



# communiqué

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## FREE-TRADE POLL SHOWS JOBS TOP PRIORITY

A public opinion poll commissioned by the Department of External Affairs shows that job creation is the most important consideration in Canadian attitudes toward Canada-U.S. free trade.

The Decima poll, conducted May 27 to June 7 of this year, covers a wide range of factors that contribute to Canadian attitudes on the bilateral trade initiative.

A summary of the main findings is attached.

Among those findings, the poll shows that 49 per cent believe Canada will benefit from a free-trade deal while 38 per cent think the country will lose. Thirteen per cent see neither benefit nor loss.

Overall, 50 per cent think that entering a free-trade agreement with the U.S. is a good or very good idea. Forty-three per cent think it is a bad or very bad idea.

When asked to comment on the importance to them of possible consequences of free trade between the two countries, 93 per cent ranked job creation as an important factor. Fifty-five per cent say it is likely that an agreement would result in more jobs being gained than lost.

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The poll shows that economic sovereignty is high on the list of priorities. Eighty-five per cent said Canada's ability to make its own economic decisions would be an important consideration. Sixty-five per cent thought that gradual erosion of that ability was a likely outcome.

However, in another part of the poll, 59 per cent said that jobs created by American investment are more important than limiting American influence on the economy.

Regional interests also appear to be on the minds of Canadians contemplating free trade. The poll showed 48 per cent in favour and 52 per cent opposed to an agreement that meant less government help to businesses in the respondent's own province.

When asked about support for an agreement that meant their own province would probably benefit less than the rest of Canada, 52 per cent said they would favour such a deal while 48 per cent would oppose it.

Results of the poll are considered accurate within plus or minus 2.6 percentage points 19 times out of 20. The poll was conducted by telephone with 1,500 respondents.

For further information, contact International Trade Communications Group at 993-6463.

Summary of Principal Findings  
Canada-U.S. Trade Negotiations

- Overall support for free trade stands at 50%; 43% think it is a "bad idea". (The actual question on support in the External Affairs survey was: "Overall, would you say it would be a very good idea, a good idea, a bad idea, or a very bad idea for Canada to enter into a free-trade agreement with the U.S.?" The results were 7% very good; 43% good; 34% bad; 9% very bad.)
- One-quarter to one-third of Canadians can correctly identify Canada and the United States as each other's largest trading partner.
- Forty-nine per cent think Canada will benefit from free trade, 13% think Canada will neither benefit nor lose, 38% think Canada will lose.
- Of those thinking Canada would benefit, 25% thought Canada would benefit more, 27% thought the U.S. would benefit more, and 48% thought both would benefit equally.
- A majority of Canadians (between 59% and 50%) thought the electric power, aircraft and space, electronics, oil and gas, wood and paper products, household appliances, cars and car parts and computer hardware industries would be better off under free trade; a plurality (49%-45%) thought the mining, beer and wine, fish and fish products, shipbuilding, films, books and magazines, chemical products and steel industries would be better off; a plurality (41%-48%) thought the clothing and footwear, agriculture and farming and banking and insurance industries would be worse off.

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- Canadians were asked to judge the likelihood and importance to them of a number of possible consequences which have been predicted as effects of free trade. The results were as follows:

	<u>Is Likely</u>	<u>Is an important Consideration</u>
Overall there will be more jobs gained than lost in Canada	55	93
We will be able to maintain current government programmes such as unemployment insurance and health insurance	62	92
Our economy will become so closely tied to the U.S. economy that we will gradually lose our ability to make our own economic decisions	65	85
Prices for most consumer goods in Canada will generally be lower	66	84
Differences in economic development among regions in Canada will gradually be reduced	46	80
Many American companies will close their plants in Canada	44	75
Canadians will have higher incomes than they do now	28	73
There will be fewer trade disputes with the U.S. because trade will be covered by a legal agreement	71	72
Women will lose relatively more jobs than men	32	70
American influence on our books, magazines, films and other parts of our culture will increase	76	66

- Fifty-seven per cent had the impression that over the last year or two the American Government has made it more difficult for Canadian goods and services to be sold in the U.S.
- Eighty-three per cent believed it is likely that U.S. might take further such actions and that they would have a serious effect on the Canadian economy.
- Eighty-eight per cent believed that federal and provincial help is important for economic development in their province.
- Fifty-two per cent would favour, 48% would oppose a free trade agreement that was good for Canada as a whole but less so for their own province.
- Eighty-two per cent believed jobs are created when American companies start new businesses; 37% believed this when American companies buy existing Canadian businesses.
- Seventy-two per cent believed there should be some limits on American investment in certain sectors.
- Sixty-five per cent said that if there were fewer restrictions on American investment in Canada under a free trade agreement and the resulting increase in investment were to lead to more jobs being created in Canada, then this would be a strong reason for them to support a free trade agreement.
- Fifty-nine per cent believed the jobs created by American investment were more important than limiting American influence on the economy.
- Fifty-nine per cent believed the free trade deal was part of a broader plan to change Canada's whole economy and get it ready for the challenges of the future; 40% saw it as an isolated initiative.
- Fifty-six per cent agreed that "the federal government has a pretty clear sense of what it wants to gain and what it is prepared to give up in the trade talks"; 7% disagreed.
- Fifty-four per cent said they thought "the government has a good idea of how to deal with the changes a free trade agreement would bring in Canada"; 7% disagreed.
- Sixty-seven per cent said they saw "the government's attempt to reach a free trade deal with the Americans as part of a general effort to improve Canada's trade situation with countries around the world"; 10% disagreed.