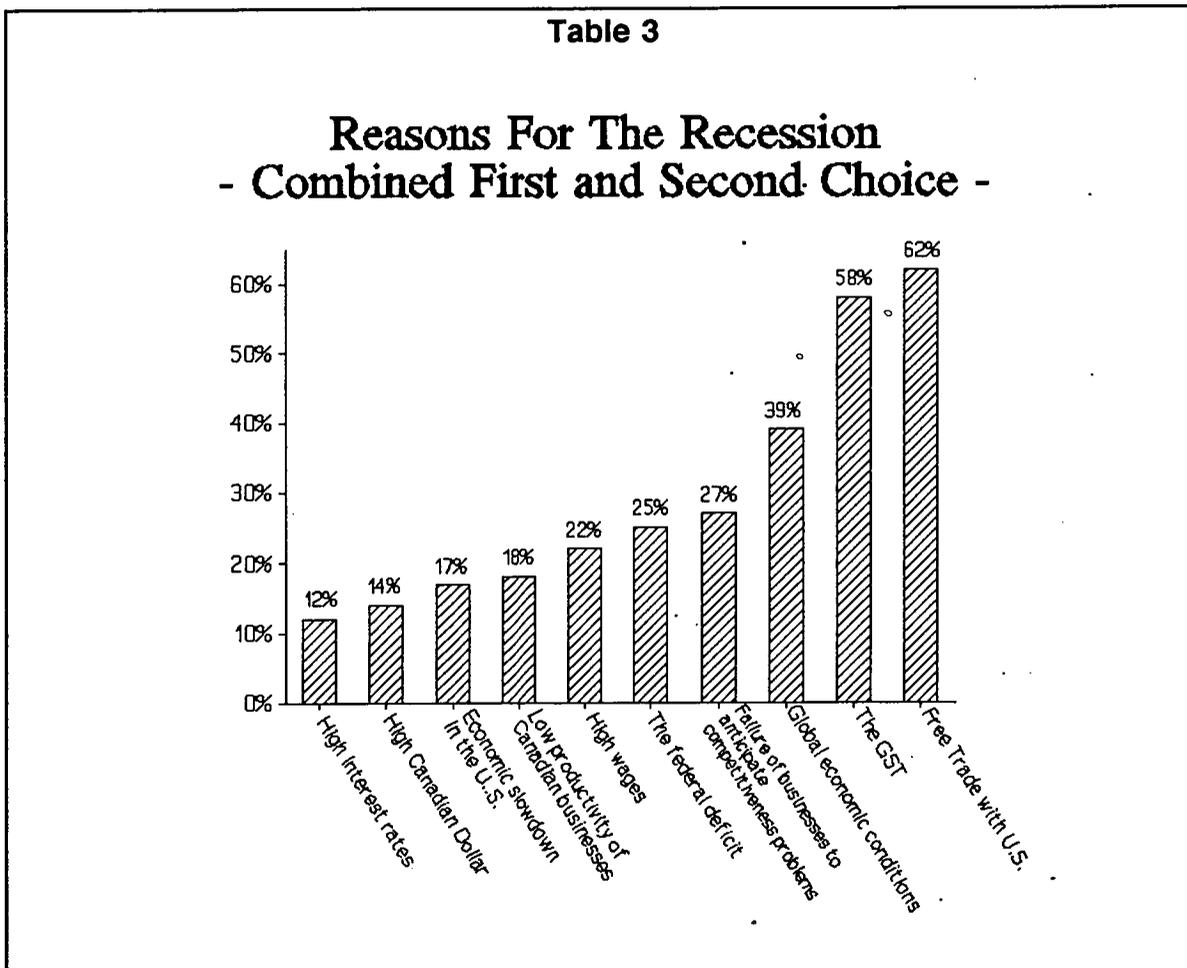
Most Important Economic Issue



Note: Volunteered Responses to open-ended question

Further on economic outlook, respondents were asked to select from a list what they believed were the two most important reasons for the current recession. Table 3 displays scores for combined first and second choice by reason. These data indicate that majorities of Canadians believe that either free trade with the U.S. (62%) or the GST (58%) -- i.e. specific government initiatives -- are most responsible for the recession. The reason selected third most often was "global economic conditions" (39%).

In Ontario and the Prairies free trade is named most often as the cause of the recession, while Québeckers, Atlantic residents, and B.C. residents blame the GST. Only Albertans see global economic conditions as the major reason for the economic downturn.



Turning to the issue of economic management, Table 4 shows that less than one-in-five (18%, down 4% from September) believe the federal government is doing a very or somewhat good job of managing Canada's economy. These numbers are consistent across regions (highest in Québec/Atlantic, lowest in B.C.) and demographic subgroups.

Table 4

Evaluation of Federal Gov't Performance In Managing Canada's Economy - Very/Somewhat Good Job -

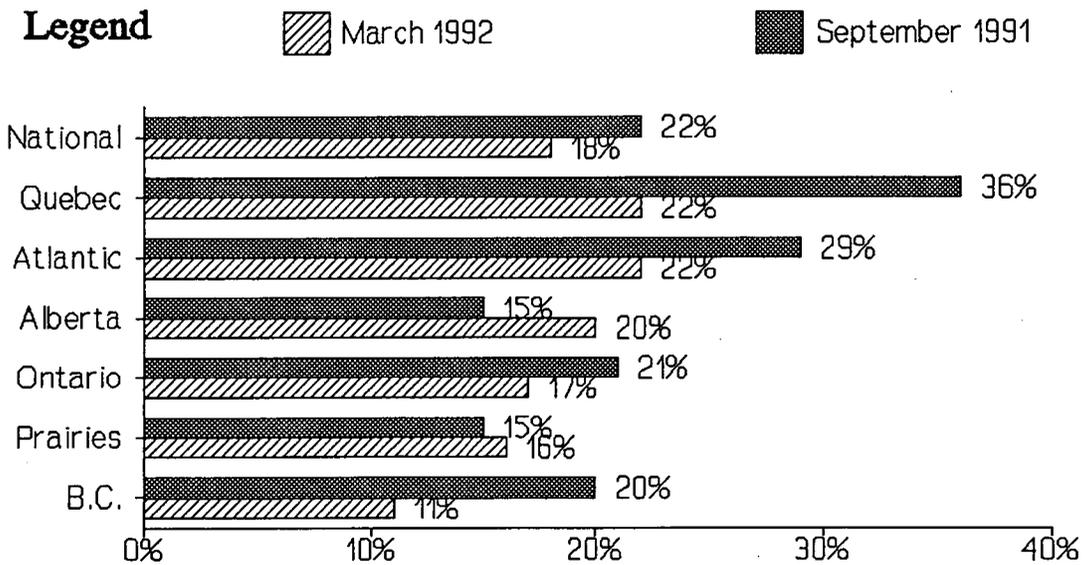
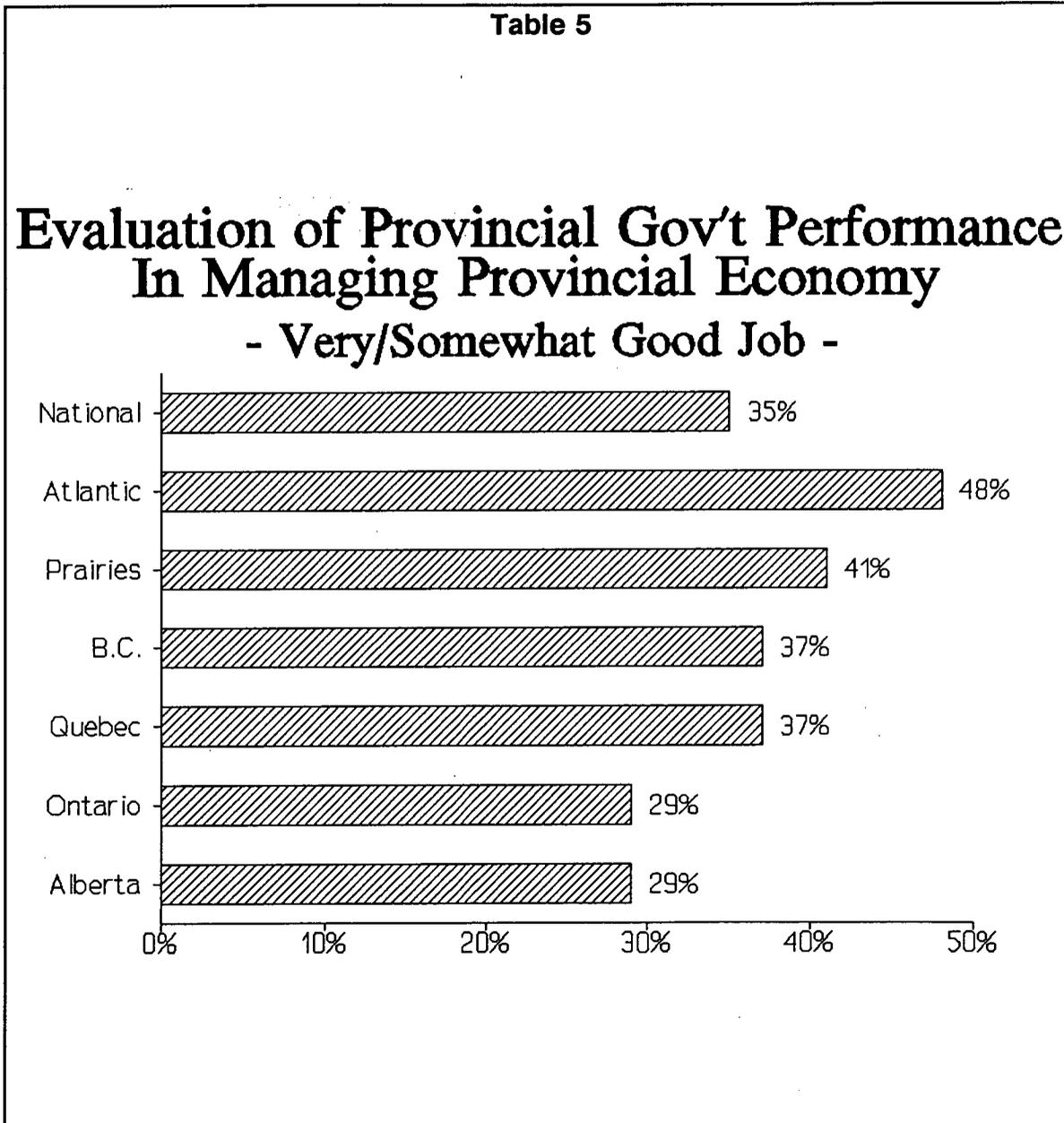


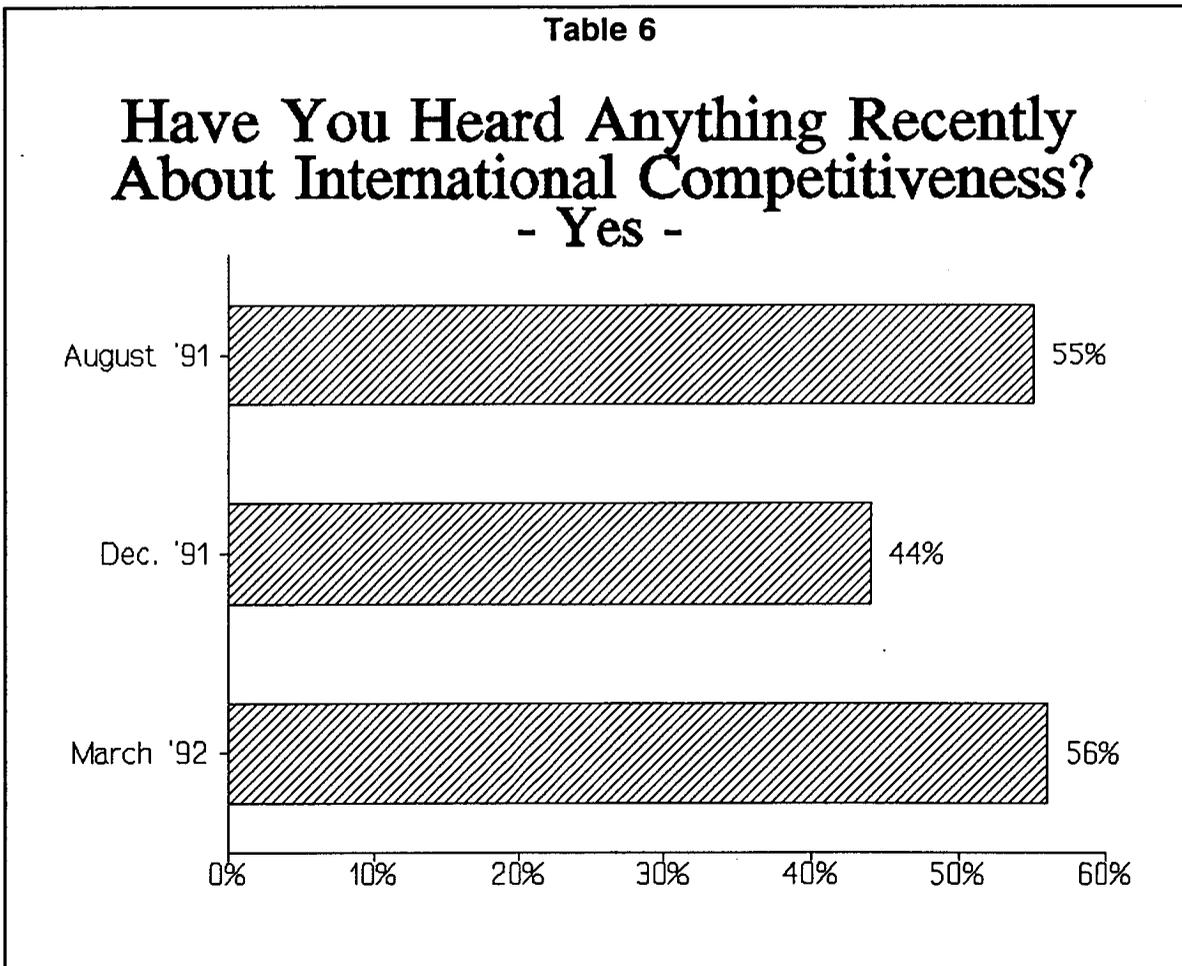
Table 5 arrays responses to a similar question on provincial economic management. These data show that Canadians are also generally dissatisfied with the economic management of their provincial governments (national average score 35%). Specifically, Atlantic and Prairie region governments receive only middling grades as economic managers, while residents of both Ontario and Alberta are clearly less than satisfied with the performance of their governments.



4.0 COMPETITIVENESS

Table 6 shows that awareness of the competitiveness issue has rebounded to the level recorded back in the late summer -- 56% (up 12% from December) say they have heard something recently about the issue of international competitiveness. Regionally, awareness of competitiveness is highest in B.C. (60%), and lowest in the Atlantic (53%). Examination of awareness by demographic subgroups shows that this issue plays to a relatively exclusive audience who are:

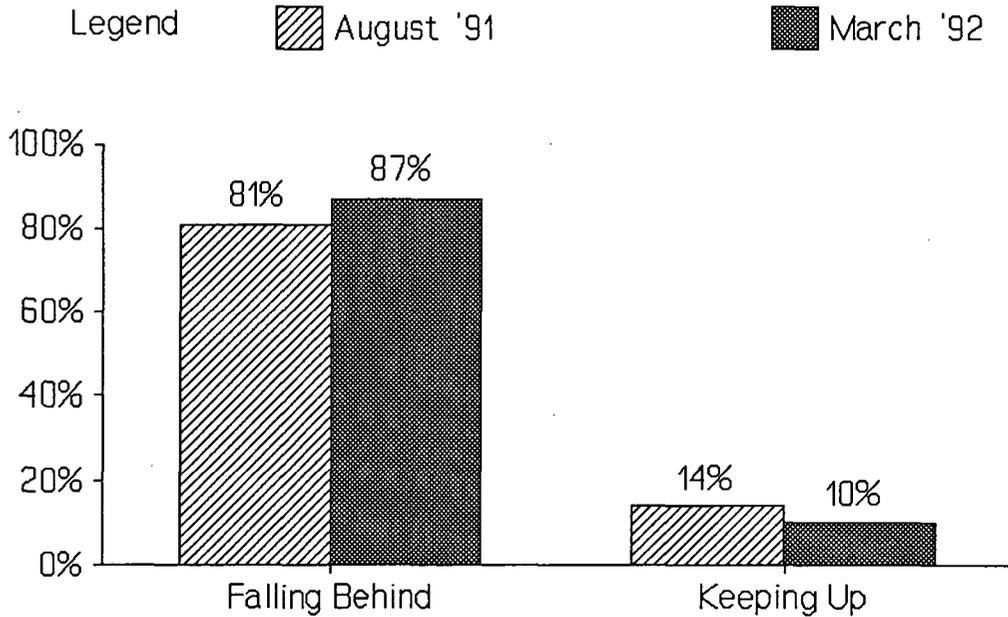
- ▶ Male (there is a 17 point gender gap on awareness)
- ▶ Older than 35 years of age
- ▶ University educated
- ▶ Most affluent income group
- ▶ Professionals and managers



While awareness of competitiveness is clustered in an exclusive audience, a growing majority (87%, up 6% since August) believe Canada is falling behind its international competitors and not competing as well as it should be (see Table 7). Albertans (60%) are most aware of the slide, while Atlantic (53%) residents are least aware. There are no meaningful differences among demographic subgroups on this question.

Table 7

Are We Keeping Up With Our Competitors?



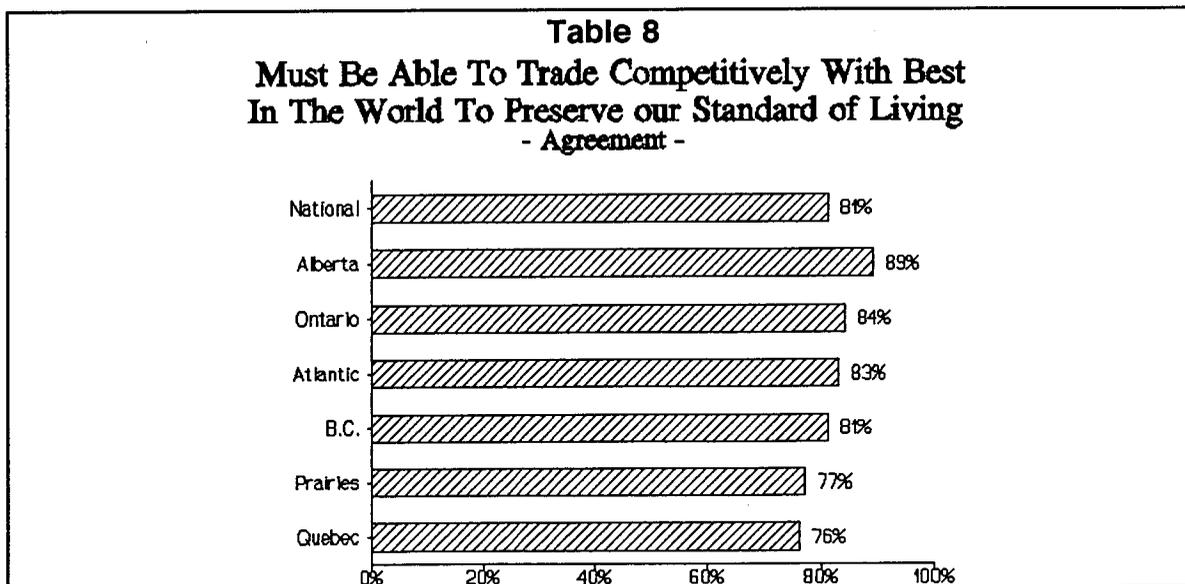
The importance of the perceived slide in Canada's competitiveness is highlighted in Table 8. Respondents were asked to select between the forced choices in following question:

Some people say that we really don't need to worry about international trade, we can preserve our standard of living by just doing a better job of selling products made by Canadians to Canadians.

Other people say that we must be able to trade competitively with the best in the world to preserve our standard of living. Generally speaking, which statement is closest to your own point of view.

Together, these data indicate that a strong majority of Canadians believe that international trade and competitiveness are critical to preserving our standard of living. This opinion is most pronounced in Alberta (89%), and least pronounced in Atlantic Canada (76%). Those **least** likely to accept the relationship between trade, competitiveness and preservation of Canada's standard of living are over-represented in the following subgroups:

- ▶ Women
- ▶ 18-34 years of age
- ▶ The least educated
- ▶ Francophones
- ▶ Least affluent



While there is reasonably consistent opinion on the importance of competitiveness, and Canada's under-performance vis-a-vis its competitors, opinion is split on the federal government's commitment to the issue. Specifically, less than one-half (43%, down 10% since December) believe the federal government is committed to making Canada more competitive (see Table 9).

Regionally, residents of the Prairies (53%) are most likely to believe the federal government is committed to competitiveness, while Québeckers (36%) are the least convinced. Demographically, 18 to 34 year olds, the most affluent, and professionals are the most likely to feel the federal government is committed to competitiveness.

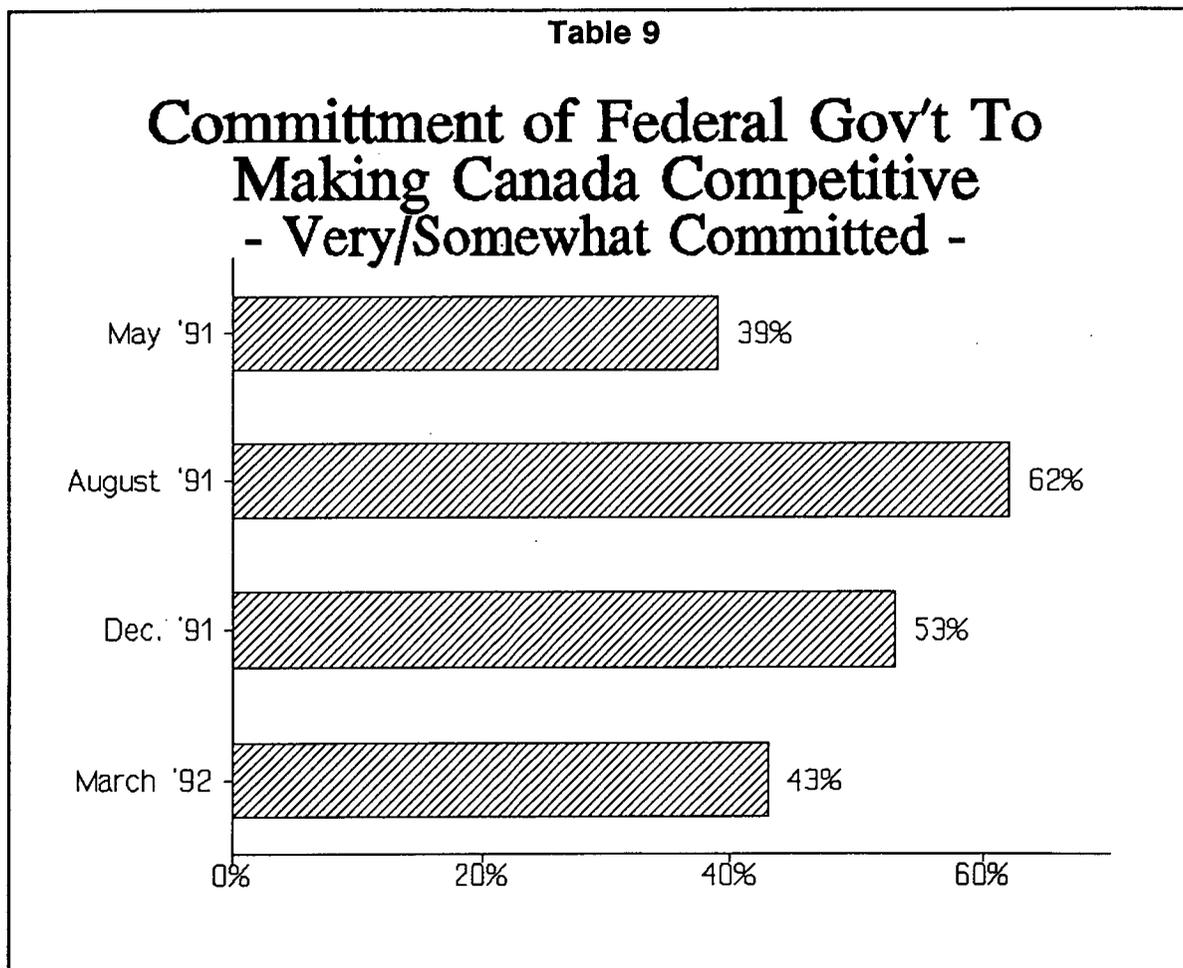
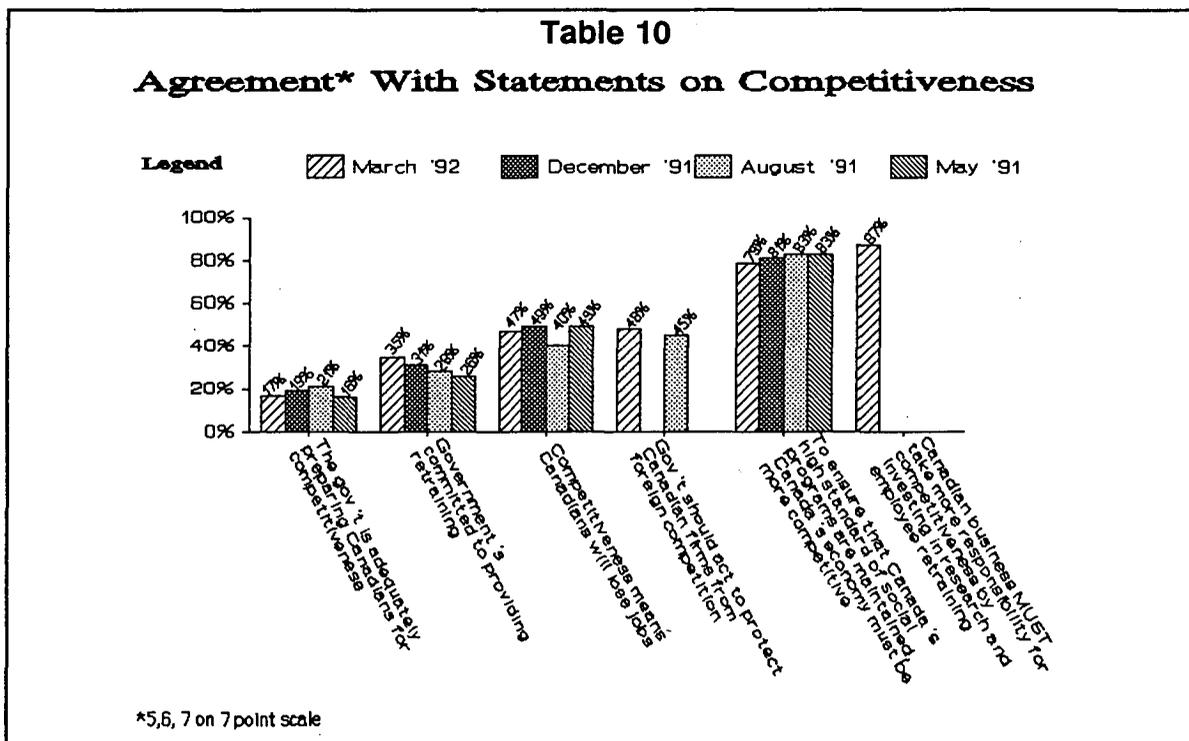


Table 10 arrays aggregate responses to a series of agree/disagree statements on competitiveness issues. These data indicate that:

- Most (87%) Canadians believe that Canadian businesses must take more responsibility for competitiveness by investing in research and employee retraining.
- Confirming the data in Table 8, 79% (down 2% since December) agree that to ensure that Canada's standard of social programs are maintained, Canada's economy must be more competitive.
- There is rising support for protectionism. Almost half (48%, up 3% since August) agree that the government should take action to protect Canadian business and industry by limiting the amount of foreign goods sold here even if it means that Canadians will pay more for their products.
- A fear persists among half (48%, down 2% since December) the population that when the government talks about Canada becoming more competitive, they really mean that a lot of Canadians will lose their jobs.
- There is increasing acceptance (35%, up 4% since December) that the government is committed to providing retraining opportunities to Canadians affected by changing market conditions.
- Fewer than one in five (19%, down 2% since December) believe that the Canadian government is adequately preparing Canadians for international competitiveness.

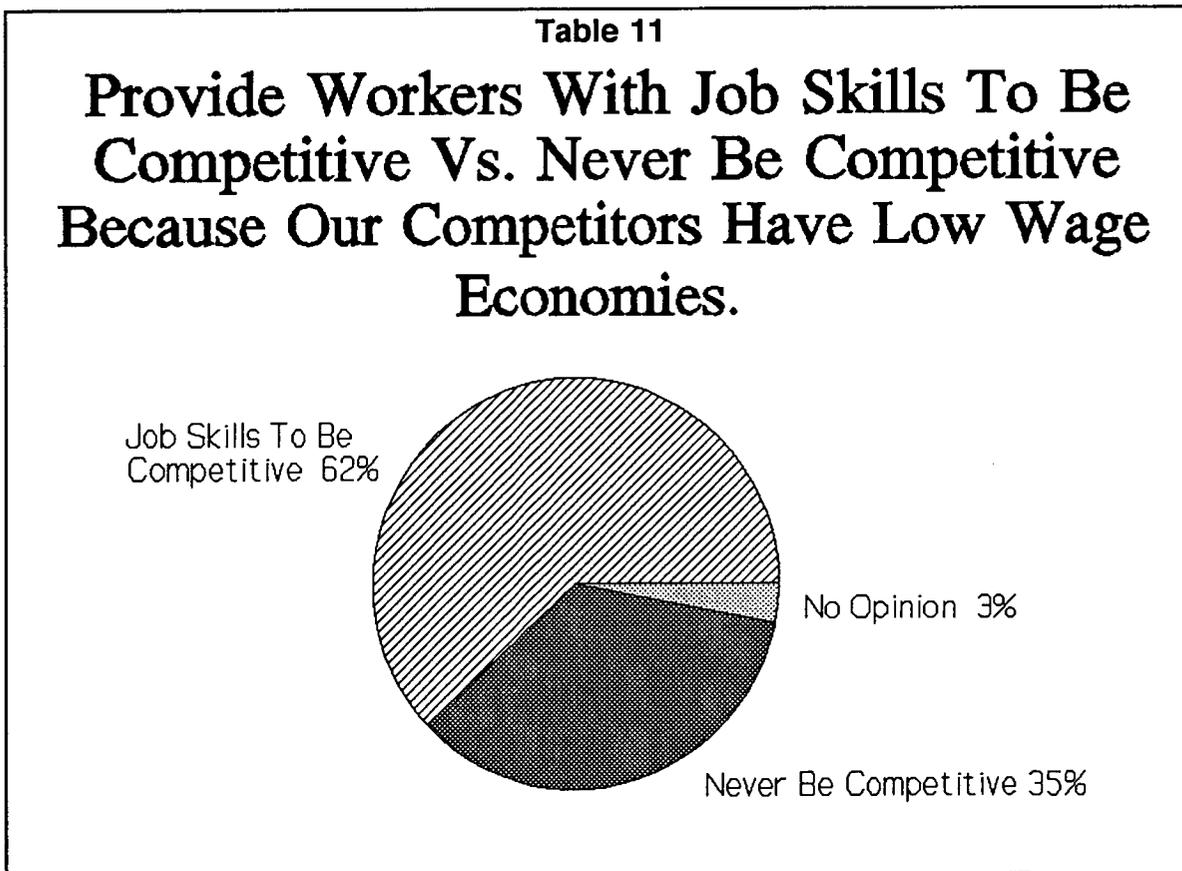


Finally, on competitiveness, respondents were presented with a forced choice question on the efficacy of job training that offered the following options:

The best way to ensure that Canada is competitive in the international marketplace is to provide our workers with stronger job skills through training.

Regardless of worker skills, we will never be competitive in the international marketplace because our competitors have low-wage economies.

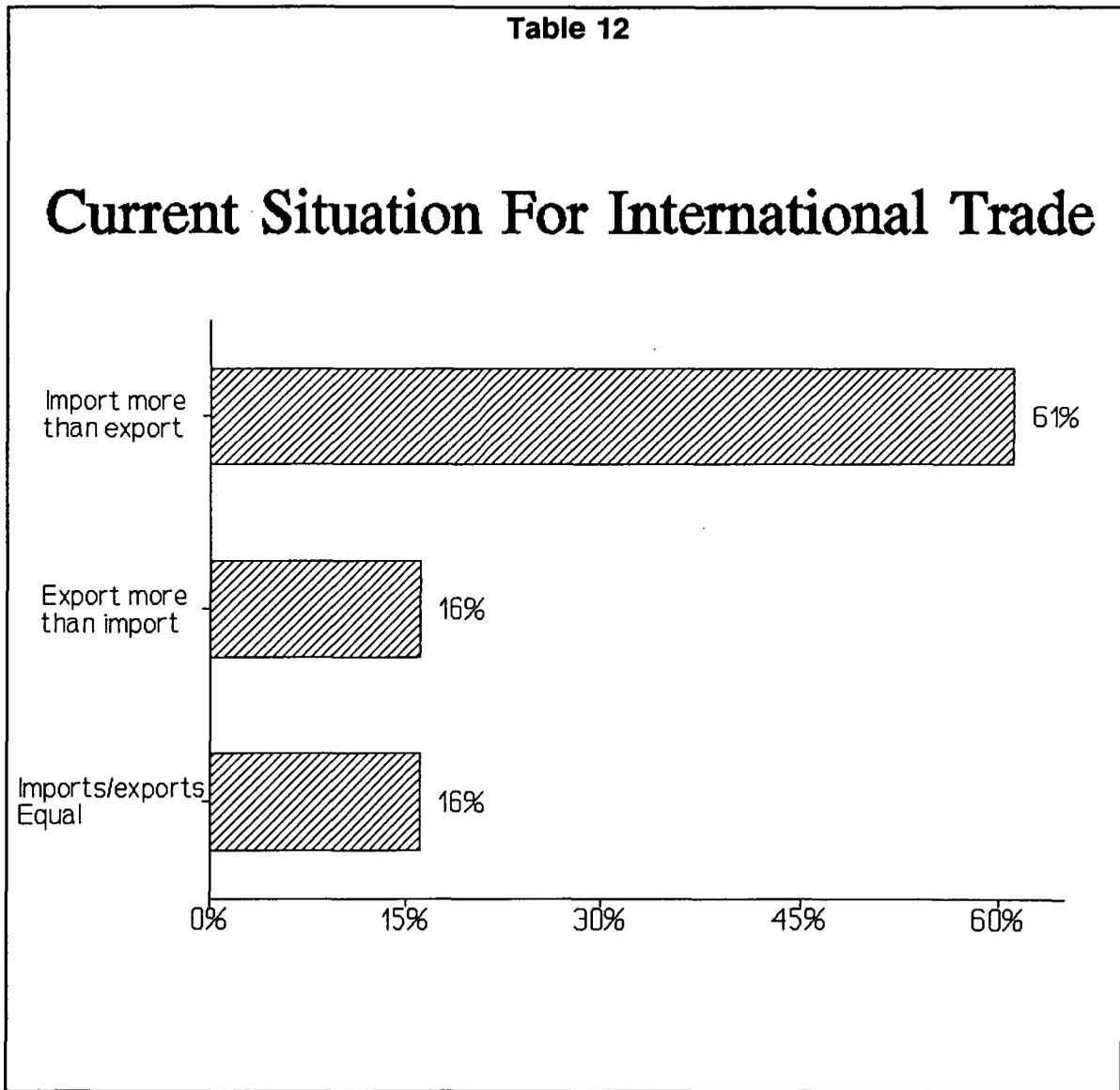
Table 11 shows that a majority (62%) of Canadians believe in the efficacy of job training. This opinion is strongest in the Atlantic (65%), and weakest in Alberta (58%). Demographically, the greatest optimism is among the university educated, the most affluent, and professionals.



5.0 GENERAL TRADE ISSUES

According to the data presented in Table 12, most (61%) Canadians believe that Canada is a net importer of goods and services. This opinion is strongest in Québec (66%), and weakest in B.C. (55%). Demographic subgroups that disproportionately believe that Canada is a net importer include women, Francophones, and those employed in service occupations.

Table 12



If Canada works to reverse the perceived trade deficit noted above through expanding trade opportunities, majorities believe the average Canadian (52%) and Canadian businesses (59%) will be better off. These views are strongest in Québec, and weakest in Atlantic Canada. Subgroups that are most optimistic about the effect of expanding trading opportunities include males (there is a major gender gap on this question), those aged 35-54, the better educated, and Francophones.

Table 13

Impact of Expanding Canada's International Trade Opportunities

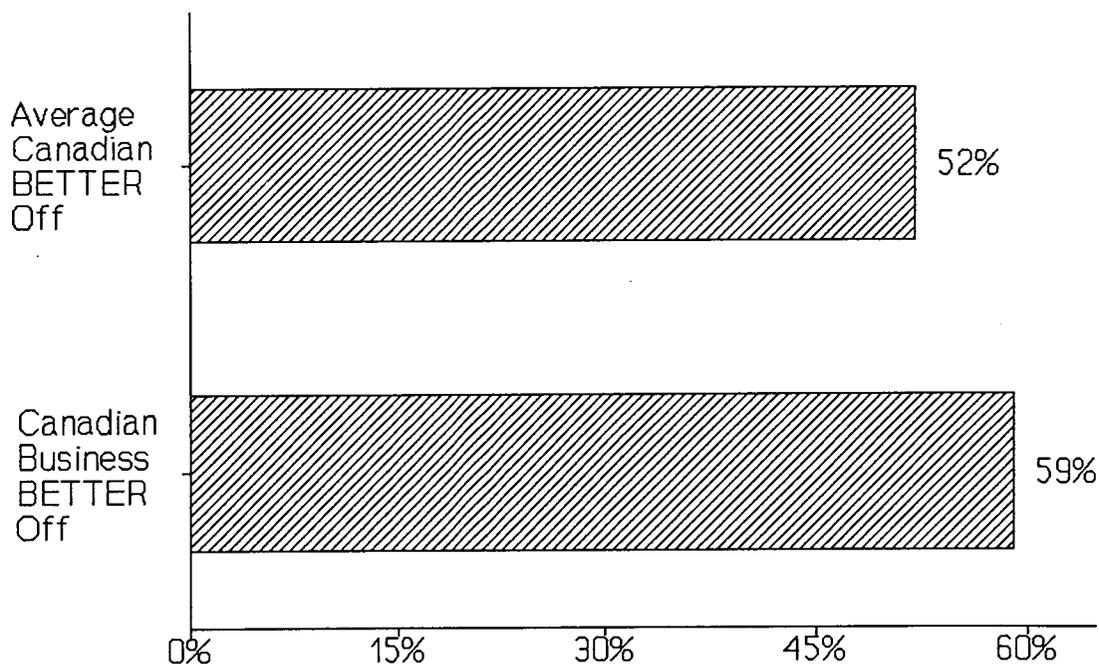


Table 14 displays aggregate responses to a number of general questions on trade issues. Together, these data indicate the following:

- A strong majority (79%) believe the federal government must be involved in the NAFTA discussions to protect Canada's interests.
- There is a strong (71%) desire for the federal government to vigorously confront the U.S. on trade disputes.
- Canadians are split on whether Canada's concerns will be reflected in the final NAFTA agreement.
- A slim plurality (46%) agree with the argument that even without the FTA, most of the job losses and industrial restructuring that Canada is experiencing today would have occurred anyway because of changes in the global economy.
- Canadians are split on whether or not Canadian businesses are doing all they can to take advantage of opportunities available under the FTA.
- Less than a third (30%) of those surveyed agree with the view that a NAFTA won't make much difference to Canada because we don't have much trade with the Mexicans now, and this is unlikely to change under the trade deal.

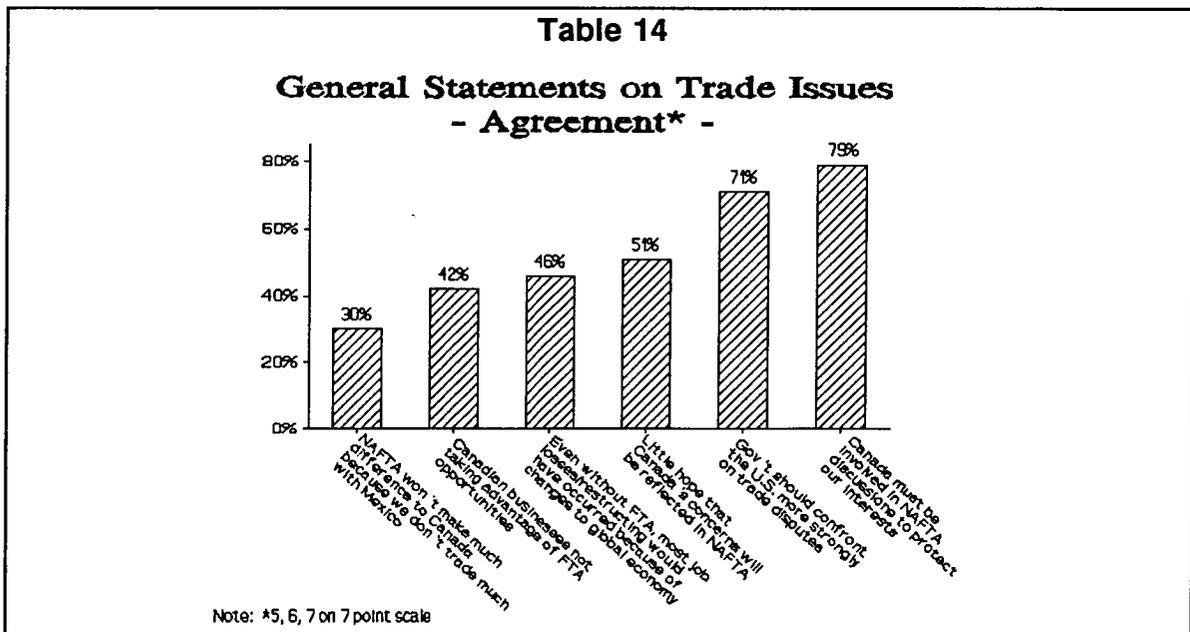
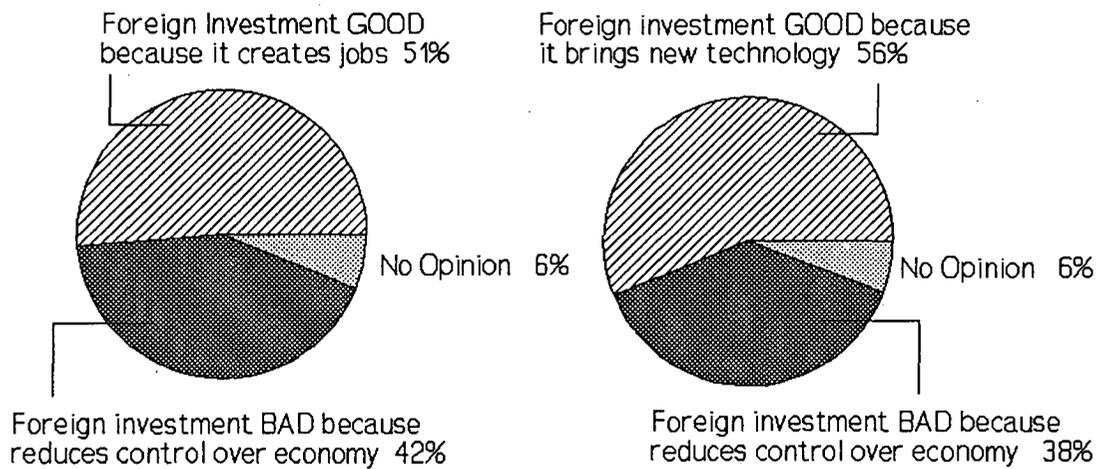


Table 15 examines support for foreign investment in Canada. These data indicate that increased foreign investment, even with the trade offs of job creation (51%) and technology transfer (56%), remains controversial because it is believed to limit the control we have over our economy. Support for increased foreign investment is strongest in Québec, and weakest in B.C. and the Prairies. Support is also strongest among males, Francophones, the university educated, and those 35-54 years of age.

Table 15

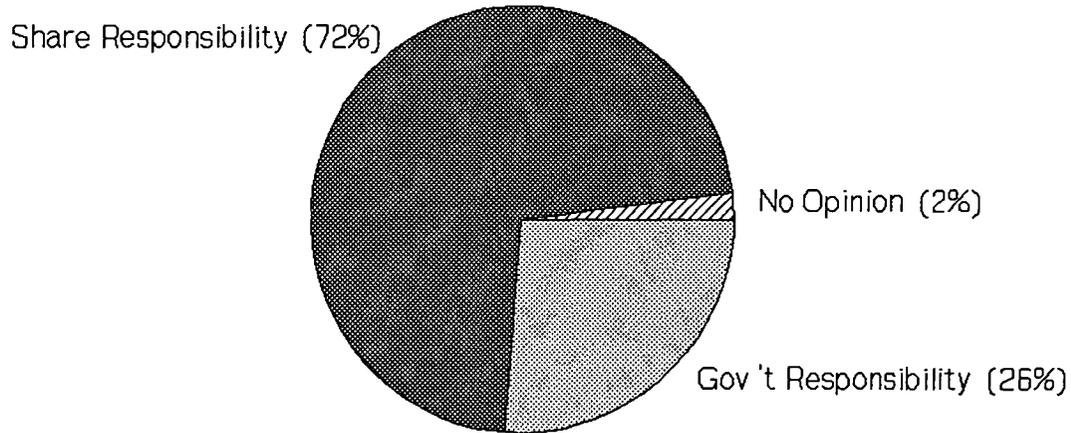
Trade Offs on Foreign Investment



As noted in Table 16, a strong majority (72%) think that adjustment to free trade is the joint responsibility of employers, workers, unions, business associations, and all levels of government. Those that disproportionately hold the contrary view (that it is the sole responsibility of the federal government) include Atlantic Canadians (31%), the less educated, the least affluent, those who speak "other" languages, and those who are 18-34 years of age.

Table 16

Who Has Responsibility For Trade Adjustment?



The credibility of various spokespersons on trade issues is examined in Table 17. These data indicate that while all potential spokespersons on trade issues have lost some credibility since September 1990, majorities would find at least some of what was said on trade issues by trade economists and other experts in international trade (74%), business leaders (68%), and the media (54%) trustworthy. The least credible spokespersons on trade issues are federal government leaders (37%), labour leaders (45%), and interest groups opposed to the FTA (46%).

Examination of the regional credibility of trade spokespersons shows the following:

- Business leaders experience their highest credibility in Ontario (70%), and their lowest credibility in Alberta (63%).
- The media has its highest credibility in Québec (59%), and lowest credibility in Alberta (40%).
- Provincial governments experience their highest credibility in Atlantic Canada (56%), and their lowest credibility in Alberta (68%).
- Trade economists experience their greatest credibility in B.C. (80%), and their weakest credibility in Alberta and Atlantic Canada (both at 68%).
- Interest groups opposed to the FTA experience their highest credibility in Québec (57%), and their lowest credibility in Alberta (35%).
- The federal government experiences its highest credibility in Québec (48%), and its lowest credibility in B.C. (24%).
- Finally, labour leaders have their highest credibility in Québec (52%), and their lowest credibility in Alberta.

Table 17

Credibility of Spokespersons on Trade Issues - Trust Some/Most of What They Say -

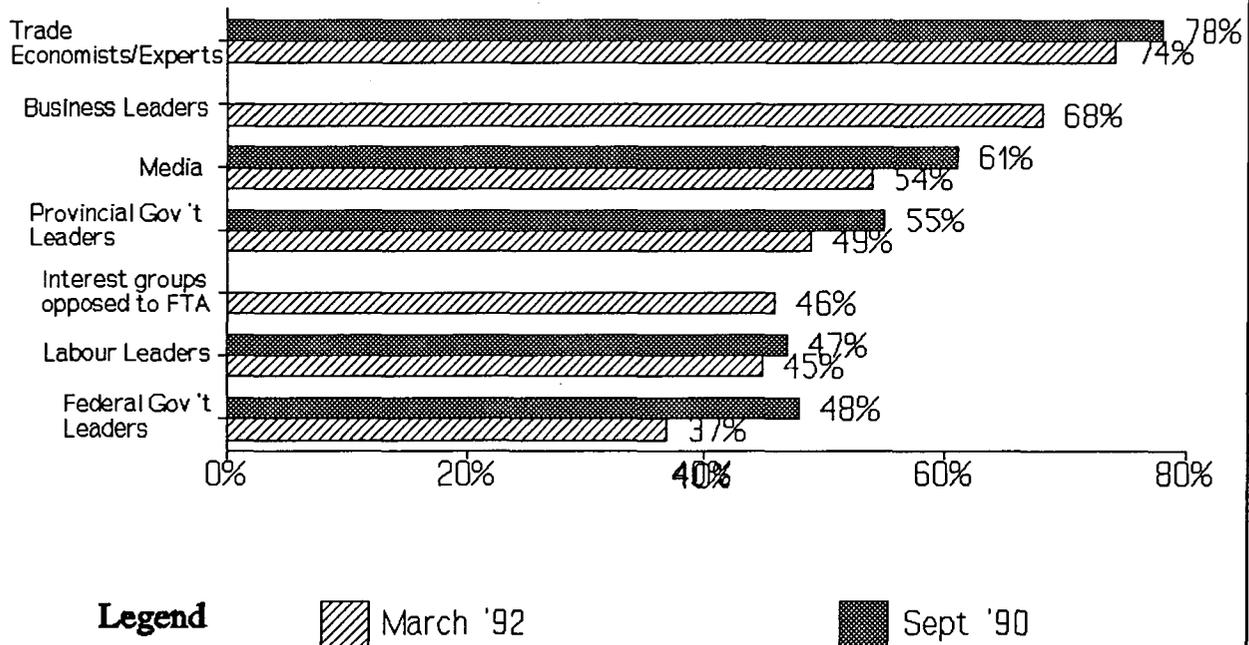
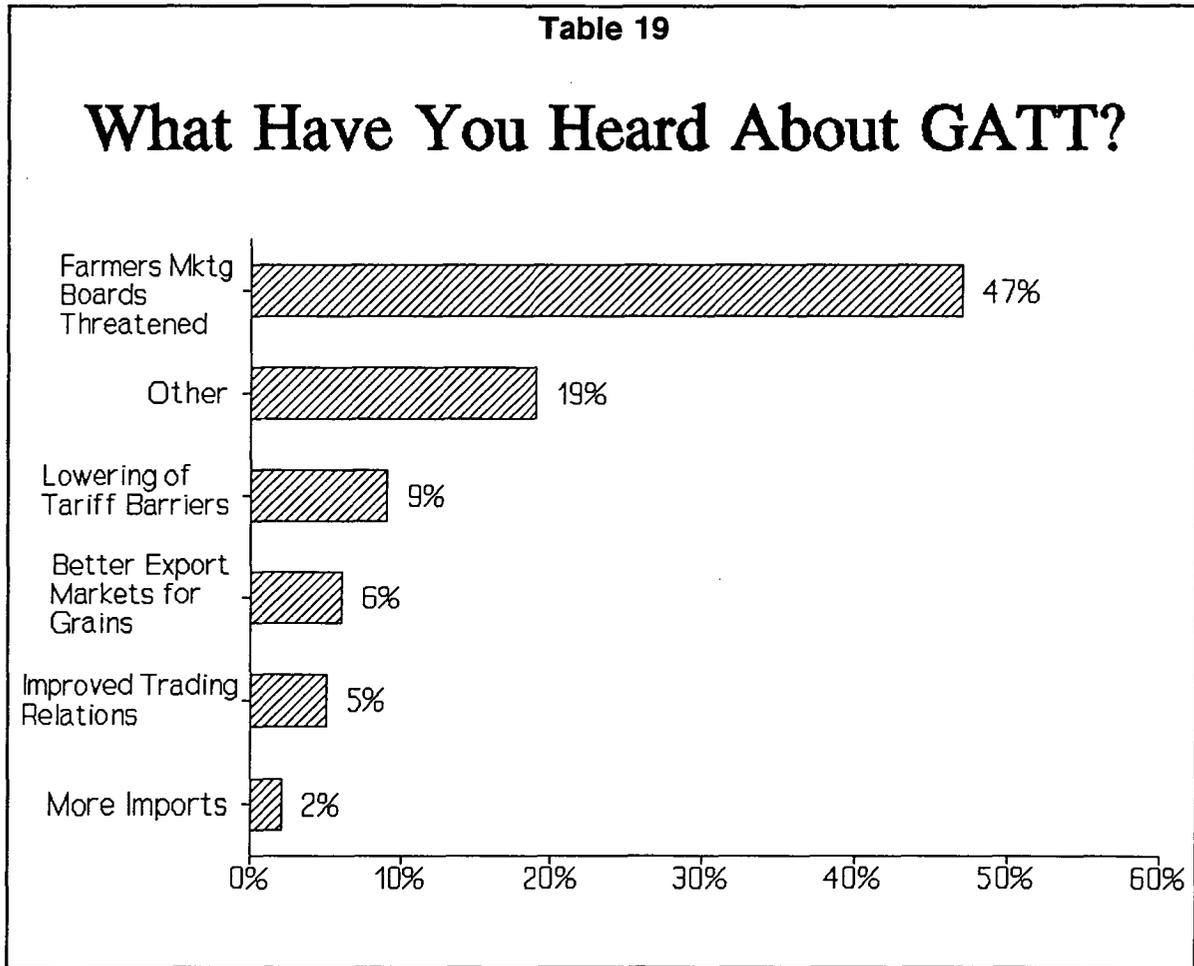


Table 19 arrays open-ended responses to a recall question asked of only those respondents who indicated they had heard something recently about GATT. These data indicate that the threat to farmers' marketing boards was cited by nearly half (47%) as what they had heard most recently. Importantly, most of those who recalled the threat to marketing boards viewed it as a *negative* outcome.

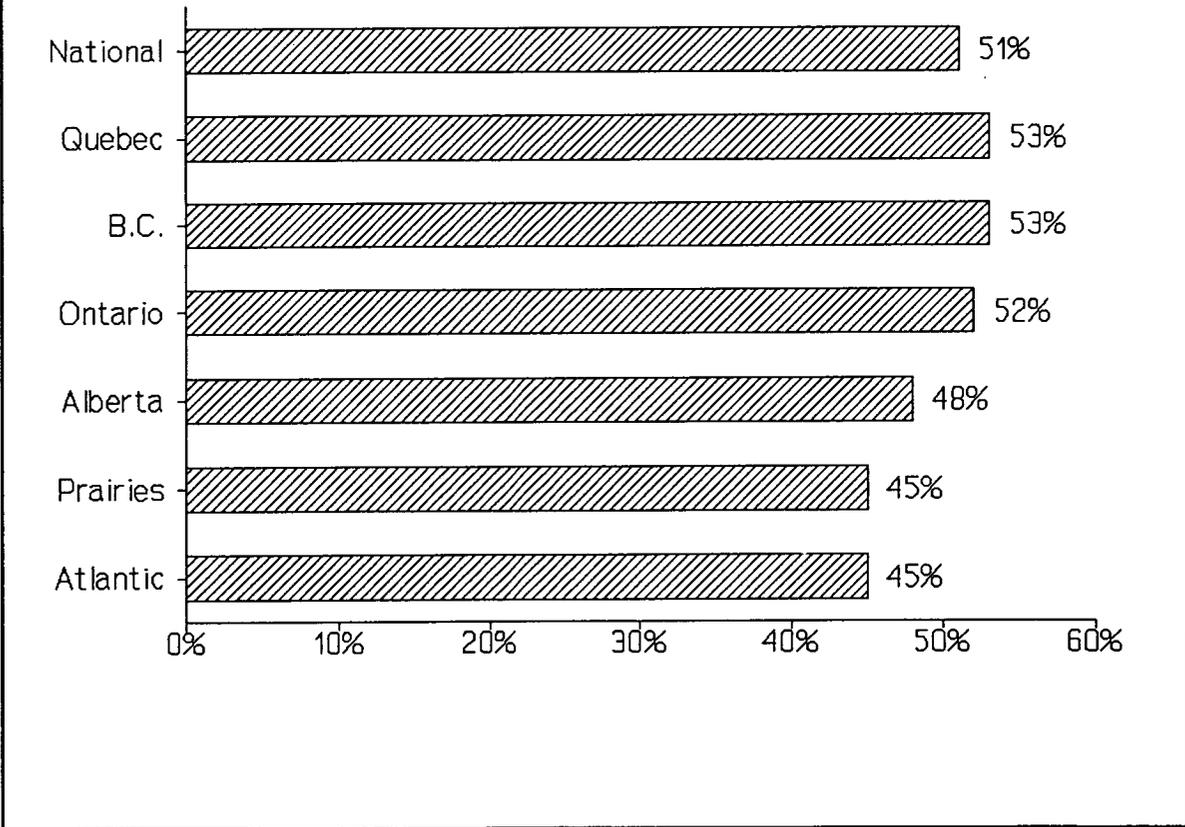
Regionally, Alberta (56%) residents were the most likely to mention the threat to marketing boards as what they had heard most recently about GATT.



Canadians are divided on the question of whether or not the federal government should sign the GATT. Table 20 shows that half (51%) either somewhat or strongly support the federal government signing the agreement. Support for signing the GATT is strongest in Québec (53%), and weakest in the Atlantic provinces (45%). Demographically, the strongest support for signing the GATT is among males, the university educated, the most affluent, managers, and professionals.

Table 20

Overall Support For Canada Signing GATT



Further on the perceived impact of the GATT, most Canadians do not believe it will either benefit family farmers or that more jobs will be created. These are consistently held opinions across regions and among demographic subgroups.

Table 21

Perceived Impact Of GATT

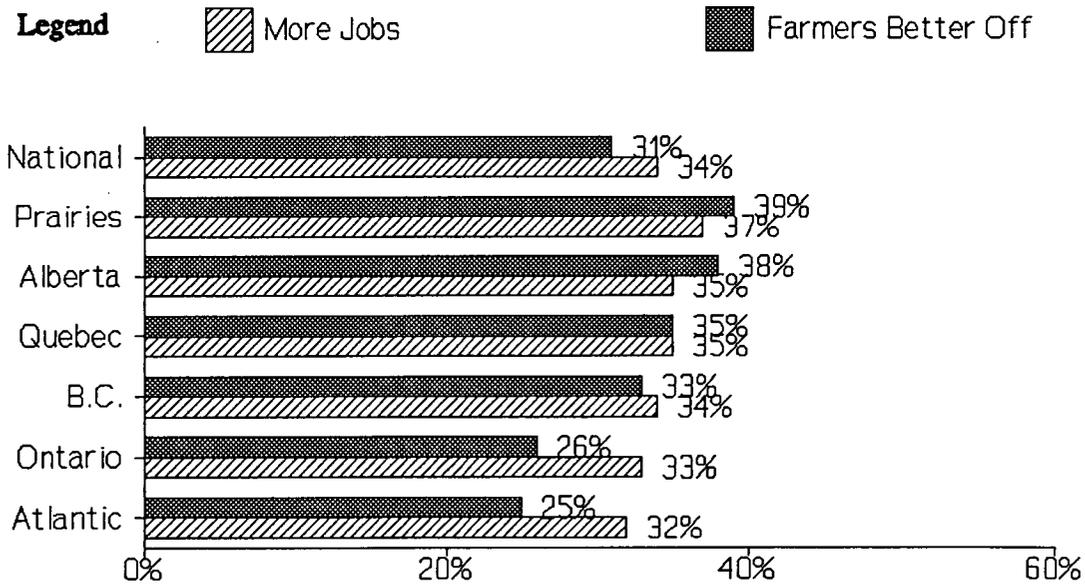
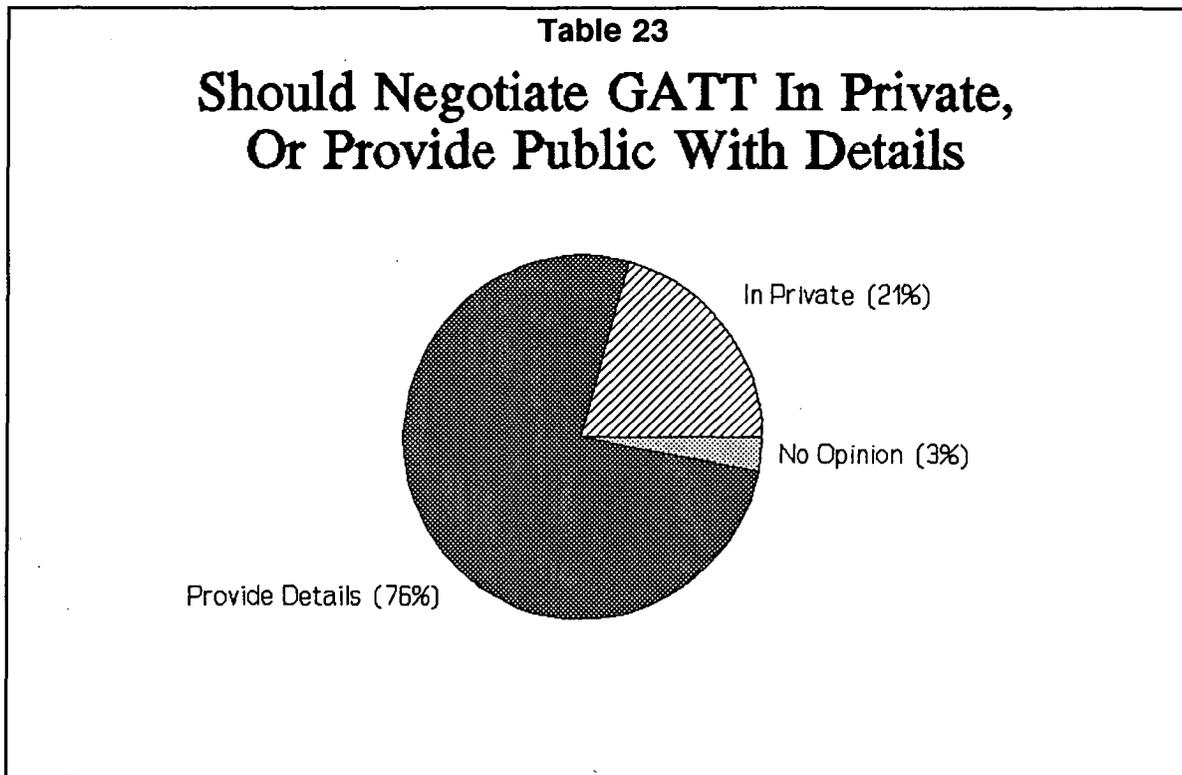


Table 23 explores how Canadians would prefer their government to approach the GATT negotiations. The data reported represent aggregate responses to the following forced choice question:

"Some people say that in order to get the best deal possible for Canadians, the government must be able to negotiate trade agreements in private, drawing on expert advice from the provinces and industry, so that other countries' negotiators don't find out the details of Canada's negotiating position.

Other people say that because trade agreements like GATT affect all Canadians, the government should provide Canadians with the details of their negotiating position. Which point of view is closest to your own?"

Clearly, a majority (77%) would prefer an open approach to negotiations, even if it exposes Canada's negotiating position to other countries. This opinion is held most strongly in B.C. and the Atlantic (both 80%), and most weakly in Ontario (74%). Demographic subgroups that are most supportive of the open approach to negotiations include women, the least educated, the least affluent, and blue collar workers (i.e. those who are generally least supportive of the government's trade policies).



7.0 NAFTA

Overall support for NAFTA over time is presented in Table 24. These data indicate that support for NAFTA has crashed since September 1991; currently, only 29% (down 17% since September) of those surveyed support a NAFTA. Regionally, support is strongest in Québec (36%, down 20%), and weakest in B.C., the Prairies, and Ontario (all at 25%). Demographic subgroups that are most likely to support the NAFTA are:

- ▶ Males
- ▶ The university educated
- ▶ Francophones
- ▶ The most affluent
- ▶ Professionals

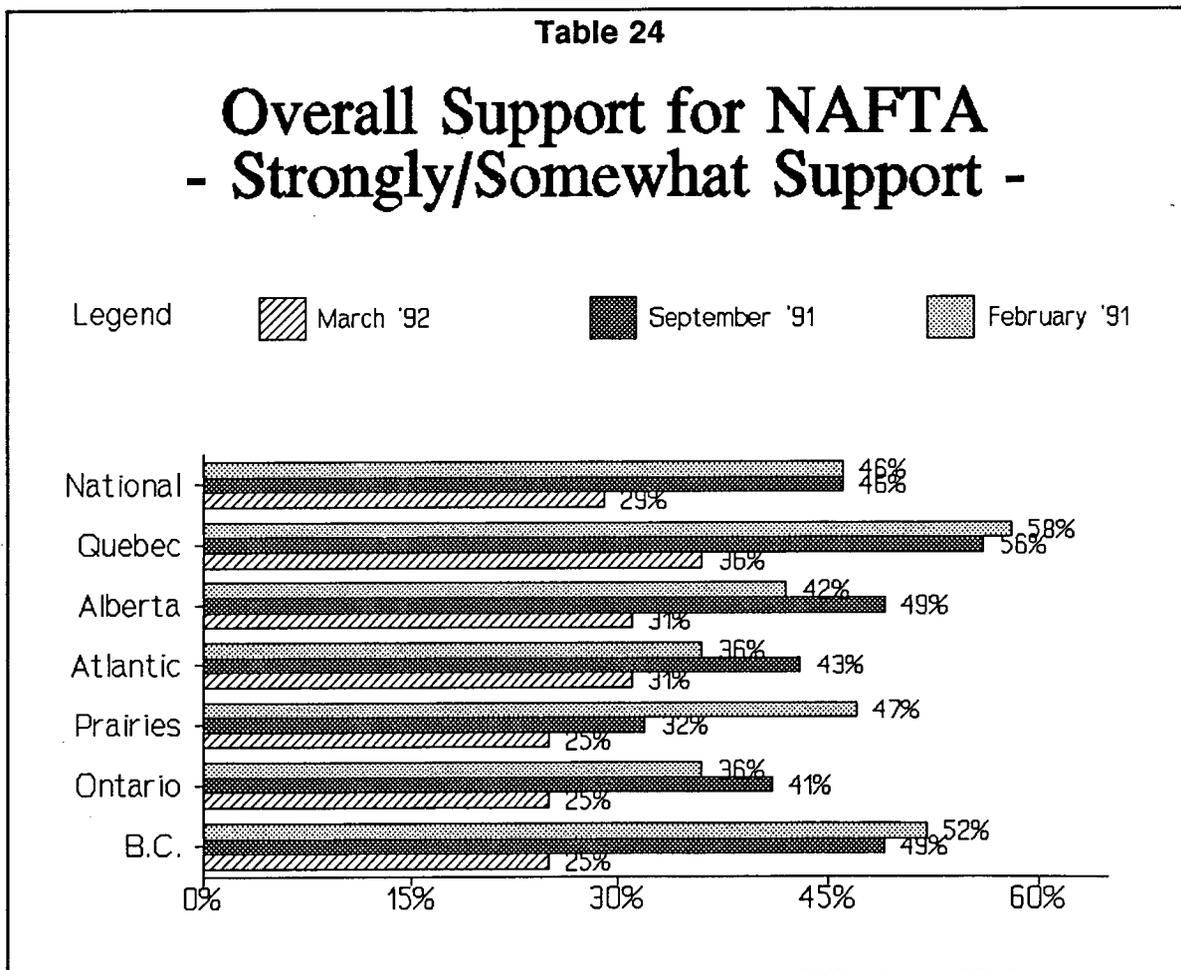
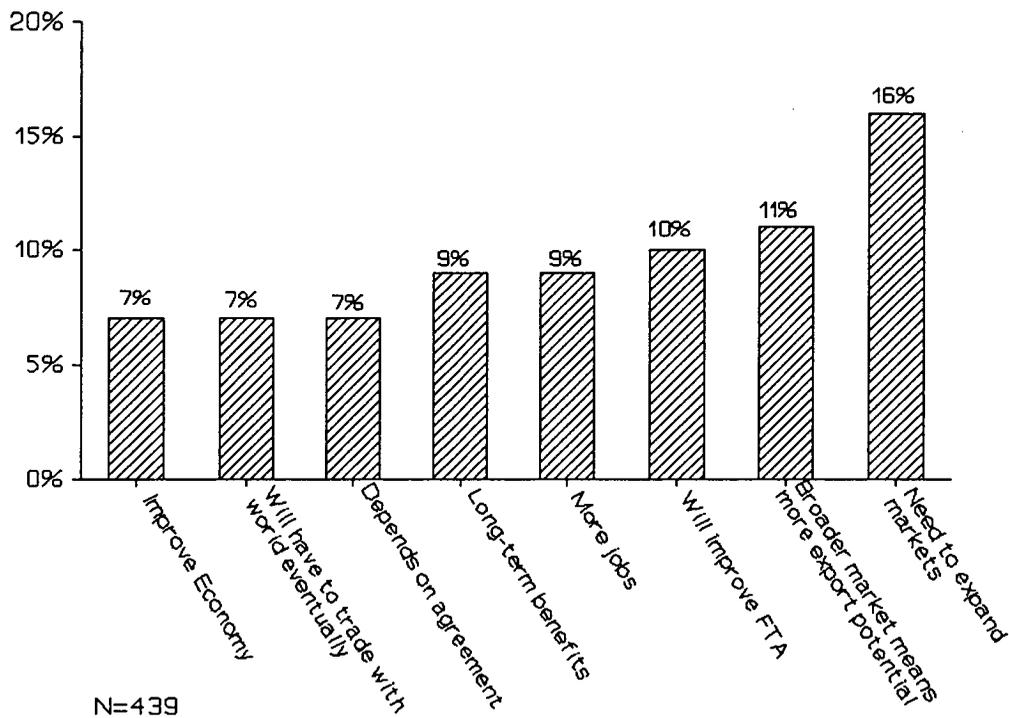


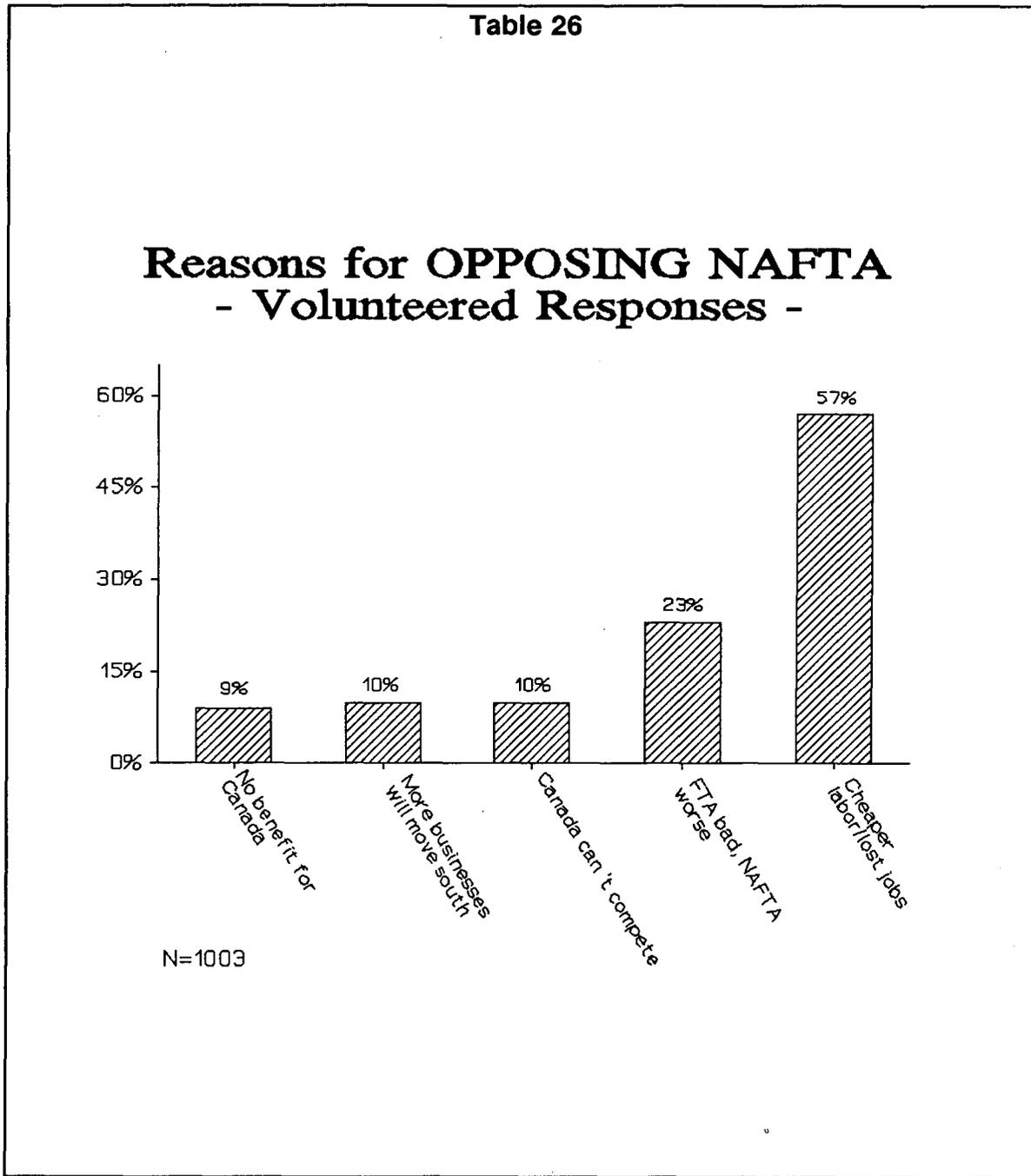
Table 25 shows reasons volunteered by NAFTA supporters for their opinion. The top three reasons relate more to support for expanded trade in general than to specific tangible outcomes (i.e. jobs) from NAFTA.

Table 25

**Reasons for SUPPORTING NAFTA
- Volunteered Responses -**



As shown in Table 26, opposition to NAFTA is driven mostly by the belief that cheaper Mexican labour will threaten Canadian jobs.

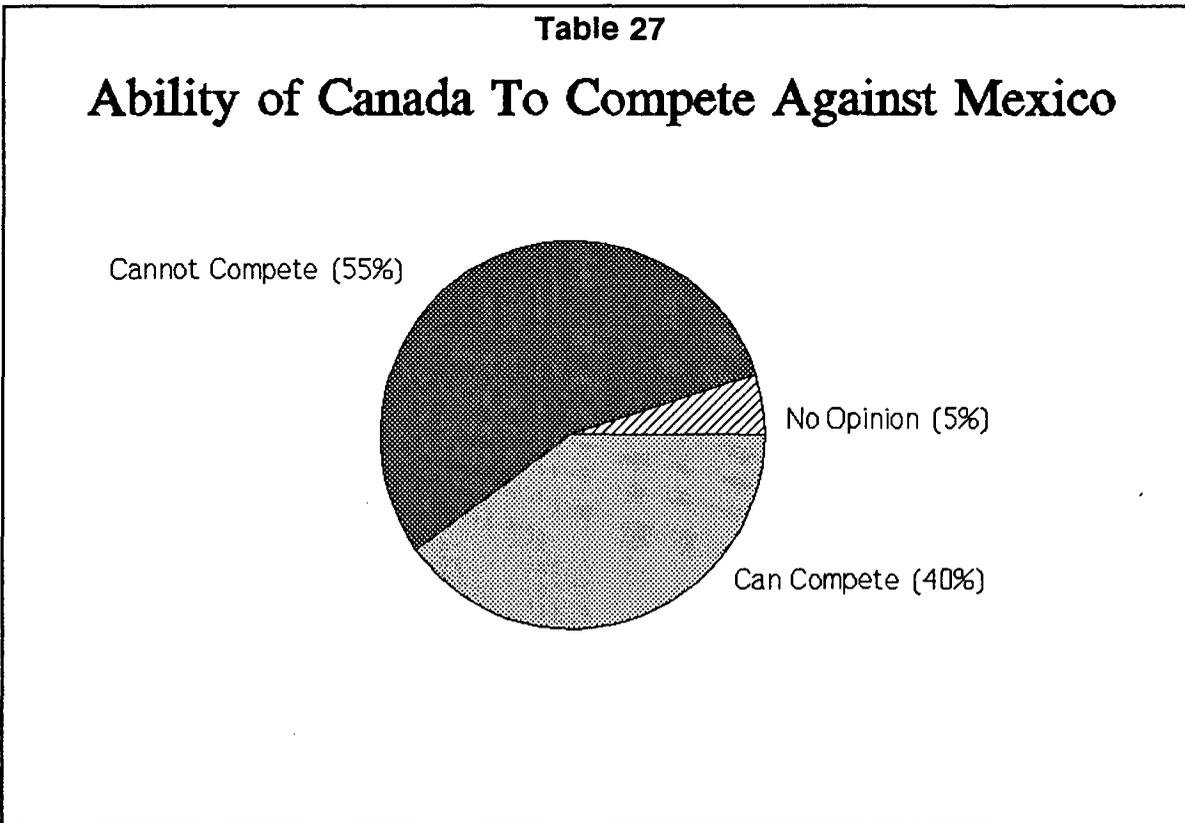


Not only do Canadians believe a trade agreement involving Mexico will threaten Canadian jobs, they also have doubts about whether Canada can compete with Mexico. Table 27 presents aggregate responses to the following forced choice question:

"Some people have said that Canadian businesses cannot compete with Mexican businesses in a free trade agreement because wages, environmental and safety standards are much lower in Mexico.

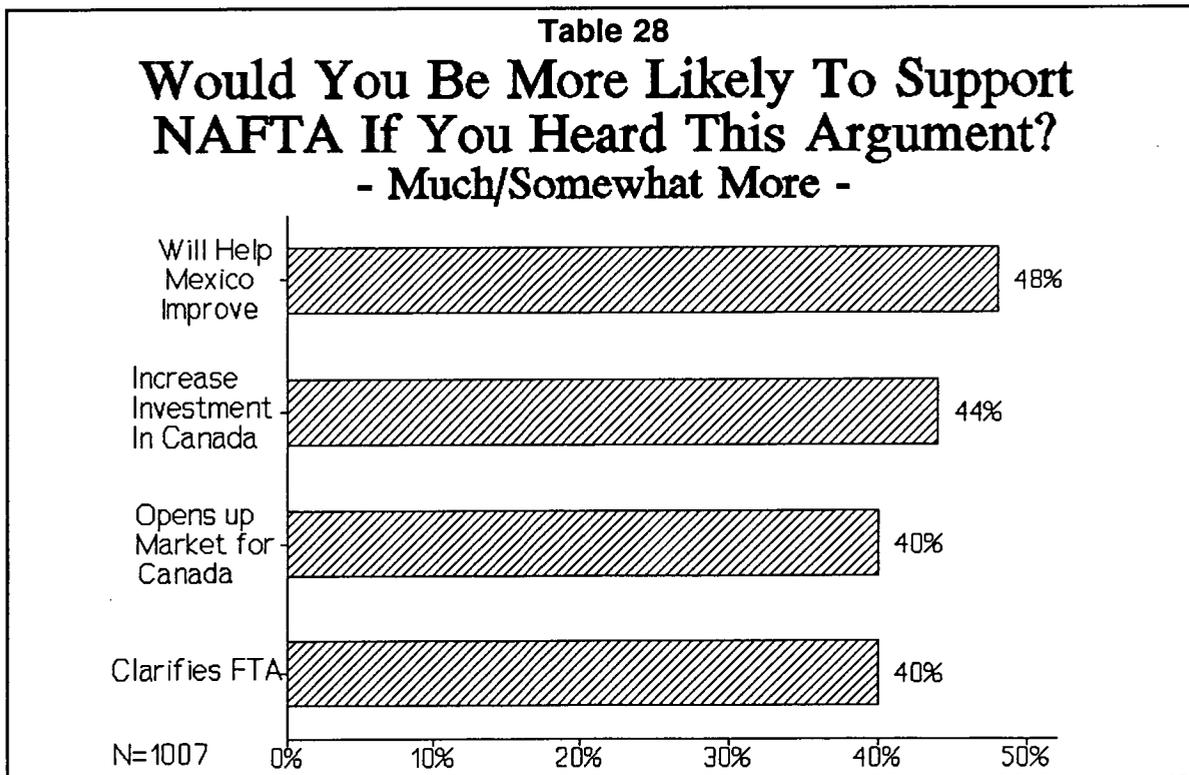
Others have said that Canadian businesses can compete with Mexican businesses because Canadian workers are better trained and Canada has better facilities like roads, airports and communications. Which viewpoint would be closer to your own"?

A majority (55%) indicate they believe that Canada cannot compete with Mexico. This opinion is most strongly held in B.C. (66%), and is weakest in Québec (49%). Demographic subgroups that are most sceptical about Canada's ability to compete with Mexico include those with a technical education, blue collar workers, and those with incomes between \$30,000 to \$59,000.



Even though opposition to the NAFTA is strong, Table 28 shows that several arguments (if credibly made) can build support for the agreement. The impact of four specific arguments on NAFTA opponents is summarized below:

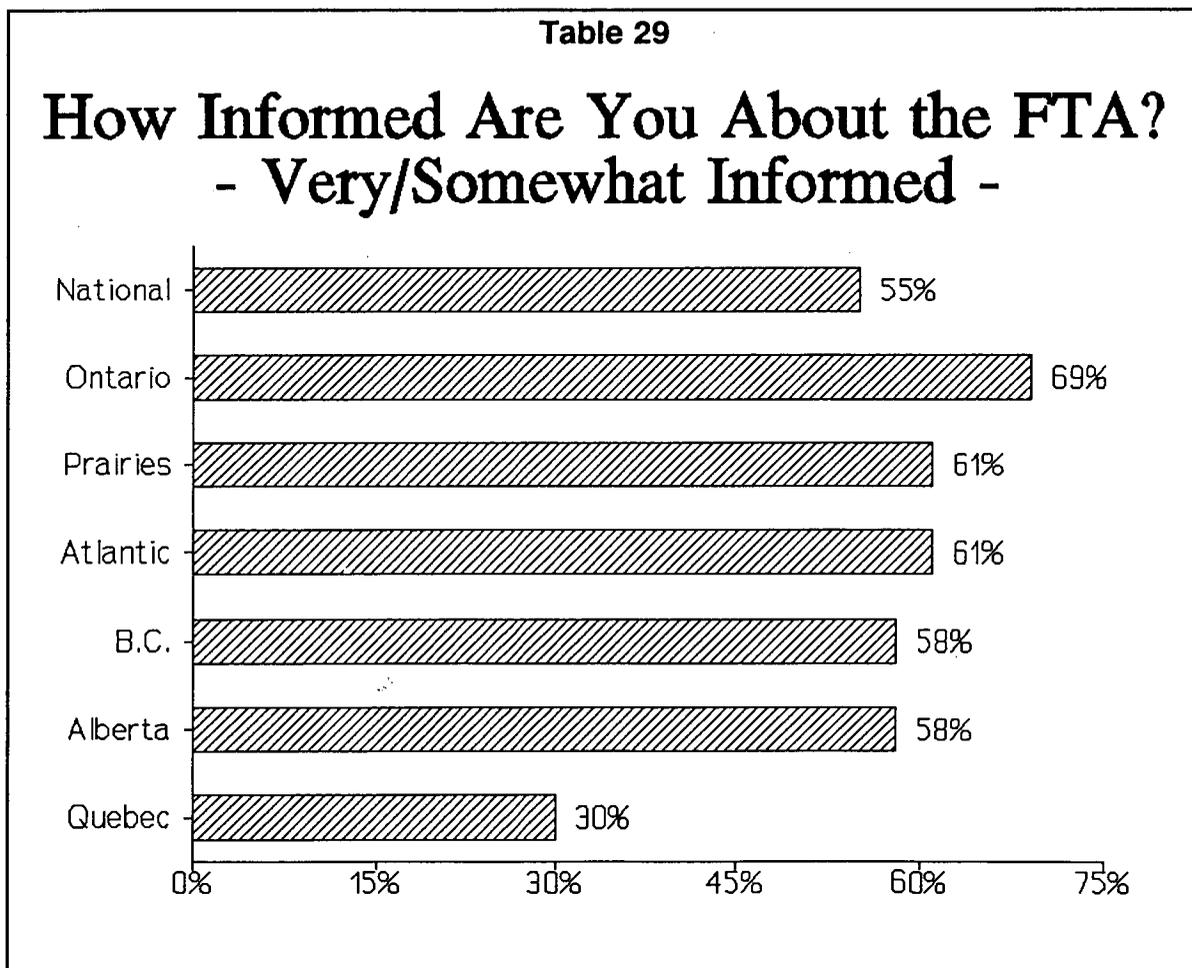
- If they could be convinced that an agreement with Mexico will help build the Mexican economy so that Mexican wages, environmental and safety standards will substantially improve over the longer term, 48% of the opponents would support a NAFTA
- If they believed that under a NAFTA more companies will invest in Canada, 44% of the opponents would support the agreement.
- If the case can be made that a NAFTA would be good for Canada because it opens up a new market for Canadian exports, 40% of the opponents would change their minds and support the agreement.
- If they thought that the NAFTA would clarify and improve the rules of the existing FTA, 40% of the opponents would become supporters.



8.0 FREE TRADE BETWEEN CANADA AND THE U.S.

Table 29 shows that 55% of those surveyed describe themselves as informed about the FTA. Ontarians (69%) appear most informed, while Québeckers (30%) appear least informed. Demographic subgroups that are more likely to describe themselves as informed include:

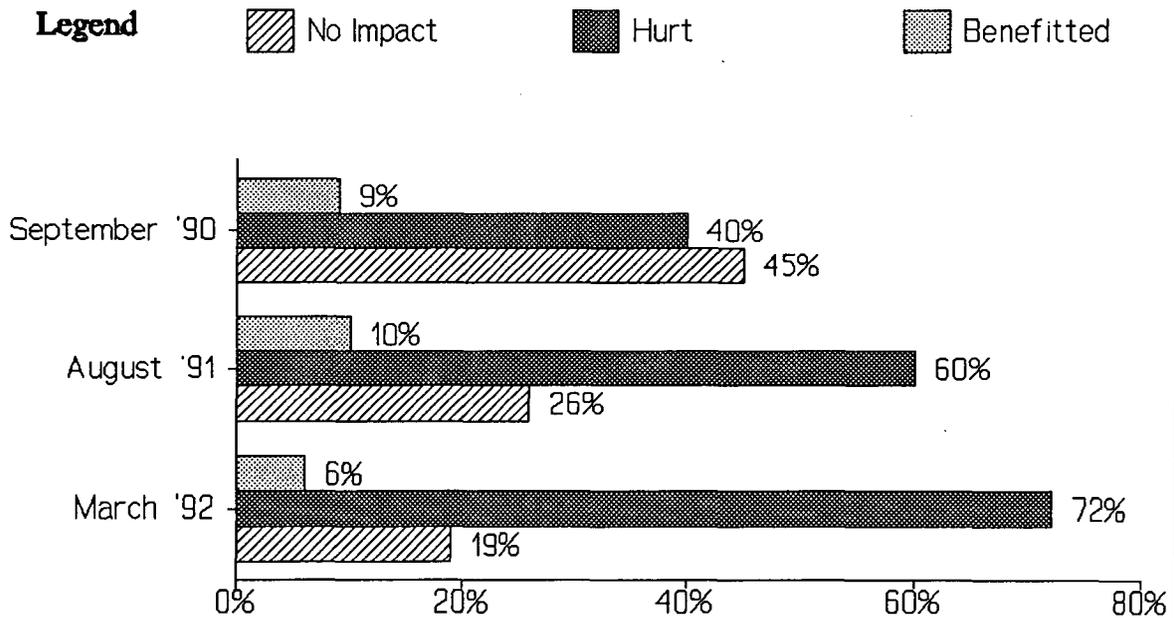
- ▶ Males
- ▶ University educated
- ▶ Anglophones
- ▶ "Other" languages
- ▶ The most affluent
- ▶ Managers and professionals



As Table 30 indicates, a strong majority (72%, up 12% since August) of Canadians believe that the FTA has hurt Canada since it has been in force. This opinion is strongest in Ontario (81%), and weakest in Alberta (68%).

Table 30

Impact of FTA on Canada To Date

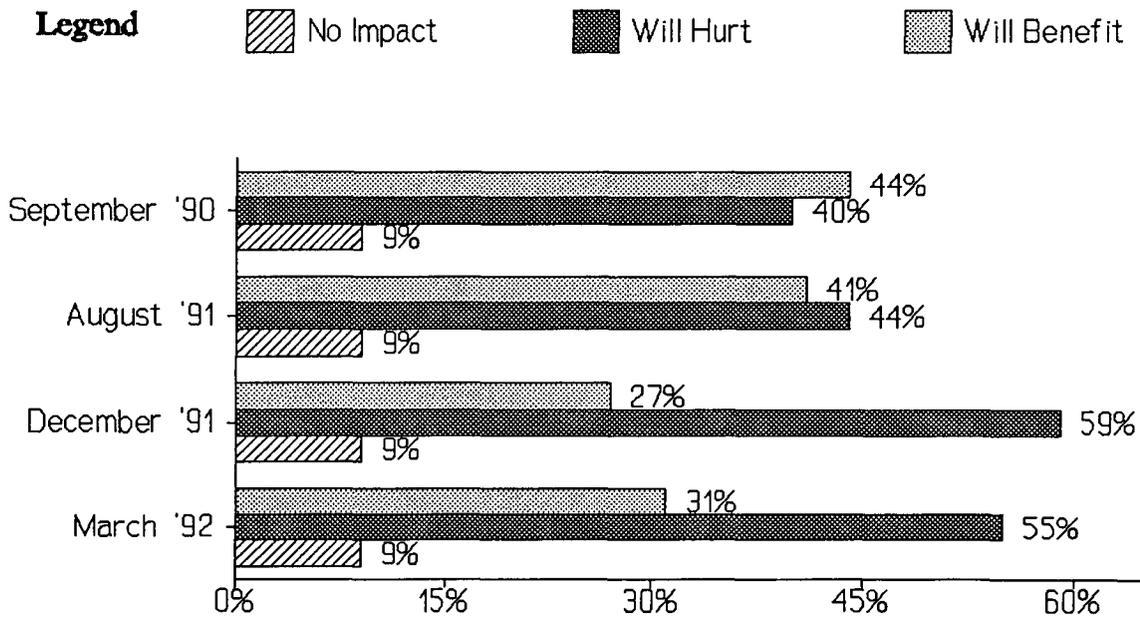


Most worrisome of the data on the FTA, is the continued belief that in the long-term the agreement will hurt (55%, down 4% since December) Canada. Prior to December 1991, the sustained belief that the FTA would help Canada in the long-term was the only question on which the previous free trade coalition hung together.

Regionally, B.C. (66% "will hurt") residents have the most negative view of the long-term consequences of the FTA, Québeckers (44% "will hurt") have the most positive. Demographically, concern is strongest among women, the less educated, and blue collar workers.

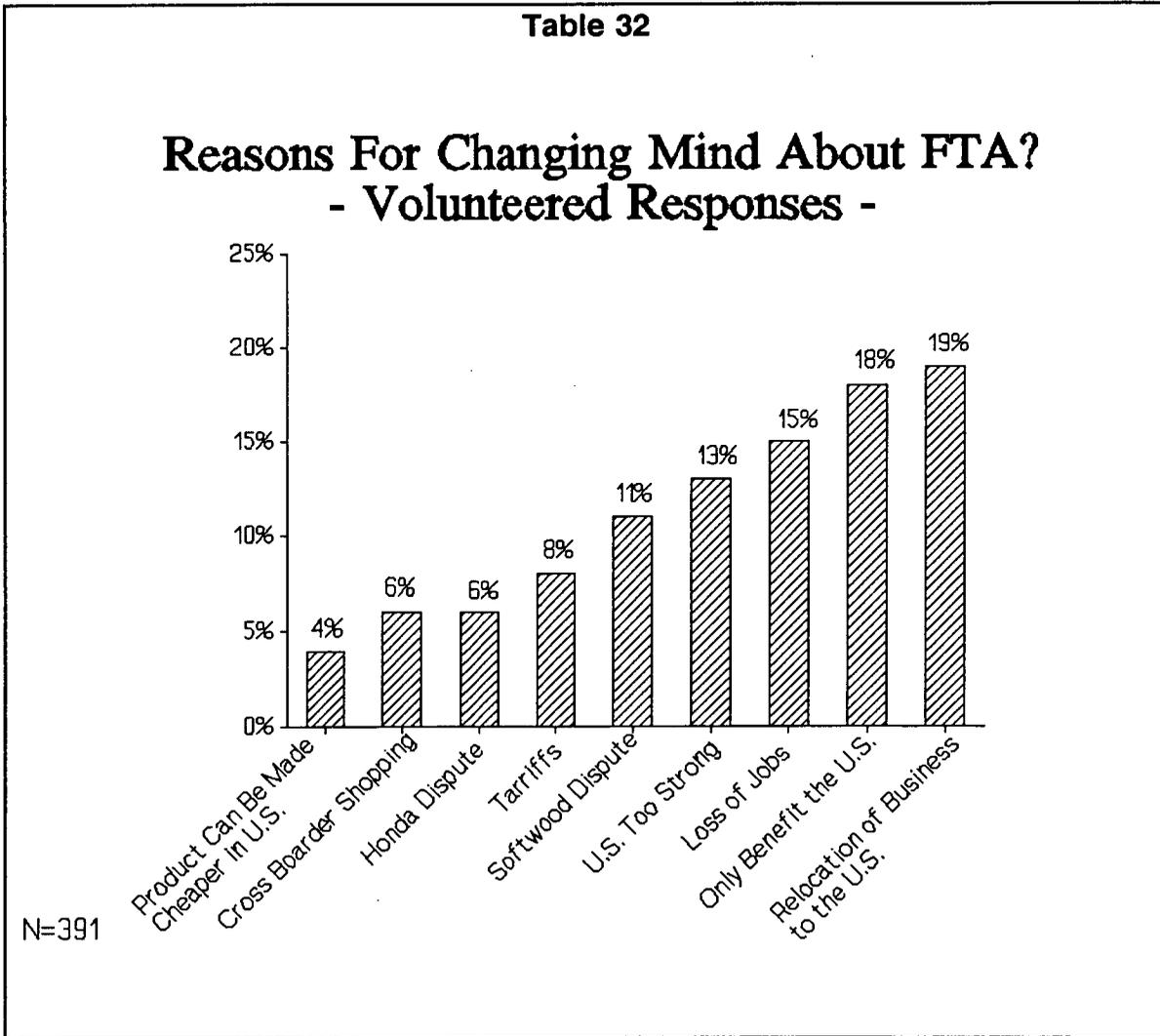
Table 31

Long-Term Impact of FTA on Canada



To determine why there has been a decline in confidence about the long-term benefits of the FTA, respondents who said that in the long-term Canada would be hurt by the agreement were asked if they had changed their opinion over the last year. Those who said they had switched (47%) were asked to provide a reason for changing. Responses to this question are presented in Table 32. These data indicate that the top four reasons for switching include:

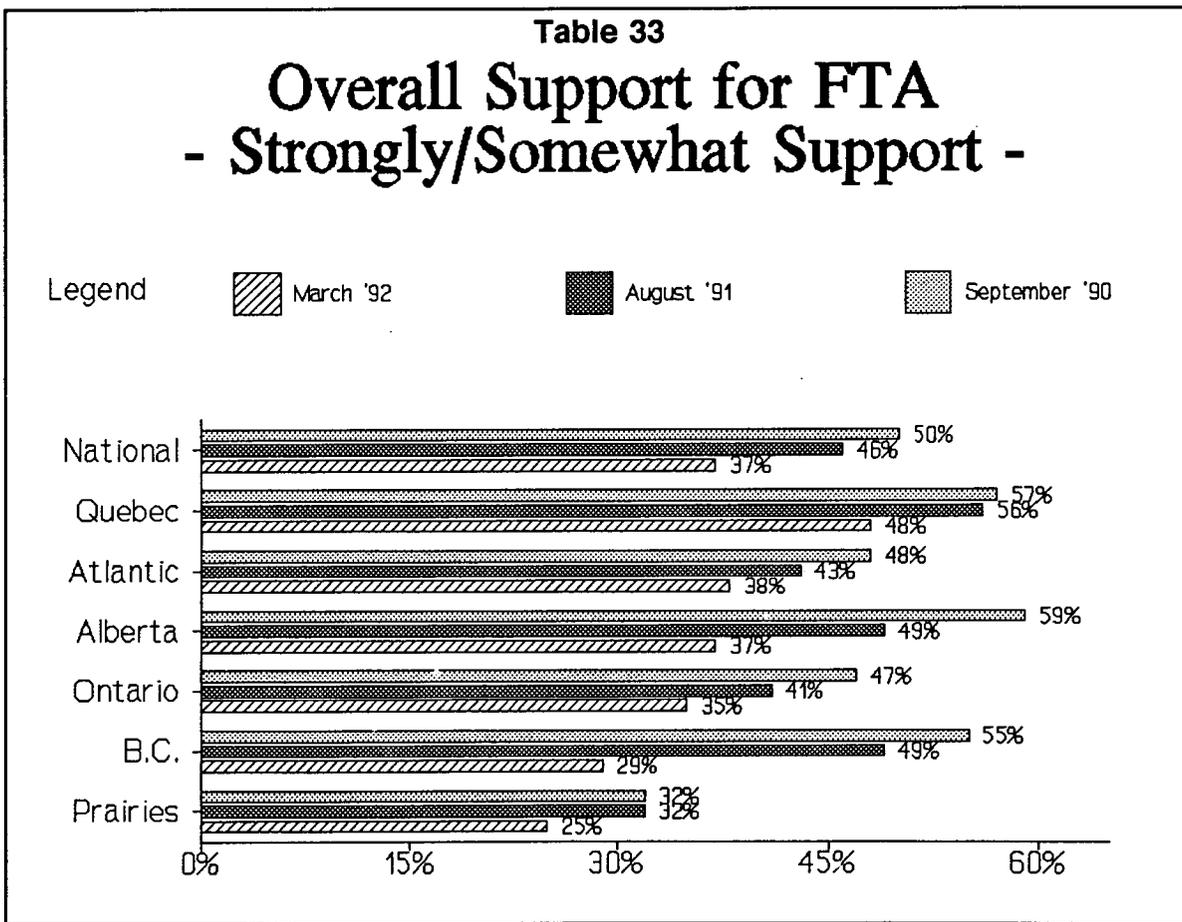
- ▶ Relocation of businesses to the U.S. (19%)
- ▶ The FTA only benefits the U.S. (18%)
- ▶ Loss of jobs (15%)
- ▶ U.S. too strong (13%)



Given the opinions noted above, it is not surprising that overall support for the FTA has dropped to 37% (see Table 33). Support is strongest in Québec (48%, down 8%), and weakest (25%) in the Prairie provinces. Demographic subgroups that constitute the strongest supporters of the FTA include:

- ▶ Males
- ▶ University educated
- ▶ Francophones
- ▶ The most affluent
- ▶ Managers and professionals

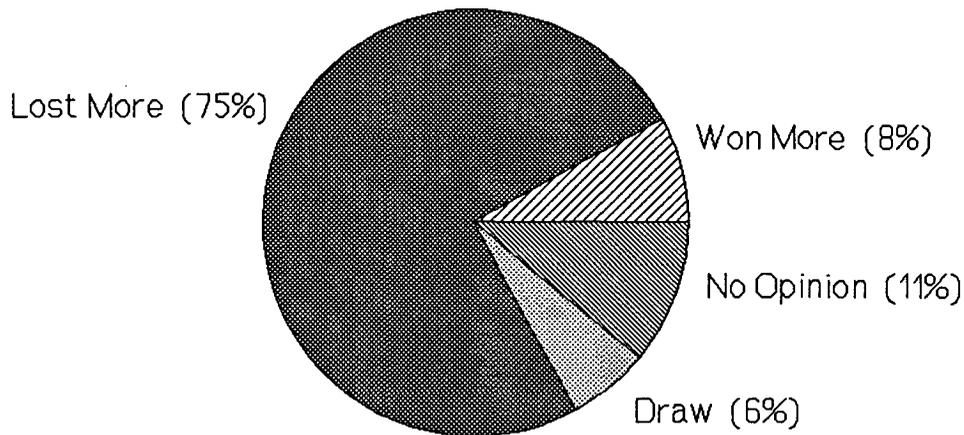
It should also be noted that there is a clear and strong correlation between support for the FTA and support for the federal government's management of the economy.



Another reason for declining support for the FTA is the belief that Canada has lost more disputes under the agreement than it has won. As Table 34 indicates, three-quarters (75%) of those surveyed believe that Canada has lost more trade disputes since the free trade agreement went into effect. Importantly, 73% of those who think Canada has lost more disputes under the FTA believe it is due directly to the agreement.

Table 34

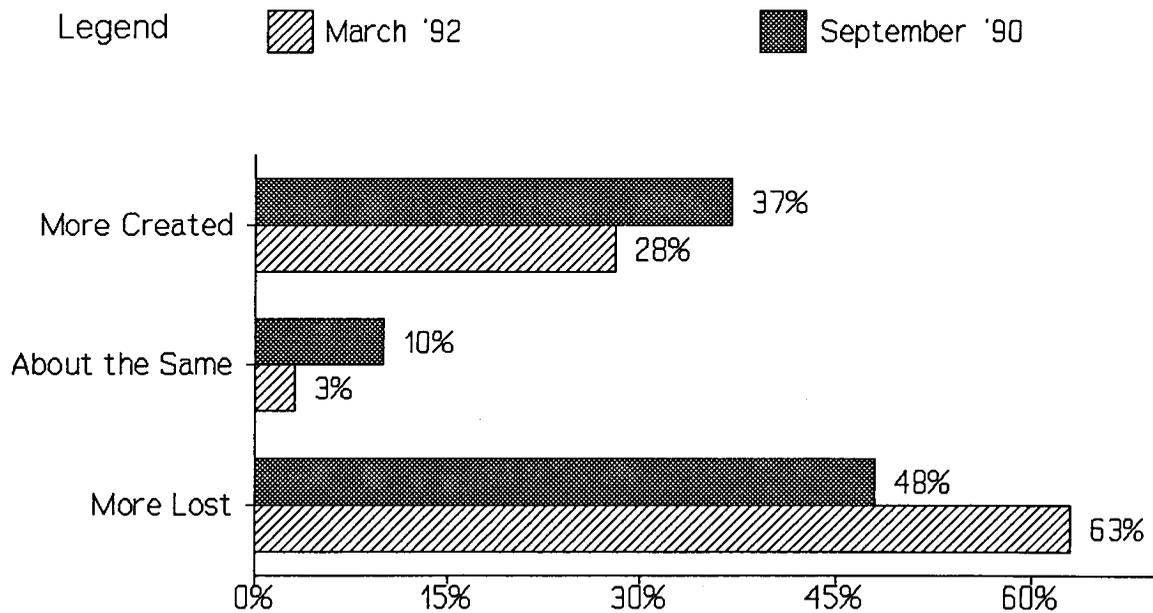
Has Canada Won or Lost More Trade Disputes Under FTA?



In addition to thinking that Canada has lost more trade disputes under the FTA than it has won, a majority (63%, up 15% since September 1990) believe that more jobs have been lost than gained since the agreement was signed (see Table 35). Prairie (74%) residents are most likely to hold this opinion, while Québeckers (60%) are least likely to agree. Additionally, women, the less educated, the least affluent, and blue collar workers are most likely to believe that the FTA has meant fewer Canadian jobs.

Table 35

Impact of FTA on Job Creation



It is important to note that not all opinions on free trade with the U.S. are negative. As Table 36 shows, a majority (57%) support the general concept of freer trade with the U.S. This opinion is strongest in Alberta (65%), and weakest in the Atlantic (49%) provinces. Subgroups that disproportionately support the concept of freer trade with the U.S. include:

- ▶ Males
- ▶ University educated
- ▶ The most affluent
- ▶ Managers and professionals.

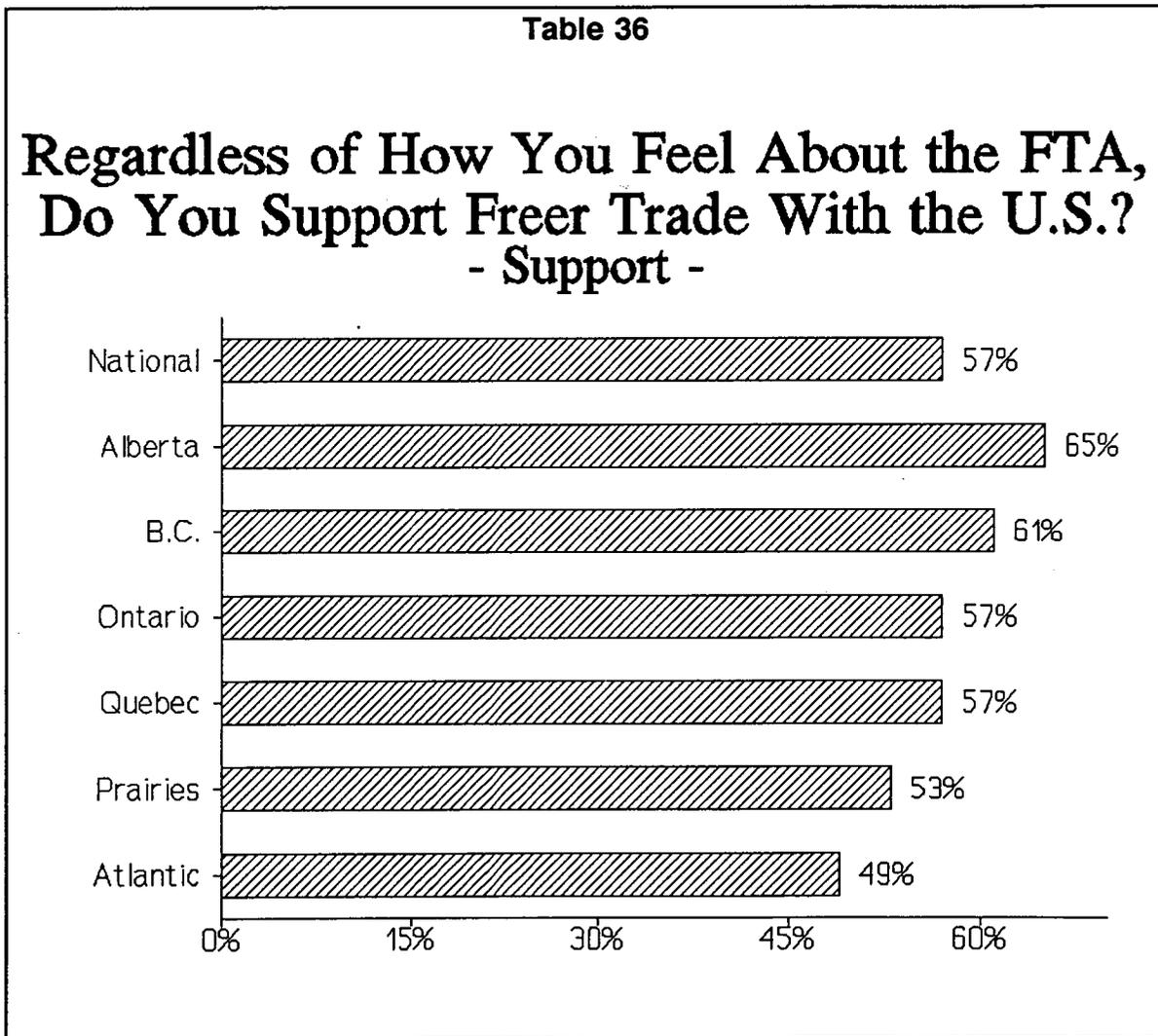


Table 37A and B explores the impact of various positive arguments about the FTA on its opponents. Together, these data suggest that all of the arguments have the potential to rebuild support for the agreement.

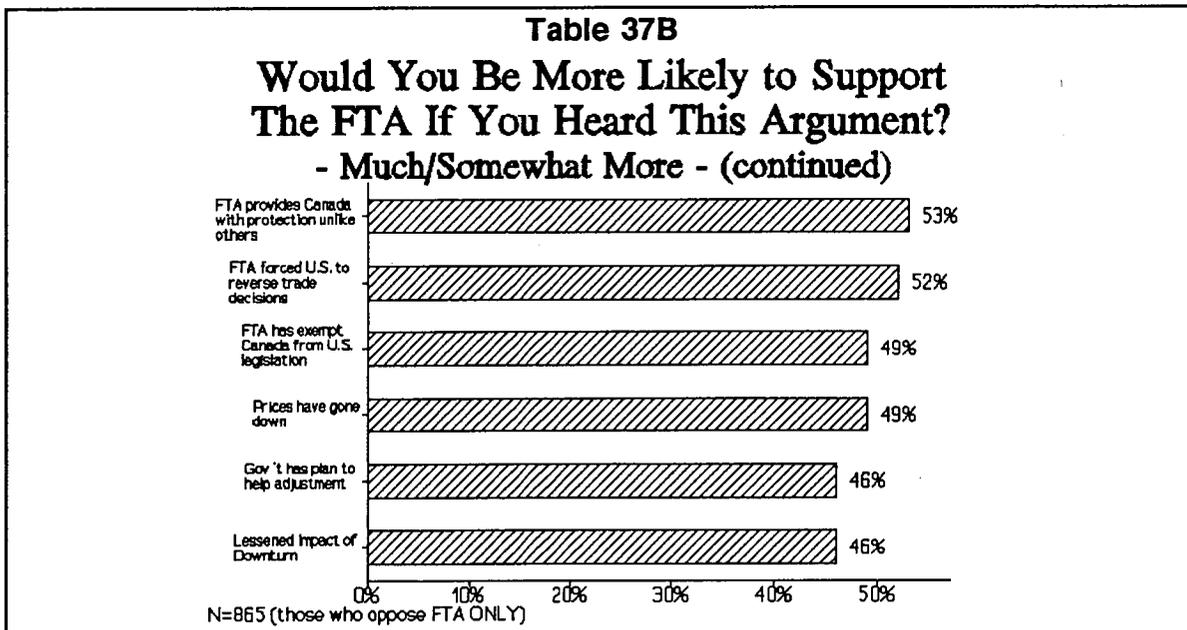
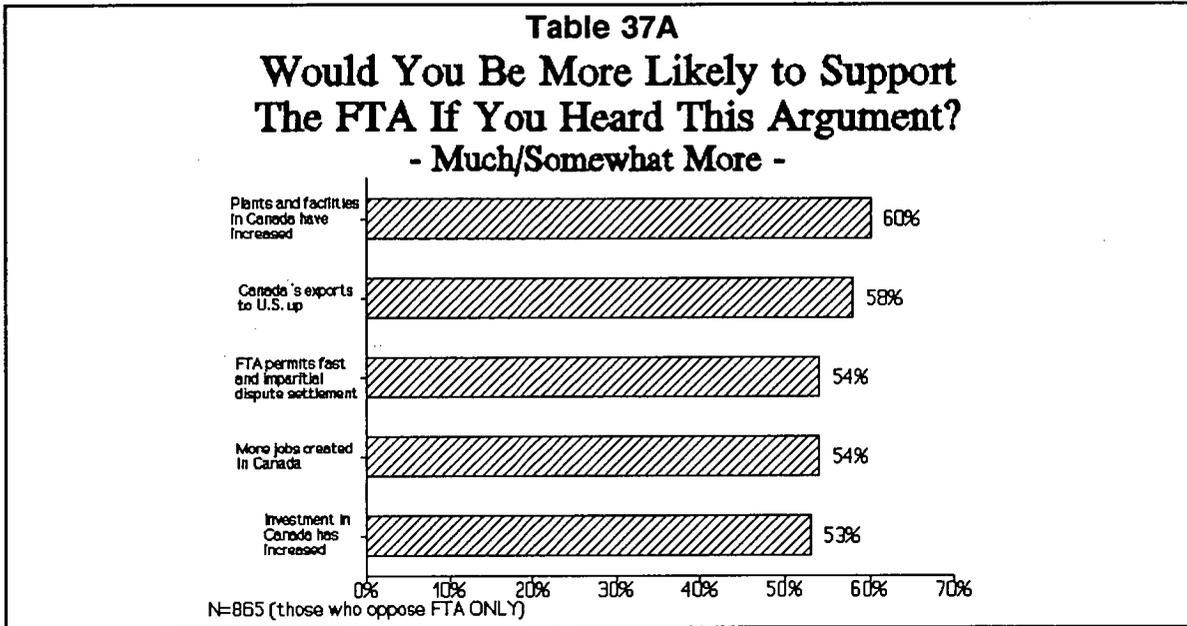
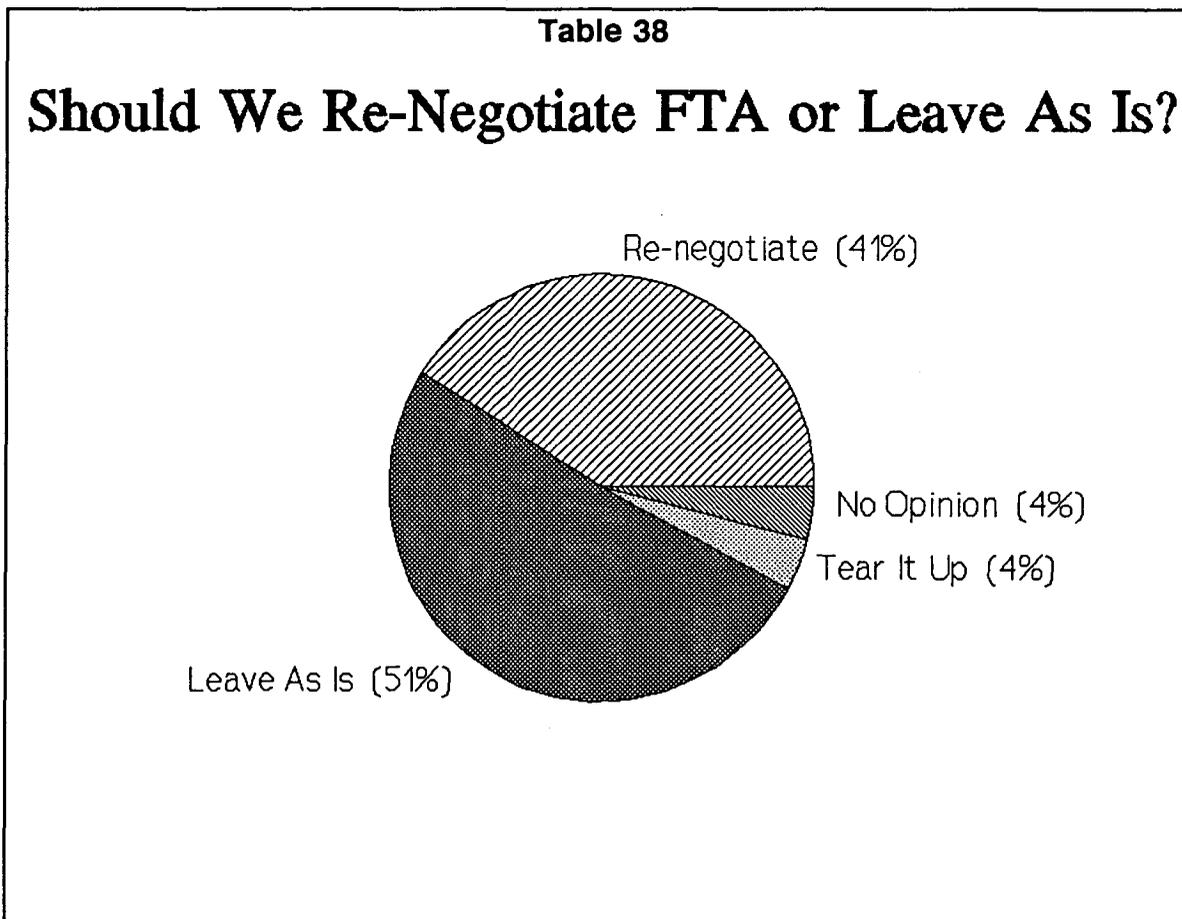


Table 38 explores the willingness of Canadians to re-negotiate the FTA. The data presented represent aggregate responses to the following forced choice question:

"Some people say that we should attempt to re-negotiate the free trade agreement with the U.S. because we may be able to get a more favourable agreement.

Other people say that if we re-open the current free trade agreement, it is unlikely that we will get a more favourable agreement, because the Americans will want too much, and a re-negotiated deal will likely be worse than the current agreement. Which point of view is closest to you own?"

While Canadians are split on this question, a slight majority (51%) believe that Canada should not re-open the current agreement. Regionally, support for re-negotiations is strongest in Québec (47% re-negotiate), and weakest in Alberta (33% re-negotiate).



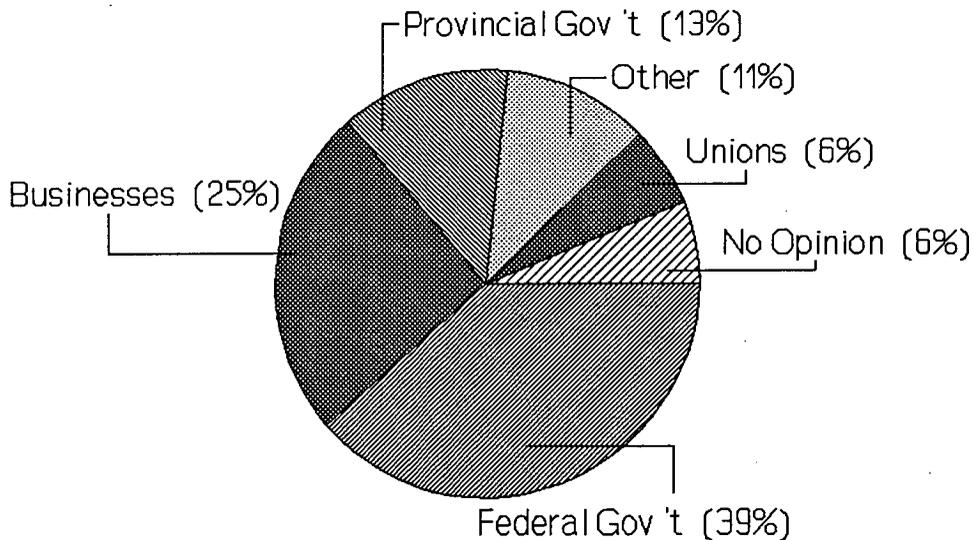
9.0 TRAINING ISSUES

Table 39 arrays responses to the following question - "who do you see as having the greatest responsibility for helping Canadians adjust...to changes in the global economy?" These data indicate that Canadians are divided on who should be primarily responsible for adjustment, but the plurality (39%) believe it should be the federal government.

Regionally, support for federal responsibility is highest in the Prairies (45%), and lowest in Quebec (29%). Also, Quebec respondents are the most likely to believe that their provincial government (21%) should have primary responsibility.

Table 39

Greatest Responsibility For Helping Canadians Adapt to Economic Change



While a plurality place responsibility for economic adjustment with the federal government, Table 40 shows that overall less than one-in-five (18%) are satisfied with their performance in this area. Examination of this issue on a regional basis indicates that Quebecers (28%) are the most satisfied and residents of B.C. (7%) are the least satisfied. These data are consistent across demographic subgroups.

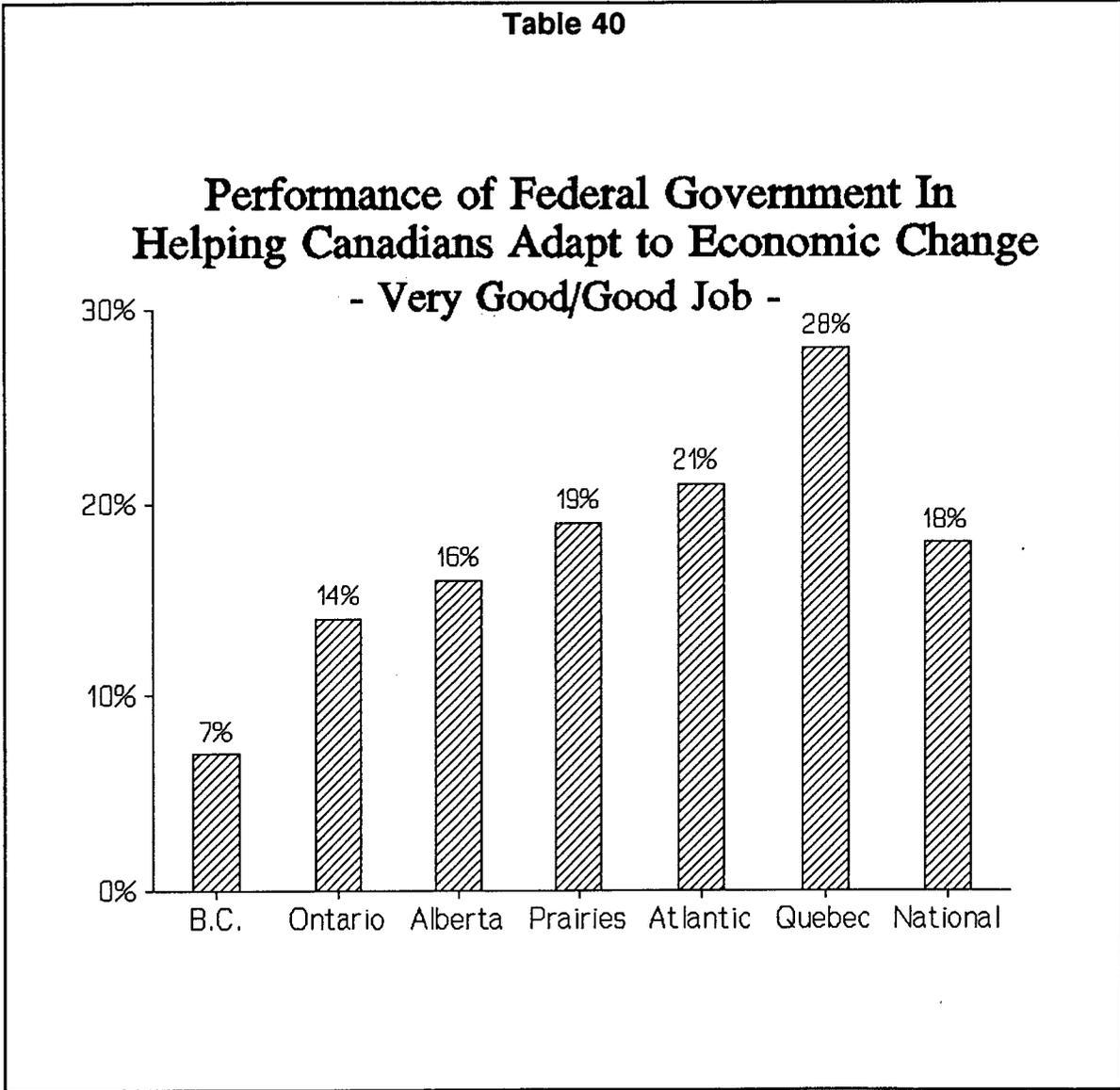
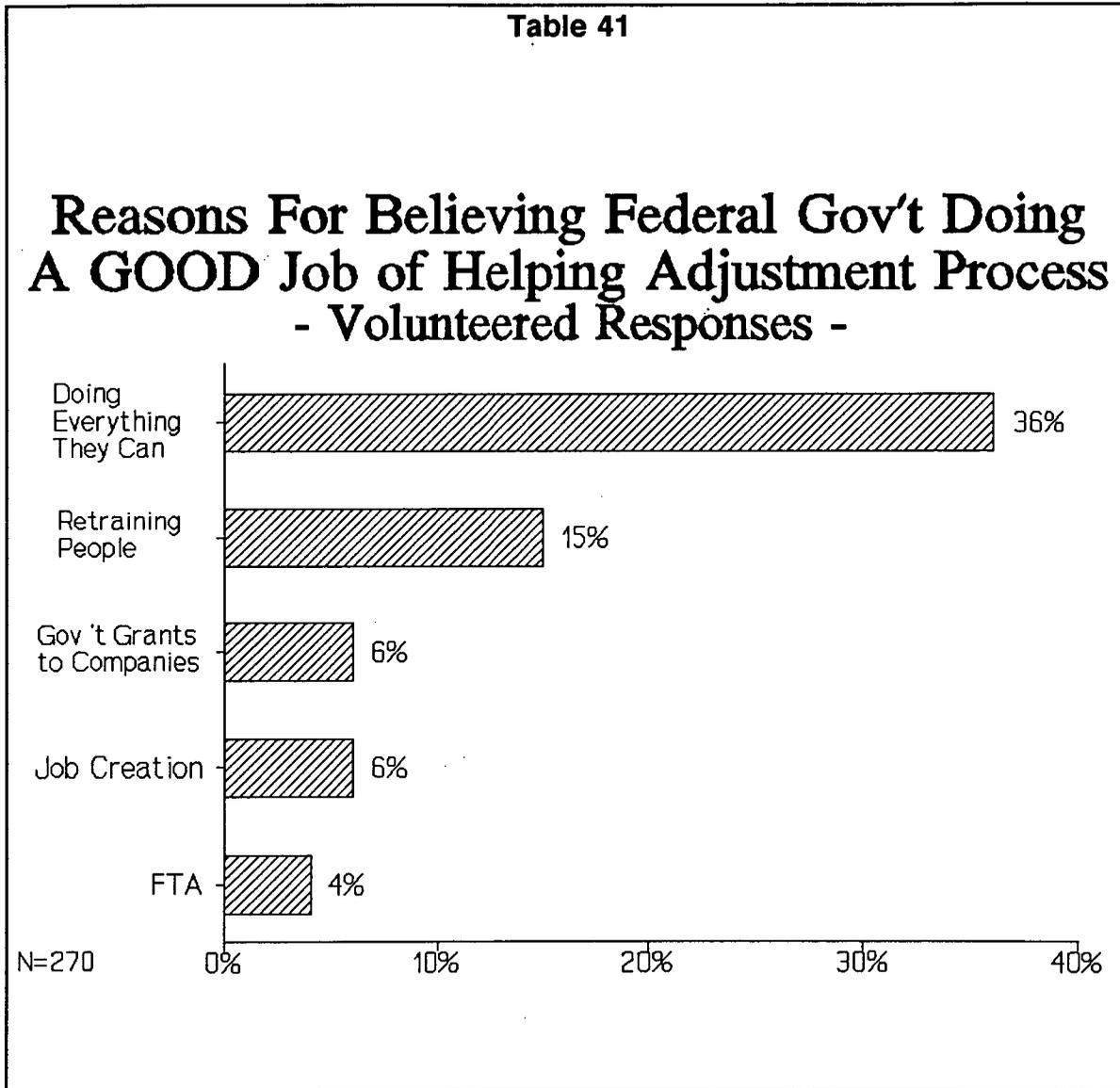


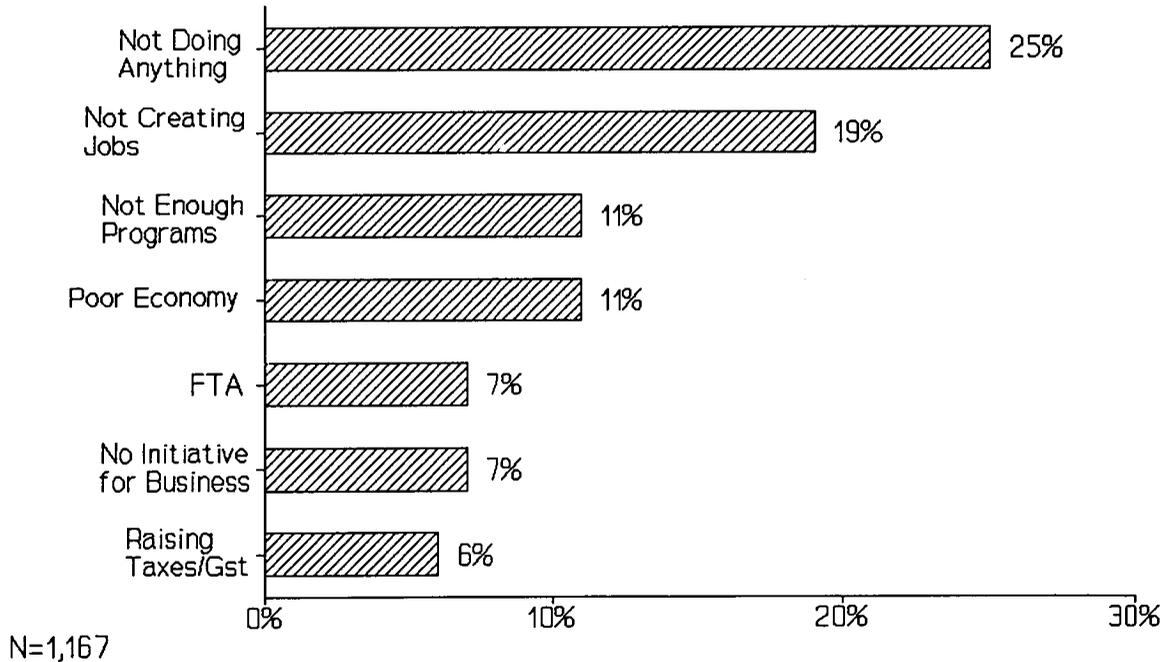
Table 41 arrays reasons given by the 18% for thinking the federal government is doing a good job of assisting the adjustment process. The most frequently volunteered reason is the general view that the government is doing "everything [it] can" (i.e. the government's intentions are good) to assist Canadians adjusting to change, while 15% cite the federal government's training initiatives.



Reasons offered for thinking the federal government is performing inadequately on adjustment questions can be broken into three categories -- a general sense that nothing is being done, a lack of specific initiatives, and unpopular government policies. Specific mentions are presented in Table 42.

Table 42

Reasons For Believing Federal Gov't Doing A POOR Job Of Helping Adjustment Process - Volunteered Responses -



Part of the reason for many respondents believing the federal government is not performing adequately on adjustment questions could be that they are not aware of developments in the areas of training and learning. As Table 43 shows, only 38% indicate they have heard something recently about federal government initiatives in the areas of training and learning. Awareness is highest in Quebec (45%), and lowest in B.C. (30%). Among demographic subgroups, the highest awareness scores were recorded for:

- Men
- Over 34 years of age
- University educated
- French speaking
- \$60K or more per year
- Managers/professionals

These demographic data suggest that communications on training and learning may not be penetrating the audience that is most "exposed" to the most negative consequences of the economic transition (i.e. women, the less educated/affluent, etc.).

Respondents who indicated they had heard something recently about federal learning and training initiatives were also asked to relate what they had heard. Most (46%) cited the general comment "programs to retrain people".

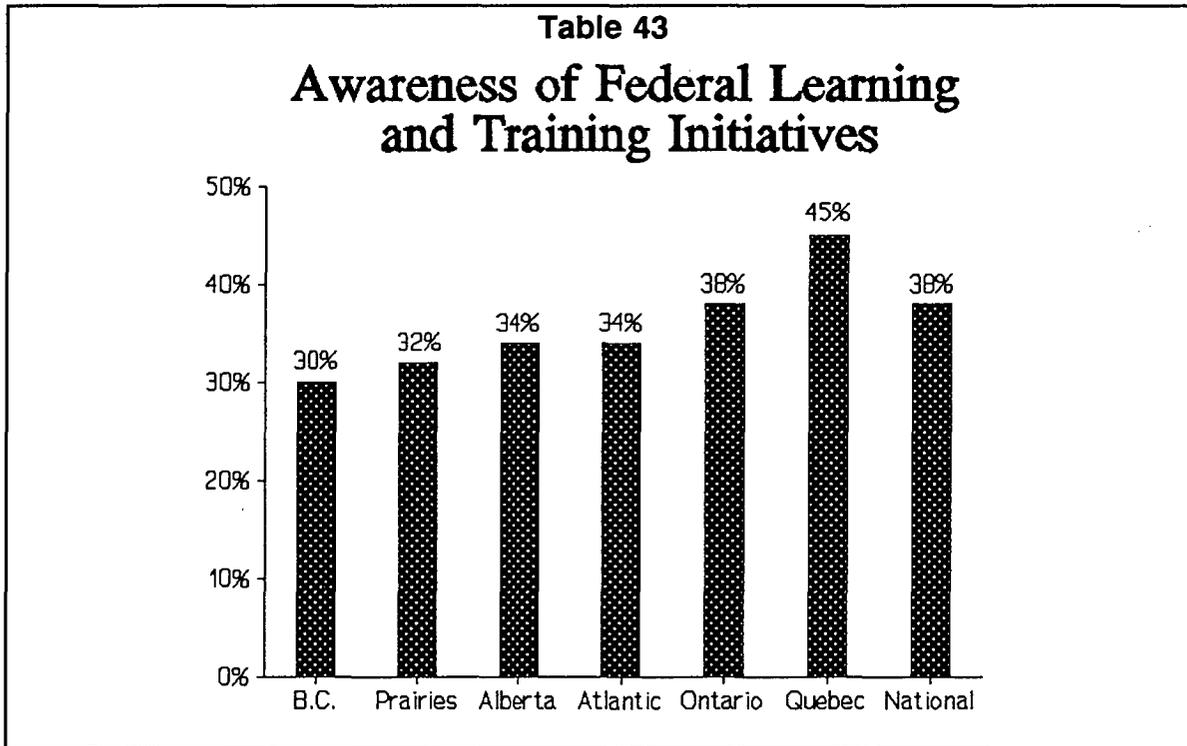
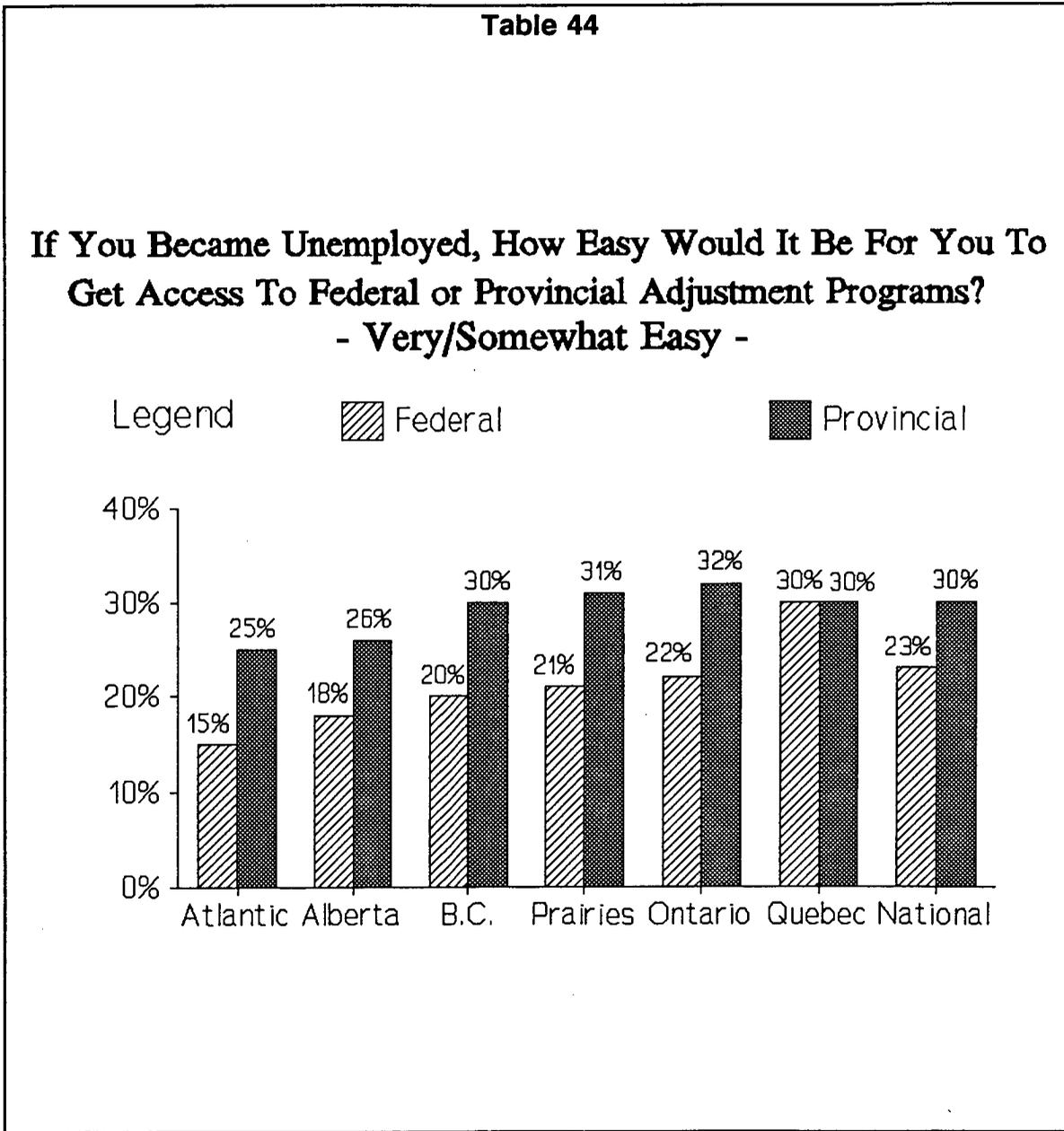


Table 44 shows that few respondents believe that if they became unemployed they could take advantage of either federal (23%) or provincial (30%) adjustment programs. For federal programs, residents of Quebec (30%) were the most optimistic about access, while Atlantic (15%) residents were the most pessimistic. For provincial programs Ontarians (32%) were the most positive about access, while Atlantic (25%) residents were again the most negative.

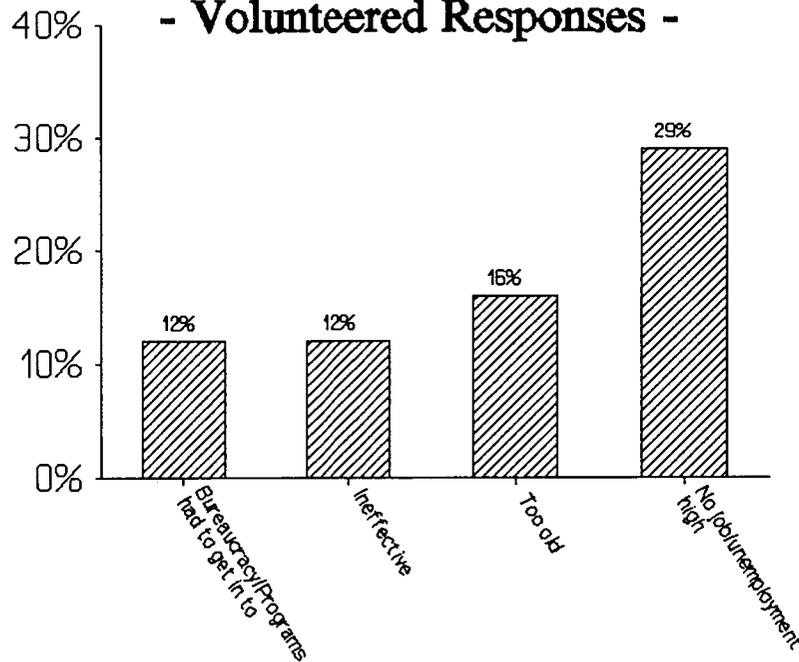


Reasons offered by those who believe they would have a difficult time gaining access to federal training and learning programs are provided in Table 45. The reasons can be broken into three categories -- a belief that the unemployment problem is so serious that no post-training positions will be available, perceived ineffectiveness of the programs, or personally not suited for training (i.e. too old).

Table 45

Why Would It NOT Be Easy To Gain Access To FEDERAL Programs

- Volunteered Responses -

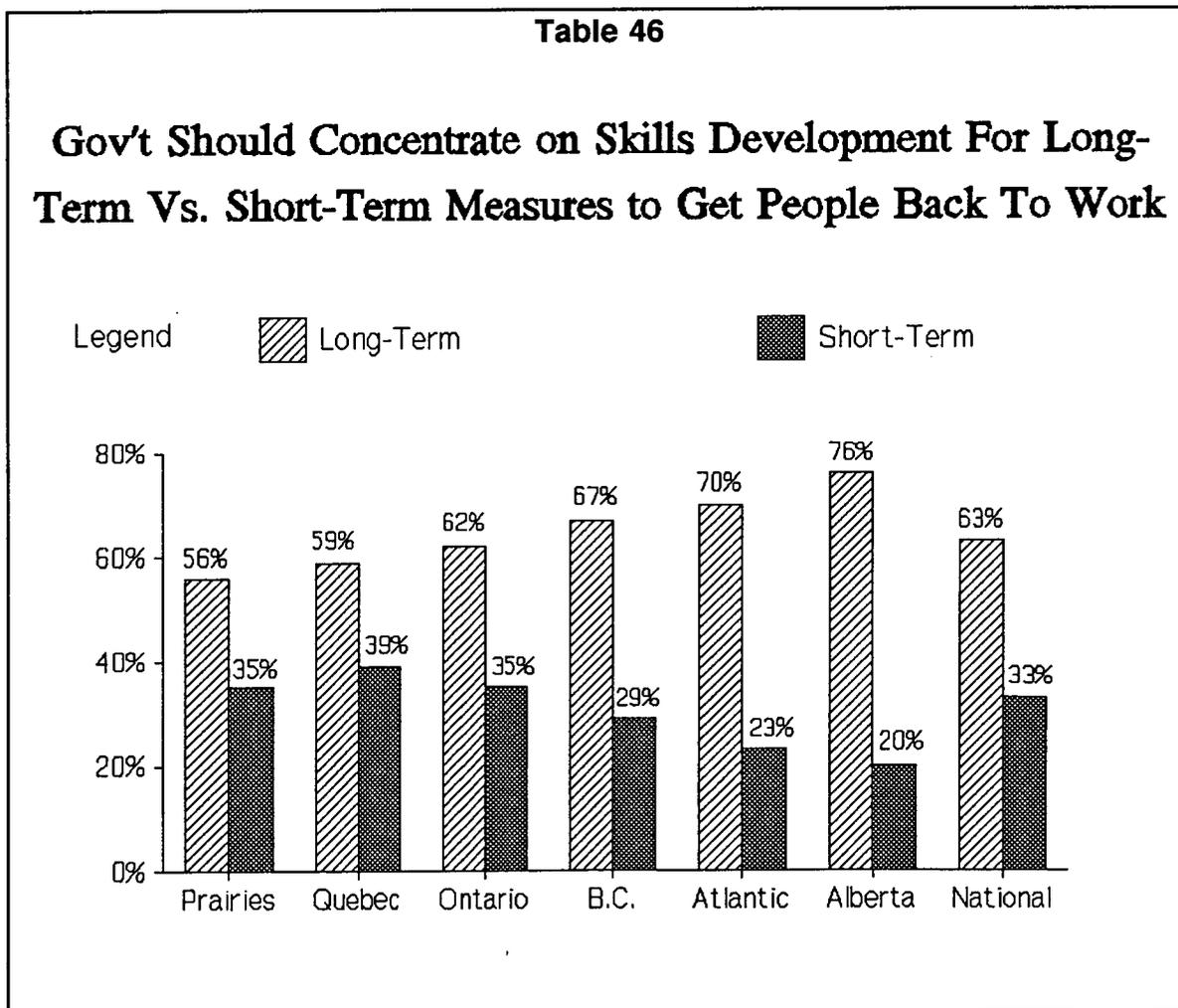


Turning to the issue of emphasis for government employment initiatives, respondents were presented with the following forced choice question:

"Some people say that the federal government should be concentrating on developing the skills of Canadian workers, in order to provide for Canada's long-term economic future.

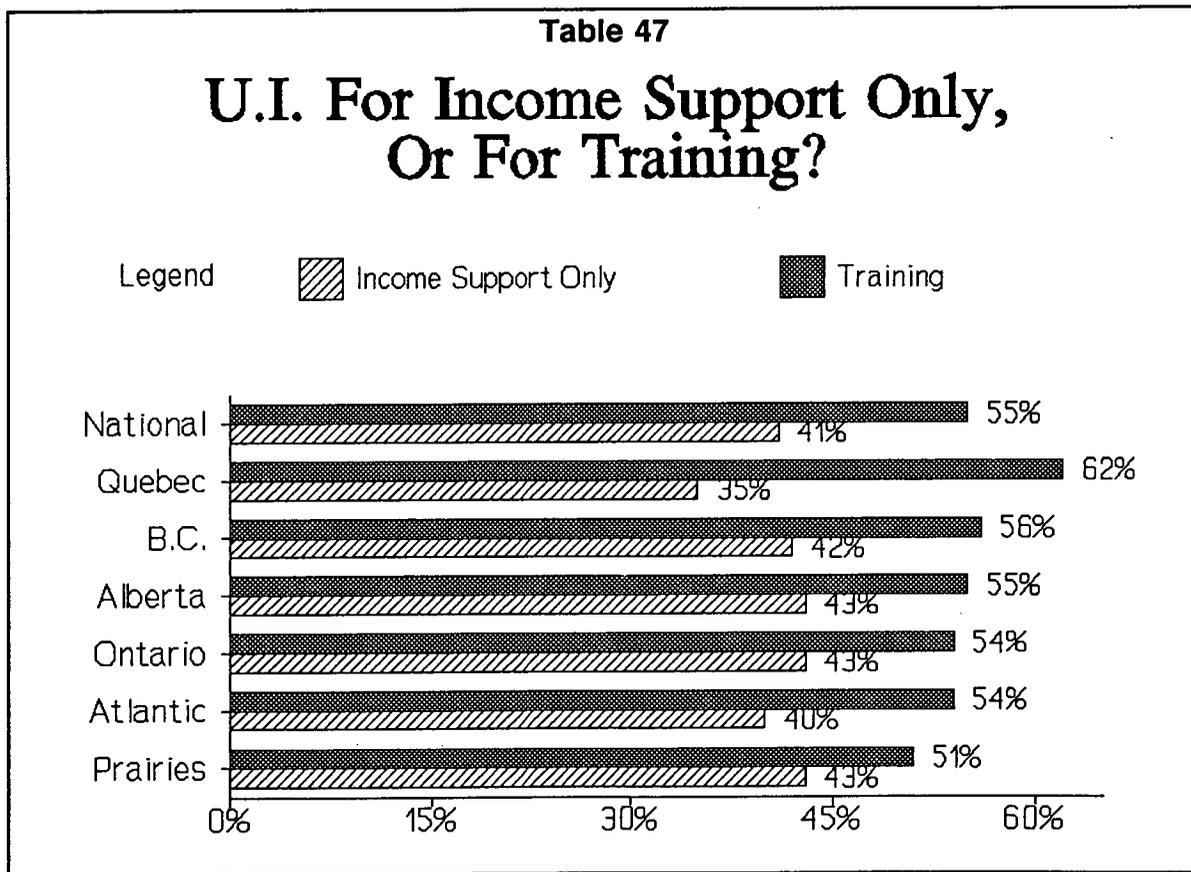
Other people say that given the current economic situation, we need less emphasis on training and more on short-term measures to get people back to work. Which point of view is closest to your own?"

Aggregate responses to this question (as presented in Table 46) show that the majority (63%) prefer a long-term focus to employment programming. Regionally, support for a long-term focus is strongest in Alberta (76%), and weakest in the Prairies (56%).



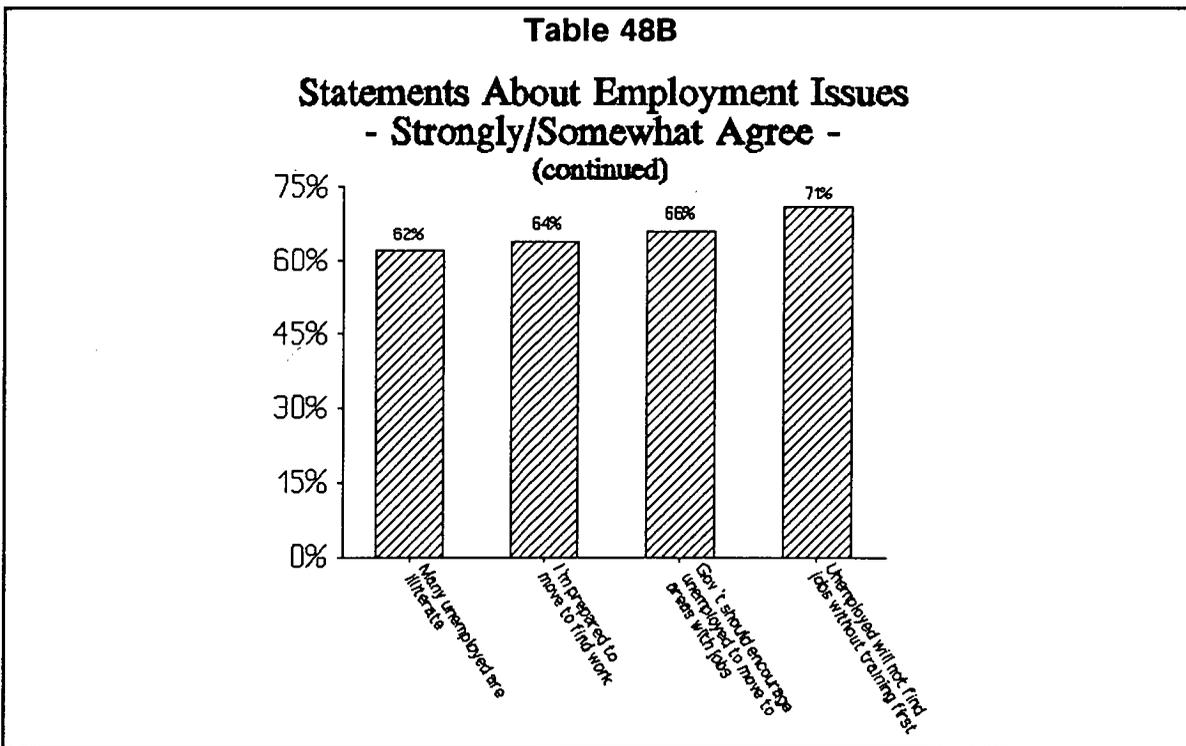
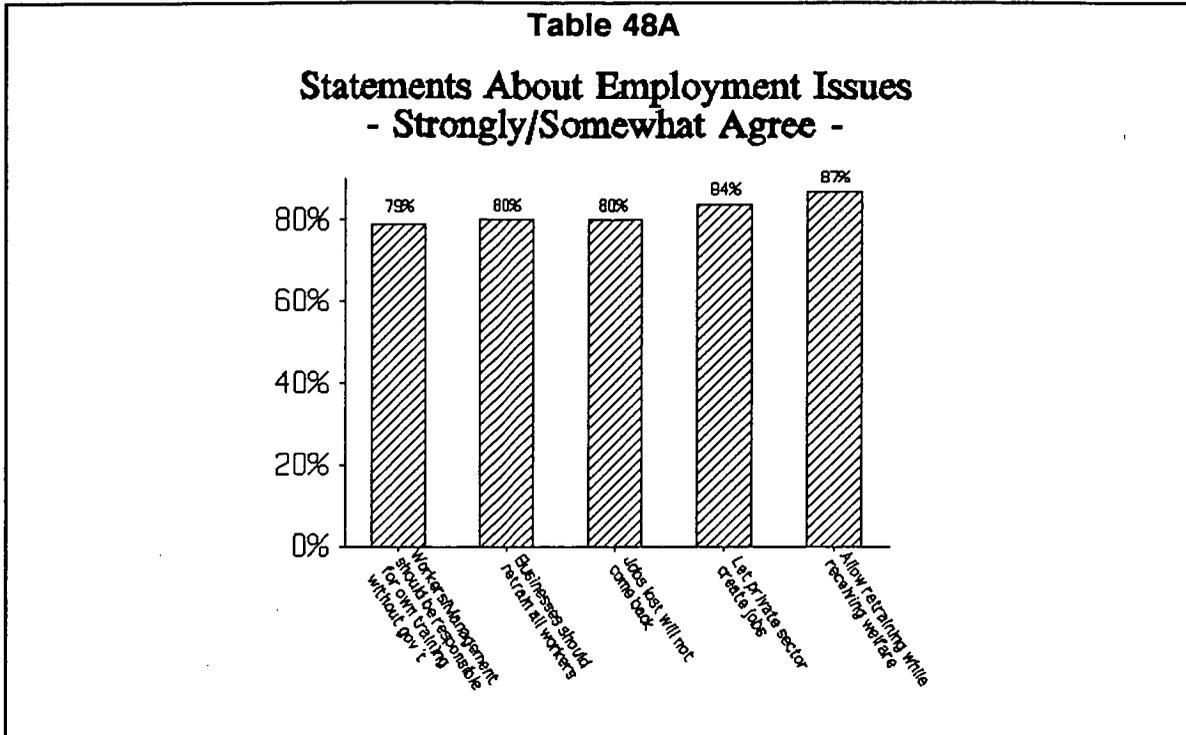
Further on the question of focus for federal employment initiatives, respondents were presented with a forced choice question on the use of U.I. funds. The two options presented were -- U.I. to be used strictly for income support in case of job loss, versus using U.I. money to fund training for unemployed workers. Table 47 shows that opinion was split on this question with a slight majority (55%) preferring the training option. Regionally, support for the training option was highest in Quebec (62%), and lowest in the Prairies (51%). Demographic subgroups that were more disposed to using U.I. funds for training include:

- 18-34 years of age
- Technical education
- French, and "other" language
- Service occupations



Tables 48A, 48B, and 48C present the results for a battery of questions on a number of important employment and training issues. While specific demographic and attitudinal (i.e. key ballot questions) breaks for each question are available in the appended detailed tables, the most salient points are highlighted below:

- There is overwhelming support (87%) for allowing welfare recipients to re-train while still receiving their welfare benefits.
- There is a strong belief (80%) that jobs lost during the recession will not come back. However, there is still a sense that jobs are going unfilled because of a lack of qualified candidates. The key to new employment opportunities for the unemployed is seen to be training.
- 84% believe the federal government should focus on creating the right climate for private sector job creation rather than creating jobs directly.
- A majority (62%) agree that many unemployed Canadians are illiterate.
- There is a general belief that there should be an expansion of the role of business/workers in training, accompanied by a less "monopolistic" role for government.
- Moving to find employment is acceptable; both as a focus for government policy, and as a personal response to unemployment.
- Targeting of training programs to assist disadvantaged groups is a controversial practice in terms of public opinion. A slim majority (54%) agree with special training initiatives for target group members.
- The federal government's performance in providing assistance to older workers looking for work is seen as inadequate.



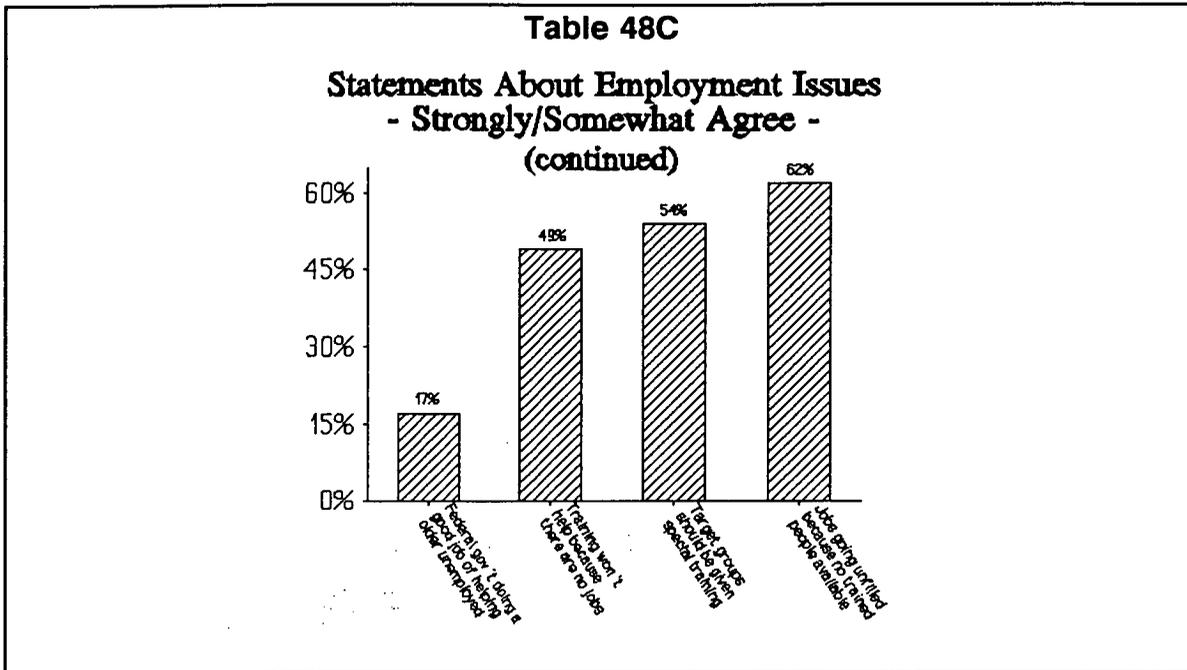
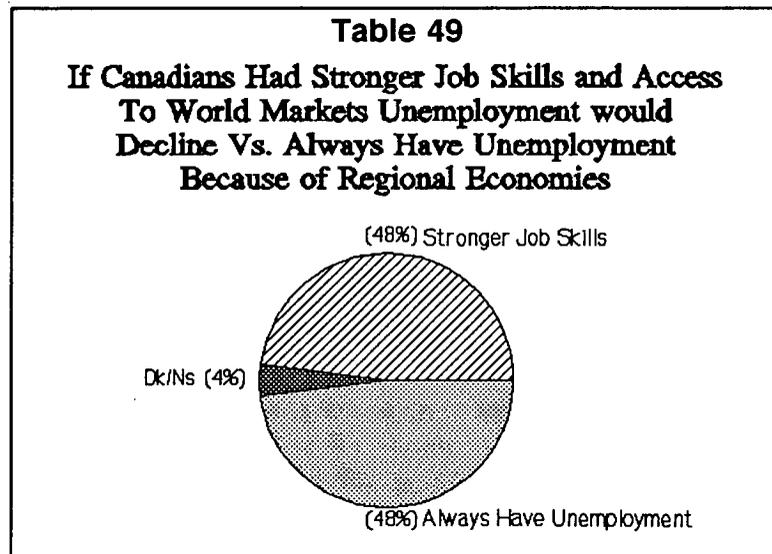


Table 49 presents aggregate responses to the following forced choice question testing the perceived impact of market access and skills development on long-term employment prospects for Canadian workers:

"Some people say that if Canadians had stronger job skills along with access to world markets, we would prosper and the problem of unemployment would decline on its own.

Other people say that we will always have high unemployment in Canada because of the weaknesses in some of our regional economies. Which statement is closest to your own point of view?"



These data indicate that Canadians are divided on the efficacy of market access and skills training -- only half (48%) see them as effective when compared to the overall impact of Canada's weak regional economies. Regionally, B.C. (53%) residents are the most optimistic about the efficacy of skills and markets, Alberta and Quebec (both 43%) residents are the least optimistic.

APPENDIX A

Questionnaire and Top Line Frequency

April 16, 1992

CANADIAN TRADE AND ADJUSTMENT STUDY
Top Line Frequencies (%)

	<u>N</u>
British Columbia.....	170
Alberta.....	143
Prairies.....	124
Ontario.....	535
Québec.....	399
Atlantic.....	138
TOTAL.....	1509

[ALL FREQUENCIES EXPRESSED IN PERCENT]

SEX: Male.....737
 Female.....772

A. ECONOMY

1. First, thinking of the various economic issues facing Canada right now, I'd like you to tell me which one requires the most attention from Canada's leaders? (FIRST MENTION ONLY - Open Ended)

Unemployment/job security/job training.....	43
Free trade.....	9
Deficit.....	8
Economy (general).....	7
National unity.....	4
Taxes.....	3
Recession.....	3
International trade.....	2
Farm industry.....	2
Social programs.....	2
Other.....	11
Don't know/not stated (DK/NS).....	6

2. Thinking about the next year or so, do you generally feel that the Canadian economy will improve, stay about the same, or get worse?

Improve.....	26
Stay the same.....	41
Get worse.....	31
(DK/NS).....	2

3. Overall, would you say the federal government is doing a good or a poor job in terms of managing Canada's economy? (Is that very or somewhat good/poor?)

Very good.....	1
Somewhat good.....	17
Somewhat poor.....	37
Very poor.....	42
(DK/NS).....	3

3a. Overall, would you say your provincial government is doing a good or a poor job in terms of managing your provinces' economy? (Is that very or somewhat good/poor?)

Very good.....	3
Somewhat good.....	32
Somewhat poor.....	35
Very poor.....	23
(DK/NS).....	7

- 4a A number of commentators have said that Canada is in a recession. I'm going to read you some of the reasons given for the recession, and I'd like you to tell me which one you feel is most responsible for the recession (READ AND ROTATE LIST -- ONE RESPONSE ONLY).
- 4b And which reason is the second most responsible (READ REMAINING CATEGORIES ON LIST -- ONE RESPONSE ONLY).

	<u>4a</u>	<u>4b</u>
___ The free trade agreement with the U.S....	23	39
___ The failure of Canadian businesses to anticipate today's competitiveness problems.....	9	18
___ The GST.....	19	39
___ A high Canadian dollar.....	4	10
___ High interest rates.....	4	8
___ Global economic conditions.....	15	24
___ Economic slowdown in the U.S.....	5	12
___ The federal deficit.....	9	16
___ Low productivity of Canadian businesses...5.....	5	13
___ High wages of Canadian workers.....	7	15
(Other - DO NOT READ).....	1	4
(DK/NS).....	0	0

B. INTERNATIONAL COMPETITIVENESS

5. Have you heard anything recently about the issue of international competitiveness?

Yes.....56
 No.....43
 (DK/NS).....1

6. Thinking about Canada's international competitiveness, would you say we are keeping up with other countries such as Japan, Germany, and the United States and competing as well as we should be, or are we falling behind other countries and not competing as well as we should be?

Keeping up.....10
 Falling behind.....87
 (DK/NS).....3

7. How committed is the federal government to making Canada more competitive...very committed, somewhat committed, not very committed, or not committed at all?

Very committed.....5
 Somewhat committed.....38
 Not very committed.....36
 Not committed at all.....18
 (DK/NS).....3

8. A number of statements have been made about Canada's ability to compete in world markets. Using a 7 point scale where "1" means you "Completely Disagree" and "7" means that you "Agree Completely", how would you rate each of the following statements? (READ LIST - ROTATE FROM X)

- | | <u>Completely
Disagree</u> | <u>Completely
Agree</u> | (DK/
NS) |
|---|--|--|-------------|
| — a. I worry that when the government talks about Canada becoming more competitive they really mean that a lot of Canadians will lose their jobs..... | 1.....2.....3.....4.....5.....6.....7..... | 8.....9.....10.....11.....12.....13.....14.....15.....16.....17.....18.....19.....20.....21..... | 2 |
| — b. The government of Canada should take action to protect Canadian business and industry by limiting the amount of foreign goods sold here even if it means Canadians will pay more for their products..... | 11.....9.....13.....17.....19.....10.....19..... | 2 | |
| — c. Overall, the Canadian government is adequately preparing Canadians for international competitiveness..... | 23.....19.....22.....16.....10.....3.....4..... | 3 | |
| — d. To ensure that Canada's high standard of social programs are maintained, Canada's economy must be more competitive..... | 3.....2.....5.....8.....19.....23.....37..... | 2 | |
| — e. Canadian business management <u>must</u> take more responsibility for competitiveness by investing in research and employee retraining..... | 2.....2.....3.....6.....14.....22.....51..... | 1 | |
| — f. The federal government is committed to providing retraining opportunities to Canadians affected by changing market conditions..... | 13.....12.....18.....18.....16.....8.....11..... | 3 | |

END ROTATION

C. EIC PROGRAMMES

- 9a Have you heard anything recently about federal government initiatives in the areas of learning and training?
- | | |
|--------------|-----------------|
| Yes..... | 38 - CONTINUE |
| No..... | 61 - SKIP TO 10 |
| (DK/NS)..... | 1 - |

IF YES, ASK:

9b And what have you heard? (Open-ended)

Programs to retrain people.....	46
Retraining funded by U.I.C.....	7
Programs for unemployed.....	7
Limited funding/cutbacks.....	6
Putting more money into job creation and training....	5
Refocus on education.....	4
Other.....	15
Don't know/not stated.....	10

ASK EVERYONE:

10a. If you personally became unemployed, how easy do you think it would be to gain access to federal government adjustment programs that would ease your transition back to work...very easy, somewhat easy, not very easy, not easy at all?

Very easy.....	4	- SKIP TO 11
Somewhat easy.....	19	-
Not very easy.....	30	- CONTINUE
Not easy at all.....	39	-
(DK/NS).....	8	- SKIP TO 11

IF "NOT VERY EASY" OR "NOT EASY AT ALL" ASK:

10b. Why do you say that it would not be easy? (Open-ended)

Too much unemployment.....	16
Age - too old.....	16
No jobs available.....	13
Ineffective.....	12
Bureaucracy/programs hard to get into.....	12
Retraining is costly.....	6
Other.....	21
Don't know/not stated.....	4

ASK EVERYONE:

11. And how easy do you think it would be to gain access to provincial government adjustment programs that would ease your transition back to work...very easy, somewhat easy, not very easy, not easy at all?

Very easy.....	4
Somewhat easy.....	26
Not very easy.....	31
Not easy at all.....	26
(DK/NS).....	13

12. Some people say that if Canadians had stronger job skills along with access to world markets, We would prosper and the problem of unemployment would decline on its own.

Other people say that we will always have high unemployment in Canada because of the weaknesses in some of our regional economies. Which statement is closest to your own point of view?

Stronger job skills.....	48
Always have unemployment....	48
(DK/NS).....	4

13. I'm going to read you some statements on employment in Canada. For each statement, I'd like you to tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree. (READ AND ROTATE FROM X)

	<u>Strongly Agree</u>	<u>Somewhat Agree</u>	<u>Somewhat Disagree</u>	<u>Strongly Disagree</u>	<u>(DK/NS)</u>
— a. The federal government is doing a good job helping older workers who are losing their jobs.....	3	14	27	46	11
— b. Canadian businesses should be directly involved in training unemployed workers, in addition to workers in their own companies.....	41	39	12	6	2
— c. Many Canadians who are without jobs are so because they lack basic reading, writing and math skills.....	27	35	23	12	3
— d. Even during the recession, many jobs are going unfilled because Canadian workers lack the training to fill these positions.....	29	33	20	16	2
— e. Canadians who are in designated groups such as Natives, women and Visible Minorities should be given special training help by the government.....	22	32	23	22	1
— f. Governments should encourage unemployed Canadians to move to areas where they can find jobs.....	29	37	17	16	1
— g. The government should not try to create jobs directly: instead it should create the right climate for the private sector to create jobs....	52	32	9	5	3
— h. If I were unemployed, I would be prepared to move to another part of the country in order to find work....	35	29	15	20	1
— i. Employees and management should be responsible for their own training instead of relying on government.....	39	40	14	6	1
— j. Most unemployed people will not find jobs unless they get training first.....	33	38	20	7	2

(CONTINUED)

	<u>Strongly Agree</u>	<u>Somewhat Agree</u>	<u>Somewhat Disagree</u>	<u>Strongly Disagree</u>	<u>(DK/ NS)</u>
— k. Skills training will not do much to help people get jobs, since there are so few jobs around.....	33	38	20	7	2
— l. In order to encourage welfare recipients to get off welfare, the government should allow them to re-train while still receiving their welfare payments.....	55	32	6	6	1
— m. Because of global economic restructuring, many of the jobs being lost now will not come back, even with an economic recovery.....	43	37	13	4	3

END ROTATION

14. Who do you see as having the greatest responsibility for helping Canadians adjust that is to adapt to changes in the global economy? (READ AND ROTATE LIST)

— The federal government.....	39
— The provincial governments.....	13
— Businesses.....	25
— Unions.....	6
— (Other).....	11
— (DK/NS).....	6

15a. Do you feel that the federal government is doing a very good job, a good job, a poor job, or a very poor job in helping Canadians adjust to changes in the global economy?

A very good job.....	1
A good job.....	17
A poor job.....	49
A very poor job.....	29
(DK/NS).....	5

15b. And why do you say that? (PROBE) (Open-ended)

BASE: A VERY GOOD JOB:

Doing everything they can/good job.....	20
State of the economy.....	16
Retraining people.....	8
Has ability to mitigate harsh economic conditions.....	8
Raising taxes/GST.....	7
Free trade agreement.....	5
Try to show some fiscal responsibility.....	5
Getting productivity/competitiveness message across.....	4
Don't know/not stated.....	27

BASE: A GOOD JOB:

Doing everything they can/good job.....	37
Retraining people.....	16
Job creation.....	7
Government grants to companies.....	6
Free Trade Agreement.....	4
Other.....	20
Don't know/not stated.....	10

BASE: A POOR JOB:

Not doing anything.....	25
Not creating jobs.....	18
Not enough programs available.....	11
Poor economy.....	11
No initiatives for business.....	7
Raising taxes/GST.....	6
Other.....	18
Don't know/not stated.....	4

BASE: A VERY POOR JOB:

Not doing anything.....	26
Not creating jobs.....	20
Not enough programs available.....	11
Poor economy.....	11
Raising taxes/GST.....	7
Other.....	11
Don't know/not stated.....	4

16. Some people say that the federal government should be concentrating on developing the skills of Canadian workers, in order to provide for Canada's long-term economic future.

Other people say that given the current economic situation, we need less emphasis on training and more on short-term measures to get people back to work.

Which point of view is closest to your own?

Long-term.....	63
Short-term.....	33
(DK/NS).....	4

17. Some people say that unemployment insurance is strictly an insurance program, like householder or auto insurance, and that the funds should only be used to provide income support in case of job loss.

Other people say that there should be more emphasis on using unemployment insurance money to fund training for unemployed workers.

Which statement is closest to your own point of view?

Income supplement.....	41
Training.....	55
(DK/NS).....	4

D. INTERNATIONAL TRADE -- GENERAL

18. From what you know, which of the following best describes the current situation for Canadian trade.

(READ LIST -- ONE ONLY)

We <u>export</u> more goods than we import.....	16
We <u>import</u> more goods than we export.....	61
Imports and exports are about equal.....	16
(DK/NS).....	6

D. GATT

25. Have you ever heard of the GATT, or General Agreement on Tariffs and Trade?
(INTERVIEWERS NOTE: GATT PRONOUNCED "GATT" NOT "G.A.T.T.")

Yes.....73
No.....27
(DK/NS).....0

The GATT is an agreement among 108 countries, including Canada, establishing rules for world trade. Negotiations are now underway to further reduce barriers to world trade under the agreement.

- 26a. Have you seen, heard, or read anything recently about the GATT?

Yes.....52 - CONTINUE
No.....47 - SKIP TO 27
(DK/NS).....0 -

IF "YES" to Q26a ASK:

- 26b. What do you remember most from what you saw, heard or read? (DO NOT READ LIST -- FIRST MENTION ONLY)

Farmers' Marketing boards threatened.....47
Drug issues.....0
Lowering of tariff barriers in general.....9
Better export market for grains.....6
More imports to Canada.....2
Improved trading relations.....5
(Other).....19
(DK/NS).....12

- 26c And do you consider (INSERT ANSWER FROM 26b) to be a good or bad thing?

Good.....31
Bad.....42
Neither good nor bad.....6
(DK/NS).....20

ASK EVERYONE:

27. People have been making a number of different statements recently about the GATT. I'm going to read you some of these statements. For each statement, I'd like you to tell me if you strongly agree, somewhat agree, somewhat disagree, or strongly disagree. (READ AND ROTATE FROM X)

	<u>Strongly Agree</u>	<u>Somewhat Agree</u>	<u>Somewhat Disagree</u>	<u>Strongly Disagree</u>	(DK/ NS)
— a. A GATT agreement will be good for Canadian consumers because it will lower the price of chicken, eggs, and milk.....	15	31	22	15	18
— b. A GATT agreement will hurt Canadian farmers because it threatens their marketing boards for chicken, eggs and milk.....	35	32	12	6	15
— c. A GATT agreement will help Canadian grain farmers because it opens up world m a r k e t s f o r C a n a d i a n exports.....	21	41	14	8	17
— d. A GATT agreement will help create jobs in the Canadian food processing sector.....	9	34	24	12	21
— e. There will be an increase in the cost of prescription drugs for Canadian consumers if Canada signs the GATT.....	9	20	20	11	40

END ROTATION

28. Some people say that in order to get the best deal possible for Canadians, the government must be able to negotiate trade agreements in private, drawing on expert advice from the provinces and industry, so that other countries' negotiators don't find out the details of Canada's negotiating position.

Other people say that because trade agreements like GATT affect all Canadians, the government should provide Canadians with the details of their negotiating position.

Which point of view is closest to your own?

In private.....	21
Provide details.....	77
(DK/NS).....	3

29. On balance, would you say that Canada's family farmers will be better or worse off if an agreement is reached on the GATT?
- | | |
|------------------------------------|----|
| Better off..... | 31 |
| Worse off..... | 44 |
| (No difference - volunteered)..... | 5 |
| (DK/NS)..... | 20 |
30. And, on balance, would you say that Canada will have more or fewer jobs if an agreement is reached on the GATT?
- | | |
|--------------------------------|----|
| More jobs..... | 34 |
| Fewer jobs..... | 36 |
| (No impact - volunteered)..... | 7 |
| (DK/NS)..... | 23 |
31. And, overall, would you say you strongly support, somewhat support, somewhat oppose, or strongly oppose Canada signing the General Agreement on Tariffs and Trade, or GATT?
- | | |
|-----------------------|----|
| Strongly support..... | 12 |
| Somewhat support..... | 39 |
| Somewhat oppose..... | 19 |
| Strongly oppose..... | 12 |
| (DK/NS)..... | 18 |
32. And, turning to the issue of free trade between Canada and the United States, how informed would you say you are in terms of developments related to Canada-U.S. free trade...very informed, somewhat informed, not very informed, or not informed at all?
- | | |
|--------------------------|----|
| Very informed..... | 5 |
| Somewhat informed..... | 50 |
| Not very informed..... | 35 |
| Not informed at all..... | 9 |
| (DK/NS)..... | 1 |
33. The Canada-U.S. Free Trade Agreement has now been in effect for over three years. Generally speaking, would you say that, up until today, having the Free Trade Agreement with the United States has benefitted Canada, has hurt Canada, or do you think it hasn't really had any impact one way or the other?
- | | |
|------------------------|----|
| Benefitted Canada..... | 6 |
| Hurt Canada..... | 72 |
| No impact..... | 19 |
| (DK/NS)..... | 3 |
34. What about the long-term effects of free trade? Do you think that in the long run, the Free Trade Agreement will benefit Canada, will hurt Canada, or will have no impact one way or the other?
- | | |
|---------------------|-----------------|
| Benefit Canada..... | 31 - SKIP TO 36 |
| Hurt Canada..... | 55 - CONTINUE |
| No impact..... | 9 - SKIP TO 36 |
| (DK/NS)..... | 5 - |

IF "HURT CANADA," ASK:

- 35a. A number of people have said they've changed their mind about free trade over the last year from believing that the long-term effects of free trade would benefit Canada, to now thinking that it will hurt Canada. Are you one of these people?

Yes.....47 - CONTINUE
 No.....52 - SKIP TO 35
 (DK/NS).....0

IF YES ASK:

- 35b. Why?

Relocation by businesses to U.S.....19
 Only benefits the U.S.....18
 Loss of jobs.....15
 U.S. too strong for Canada.....13
 Softwood lumber dispute.....11
 Tariffs.....8
 Honda dispute.....6
 Too much cross-border shopping.....6
 Other.....4
 Don't know/not stated.....3

ASK EVERYONE:

36. Regardless of how you feel about the actual free trade agreement between Canada and the U.S., do you support or oppose the idea of freer trade between Canada and the U.S.?

Support.....57
 Oppose.....38
 (DK/NS).....4

37. Would you say that, in the long-term, more jobs will be created or would you say that more jobs would be lost as a result of the free trade agreement with the United States? Would that be a lot more or a few more?

A lot more jobs created.....8
 A few more jobs created.....20
 A few more jobs lost.....23
 A lot more jobs lost.....40
 (No impact on jobs).....3
 (DK/NS).....5

38. Generally speaking, do you support or oppose the Free Trade Agreement that was reached between Canada and the United States? Would that be strongly or moderately?

Strongly support.....7 - SKIP TO 40
 Moderately support.....30 -
 Moderately oppose.....22 - CONTINUE
 Strongly oppose.....35 -
 (DK/NS).....5 - SKIP TO 40

IF MODERATELY/STRONGLY OPPOSE CONTINUE -- ALL OTHERS SKIP TO Q40

39. I'd like you to tell me how much more likely you would be to support free trade if you heard that (READ STATEMENT -- ROTATE FROM X) Would this make you much more likely, somewhat more likely, not very likely or not likely at all to support Canada-U.S. free trade?

	<u>MUCH MORE</u>	<u>SOMEWHAT MORE</u>	<u>NOT VERY</u>	<u>NOT AT ALL</u>	(DK/ NS)
— a. Canada's exports to the U.S. have increased as a result of tariff elimination under the free trade agreement.....	17	41	18	21	3
— b. Several American and Canadian owned companies have closed plants in the U.S. and opened new or expanded facilities in Canada.....	23	37	16	21	3
— c. The free trade agreement has been used to force the U.S. government to reverse earlier trade dispute decisions against Canadian companies.....	14	38	18	23	6
— d. The free trade agreement permits Canadian exporters to settle disputes with the U.S. in a fast and impartial manner.....	15	39	20	22	4
— e. The free trade agreement has been used successfully to exempt Canada from potentially damaging U.S. trade legislation.....	11	38	21	23	7
— f. Investment in Canada, particularly in manufacturing, has increased as a result of the free trade agreement.....	17	36	17	26	3
— g. The free trade agreement has <u>lessened</u> the severity of the recent economic downturn.....	16	30	19	33	2
— h. Some prices have gone down in Canada because of the free trade agreement.....	16	33	21	28	2

(CONTINUED)

	<u>MUCH MORE</u>	<u>SOMEWHAT MORE</u>	<u>NOT VERY</u>	<u>NOT AT ALL</u>	(DK/ NS)
— i. More jobs have been created in Canada than lost as a result of the free trade agreement.....	28	26	15	30	1
— j. The government has established a plan to help Canadians adjust to change brought about by the free trade agreement.....	12	34	20	30	4
— k. The free trade agreement provides Canada with greater protection from U.S. trade action than is available to any other country.....	15	38	17	23	7

END ROTATION

ASK EVERYONE:

40. (ROTATE STATEMENTS FROM X:)

— Some people say that we should attempt to re-negotiate the free trade agreement with the U.S. because we may be able to get a more favourable agreement.

— Other people say that if we re-open the current free trade agreement, it is unlikely that we will get a more favourable agreement, because the Americans will want too much, and a re-negotiated deal will likely be worse than the current agreement.

Which point of view is closest to your own?

Re-negotiate.....	41
Leave as is.....	51
(Tear it up, walk away - VOLUNTEERED - DO NOT READ)...	4
(DK/NS).....	4

41a. Recently there have been a number of trade disputes between Canada and the U.S. involving products like Honda cars and softwood lumber exports. In general, do you think that Canada has won more, or lost more of these trade disputes since the free trade agreement went into effect?

Won more.....	8 - CONTINUE
Lost more.....	75 -
(Even draw)....	6 - SKIP TO 42
(DK/NS).....	12

41b. And do you believe that this is due to the free trade agreement?

Yes.....	72
No.....	23
(DK/NS).....	5

ASK EVERYONE:

42. Now, we would like to get an idea of how likely you are to trust statements about free trade coming from various sources. The first one is (READ -- ROTATE FROM X). Do you trust most of what they say, some, little, or nothing of what they say?

	<u>TRUST</u> <u>MOST</u>	<u>TRUST</u> <u>SOME</u>	<u>TRUST</u> <u>LITTLE</u>	<u>TRUST</u> (DK/ <u>NOTHING</u> NS)
— a. Federal government leaders.....	5	32	34	28
— b. Provincial government leaders.....	8	41	32	17
— c. Labour union leaders.....	10	35	29	23
— d. Trade economists and other experts in international trade.....	27	47	15	7
— e. Journalists and reporters.....	11	43	29	15
— f. Business leaders.....	18	50	20	9
— g. Interest groups opposed to the free trade agreement.....	8	38	33	18

END ROTATION

43. Some people say that since the federal government signed the free trade agreement, they should be responsible for helping workers adjust to free trade.

Other people say that since all Canadians stand to benefit from expanded markets, adjustment to free trade is the joint responsibility of employers, workers, unions, business associations and all levels of government.

Which of these is closest to your own view?

Government responsibility.....	26
Shared responsibility.....	72
(DK/NS).....	2

E. NAFTA

44. As you may know, the federal government has entered into negotiations with the United States and Mexico on a three-way free trade agreement. Generally speaking, do you strongly support, somewhat support, somewhat oppose, or strongly oppose Canada entering into a three-way free trade agreement with the United States and Mexico?

Strongly support.....	6
Somewhat support.....	23
Somewhat oppose.....	21
Strongly oppose.....	46
(DK/NS).....	4

45. And, why do you (INSERT ANSWER TO Q43) a three-way free trade agreement between Canada, the United States and Mexico?

46. I'd like you to tell me how much more likely you would be to support the proposed three-way free trade agreement if you heard that (READ STATEMENT -- ROTATE FROM X) Would this make you much more likely, somewhat more likely, not very likely or not likely at all to support Canada-U.S. free trade?

	<u>MUCH MORE</u>	<u>SOMEWHAT MORE</u>	<u>NOT VERY</u>	<u>NOT AT ALL</u>	<u>(DK/ NS)</u>
— a. A three-way trade agreement that includes Mexico would be good for Canada because it opens up a new market for Canadian exports.....	18	34	19	25	3
— b. More companies will invest in Canada if we are part of a three-way free trade agreement so they can serve the whole NorthAmericanmarket.....	18	38	17	24	4
— c. Free trade with Mexico will help build the Mexican economy so that Mexican wages, environmental and safety standards will substantially improve over the long term.....	19	38	17	21	4
— d. A three-way trade agreement would be good for Canada because it clarifies and improves the rules of the existing free trade agreement between Canada and the United States.....	15	37	16	26	6

END ROTATION

47. Some people have said that Canadian businesses cannot compete with Mexican businesses in a free trade agreement because wages, environmental and safety standards are much lower in Mexico.

Others have said that Canadian businesses can compete with Mexican businesses because Canadian workers are better trained and Canada has better facilities like roads, airports and communications.

Which viewpoint would be closer to your own?

Cannot compete.....	55
Can compete.....	40
(DK/NS).....	5

48. I'm now going to read you some statements about general trade issues. Please tell me how you feel about each one on a scale of 1 to 7, where "1" means you "Totally Disagree" and "7" means you "Totally Agree" (READ AND ROTATE FROM X).

	<u>TOTALLY DISAGREE</u>	<u>TOTALLY AGREE</u>	(DK/ NS)
— a. Even if the Government of Canada continues to take part in further free trade talks with the U.S. and Mexico, there is little hope of Canadian concerns being reflected in the final agreement.....	7.....8.....13.....17.....19.....14.....18.....		3
— b. Canadian businesses are not doing all they can to take advantage of the opportunities available under the present Canada-U.S. free trade agreement.....	8.....8.....12.....20.....20.....12.....10.....		10
— c. The federal government should confront the U.S. <u>more strongly</u> on trade disputes, even if this may cause other Canadian exporters difficulty in the U.S.....	3.....4.....6.....11.....18.....22.....31.....		4
— d. The Canadian Government <u>must</u> be involved in the free trade discussions with the U.S. and Mexico to protect our interests.....	5.....2.....4.....7.....14.....16.....49.....		2
— e. A free trade deal including Mexico won't make much difference to Canada because we don't have much trade with them now and this won't change much with a new trade deal.....	19.....16.....16.....14.....14.....7.....9.....		4
— f. Even without the free trade agreement between Canada and the United States, most of the job losses and industrial restructuring that Canada is experiencing today would have occurred anyway because of changes in the global economy.....	11.....10.....14.....16.....20.....14.....12.....		4

END ROTATION

F. DEMOGRAPHICS

This survey is being conducted by the Angus Reid Group on behalf of the Government of Canada. Now, before I let you go, I need to ask you a few questions for our statistical calculations. Your answers to all questions in the survey are strictly confidential.

49. Which of the following categories does you age fall into?

18 to 24 years.....	11
25 to 34 years.....	27
35 to 44 years.....	21
45 to 54 years.....	14
55 to 64 years.....	13
65 years and older.....	14
(Refuse/Not Stated).....	0

50. Which is the highest level of formal education that you have completed?

Grade school or some high school.....	18
Completed high school.....	24
Some technical/post-secondary.....	9
Completed technical/post-secondary.....	15
Some university.....	11
Completed university degree.....	16
Post graduate degree.....	6
(Don't Know/Not Stated).....	1

51. Are you currently (READ LIST)

Employed full-time.....	48
Employed part-time.....	9
Unemployed but seeking employment.....	8
Unemployed but no longer seeking employment.....	2
A student.....	6
At home.....	7
Retired.....	18
Other.....	2
(Don't Know/Not Stated).....	0

IF EMPLOYED FULL OR PART-TIME, ASK:

52. In at least two words, could you please describe your present occupation?

53. Which of the following categories best describes your family income? That is the total income before taxes of all persons in your household combined?

Under \$10,000.....	5
\$10,000 to \$19,999.....	12
\$20,000 to \$29,999.....	16
\$30,000 to \$39,999.....	16
\$40,000 to \$49,999.....	13
\$50,000 to \$59,999.....	10
\$60,000 to \$69,999.....	6
\$70,000 to \$79,999.....	4
\$80,000 to \$89,999.....	3
\$90,000 to \$99,999.....	3
\$100,000 and over.....	5
(Refused/Not Stated).....	7

54. What is the first language you learned as a child and still understand today?

English.....	64
French.....	26
Other.....	10
(Refused).....	0

THANK YOU FOR YOUR TIME AND COOPERATION.

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