

Canada's Social Contract: Evidence from Public Opinion

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By

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Foreword

Periodically in our history, we Canadians have changed our perception of who we are in the world and what we owe each other as fellow citizens. After the Second World War, for example, we decided to create the Canadian version of the welfare state, and chose to take on an active international role as a “middle power.” In the late 1980s, after a contentious public debate, we opted for closer economic integration with the United States, and later Mexico.

In the spring of 2002, CPRN launched a dialogue with 10 groups of 40 Canadian citizens asking them to define the kind of Canada we want for our children, and to think about the roles for governments, markets, families and communities in realizing that future. With Viewpoint Learning as our partner, we prepared a Workbook to give to citizens as they entered their one-day sessions.

To provide background for that workbook, CPRN commissioned Matthew Mendelsohn, Professor of Political Studies at Queen’s University to prepare a synthesis of the polling evidence over the past 20 years on the central issues in the dialogue. This paper is his report on the evidence he gathered from commercial, academic, think tank, and government sources.

His conclusions describe a country “en plein mutation.” Canadians’ views of themselves and their country have evolved significantly in response to the economic, political, and social experiences of the past 20 years. They show a growing attachment to country over province. They express strong bonds of solidarity with fellow citizens in every corner of Canada, but still reveal deeply felt inter-regional tensions about “fair share.” They are more internationalist and more multicultural. They see no contradiction between competitiveness and strong social programmes. They are less committed to government and state solutions to problems. They want to maintain close ties to the United States, but will not sacrifice Canada’s ability to make independent decisions. Building on this evidence, the dialogues will tell us more about the choices citizens would make for their own future and for that of their children.

I wish to thank Professor Mendelsohn for this fascinating portrait, and to express our appreciation to the three independent reviewers who provided helpful comments on an earlier draft, as well as the funders for the dialogue project. We all look forward to the report on the deliberations of the citizens themselves. The 10 dialogue sessions will be completed in November 2002, and the final report will be published in the Spring of 2003.

Judith Maxwell
November 2002

Executive Summary

What is the nature of the Canadian identity at the beginning of the 21st century and its relationship to the Canadian social contract? The traditional picture portrays Canada as more collectivist, more open to diversity, and more internationalist than its southern neighbour. But the 1990s witnessed a retrenchment of state activity as governments faced the pressures of deficit reduction, trade liberalization, and a neo-conservative attack on social spending and levels of taxation. A new portrait of the Canadian identity emerged, one that was more individualistic, less willing to redistribute resources through the state, more open to private sector solutions to economic challenges, and less concerned with the preservation of traditional sources of Canadian culture. In what respects are these portraits accurate?

The paper provides a detailed synthesis of the last ten years of Canadian public opinion data on what Canadians think about the social contract. The paper explores how Canadians are reconciling pressures for competitiveness, innovation, efficiency, and globalization, with the traditional view of a sharing and caring Canadian identity.

Specific topics include Canadians' views on: their rights and responsibilities as citizens; the character of inter-group and inter-community relationships; the roles of private enterprises and public institutions in the economy; the obligations of Canadian governments to their citizens; and the appropriate nature of the trade-offs between individual, market-based values and the collective provision of public goods.

The author conducted a search of all available commercial surveys on these issues available through public archives (such as the Canadian Opinion Research Archive at Queen's University), major academic surveys (such as the Canadian Election Studies), research institute surveys (such as those conducted by the Centre for Research and Information on Canada), and government surveys made public through the *Access to Information Act* and available at the Parliamentary Library. Survey results are organized thematically to facilitate analysis by the author.

Key Conclusions

Canadians have become more attached to their country over the past two decades, more likely to describe themselves as "Canadian first," and less likely to feel a primary identification with their province. These trends are even stronger amongst those under the age of 35 (except in Quebec, where it is older Canadians who have the most attachment to Canada).

Most Canadians have embraced the identity laid out for them in the Charter of Rights. There is strong support for bilingualism and multiculturalism, and these have become cornerstones of the Canadian identity across the country.

Canadians have also become more supportive of immigration, with only about one Canadian in three calling for a decrease in the number of immigrants coming to Canada, although this number shifts with changes in economic and political conditions.

The path embarked upon over thirty years ago – to entrench in Canadians a sense of themselves as a bilingual, multicultural country – has largely been a success, with younger Canadians being the most supportive of bilingualism, multiculturalism, and immigration. There is also evidence that young people are much more accepting of non-traditional family relationships.

There is, however, less support for Aboriginal peoples. Canadians are ambivalent on questions related to Aboriginal peoples: they recognize that there are treaty obligations and acknowledge a legacy of discrimination, but they tend to resist the idea of “special status,” believe that Aboriginal peoples are asking for too much, and believe that they need to more readily accept the realities of 21st century Canadian life.

Support for the equalization programme remains high across the country, even in the “have provinces.” Canadians overwhelmingly believe that people in small town Newfoundland should have access to schools and hospitals of comparable quality to those in suburban Toronto. Yet inter-regional tensions and jealousies also remain high. Canadians (outside Ontario) feel that their province does not get its fair share out of Canadian federalism, does not have sufficient power within the federation, and is not respected by the federal government.

The turnaround in attitudes toward trade liberalization and an active trade agenda since the 1980s is remarkable. In the aftermath of the Canada-US Free Trade Agreement, opinion on liberalization and on the North America Free Trade Agreement (NAFTA) was very hostile. Since the nadir of support in 1992, support for NAFTA and other trade agreements has steadily climbed, and support for the continued negotiation of new trade agreements continues to be high. Although some well-educated young people oppose trade liberalization, and the socially marginal are likewise hostile, a strong majority of young Canadians look to trade liberalization as an opportunity that they are excited to face. Canadians have come to believe that their country is more productive than it once was. They see no contradiction between competitiveness and productivity on the one hand, and a strong network of social programmes on the other. Most Canadians think that strong social programmes add to our productivity.

Canadians are even more comfortable with global integration on a variety of issues, favouring an expansion of the role of international institutions. However, they also believe that decisions in regard to social spending and the welfare state must remain in domestic hands. While support for trade liberalization has become axiomatic, this support is tempered by concerns about damage to social conditions. The support for trade liberalization is a manifestation of internationalism, not a manifestation of support for neo-conservative values. Canadians embrace the image of the country as a globalizing society, and one doing good in the world.

The evidence that Canadians are internationalist is overwhelming. Several strands of internationalism have now been incorporated into Canadians’ identity: they believe Canada has a moral obligation to the world, they would like to encourage the adoption of Canadian values abroad, and they believe these can be furthered by trade and engagement with the world. Canadians are more engaged with the world than ever before, and see this engagement as key to prosperity.

Canadians recognize that they are highly trade dependent on the US, but the majority does not believe that we should have closer relations with the US on most issues. There has not been any noticeable increase in self-identification as “North American” amongst Canadians. Canadians distinguish between our relationship with the US and our identity: while most Canadians want the relationship nourished and recognize its importance for our collective prosperity, they do not want Canada to become more like the US and do not want Canada to lose its distinct identity. A strong majority of Canadians believe we are different from Americans, and think we have more in common with Canadians from other provinces than with those Americans in nearby states.

There is some evidence of greater support for continentalism than before - inasmuch as Canadians are prepared to work with Americans when it is in the interests of both countries and where the policies are “managerial” in nature (border security, for example) and do not touch directly the question of how we organize ourselves as a community. Canadians want to maintain a close relationship with the US, without becoming American or sacrificing our ability to make independent decisions.

Canadians’ top priorities tend to be social ones, such as health care, education, unemployment, and child poverty. When asked directly, Canadians are more likely to say that “more generous social programs” should be a high priority than ensuring that the government “interferes as little as possible with the free market.” Most think we should reinvest in social programmes ahead of cutting taxes. However, while Canadians have deep commitments to the social programmes of the Canadian social contract, there is less commitment to “government” or “the state” in their value structure. One should not misinterpret support for health care and education as support for “statist” solutions.

While Canadians continue to manifest a spirit of social solidarity and commitment to strong social spending and programmes, most have embraced (or accepted) what they consider to be the realities of an open and global economy. Trade, knowledge, education, fiscal restraint, and strategic investment are crucial for prosperity, and governments can help create opportunities but cannot “create jobs.” Therefore, support for traditional job creation programmes has gone down, while support for “strategic investments” that can help Canadians make the most of their own opportunities has gone up.

Maintenance of a balanced budget has become a Canadian value, and there is great resistance to violating this. Despite the political focus on deficit reduction, and the public’s support for political parties that focused on fiscal issues, the Canadian public’s values did not seem to evolve much on the key issue of whether it was the state’s job to provide key public services, and whether individuals were willing to pay for them. Canadians’ commitment to a strong system of public education, health care, and environmental protection remained unwavering through the 1990s. The Canadian public recognized that fiscal issues needed attention, without accepting holus bolus the neo-conservative argument that there needed to be a significant retrenchment of social spending.

In summary, Canadians have moved away from the traditional left on fiscal and economic issues through their embrace of trade liberalization and fiscal conservatism, without sacrificing their commitment to social programmes. On the other hand, on social and moral issues, Canadians

have adopted positions associated with the left and are increasingly accepting of less traditional family structures and lifestyles, with the exception of many older Canadians who are less comfortable with this.

Canada's Social Contract: Evidence from Public Opinion

Matthew Mendelsohn, Queen's University¹

What is the nature of the Canadian identity at the beginning of the 21st century and its relationship to the social contract that links Canadians? The traditional picture portrays Canada as more collectivist, more open to diversity, more supportive of state intervention, more deferential, and more prepared to find solidarity with people in other countries and engage in non-militaristic internationalism than its southern neighbour. But the 1990s witnessed a retrenchment of state activity as governments faced the pressures of deficit reduction, North American integration through trade liberalization, income inequality fuelled by a changing information economy and globalization, and a neo-conservative attack on social spending and levels of taxation. The decade witnessed the emergence of a new portrait of the Canadian identity, one that was more individualistic, less willing to redistribute resources through the state, more open to “American style” and private sector solutions to political and economic challenges, and less concerned with the preservation of traditional sources of Canadian identity, such as the CBC, foreign investment rules, and cultural protection.

In what respect are these portraits accurate? As Canada moved into the 1990s, was it really a quiet, sharing, collective, redistributive space? Was this really supplanted by the beginning of the 21st century by a “new Canada,” one that was more market-driven and individualistic? Or are these merely convenient myths and narratives that allow us to help situate ourselves in a changing world, without actually providing us with an accurate picture of our political culture? By reviewing a wide range of public opinion data collected since the late 1980s, this report highlights the ways in which these portraits are and are not accurate.

The Canadian Identity

The Canadian identity has undergone remarkable transformation in the past half century. Canada emerged from a society made up largely of two communities: an English-speaking society that felt identification with Britain, and a traditional French Catholic community. Both of these societies were thought to be more traditional, more deferential, less individualistic, less materialistic, and more collectivist than their southern neighbour. It was thought that attachment to “Canada” itself was quite weak, with local attachments being more important, and Prime Minister Trudeau could say, as late as 1984: “Our Canadian attachment will probably always be more distant, less deeply rooted in the soil than our attachments as Quebecers, Newfoundlanders or Albertans.” This vision of the Canadian community gradually broke down due to the pressures of modernization in Quebec; technological, material, and value change across industrial democracies; a new wave of immigration from non-European countries; and the introduction of the Charter of Rights and Freedoms, designed to unite all citizens in a pan-Canadian community as individual rights bearers rather than as members of distinct local communities and loyal British subjects.

¹ The advice and guidance provided by Mary Pat MacKinnon, Judith Maxwell, and the three anonymous reviewers were invaluable. I also thank Ian Duncan for his research assistance.

The data first reveal that the attachment to a pan-Canadian political community is very high, and while attachment to province is likewise high, everywhere in the country (except Quebec and probably Newfoundland), attachment to Canada is greater (Figures 1 and 2). The strongest sense of provincial attachment is in the four Atlantic provinces. Attachment to Canada and province has not changed much over the past decade, except in Quebec where there has been a marked decline in both (Figures 3 and 4). Most Canadians are very comfortable with the notion of dual identities, but when forced to rank their identities, the Canadian is stronger than the provincial in all provinces except Quebec. Amongst younger Canadians outside Quebec, the pattern is even more noticeable (Figures 5), with the young feeling much more “Canadian” than “provincial,” suggesting that the societal changes of the past two decades have indeed built a stronger pan-Canadian community than foreshadowed in Trudeau’s comments above. The pattern, however, is reversed in Quebec, with older Quebecers feeling the most “Canadian.” Unlike in Europe, where there has been a documented increase in continental “European” identity, no such trend is noticeable in North America. Canadians consider themselves more Canadian than ever, and currently have little North American identity (Figure 7). It was not so long ago that local attachments were much stronger than they are today, but these have declined remarkably over the past two decades, while there has been a noticeable increase in the number of “citizens of the world” (Figure 8). The evidence paints a portrait of a country increasingly national in scope, less provincial and localistic, and increasingly global.

The Canadian Identity in the Shadow of the United States

In part because of the strength of the Canadian identity, Canadians have little interest in North American union, and significantly less than in the mid-1960s when there was more support (Figure 9), perhaps due to a lack of economic confidence in the ability of Canadians to succeed on their own at that time. Despite a significant focus by some Quebec scholars on the “North American quality” of Quebec, Quebecers are no more likely to support continental union than other Canadians, and regional differences on the question, while present, are relatively small (Figure 10). Canadians are happy with the status quo in terms of our relationship with the US, and see no reason for it to be either closer or more distant (Figure 11), despite the fact that Canadians have historically expressed concern about how distinct and independent our identity is from the US (Figures 12 and 13). In general, Canadians believe that we have become more like the US over the past few years, and, if anything, would prefer that we become less like the US in the future (Figure 14).

We notice here an important subtlety in Canadians’ attitudes: while they recognize the need for a close relationship with the US (only 21% believe Canada should have more distant ties than we do today, Figure 10), most are concerned about our ability to maintain a distinct identity and a plurality (over 40%) hope that in the future we become less like the US. The distinction between the nature of *our relationship* and *our identity* (i.e. whether our country becomes like the US) is meaningful and is measured in these surveys. Canadians are very concerned about the relationship with the US, in part because they believe that they are highly trade dependent on the US (Figure 15). Yet the importance Canadians attribute to the relationship should not be confused with a desire to become like the US or adopt the American identity. A strong majority of Canadians believe they are different from Americans, and believe they have more in common with Canadians from other provinces than with those Americans in

nearby states (Figure 16). This is a significant finding because in some parts of Canada there exists a “regional identity” that crosses the border, such as in British Columbia where a Pacific coastal identity is meaningful to many people. Despite these oft-discussed cross-border regional identities, the sense of a pan-Canadian community is much stronger.

The existence of this strong inter-personal pan-Canadian community, where people believe they share a great deal in common, stops at Quebec: only 21% of Canadians from outside Quebec believe they have more in common with Quebecers than with Americans in nearby states (Figure 17). Yet this should not be taken to mean that Canadians outside Quebec have more kinship with the US than with Quebec. When asked whether they would be willing to move for a better job, a slightly larger number said they were willing to move to Quebec than to the US (Figure 18), a remarkable finding considering that Canadians outside Quebec are very much aware of the language barrier they would face in Quebec. While at one level, a strong majority feel they have more in common with nearby Americans than with Quebecers, their attachment is to Quebec and to Canada and other Canadians. Only about 35% of Canadians say they are at all willing to move to the US for a better job. However, amongst the young, these numbers are significantly higher: almost three Canadians in five under the age of 25 says they would be willing to move to the US for a better job (Figure 19). Moreover, although the differences are small, amongst those under 35 years of age, they are slightly more willing to move to the US than to Quebec, while amongst those older than 35, the pattern is reversed. We also see that differences between different age groups are comparatively small when it comes to moving to other parts of Canada, but the differences are very substantial when it comes to moving to the US, with younger generations quite distinct from older ones in this respect. This suggests that this strong pan-Canadian communal identity that has resisted the American cultural pull in the past is weaker among the younger generation.²

Few survey questions could be found that allow for a careful analysis of Canadian attitudes toward various aspects of the debate on North American integration, but a couple of important realities of Canadian opinion can be noted. By way of background, one needs to note that Canadians consistently support a move toward greater diversification of our relationships and trading relationships (Figure 20). Canadians tend to support what in the 70’s was called the “third way”. They are uncomfortable with the degree of dependence we have on the US, and would like this to change, but do not necessarily see how this could realistically occur.

Surveys have been conducted on attitudes towards a common currency. Canadians have little interest in adopting the US dollar, and once some think tanks and conservative economists sparked a debate in favour of a common currency, support for the idea actually went down, with barely one in five supporting the idea in a 2001 Ekos survey (Figure 21). The Ekos finding, however, stands in contrast to the Environics finding that has found increased support for a “common currency” but continued resistance to the adoption of the US dollar (Figure 22). Taken together, these findings suggest that questions that use the term “US dollar” tap into underlying

² There is no way to establish with existing data whether these findings are evidence of a generational effect (i.e. today’s young people are more willing to move to the US than previous generations) or an aging effect (i.e. young people have always been more willing to move to the US than older people, and the readiness of today’s young people to move to the US will subside as they age).

concerns about sovereignty, an issue that would certainly arise if the debate was in fact undertaken in earnest, and an issue still of concern to Canadians.

When asked in 2002 about the trade-off between sovereignty and security, about 2/3 of Canadians opted for security (Figure 23). Fewer than 1/3 were worried that the US would have too much say over our border policies. Likewise, a strong majority would like to see a common border policy between the two countries (Figure 24a). In the aftermath of September 11th, there is strong evidence that Canadians are open to some elements of North American integration, provided that they consider these issues to be “managerial”, such as policing the border, or that they see the real practical benefits. In 2002, for example, a survey found Canadian support for integration of policies around North American defense by a margin of 59-36% (Figure 24b), but did not find support for integration of policies around immigration, health care, taxation, or the environment (Figure 24c). Canadians were quite divided on whether Canada and the US should have an “open border” in 2000. However, this changed in 2001 and Canadians became far more resistant (Figure 25), but this is likely a reflection of security concerns tapped by the question rather than changed attitudes toward free movement and a common border policy.

A related issue is attitudes towards international organizations and their potential to undermine Canadian sovereignty. When asked whether the Canadian government or an international body should take precedence when the two are in conflict, over half had no opinion, highlighting the relatively low salience of these issues to the public thus far (Figure 26). When the United Nations is pitted against the Canadian government, respondents with an opinion are evenly split as to who should take precedence (23 – 23%). In the case of the World Trade Organization, the Canadian government comes out ahead (27 – 20%), suggesting that Canadians are more comfortable with the kind of international engagement and values embodied by the UN than the WTO. But in neither case is there a huge groundswell of opposition to Canada occasionally deferring to international organizations.

Most Canadians are even more comfortable with global integration on a variety of issues, and an expansion of the role of international institutions, though Canadians believe that the key elements of what students of international relations call “the compromise of embedded liberalism”³ – the welfare state – should remain in domestic hands (Figure 27). Canadians are thus subtle, conflicted, but realistic: they recognize that we may have to have similar business tax rates in order to properly compete in a global market, but they believe that key decisions about who we are and what policies we choose in regards to health, education, and social assistance should remain in our own hands.

Canadian Identity and the World

The evidence that Canadians are internationalist is overwhelming.⁴ The reasons for this are well known: Canada is highly trade dependent; it is a country of immigrants and is multicultural and multiethnic; it is a member of the Commonwealth, the Francophonie, and the G-8; and, due to its

³ Ruggie, John Gerard. 1983. International regimes, transactions, and change: embedded liberalism in the postwar economic order. in *International Regimes*, edited by Krasner, Stephen D., 195-231. Ithaca: Cornell University Press.

⁴ Don Munton and Tom Keating, “Internationalism and the Canadian Public” *Canadian Journal of Political Science*, Vol. 34, No. 3 (September 2001), pp. 517-549.

status as a smaller or middle power, it cannot rely on its power alone to advance its interests – it must build alliances through moral suasion and multilateralism if it is to have influence and further its goals. Evidence in public opinion data on Canadians’ internationalism is strong and several strands of internationalism have now been incorporated into Canadians’ identity: they believe they have a moral obligation to the world, they would like to encourage the adoption of Canadian values abroad, and, as we will see in the next section, they believe these can be furthered by trade and engagement with the world.

A major survey in 2001 found that 24% of Canadians believe Canada should be more involved in world affairs than it is today, 65% believe we should be as involved, and only 9% believe that we are currently too involved (Figure 28). This is a strong endorsement of Canada’s international engagement. In fact, in all major international areas, Canadians are happy with Canada’s current level of involvement, and at least twice as many Canadians would prefer more rather than less engagement. These results are consistent with data collected in the late 80s and early 90s, when between 85 and 92% of Canadians thought it was important that Canada participate in peacekeeping missions, only 8% believed Canada should participate in fewer missions, and over 90% believed it was important that Canada work to promote human rights and peace around the world (Figures 29 and 30). Canadians clearly believe we have an obligation to the world and that Canada can serve as an example for the world. Canadians consistently support more engagement with the world than do Americans (Figure 31).

The question of foreign aid is a difficult one to measure in surveys. Canadians clearly believe that we have an obligation to help the world’s poor (Figure 32). According to recent work by Environics, Canadians believe that much of the aid we send does not reach the people it is intended for, but, nonetheless, most continue to support giving and believe it is the duty of wealthy nations to provide such aid (Figure 33). Most Canadians reject the proposition that aid should be given for disasters and emergencies only, and 55% reject the proposition that there are too many needs at home to bother giving. Canadians also support the notion that trade will be more beneficial to the countries of the South, a theme to be addressed in the next section. As the Canadian economy improved in the late 90s, data show that fewer and fewer Canadians support cuts in the foreign aid budget, with the 2002 data suggesting that while most Canadians were happy with the amount we currently give, slightly more say we should give more than say we should give less (Figure 34).⁵

The question of human rights is also difficult to measure in surveys. When asked directly, most Canadians say they believe the promotion of human rights is more important than Canadian trading opportunities (Figure 35). However, as we will see, most Canadians believe that trade promotes human rights and can encourage economic and democratic development for the benefit of the world’s poor. Data collected in the mid-90s showed that Canadians believed that the promotion of human rights was important (Figure 36), but that engagement, rather than withdrawal, was the best way to promote human rights (Figures 37-39). Some general indicators of internationalism indicate that Canadians became less global in the late 80s and early 90s, but

⁵ In later sections we will see that Canadians often say we spend too much on foreign aid. However, this must be qualified by the observation that Canadians grossly overestimate the amount we spend on foreign aid, and when told of the amount, tend to believe it is too little rather than too much.

these have gone back up today, and Canadians are once again ready to engage with the world (Figure 40).

Trade Liberalization, Globalization, and Productivity

Canadians are more engaged with the world than ever before, and see this engagement as key to prosperity. As discussed, however, this in no way should be taken to imply that Canadians are indifferent to the survival of a distinct and independent Canada. Likewise, it should not be taken to imply that all Canadians are happy about these developments; many, particularly older, less educated, and Atlantic Canadians are worried that they will not be able to compete. But since the mid-90s, a majority of Canadians have consistently said that the world economy is having a positive effect on the Canadian economy (Figure 41). Three-quarters of Canadians agree that a “new economy” exists (Figure 42), and a slight majority think that this is a good thing, but more economically vulnerable and older Canadians have serious doubts about its benefits (Figure 43).⁶ But Canadians recognize that this represents a challenge, that it is in fact Canada’s “new” challenge: by a margin of 63-33%, Canadians believe the new challenges of globalization are currently more important than the earlier challenges of Quebec nationalism and regional alienation (Figure 44).

One cannot overstate the turnaround in attitudes toward trade liberalization and an active trade agenda. During the 1988 election campaign, debate was intense, and most Canadians opposed the initial Free Trade Agreement with the US. In the aftermath of that agreement, they became even more hostile; in the lead up to the 1993 federal election, fewer than 30% of Canadians said they favoured the new North American Free Trade Agreement (NAFTA). Since the nadir of support in 1992, support for NAFTA and other trade agreements steadily climbed (Figure 45). Support for the continued negotiation of new trade agreements continued to be high in 1999 (Figures 46 and 47), and support specifically for the Free Trade Agreement of the Americas was likewise high, at 67-25% (Figure 47). Support is strong everywhere in the country, but lowest in BC and the Prairies (excluding Alberta) (Figure 48). Contrary to the public face of protests at anti-globalization protests, support for trade liberalization is highest amongst younger Canadians (Figure 49). Although some well-educated young people oppose trade liberalization, and the socially marginal are likewise hostile, a strong majority of young Canadians look to trade liberalization as an opportunity that they are excited to face.⁷

The turnaround in attitudes is remarkable. In 1991, large majorities anticipated that trade agreements would do damage to just about everything that Canadians valued, such as Canadian wages, the Canadian economy, and our social programmes (Figure 50). A decade later, large majorities believe that these trade agreements have been beneficial (or, at worst, had no impact on) the Canadian economy, our social programmes, Canadian culture, and human rights abroad (Figure 51). Another survey confirms this trend, though to a lesser degree (Figure 52). The result in both surveys concerning the impact of trade agreements on Canadian culture (and identity) is

⁶ This is consistent with American studies that have shown that workers with fewer skills are much more concerned about changes in the organization of the world economy. Scheve, Kenneth F. and Matthew J. Slaughter, (2001) Globalization and the Perceptions of American Workers (Washington: Institute for International Economics).

⁷ Matthew Mendelsohn and Robert Wolfe. “The Aftermyth of Seattle: Public Opinion on Globalization and Trade Liberalization” International Journal, June 2001; and Matthew Mendelsohn, Robert Wolfe, and Andrew Parkin. .

particularly striking, and suggests that only a minority of Canadians believe that Canadian culture needs protection by government. The explanations for this turnaround are many, but one important consideration is the perceived health of the Canadian economy. Fewer Canadians feel that they have no control over their economic future (Figure 53). Canadian optimism and excitement about engagement with the world might, therefore, suffer should Canada experience a significant economic downturn.⁸ Fewer Canadians today believe that the Canadian economy is uncompetitive (Figure 54).

Canadians have come to believe that their country is more productive than it once was. They see no contradiction between competitiveness and productivity on the one hand, and a strong network of social programmes on the other (Figure 55). Canadians think that strong social programmes add to our productivity. We see a striking difference between the general public and the Canadian elite on questions of competitiveness: while a majority of the elite see tax cuts as essential to productivity, most Canadians look elsewhere, to investments in learning and skills for workers, and investments in technology (Figure 56). It is important to note that Canadians are capable of quite subtle distinctions and comparisons. For example, while Canadians believe that Americans and Canadians enjoy similar wages, Canadians widely believe that we have a higher “quality of life” (Figure 57), a concept that clearly has meaning to them beyond material well-being alone. Recent data find that Canadians think they are doing much better than the US at providing “equal opportunity for all” and at providing a good quality of life, somewhat better at providing a good material standard of living, but somewhat worse at providing good job opportunities for the most skilled workers (Figure 57B).

Language, Ethnicity, and the Canadian Identity

Much like the transformation in attitudes toward trade liberalization, attitudes towards French and ethnic diversity in Canada have undergone rapid transformation over the previous two decades. The debate over the Official Languages Act in the 1960s was bitter and emotional, as were debates in a number of provinces concerning language services and education for French-speaking minorities. Today, in the wake of the Charter of Rights, which went beyond individual legal and political rights and also defined the collective rights of linguistic minority communities, there is overwhelming support for the rights of these minorities. While this support declines as one moves west, which is not surprising due to the relative historical absence of French-speaking minorities in many parts of the country, support for federal bilingualism is high even in the four western provinces, at about 70% (Figure 58). Support for extension of the policy to cover provincial government services reaches 50% in the four western provinces. Support for the minority language rights contained in the Charter is even higher, with more than four Canadians in five supporting the policy (Figure 59). Canadians recognize the importance of second language acquisition and, despite the pressures of globalization, the vast majority believe that French (or English amongst French speakers) is the most important second language for their children to learn (Figure 60).

Both multiculturalism and bilingualism have been judged to be important aspects of the Canadian identity over the past decade (Figures 61 and 62). A recent survey found very strong

⁸ Matthew Mendelsohn, Robert Wolfe, and Andrew Parkin, “Globalization, Trade Policy, and the Permissive Consensus in Canada.” Canadian Public Policy, October, 2002.

support for bilingualism and the interpretive clause of the Charter supporting Canada's multicultural character (Figure 63). Slightly more Canadians consider multiculturalism important than bilingualism in all regions of the country, except Quebec, but there it is not because of less support for multiculturalism in that province, but simply the fact that only 2% of Quebecers feel that bilingualism is not important.

Although Canada is a "country of immigrants," Canadians rarely call for an increase in immigration. However, opinion data had shown a steady decline in recent years in the number who called for less immigration, dropping to around 30% in 1999 and 2000 (Figure 64), with young Canadians consistently the most supportive of greater immigration (Figure 65). In the aftermath of September 11th, there was, not surprisingly, a spike in concern about immigration, but this has already subsided, and by June 2002 Canadians had basically returned to pre-September 11th attitudes, with only about one Canadian in three calling for less immigration. A strong majority of Canadians believe that many refugees are not "real refugees," and only a minority want to accept more immigrants from conflict ridden countries (Figure 66). Canada is thus engaged with the world, and most Canadians continue to support accepting our current number of immigrants, but there is also clearly a concern that we are being taken advantage of by some of those claiming to be refugees fleeing persecution or conflict in their own countries. On the other hand, assessments of the general impact of immigration (Figures 67 and 68) and multiculturalism (Figures 69 and 70) on the Canadian identity are always very positive across the country.

Whether Canadians believe that immigrants cost Canadian jobs or not is very difficult to assess because of very contradictory findings. General questions usually show that a majority of Canadians believe that immigrants do take jobs away from Canadians (Figure 71). However, questions which provide more context and narrative show that Canadians believe that immigrants do not cost Canadians jobs (Figure 72). This contradiction between the general first instinct of most Canadians, and their reaction when provided with even a bit more argumentation, is something to be pursued in public dialogues. What is indisputable is that attitudes toward immigration are highly conditioned by one's place in the labour market (those with more education are far more sanguine about immigrants' impact on employment) (Figure 73), and highly dependent on the state of the economy (when things are going well, Canadians are much more supportive of immigration).

The relationship between Aboriginal and other Canadians has undergone a series of changes over the past three decades. The overt and official discrimination against native Canadians gradually gave way to acceptance, and by the 80s, many Canadians had apparently embraced and imported elements of the Aboriginal identity into their own personal sense of what it meant to be Canadian. However, the 90s have seen increasing strains between the two communities on a number of fronts. What does the evidence from public opinion data reveal regarding the evolving relationship between Aboriginal and non-Aboriginal Canadians?

From 1997-1999, most Canadians saw the relationship between Aboriginal and non-Aboriginal Canadians as staying the same or improving (Figure 74). However, in 2000, Canadians noticed a peak in tensions around a series of key issues, most notably court decisions regarding fishing rights in Atlantic Canada, and almost 1/3 then said the relationship was

deteriorating. The spike in 2000 was particularly noticeable in Atlantic Canada (Figure 75). This spike has to some extent subsided, and by 2001 only 24% thought that the relationship was deteriorating. Nonetheless, only 16% thought relations were getting better, the lowest number recorded in the series.

Asking Canadians whether they think Aboriginal land claims are valid or not is a good measure of underlying good will towards Aboriginal Canadians: do other Canadians believe that Aboriginal peoples are making reasonable or unreasonable claims? The data suggest that outside Quebec, opinion has been hardening since 1998, with now only 43% saying that all or many land claims are valid (Figure 76). However, in Quebec the trend has been the reverse, with a steady increase in support for Aboriginal claims, now also reaching 43%. These numbers likely reflect the geographical location of claims; in Quebec in the early 90s there were a series of high profile conflicts, souring public opinion on native claims. By 2002, opinion in Quebec had gradually become more generous, but we still see that just over half of Canadians say that few or none of Aboriginal claims are valid. The drop in support is most noticeable in Ontario (Figure 77), but Ontarians remain the most sympathetic to claims, perhaps because they are most removed from the most contentious and high profile claims.

Part of the reason for the underwhelming sympathy for Aboriginal claims is that Canadians, despite all evidence, continue to be divided on the question of whether Aboriginal Canadians are better or worse off than other Canadians (Figure 78). Qualitative research has found that the differential tax status of native Canadians plays into these perceptions. Canadians are divided when presented with the statement that “most of the problems of Aboriginal people are brought on by themselves” (Figure 79). In general, Canadians are more likely to think that Aboriginal Canadians ask for too much, rather than believe that governments have been insufficiently flexible (Figure 80). Canadians are also more likely to say that the federal government should spend less rather than more on native Canadians (Figure 81). In an interesting experiment, the Centre for Research and Information on Canada tried to probe support for differential equality in the language of ordinary citizens. Two different wordings were used (Figures 82 and 83), one in 1999 and 2000 and another in 2001, and, whichever wording was used, it became clear that a majority of Canadians (around 2/3 in all three years) rejected the notion that Aboriginals had some sort of special status, a problematic finding considering that the forms of differential equality discussed in the questions already have legal status recognized in treaties and by the courts. The finding is even more confusing because, when faced with a nearly identical case, but this time framed in the language of a court decision that supports Aboriginal claims, a majority of Canadians sided with the Aboriginal person (Figure 84). It seems that Canadians do indeed resist the notion of differentiated equality, but defer to the credibility of the courts on these issues, the only institution of government that continues to enjoy very high levels of trust and support. Support for the courts, and the Supreme Court in particular in regards to protecting Canadians’ rights, have become important elements of the Canadian identity.⁹

⁹ Centre for Research and Information on Canada (CRIC), *The Charter: Dividing or Uniting Canadians?* CRIC Paper No. 5 (Montreal: CRIC, 2002).

Social Values

Canadian society has undergone rapid transformations in regard to its social values over the past decade. Some of these changes are difficult to measure with opinion data because many touch issues that would have been taboo for a poll even twenty years ago. But the numbers are striking, and are revealed in patterns of generational differences on key questions. The most important changes relate to attitudes towards conforming to the traditional family structure. While 70% of those under the age of 35 disagree that Canadian society would be better off if more women stayed home to raise their children, 70% of those over 55 years of age agree with the sentiment (Figure 85). Likewise, 79% of Canadians under 35 agree that the Charter should prohibit discrimination against gays and lesbians, while only 52% of those over 55 agree (Figure 86). Young people are also much more supportive of same sex couples having the right to marry (Figure 87). However, beyond these important transformations in attitudes toward conformity in regards to the traditional family structures, older Canadians do not demonstrate more authoritarian attitudes than do young people. There are no statistically significant differences on questions such as tougher sentences for young offenders (Figure 88), the death penalty (Figure 89), or gun control (Figure 90). If anything, young people are more likely to express hardline attitudes on these questions.

What do Canada's Regions Owe One Another?

Regional tensions, often mapping onto linguistic and religious cleavages, have historically dominated Canadian politics. These tensions have often been connected to class differences, due to the uneven economic development of Canadian regions and the heavy reliance of some regions on one sector for economic growth and employment. Some regions of the country have therefore been wealthier, been perceived to be wealthier, and been perceived to be favoured by federal policies. In recent years, these issues have been publicly tackled by Canada's leading political figures, as both the premiers of Alberta and Ontario questioned their provinces' contribution to equalization payments with particular reference to Atlantic Canada, and federal opposition politicians accused the government of unfairly distributing federal spending to Quebec, a charge that the federal government at times seemed to embrace, suggesting it was necessary to challenge Quebec secessionism through direct spending. "Region" in Canada therefore has great salience,¹⁰ but we have also seen in previous sections that there is a strong and robust pan-Canadian community, and that this has likely been accentuated in the last twenty years by the adoption of the Charter of Rights and growing inter-provincial mobility. How do Canadians currently view the issues of inter-regional inequality and obligation?

The first thing to note is that Canadians very strongly support the equalization programme (Figure 91). Canadians overwhelmingly believe that people in small town Newfoundland should have access to schools and hospitals of comparable quality to those in suburban Toronto. Only in Alberta does support dip below 80%, and then it still stands at a rather high 74%. Data also indicate that it is not simply a rhetorical support for the benign sounding "equalization" – when asked whether the programme should transfer more or less money from the wealthy to the poor provinces, most Canadians in wealthier provinces said "neither more nor less," but of those who did support a change, very few said "less" (Figure 92).

¹⁰ Roger Gibbins, *Regionalism: Territorial Politics in Canada and the United States*. Toronto: Butterworths, 1982.

Only in Alberta did slightly more (19%) say “less” rather than “more” (13%). These numbers paint a strong picture of a sense of inter-regional obligation and solidarity between Canadians in all regions. Evidence also suggests that a majority of Canadians are willing to help family farmers and reject the idea that they should simply move to the city if they are having a tough time (Figure 93), providing one more bit of evidence that most Canadians support some assistance to rural or economically depressed areas in times of difficulty. Nonetheless, there is some available academic research that highlights some important differences in public opinion and political culture between urban and rural areas.¹¹

However, this benign picture of inter-regional sharing dissipates when Canadians are asked about whether their province receives its fair share of federal spending, is treated with respect by the federal government, and has its fair share of influence on national decisions. Those in Ontario are uniquely satisfied with their position (Figure 94), while those everywhere else in the country feel a variety of grievances. Those in the West are particularly concerned about their share of influence, and this likely stems from having a decade of Quebec related issues dominate the national agenda, as well as a historical record of under-representation in parliament and the federal cabinet. Those in Newfoundland appear to evince regional grievances on all these questions, while Quebec seems more concerned about the respect it is shown rather than its share of influence or spending; in fact, it is the only province where the question of respect overwhelmingly dominates other regional grievances. Concerns about the fairness of federal spending demonstrate comparatively less inter-regional variation than the other measures (Figure 95), although those in Atlantic Canada, BC, and Manitoba (perhaps a continued legacy of the CF-18 contract decision by the Mulroney government) demonstrate a greater sense of concern about spending inequality.

These feelings tend to be fairly permanent features of the Canadian political community, and do not change quickly over time. For example, while the past five years have seen a gradual increase in concern in Western and Atlantic Canada that they do not have their fair share of influence on national decisions (Figure 96), the results are remarkably stable from year to year. And these feelings are not simply the kind of rhetorical responses one might find in any large federation. A recent study asked the exact same question regarding respect in Canada and the United States and found that a sense of federal disrespect is far more pronounced in Canada than the US (Figure 97). While Canadians may feel connected to those in other regions and feel a great sense of obligation to one another, clearly there are also festering and entrenched feelings of unfairness and inequality directed towards the institutional and political level.

What do Generations Owe Each Other?

Intergenerational conflict around issues of government spending have not been prominent features of Canadian political life, in part because our politics is organized regionally and locally, making non-territorial cleavages difficult to mobilize for electoral purposes. A variety of issues have been placed on the agenda that could have accentuated inter-generational conflicts, such as changes to the Canadian Pension Plan (CPP) in the mid-90s or rising tuition fees during the past

¹¹ Fred Cutler and Richard Jenkins. “Where One Lives and What One Thinks: Implications of Rural-Urban Opinion Cleavages for Canadian Federalism.” In Harvey Lazar and Hamish Telford (eds.) *State of the Federation*: 2002. Montreal: McGill-Queen’s, 2002.

decade, but generational conflict nonetheless appears to be fairly absent. Is this accurate, or are generational conflicts brewing just under the surface?

One of the most significant findings of public opinion research over the past decade is the declining interest in politics and voting amongst young Canadian adults,¹² but public opinion data on most other political questions reveal few generational conflicts or differences on spending issues.¹³ For example, in dozens of polls conducted by the Department of Finance on fiscal and spending issues and examined for the purposes of this report, generational differences were far smaller than regional, income, educational, and gender differences on almost every question.

On those issues which directly touch generational issues, some questions revealed differences while others did not. When asked, older Canadians are more likely to say that economic policies should be focused on the short rather than the long-term (Figure 98), an understandable finding. Most Canadians recognize that a private pension plan is an important benefit of work, and there are no large differences between generations (Figure 99). In 1997, there were widespread concerns about the future of the CPP. Seventy-four percent of Canadians agreed that the CPP would run out before today's young people retire, and 67% disagreed that today's youth would receive CPP benefits (Figure 100). Young people were not particularly pessimistic; there were few differences in responses in all age categories from 18 – 54. However, those over 55 years of age were much more optimistic than the rest of the population, suggesting that they weren't nearly as worried about the future of the CPP as other Canadians. There were significant differences of opinion between age groups on the question of cutting benefits to current retirees in an effort to keep the CPP solvent, with young people much more likely to say that raising premiums rather than cutting benefits was unfair to them (Figure 101). Likewise, older Canadians were more likely to say that premiums should be raised in order to keep the CPP solvent (Figure 102), essentially shifting costs to younger Canadians. When asked to choose between raising the retirement age or partially de-indexing pensions in order to keep the CPP solvent, those currently retired and those under 30 were most likely to say that we should raise the minimum retirement age (Figure 103), again, responses that manifest a spirit of self-interest. However, in all of these questions, the plurality response is the same amongst each generation (except in Figure 103, where few between the ages of 45 and 64 support raising the minimum retirement age to 67). The CPP, more than any other programme, easily invites people to reply in a manner that maximizes their own self-interest, yet generations seem not to accept this invitation. Overall, the differences of opinion are small, and young people clearly feel they participate in a social contract to pay into a programme for today's senior citizens, and older Canadians do not want to unfairly burden younger generations. Young Canadians are not more likely to try and force retirement on those who turn 65 (Figure 104).

One does note what could be a disturbing finding in a large number of questions regarding environmental preservation: young people are far more interested in protecting the environment than older Canadians (Figure 105). While most Canadians highly value the

¹² André Blais, Elisabeth Gidengil, Richard Nadeau, and Neil Nevitte (2002). *Anatomy of a Liberal Victory: Making Sense of the Vote in the 2000 Canadian Election*. (Mississauga: Broadview), pp. 196-97.

¹³ Brenda O'Neill (2001). "Generational Patterns in the Political Opinions and Behaviour of Canadians: Separating the Wheat from the Chaff." *Policy Matters* (Montreal: Institute for Research on Public Policy).

environment as a public good, older Canadians are far less worried about preserving the environment in the middle to long-term than younger Canadians and are somewhat more concerned about economic growth than environmental protection (Figure 106) and are less supportive of more spending on the environment (Figure 107). In a large number of specific policy areas, older people are less likely to say they are willing to change their behaviour than younger people in order to protect the environment (Figures 108 and 109), although in 1991 no age cohort was particularly keen on restricting the use of cars in urban areas.

Voluntary Activity

Volunteering in the community and participating in civic life can be thought of as key measures of Canadians' commitments to their fellow citizens and the larger community. Canadians generally believe that volunteering contributes to our quality of life, and that the government should encourage voluntary activity (Figure 110). The most common activities for Canadians include organizing charitable events, sitting on the boards of non-profit organizations, fundraising, office work, coaching, and care giving (Figure 111). Currently, according to the Canadian Centre for Philanthropy's Voluntary Activity Survey, about one Canadian in four says they have engaged in voluntary activities, which is apparently down from 1997 but is almost exactly the same figure as 1987 (Figure 112). An Ekos survey in 1998 found slightly higher rates of "community service", with one Canadian in three saying they had been a member of a community service organization (Figure 113). Although one would not want to draw major conclusions from these three data points, there is certainly no definite trend in volunteering, either upward or downward.

If traditionally volunteering activities have been performed by women, often middle-aged women, the profile of the volunteer has changed. Women and men are about as likely to say that they volunteered, though women are slightly more likely to have done so (Figure 114). In terms of age, there is today almost no difference in rates of volunteering, except amongst seniors and the 25-34 age group, both of whom volunteer less (Figure 115). Those between the ages of 15-24, and 35-64 are all about equally likely to participate in the community. Since 1987, seniors are volunteering less, while young people are volunteering more. Those with higher incomes are still far more likely to volunteer (Figure 116), while those in Quebec are far less likely to volunteer, perhaps due to a greater perception that such activities are best left to the state (Figure 117). The Prairies, particularly Saskatchewan, see the highest rates of volunteering.

The Canadian Social Contract and the Welfare State: What do Canadians Say They Owe Each Other?

The relationship between the state, the market, the individual, and civil society in all its forms has undergone rapid change. Although the state is still free to make many choices, Canada's close relationship with the United States and integration into the global economy place constraints on some of these choices. Geoffrey Garrett has clearly shown that advanced democratic societies continue to have great freedom in making choices about the kind of society in which they want to live, and Sweden, Germany, the UK, and the US have all made different decisions about the nature of the relationship between the state, society, the market, and the

individual in the face of globalization.¹⁴ Danes and Americans, for example, believe that they owe their fellow citizens different things and expect different things from the public and private sectors, and the evidence demonstrates that they are able to act on these differing visions despite emerging global (WTO) and regional (NAFTA, EU) infrastructures. What choices would Canadians like the Canadian state to make?

Canadians' top priorities usually tend to be social ones, such as health care, education, unemployment, and child poverty (Figure 118). When asked directly, far more Canadians are likely to say that "more generous social programmes" should be a high priority than ensuring that the government "interferes as little as possible with the free market" (Figure 119). In the wake of deficit reduction in the 90s, Canadians were more likely to say that government should put more effort into areas such as health care, education, the environment, and poverty, and far more likely to support this increased activity than they were in 1981 (Figure 120). Nonetheless, and despite the fact that Canadians express a great deal of concern regarding the gap between the wealthy and the poor (Figure 121) and growing income inequality (Figure 122), most Canadians are not keen on spending on social assistance (as seen in previous figure), except when framed in terms of "child poverty." In 2000, Canadians were likely to have seen the federal budget as focused on fiscal priorities, but would have preferred a greater focus on social priorities (Figure 123). Even in 2001, just after the attacks of September 11th, Canadians were still likely to support a budget that was more focused on social priorities (Figure 124).

The inevitable policy implication of these values is a more activist government. Yet, while Canadians have deep commitments to the social programmes of the Canadian social contract, this is not a commitment to "government" or "the state" in their value structure. While public policy specialists may rightly interpret Canadians' commitments to social priorities as a call for government action, most Canadians would not frame it in those terms: most do not like the idea of an "activist government" involved in many areas of life (Figure 125). This is also a manifestation of the enduring belief, likely never to change, that the federal government has not "cut government spending enough" (Figure 126). There is a belief that there is a great deal of waste in government spending (Figure 127), and a hope that if one could eliminate this waste ("red tape" and "perks"), one would be able to have much more generous social programmes. Canadians' values simultaneously endorse a strengthening of Canadian social programmes, and a government that stays out of their lives and cuts spending, and they see no contradiction in these two beliefs. However, as we see in many of the results presented below, most Canadians support spending the same or more on most major areas of government spending. These are conundrums that should be explored in public dialogues.

To take just the most prominent example of Canadians' commitment to social values and programmes despite a worry about "government spending," Canadian support for the collective provision of health care remains robust. Fewer than one Canadian in ten prefers the American health care system to the Canadian (Figure 128), and strong majorities believe that medicare embodies Canadian values, is a right of citizenship, and that care should not be based on financial considerations (Figure 129). A majority of Canadians say they are willing to pay more taxes to improve the health care system (Figure 130), support increased government spending on health care (Figure 131), and only about 1/3 of Canadians say they would like to see some

¹⁴ Garrett, Geoffrey, (1998) Partisan Politics in the Global Economy (Cambridge: Cambridge University Press).

privatization in the health care system (Figure 132). However, on most questions related to social programmes, there is a strong income cleavage, with wealthier Canadians less committed to the principle of equal access and increased spending (Figure 133).

Two new realities of the Canadian social contract have become apparent: a real belief in fiscal conservatism, and a real questioning of traditional government spending on “job creation” to stimulate the economy. The evidence is strong that in the mid-90’s Canadians came to believe that there was a budget and deficit crisis, and only about 1/3 of Canadians were interested in attempting to spend one’s way out of this problem (Figure 134). A somewhat different question asked in 1996 found similar results, though the number focused on deficit reduction was slightly lower (Figure 135). This new preoccupation with balanced budgets is still present today in all regions of the country (Figure 136), and Canadians, while interested in new spending on health care and education, remain vigilant on the question of a balanced budget, not wanting to slip into a deficit situation again. Only 28% of Canadians said that the government should run a deficit to respond to potential new realities post September 11th (Figure 137). In 1995, in areas other than health, Canadians were also prepared to undertake spending cuts (Figure 138). The strong commitment to fiscal restraint may in part be a reflection of the fact that a large number of Canadians now have investments of various kinds, including in equity markets: in late 2001, 63% of Canadians said that they personally had been affected by the decline in the stock market (Figure 139).

Canadians are today more interested in public investment than public spending. In 1995, Canadians believed that investment in scientific research would create more jobs than public works programmes (Figure 140), and in 2001 Canadians were much more supportive of investing in education and spending on research and technology than they were on infrastructure spending (Figure 141). A majority of Canadians support a strategic federal government engaged in long-term thinking, planning, and investing, and have a good deal of skepticism regarding old-style public spending and public works programmes. Strategic investment-style spending, designed to create more equality of opportunity, combines a commitment to the collective social good, and the rewarding of individual efforts demonstrating creativity, intelligence, and educational success, are both important to Canadians.

When Canadians are actually forced to choose between potential budget strategies, these realities and general Canadian priorities become evident. Figures 142 through 147 present a multifaceted picture of Canadians’ priorities from 1995, the peak of deficit reduction and budget cuts, through to 2002. Figure 142 shows that in 1995 Canadians’ priorities focused on “a strategy for preserving medicare,” creating jobs, cutting “government waste” and “government spending,” and deficit reduction – clearly a mixed bag. Nonetheless, items such as “spend more on health care” and “spend money on job creation” were amongst the lowest priorities during this time of fiscal restraint. By 1997, Canadians had renewed their focus on social priorities, with increases to the CHST (Canada Health and Social Transfer) for health care, reducing child poverty, and job programmes targeted at young people scoring the best (Figure 143). “Balancing the budget” continued to score well, but a national highway programme – a traditional infrastructure and public works programme – fared by far the worst of all items on offer, while tax cuts of various kinds were not priorities.

The portrait remained fairly consistent into 2000 (Figure 144), but by now Canadians had become even more concerned about the erosion of social programmes, particularly health care. It, along with “making education more affordable” were by far the most important priorities, along with balancing the budget, again reflecting Canadians’ new found fiscal conservatism. Support for farmers and improving roads were judged to be the lowest priorities. The picture looks remarkably the same in 2001 (Figures 145 and 146), highlighting that these data are depicting relatively stable Canadian values and priorities, though we do get new insight due to the fact that the survey questions presented Canadians with some different items. Items such as foreign aid to poor countries, culture and identity, public transit, Aboriginal living conditions, climate change, and roads are amongst those items that Canadians say should be of lowest priority to the federal government, which does not mean that Canadians do not support work in these areas, only that they are judged to be less important than health, education, and the environment. The picture remains consistent in 2002 (Figure 147), though in the aftermath of September 11th, “protecting Canada” has been added to the list of Canadians’ priorities, but has not supplanted Canadians’ social priorities. A balanced budget continues to remain important to Canadians, but tax cuts continue to be of lower priority, while debt reduction is likewise of secondary importance compared to important social issues. In 2002, when respondents were randomly offered two different ways of spending one billion dollars, improving health care and skills development come out on top, while corporate tax cuts, ending road congestion, and investing in the internet come out at the bottom (Figure 148).

When Canadians are asked pointedly about what to do with a potential surplus, tax cuts trail spending on social programmes and debt repayment in two successive surveys in 2000 and 2001 (Figure 149), highlighting both support for social programmes and support for fiscal restraint. There are noticeable regional differences in support for social spending, but overall these tend not to be very large (Figure 150). When Canadians are asked to choose between tax cuts and investments in “health, education, and the environment,” large majorities consistently choose the latter (Figure 151). There are noticeable class differences on this question, but cutting taxes consistently trails in terms of popular support (Figure 152). However, when tax cuts and debt repayment are contrasted with spending on “aboriginal peoples and the environment” or “defense and security,” these two items are less popular (Figure 153), highlighting that, while Canadians clearly prioritize health and education spending, not all spending options trump tax cuts.

The Social Contract and the Federal System

How do Canadians see the various governments facilitating this social contract? Surveys have long shown that, when asked, many Canadians—a plurality in many provinces at various times—say they believe their provincial government should exercise more power, and that this trend toward saying “more power for the provinces” has remained relatively stable between 1979 and 2001 (Figure 154). In all regions of the country, about two Canadians in five say that provincial governments should have more power, except in Ontario, where only about one in four offers this response. In specific policy areas like health, education, and social programmes, most Canadians say that the provincial governments should be primarily responsible (Figure 155). Many analysts have taken this at face value as indicating that Canadians would prefer more power in the hands of their province. However, scholars have warned that the public opinion data

are more ambivalent than this: “General questions tend to yield anti-federal government responses, although...more specific [i.e. policy] questions produce opinions which are neutral, or even pro-federal, on jurisdictional questions; responses actually tend to follow existing jurisdictional lines”.¹⁵ Simple agreement with a question asking whether the province should exercise more power could be no more than a manifestation of provincial attachment, and, in fact, citizens may either prefer a strong federal government, prefer collaboration between orders of government, or not care much one way or the other.

In fact, there is evidence for all of these possibilities in the public opinion data. When Canadians are asked whether they prefer a strong national or strong provincial governments, 61% side with a strong national government (Figure 156), seemingly in stark contrast to the results in Figure 154. But here we see a subtle distinction: Canadians like the idea of a “strong national government” that acts for the benefit of all, and do not much like strong provincial governments warring with each other like powerful principalities. But this does not mean that most citizens want the federal government to attempt to acquire “more power”, something that Canadians outside of Ontario would be concerned about.

Canadians care about the preservation of core social programmes, and believe these should be national. Canadians strongly believe in national standards for health care (Figure 157) and other programmes. But they believe the federal government should work as an equal partner with the provincial governments on core social priorities (Figure 158) and believe that national standards should be set by all governments working together (Figures 159 and 160). Canadians do not like the idea either of provinces setting their own standards, or the federal government imposing standards. Canadians very much prefer a collaborative model of federalism, even in Quebec (Figure 161), one where all governments work together to implement the Canadian social contract. This is in part because there is no consensus in Canada on which government can be trusted to protect social programmes (Figure 162), and because trust in government generally is low in Canada, even when compared to the US (Figure 163).

There is therefore almost no evidence that a large number of Canadians support a retrenchment of the federal presence in areas that are important to Canadians. The vast majority of Canadians in all regions of the country believe that the federal government is essential in order to fulfil the Canadian social contract. Citizens have come to value the steadying hand of the federal government. No more than one-fourth of Canadians have any attachment to the division of powers as laid out in the Constitution. Canadians now see the federal government as an indispensable partner even in social policies that are the section 92 preserve of the provinces. The federal involvement since World War II through its spending power and enforcement of national standards, along with the adoption of the pan-Canadian Charter of Rights, have conditioned Canadians to support that involvement. Calls for a return to a classical model of federalism miss the point of what has happened during the 20th century: Canadians support a practice of federalism where both governments are involved in most things, as governments have been for the adult lives of just about every Canadian.¹⁶

¹⁵ Richard Johnston (1986). *Public Opinion and Public Policy in Canada: Questions of Confidence*. Toronto: University of Toronto Press, p. 210.

¹⁶ Fred Cutler and Matthew Mendelsohn. "What Kind of Federalism do Canadians (Outside Quebec) Want?" *Policy Options*, October 2001.

Conclusion

How well do the portraits of the Canadian identity outlined at the beginning of this paper hold up in light of the empirical evidence? In broad terms, Canadians continue to manifest a spirit of social solidarity and commitment to social spending and programmes that is very high, although most have embraced (or accepted) what they consider to be the realities of an open and global economy, where trade, knowledge, education, fiscal restraint, and strategic investment are crucial for prosperity, and where governments can help create opportunities but cannot “create jobs.” Canadians are more internationalist than ever before and are in the process of becoming global citizens. This internationalism is consistent with their belief that Canadian values should be promoted around the world for the benefit of the world’s poor. Canadians are less “provincialist” than ever before and over the past twenty years have developed a deeper “Canadian identity.”

What is the nature of this identity? Most Canadians have embraced the identity laid out for them in the Charter of Rights. There is strong support for bilingualism and multiculturalism, and these have become cornerstones of the Canadian identity across the country. There is, however, less support for the claims of Aboriginal peoples, with evidence of growing tensions. Canadians are ambivalent on questions related to Aboriginal peoples: they recognize that there are treaty obligations, but resist the idea of “special status;” they recognize a legacy of discrimination, but they believe that Aboriginal peoples are asking for too much and need to more readily accept the realities of 21st century Canadian life.

Inter-regional tensions and jealousies also remain relatively high; while Canadians are prepared to redistribute wealth to ensure that all Canadians have access to a similar network of social programmes, Canadians outside Ontario tend to believe that other regions are favoured in the federation, either through spending, respect, or influence, and this damages the social fabric.

Support for trade liberalization has become axiomatic, although this support is tempered by concerns about damage to the social conditions. The support for trade liberalization, however, is a manifestation of internationalism, not a manifestation of support for neo-conservative values. Canadians embrace the image of the country as a globalizing society, and the evidence suggests that the trend toward “internationalism” amongst Canadians is stronger than ever. Maintenance of a balanced budget has become a Canadian value, and there is great resistance to violating this. This, along with the openness to the world through trade liberalization, is the largest change in Canadian attitudes toward the economy since 1990. There is likewise more openness to continentalism than before, but this means that Canadians are prepared to work with Americans when it is in the interests of both countries and where the policies are “managerial” in nature and do not touch directly the question of how we organize ourselves as a community. Canadians want to maintain a close relationship with the US, without becoming American or sacrificing our ability to make independent decisions.

Canadians’ commitments to a strong system of public education, health care, and environmental protection remained unwavering through the 1990s. Despite the political focus on deficit reduction, and the public’s support for political parties that focused on fiscal issues, the Canadian public’s values did not seem to evolve much on the key issue of whether it was the

state's job to provide key public services, and whether individuals were willing to pay for them. What this suggests is widespread recognition that fiscal issues needed attention, but that this was undertaken out of necessity by the population, not due to a significant increase in neo-conservatism on the part of the Canadian public. Although the Canadian elite may have embraced a model of citizenship focused on the individual and the market, the Canadian public remained largely unmoved. However, the strong support for social programmes that benefit the middle class does not mean that there is much support for spending to help "the poor." Canadians are concerned about income inequality, but have little interest in pure redistributive mechanisms to rectify this problem.

How does one explain the support in survey after survey for "social priorities," and government/party actions that focus on fiscal issues? Are the surveys simply wrong – do they prompt respondents to talk about things in social terms but these values do not actually govern people's behaviour when it comes time to make political choices? Or is it that elites have framed public debate in ways not shared by most Canadians? Or, as suggested by some of the data in this report, do citizens simply not trust governments to spend their money wisely, and while they support social priorities, they likewise call for cuts to government spending? As we saw, most Canadians do not support "government spending" which calls to mind wasteful perks, while most Canadians support increased government spending in just about every major area named – health, education, the environment, training, etc. These are issues that need to be explored in public dialogue.

Canadians have moved away from the traditional left on fiscal and economic issues through their embrace of trade liberalization and fiscal conservatism, without sacrificing their commitment to social programmes. On the other hand, on social and moral issues, Canadians have adopted positions associated with the left and are increasingly accepting of less traditional family structures and lifestyles, with the exception of many older Canadians who are less comfortable with this.

To return to the portraits outlined in the opening of this paper, it does appear that Canadians have embraced more market and individualistic based values, but without sacrificing their commitment to social values. The data suggest that, at heart, Canadians are pragmatists. If one were to present Canadians with two stylized models of state action – 1) an American model, where individuals are on their own, but rely on family and community for support; or 2) a Scandinavian one, where a large social democratic state exists that encourages equality of result and redistribution – neither would find much support in the public opinion data. Rather, Canadians support many of the values of the second model, without supporting a large invasive state. Canada has become an investment society, looking to promote opportunity for Canadians. Canadians continue to manifest a strong belief in the collective provision of public goods, but most Canadians have accepted what they consider to be the realities of an open and global economy. Trade, knowledge, education, fiscal restraint, investment, as well as social programmes, are crucial for prosperity, and governments can help create opportunities as "strategic investors." Therefore, support for traditional job creation programmes has gone down, while support for "strategic investments" that can help Canadians make the most of their own opportunities has gone up. This becomes a key challenge for governments: how does Canada continue to maintain a spirit of social solidarity and equity without the traditional mechanisms of

large government programmes, large increases in deficit spending, or traditional job creation programmes? The data suggest that Canadians are offering fairly reasonable and coherent answers to this question.

Statistical Appendix

(Attached as a separate document.)

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