



Government
of Canada

Gouvernement
du Canada

Continuous Qualitative Data Collection of Canadians' Views – April 2024

Final Report

Prepared for the Privy Council Office

Supplier name: The Strategic Counsel

Contract number: CW2241412

Contract value: \$814,741.30

Award date: December 19, 2022

Delivery date: May 28, 2024

Registration number: POR- 053-22

For more information on this report, please email por-rop@pco-bcp.ca

Ce rapport est aussi disponible en français.

Canada 

Continuous Qualitative Data Collection of Canadians' Views

Final Report

Prepared for the Privy Council Office

Supplier Name: The Strategic Counsel

April 2024

This public opinion research report presents the results of a series of focus groups conducted by The Strategic Counsel on behalf of the Privy Council Office. The twelfth cycle of the first year of this study included a total of twelve focus groups with Canadian adults (18 years of age and older) conducted between April 4th, 2024, and April 30th, 2024.

Cette publication est aussi disponible en français sous le titre : Rapport final - Collecte continue de données qualitatives sur les opinions des Canadiens – avril 2024.

This publication may be reproduced for non-commercial purposes only. Prior written permission must be obtained from the Privy Council Office. For more information on this report, please contact the Privy Council Office at: por-rop@pco-bcp.ca or at:

Privy Council Office
Blackburn Building
85 Sparks Street, Room 228
Ottawa, Ontario K1A 0A3

Catalogue Number:

CP12-4E-PDF

International Standard Serial Number (ISSN):

ISSN 2816-9360

Related publications (registration number: POR-053-22):


CP12-4F-PDF (Final Report, French)

ISSN 2816-9379

Political Neutrality Certification

I hereby certify as a Senior Officer of The Strategic Counsel that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the Policy on Communications and Federal Identity and the Directive on the Management of Communications – Appendix C – Mandatory Procedures for Public Opinion Research.

Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, standings with the electorate, or ratings of the performance of a political party or its leaders.

Signed:  _____

Date: May 28, 2024

Donna Nixon, Partner
The Strategic Counsel

Table of Contents

Executive Summary	3
Introduction	3
Methodology	4
Key Findings.....	5
Government of Canada in the News (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)	5
Government of Canada Priorities and Performance (Quebec, Winnipeg Young Women)	5
The Economy (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers)	6
Budget 2024 (All Locations)	7
Specific Measures (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Greater Toronto Area Middle Class, Atlantic Canada, Winnipeg Young Women, Ontario)	8
Taxation (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)	11
Climate Change Impacts (Quebec, British Columbia)	13
Carbon Pricing (Mid-Size Centres Alberta, Prairies, Atlantic Canada)	14
Climateflation (Mid-Size Centres Alberta, British Columbia, Prairies)	15
Auto Theft (Greater Toronto Area Middle Class)	15
Electric Vehicles (Ontario)	16
Detailed Findings	Error! Bookmark not defined.
Timeline of April 2024 Announcements	Error! Bookmark not defined.
Government of Canada in the News (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)	Error! Bookmark not defined.
Government of Canada Priorities and Performance (Quebec, Winnipeg Young Women)	Error! Bookmark not defined.
The Economy (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers)	Error! Bookmark not defined.
Budget 2024 (All Locations).....	Error! Bookmark not defined.
Pre-Budget Announcements (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)	Error! Bookmark not defined.
Initial Budget Impressions (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Ontario).....	Error! Bookmark not defined.

Specific Measures (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Greater Toronto Area Middle Class, Atlantic Canada, Winnipeg Young Women, Ontario)	Error! Bookmark not defined.
Housing Initiatives (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Greater Toronto Area Middle Class, Atlantic Canada, Winnipeg Young Women, Ontario)	Error! Bookmark not defined.
Taxation (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)..	Error! Bookmark not defined.
Climate Change Impacts (Quebec, British Columbia)	Error! Bookmark not defined.
Carbon Pricing (Mid-Size Centres Alberta, Prairies, Atlantic Canada)	Error! Bookmark not defined.
Climateflation (Mid-Size Centres Alberta, British Columbia, Prairies).....	Error! Bookmark not defined.
Auto Theft (Greater Toronto Area Middle Class)	Error! Bookmark not defined.
Electric Vehicles (Ontario).....	Error! Bookmark not defined.
Appendices	Error! Bookmark not defined.
Appendix A – Recruiting Scripts	Error! Bookmark not defined.
English Recruiting Script	Error! Bookmark not defined.
French Recruiting Script	Error! Bookmark not defined.
Appendix B – Discussion Guides.....	Error! Bookmark not defined.
English Moderator’s Guide.....	Error! Bookmark not defined.
French Moderator’s Guide	Error! Bookmark not defined.

Executive Summary

Introduction

The Communications and Consultation Secretariat of the Privy Council Office (PCO) commissioned The Strategic Counsel (TSC) to conduct continuous cycles of focus group research across the country with members of the public on key national issues, events, and policy initiatives related to the Government of Canada.

The broad purpose of this ongoing qualitative research program is three-fold: to explore the dimensions and drivers of public opinion on the most important issues facing the country; to assess perceptions and expectations of the federal government's actions and priorities; and, to inform the development of Government of Canada communications so that they continue to be aligned with the perspectives and information needs of Canadians, while remaining both clear and easy-to-understand.

The research is intended to be used by the Communications and Consultation Secretariat within PCO in order to fulfill its mandate of supporting the Prime Minister's Office in coordinating government communications. Specifically, the research will ensure that PCO has an ongoing understanding of Canadians' opinions on macro-level issues of interest to the Government of Canada, as well as emerging trends.

This report includes findings from twelve online focus groups which were conducted between April 4th, 2024, and April 30th, 2024, in multiple locations across the country. Details concerning the locations, recruitment, and composition of the groups are provided in the section below.

The research for this cycle focused largely on the Canadian economy and Budget 2024, including specific discussions related to a range of housing initiatives that had been announced by the federal government. Some groups also engaged in discussions related to taxation, carbon pricing, and the potential impacts of climate change and climateflation.

Other topics explored in this cycle included what participants had seen, read, or heard about the Government of Canada as of late, as well as their perspectives on its performance across a range of important priorities. Discussions were also held concerning issues such as automobile theft, and the manufacturing of electric vehicles.

As a note of caution when interpreting the results from this study, findings of qualitative research are directional in nature only and cannot be attributed quantitatively to the overall population under study with any degree of confidence.

Methodology

Overview of Groups

Target audience

- Canadian residents, 18 and older.
- Groups were split primarily by location.
- Some groups focused on specific cohorts of the population, including members of Generation Z aged 18 to 27, millennials aged 28 to 43, Canadians aged 65 and over, prospective first-time homebuyers, members of the middle class, and young women aged 18 to 34.

Detailed Approach

- Twelve groups across various regions in Canada.
- Six groups were conducted among the general population residing in Quebec, British Columbia, the Prairies, Atlantic Canada, Ontario, and in mid-size centres in Alberta.
- The other six groups were conducted among key subgroups including:
 - Generation Z, ages 18-27
 - Millennials, ages 28-43
 - Canadians aged 65+
 - Prospective first-time homebuyers
 - Middle class Canadians
 - Young women, ages 18-34
- The three groups based in Quebec were conducted in French. All other groups were conducted in English.
- All groups for this cycle were conducted online.
- A total of 8 participants were recruited for each group, assuming 6 to 8 participants would attend.
- Across all locations, 91 participants attended, in total. Details on attendance numbers by group can be found below.
- Each participant received an honorarium of \$125.

Group Locations and Composition

LOCATION	GROUP	LANGUAGE	DATE	TIME (EDT)	GROUP COMPOSITION	NUMBER OF PARTICIPANTS
Mid-Size Centres Alberta	1	EN	Thurs, April 4 th	8:00-10:00 PM	General Population	7
Quebec	2	FR	Tues, April 9 th	6:00-8:00 PM	General Population	8
British Columbia	3	EN	Wed, April 10 th	9:00-11:00 PM	General Population	8
Prairies	4	EN	Thurs, April 11 th	8:00-10:00 PM	General Population	7

Major Centres British Columbia	5	EN	Tues, April 16 th	9:00-11:00 PM	Generation Z, Ages 18-27	8
Outaouais Region, Quebec	6	FR	Wed, April 17 th	6:00-8:00 PM	Millennials, Ages 28-43	8
Atlantic Canada	7	EN	Thurs, April 18 th	5:00-7:00 PM	Canadians Aged 65+	8
Major Centres Quebec	8	FR	Tues, April 23 rd	6:00-8:00 PM	Prospective First-Time Homebuyers	6
Greater Toronto Area	9	EN	Wed, April 24 th	6:00-8:00 PM	Middle Class Canadians	8
Atlantic Canada	10	EN	Thurs, April 25 th	5:00-7:00 PM	General Population	8
Winnipeg	11	EN	Mon, April 29 th	7:00-9:00 PM	Young Women, Ages 18-34	7
Ontario	12	EN	Tues, April 30 th	6:00-8:00 PM	General Population	8
Total number of participants						91

Key Findings

Government of Canada in the News (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)

Four groups were asked to share what they had seen, read, or heard about the Government of Canada in recent days. A wide range of announcements and initiatives were recalled, including the increase of the federal price on carbon to \$80 a tonne for 2024, agreements reached between the federal government and numerous municipalities to provide additional funding for housing through the Housing Accelerator Fund, the creation of a Renters' Bill of Rights, and the discontinuation of the First-Time Home Buyer Incentive.

Participants also recalled the decision by the Bank of Canada to maintain its policy interest rate at 5 percent and an announcement by Immigration, Refugees, and Citizenship Canada (IRCC) that, beginning in 2024, the Government of Canada would be setting an intake cap on international student study permit applications for a period of two years.

Government of Canada Priorities and Performance (Quebec, Winnipeg Young Women)

Two groups took part in brief conversations related to issues currently facing the Government of Canada as well as their perspectives regarding its management of these priorities. Asked to identify what they viewed as the top issues that the federal government should be prioritizing, many believed that a greater focus needed to be placed on decreasing the cost of living and ensuring that all Canadians were able to afford essentials such as groceries. Several thought that there needed to be an increased emphasis placed on making housing more affordable, with a number believing that housing

costs had risen substantially in recent years, both for homeowners and renters. Other priority areas mentioned by participants included recruiting and hiring more teachers at the primary and secondary level, increasing the affordability of post-secondary education, mitigating the impacts of climate change, and reducing perceived health worker shortages in Canadian communities.

Participants residing in Quebec were asked to identify areas in which they felt the Government of Canada was performing well and areas where they felt there was room for improvement. Describing the areas in which they felt the federal government had performed well, participants mentioned the actions it had taken to make child care and dental care more affordable for Canadian families, its work towards reconciliation with Indigenous peoples, and its humanitarian efforts on the global stage (including providing assistance to those displaced by conflicts and/or natural disasters). Discussing areas where they felt there was room for improvement, many reiterated the need for it to increase its actions towards stabilizing the cost of living and making housing more affordable.

Those in the group comprised of young women in Winnipeg were asked to identify issues related to women that they felt required increased attention from the federal government. Several thought that there needed to be a greater focus on mental health for women, including increased access to therapists and other mental health professionals and treatment for issues such as post-partum depression and anxiety. Also related to health care, it was believed that there needed to be an increased emphasis on ensuring that all women in Canada had access to women's health specialists such as gynecologists. A few thought that actions should also be taken to ensure greater pay equity and opportunities for women in the workforce as well as making it easier for working mothers to balance their professional and familial responsibilities.

The Economy (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers)

Four groups engaged in a brief conversation related to the Canadian economy. To begin, participants engaged in an exercise where they were asked to select a single word or phrase to describe the current state of the economy. Many selected words with negative connotations, such as 'unstable', 'expensive', 'troubling', and 'declining'. Among these participants, it was felt that the Canadian economy had worsened in recent years, with many expressing concerns related to what they perceived as a lack of economic productivity, limited job growth, and the closure of many small businesses in the wake of the COVID-19 pandemic. A few had a more positive impression of the economy, selecting words such as 'great' and 'outperforming'. For these participants, it was believed that while the Canadian economy had faced some challenges in recent years, it was performing better than they had expected and had outpaced the economies of many of Canada's peers on the global stage.

Asked to identify the specific economic issues that they were personally concerned about, several described housing as a major challenge at present and were of the impression that housing costs had risen substantially for many Canadians in recent years. A number mentioned the high cost of living,

believing that prices for essentials such as groceries and gasoline had increased considerably in recent years. Participants also identified climate change as having a negative impact on the economy, believing that higher temperatures and more unpredictable weather patterns in recent years had made it more expensive for farmers to produce and transport food products, leading to higher costs for Canadian consumers.

Discussing whether they felt the Canadian economy would improve, worsen, or stay the same over the coming twelve months, most expected that it would remain relatively stable. Several expressed the view that while issues related to inflation and the cost of living had stabilized somewhat in recent months, it would likely take longer than a year for the economy to begin to improve, given the degree to which they felt these challenges had impacted Canadian households.

Questioned whether they felt that their own financial situation would get better, worse, or stay the same, participants were more optimistic and several expected that their financial situation would improve over the coming year. Describing why they felt this way, participants cited factors such as expected promotions and salary increases at work, recently graduating from a post-secondary program, as well as the expectation that they would be able to pay off debt and other large expenses over the coming year. Very few expected that their economic situation would worsen over the next twelve months.

Budget 2024 (All Locations)

Participants in all groups took part in discussions related to the 2024 federal budget, which was tabled on April 16th, 2024. Groups conducted prior to the budget's tabling engaged in conversations related to pre-budget announcements from the Government of Canada, while those held after its release shared their initial overall impressions as well as their reactions to specific initiatives that had been included. Furthermore, all groups conducted after the tabling of the budget engaged in in-depth discussions concerning the large number of budget initiatives related to housing.

Pre-Budget Announcements (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)

Four groups (all conducted prior to the budget's tabling) took part in brief conversations regarding their awareness and opinions related to a number of initiatives that had been announced by the federal government in the weeks leading up to the budget's release. Asked whether they were aware of any pre-budget announcements made by the Government of Canada, very few indicated that they were.

Participants engaged in an exercise where they were asked whether they had seen, read, or heard about a series of specific announcements from the federal government. While awareness of the announcements was relatively low among participants, a greater number recalled having heard about the initiatives related to encouraging the inclusion of rent payments in a tenant's credit score, establishing a National School Food Program, and new initiatives related to child care, relative to

announcements concerning the creation of a Renters' Bill of Rights and providing a top-up to the Housing Accelerator Fund.

On balance, while a small number were worried about the potential costs of these initiatives, participants were mostly positive in their overall reactions to these measures. Many expressed support for the proposed creation of a Renters' Bill of Rights and the initiative to allow renters to establish and build credit by making on-time rent payments. Most also reacted positively to the plan to provide a \$400 million top-up to the Housing Accelerator Fund, though a few questioned what regulations would be in place to ensure that housing built through this initiative would be affordable for lower- and middle-income Canadians.

Almost all supported the federal government taking action to launch a new Child Care Expansion Loan Program, believing this would have a major positive impact for families with young children who were currently struggling with the cost and/or availability of child care. While the introduction of a National School Food Program was also seen as important, a number felt that a greater emphasis should be placed on making groceries in general more affordable, likely reducing the need for this program.

Initial Budget Impressions (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Ontario)

Five groups briefly discussed their initial overall impressions of the 2024 Budget. Asked whether they had watched the budget speech by the Minister of Finance or had seen clips of it on the news or social media, very few reported that they had. Questioned whether their overall reaction to the budget had been positive or negative, a large number expressed uncertainty, feeling they did not know enough about its contents to provide a proper evaluation. Among those who did provide a response, a roughly equal number had a positive impression of the budget as those who were more neutral, while a smaller number were more negative in their reactions. Discussing specific aspects of the budget that they had heard about and liked, several mentioned the increase to the capital gains inclusion rate (referred to as a capital gains tax), while a smaller number identified the introduction of a National School Food Program.

Asked if they felt that there was any particular theme or story associated with Budget 2024, while most were uncertain, a few believed that the budget had primarily been focused on improving the economic wellbeing of Canadians and making life (and especially essential needs such as groceries and housing) more affordable.

Specific Measures (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Greater Toronto Area Middle Class, Atlantic Canada, Winnipeg Young Women, Ontario)

All eight groups conducted after the tabling of the budget engaged in an extended conversation related to specific actions and initiatives that had been announced. Asked what came to mind when they thought about Budget 2024, many thought that housing had been a major focus, believing there had been numerous initiatives announced related to increasing the housing supply, making housing

more affordable for Canadians, and addressing issues such as homelessness. Several were also of the impression that national defence had been a key aspect of this year's budget and had heard that the Government of Canada would be increasing its defence spending in the years to come. A number also recalled the measure to increase the capital gains inclusion rate, as well as the establishment of a National School Lunch Program and the creation of the new Canada Disability Benefit.

Participants next engaged in an exercise where they were presented with brief details regarding a number of initiatives that had been announced as part of the budget and asked to select which they felt would have the most positive impact on Canadians.

The measure to stabilize the cost of groceries received overwhelming support among participants, with many believing that it should be the foremost priority for the federal government. It was widely felt that this action would positively impact the largest number of Canadians as well as address what was viewed as a significant source of financial stress for many households at present.

The initiative to implement health care agreements with every province and territory to improve access to primary care and reduce wait times also received considerable support among participants. It was thought by several that this would positively impact a large number of Canadians who were currently facing challenges accessing the health resources they required due to long wait times for primary and/or emergency care. Similarly, several also viewed the establishment of a national pharmacare program (beginning with universal coverage for birth control and diabetes medication and devices) as an important priority for the federal government. It was widely thought that this would be very beneficial to those Canadians with chronic conditions who were struggling with the costs of their prescription medication.

Initiatives to crack down on junk fees and make things like internet and mobile phone plans more affordable, as well as ensuring the wealthiest 0.1 per cent of Canadians pay their fair share in taxes also received some support among participants. Relatively few selected the initiatives to create a National School Food Program and implement action on foreign health care credential recognition.

Provided with information related to the initiative to ask wealthier Canadians to pay a bit more in taxes, far greater number expressed support for this approach compared to those who were more neutral or opposed in their opinions. Among those who supported this initiative, it was felt that the increased tax revenue could be allocated towards funding a wide range of programs and benefits for Canadians. It was expected that this could be particularly helpful for lower- and middle-income households who were currently struggling with the cost of living. For the smaller number who were opposed to this approach, it was believed that this would discourage wealthier Canadians from investing in the Canadian economy and would potentially lead to reduced economic productivity as a result.

Asked whether they expected that any of the measures they had discussed would help to ensure that younger Canadians were able to get ahead, several reiterated the importance of the measure to stabilize the price of groceries. It was felt that until essentials such as food and housing became more affordable, it would be difficult for most younger Canadians to get ahead and save towards building their futures. A number thought that a greater focus should be placed by the federal government on



making post-secondary education more affordable as well as removing the financial barriers for those seeking to get the training and certifications required to compete in the modern Canadian economy.

Housing Initiatives (Major Centres British Columbia Generation Z, Outaouais Region Quebec Millennials, Atlantic Canada Seniors, Major Centres Quebec Prospective First-Time Home Buyers, Greater Toronto Area Middle Class, Atlantic Canada, Winnipeg Young Women, Ontario)

All groups conducted after the tabling of the budget also engaged in discussions related to the wide range of housing initiatives that had been announced. Informed that the Government of Canada had introduced a three-part plan to address the housing crisis, laying out a strategy to unlock 3.87 million new homes by 2031, participants engaged in an exercise where they were provided with information related to the various initiatives that had been announced as part of this plan and prompted to share their reactions.

Presented with information regarding measures that had been announced that were focused on building more homes in Canadian communities, almost all reacted positively and felt that these actions represented a step in the right direction. Participants expressed particular support for the measures related to the Housing Accelerator Fund and reaching agreements with municipalities to reduce red tape, change the way homes in Canada are built (including through the use of technology such as prefabricated housing factories), and provide \$15 billion to builders through the Apartment Construction Loan Program. Many, however, expressed the view that unless tangible actions were taken to make housing prices more affordable, these measures would make little difference in terms of assisting lower- and middle-income Canadians in becoming homeowners.

Provided with information related to a second set of measures, this time focused on protecting renters and making it easier for prospective first-time home buyers to purchase a home, almost all felt that these were the right initiatives for the federal government to be focusing on. Several felt the measure to encourage fintech companies, credit bureaus, and lenders to provide renters with the option to include their rental payment history in their credit scores would be especially helpful for those trying to build credit history. The creation of a Renters' Bill of Rights was also seen as an important measure, with many believing that renters currently had too few protections from predatory or unfair practices by landlords. A large number expected that the introduction of a 30-year mortgage term would make home ownership more affordable for prospective first-time home buyers, lengthening the period of time they would have to pay back these loans. Participants also reacted positively to the decision to extend the ban on foreign homebuyers as well as the decision to crack down on illegal short-term rentals. It was felt that these actions would have a significant impact on increasing the supply of housing, both to purchase and to rent.

Participants were also shown a third set of initiatives highlighting the measures that the federal government was proposing to assist those struggling with the cost of housing. All believed that these actions would have a positive impact on those currently struggling to afford the cost of housing and/or who were unable to find a home of their own. While all felt that investing \$1 billion into the Affordable Housing fund to support non-profit, co-operative, and public housing providers was an important step, several thought that, given what they believed to be the significant size and scope of the housing affordability issues facing Canadians, this amount would likely not be enough to fully

address the issue. Participants were also largely positive in their reactions to the measure to create a Rental Protection Fund to ensure that affordable rental units were not purchased with the intention of being developed into luxury housing. It was thought that, given the perceived significant shortage of available rental units in many parts of the country, developers should be discouraged wherever possible by the Government of Canada from building housing that was not generally affordable.

Asked whether they felt any of the measures they had discussed would be effective in helping younger Canadians as well as future generations get ahead, including providing them with access to a variety of affordable housing options, participants identified a range of initiatives that they expected would help in this regard. These included the allowing for lenders to offer 30-year mortgages, including on-time rent payments in credit scores, and extending the ban on foreign investors from purchasing residential property. Several, however, reiterated that unless efforts were taken to lower housing prices and the cost of living more generally, it would remain very difficult for young people to gain access to the housing market.

Taxation (Mid-Size Centres Alberta, Quebec, British Columbia, Prairies)

Four groups took part in conversations related to taxation and potential changes to taxation at the federal level. Asked how much money they felt one had to earn annually to be considered wealthy, participant responses ranged from approximately \$100,000 to upwards of \$500,000 with most estimates falling between the \$200,000-\$300,000 range. Discussing other measures, apart from money, that they would use to determine wealth, participants identified lifestyle elements such as owning a luxury home or multiple homes, driving luxury vehicles, dining at restaurants, having the ability to go on vacation every year, access to private medical care, and the ability to meet all of their financial needs while still having income leftover to put towards investments or use for discretionary spending.

Asked whether they felt wealthy Canadians were currently paying their fair share in taxes, participants were mixed in their responses. While many felt that higher earning individuals often did pay a significant amount more in taxes compared to those with lower incomes, it was also widely believed that wealthy individuals (and especially the wealthiest Canadians) had far greater access to various deductions and other mechanisms that they could use to reduce their taxable income.

Discussing whether they would be in favour of the federal government creating a wealth tax that would be paid annually by the wealthiest Canadians, many were hesitant about such an initiative. Several did not view this approach as being fair, believing that in many cases the wealthiest Canadians had earned their wealth through hard work and success and did not feel that they should be penalized for this. Asked how they would feel if this tax was applied specifically to the top one per cent of income-earners in Canada, a far greater number expressed support for this measure, believing that the wealthiest one per cent would be able to afford this tax far more readily compared to other high-earning Canadians.

Focusing on the potential benefits and costs associated with a wealth tax, participants mentioned a wide range of considerations. Many expected that the introduction of an annual tax on the wealth of the highest-earning Canadians, would have the benefit of providing the federal government with additional tax revenues that it could use towards improving the lives of the rest of Canadians. It was felt that these additional revenues could be invested in areas such as education, health care, infrastructure and public works projects, and towards providing greater assistance to groups such as seniors and younger Canadians who were believed to be currently struggling with the cost of living. Focusing on the potential costs of this measure, participants expressed concerns that this could lead to a decrease in economic investments and philanthropic activity by the wealthiest Canadians as they would now need to devote additional amounts to paying for this tax. Some also believed that this program would be challenging to administer and expected that, due to the unrealized or speculative value of many asset types (such as investments), it would be difficult to measure the exact wealth of individuals and determine how much they might owe under this new initiative.

Questioned whether, having now discussed this issue, they would support the creation of a wealth tax, a slightly larger number reported that they would compared to those who felt otherwise. For those who supported this measure, it was felt that the revenues gained by a wealth tax for the highest-earning Canadians would have a significant benefit for the rest of Canadians while having relatively little impact on the financial wellbeing of the top one per cent. Discussing whether they could think of any alternatives to a wealth tax, participants suggested potential initiatives such as the introduction of regulations compelling large businesses to contribute a certain amount of their profits towards charitable organizations, public works projects, and infrastructure, as well as modifying the tax brackets (as opposed to taxing wealth directly) to ensure that wealthier individuals would pay more going forward.

Asked whether they were familiar with the term "capital gains", a large number indicated that they were. Describing what they believed this term meant, participants widely believed that capital gains were the profits made on the sale of an investment (such as a stock or bond) and that this income was often subject to taxation. Asked what type of people they felt typically received capital gains, it was felt that this could be anyone, with several recalling having previously earned capital gains themselves.

Discussing whether they felt capital gains should be taxed, while a number felt that this was appropriate for individuals whose income primarily came from capital gains, it was thought by most that capital gains should not be taxed on the sale of assets such as a home, long-term investment, or other assets that had been owned for a considerable period of time. The view was expressed that there should be a cap placed on the amount of capital gains that can be taxed as well as greater consideration for the period of time investments had been held, with capital gains taxation primarily focusing on short-term investments.

Asked who would benefit most from a lower capital gains tax, participants expected this would positively impact the majority of Canadians and especially those who were actively investing, preparing to sell a property, or selling investments in preparation for their retirement. Discussing who would gain the most from a higher capital gains tax, many thought that the federal government and

recipients of its benefits and supports would be the greatest beneficiaries in that there would now be increased tax revenue to devote towards funding these programs.

Questioned as to whether they felt it was fair to tax capital gains on certain types of assets over others, most believed that it was. Focusing specifically on capital gains related to real estate, a number believed that these should be taxed at a high level, especially given the perceived significant shortage of available housing in many parts of the country at present. Provided with information related to the principal residence exemption, almost all felt that this was a fair approach. It was believed that, rather than as an investment, most homeowners had purchased their homes as a place to live and that they should not be penalized due to the increase in value of their primary residence during the time that they had owned it.

Climate Change Impacts (Quebec, British Columbia)

Participants in two groups engaged in discussions related to the potential present and future impacts of climate change. Asked whether they were concerned about the potential impacts of climate change, all in the group based in British Columbia (B.C.) and most in Quebec indicated that they were, and many felt that the impacts of climate change had already begun to take place. It was widely believed that climate change had been a major contributing factor behind large-scale forest fires, windstorms, droughts, and flooding that had occurred in many parts of the country in recent years. Several were worried that these issues would continue to occur with increasing frequency in the years and decades to come and believed that this could have a significant negative impact on the quality of life for future generations.

Asked to describe what came to mind when they thought about the potential impacts of climate change, several expressed concern regarding issues such as rising temperatures, potential droughts, and the increased risk of floods and wildfires in their respective regions. It was felt that climate change could have a considerable negative impact on both the environment as well as the economy, especially in the agriculture, aquaculture, and forestry sectors. Participants also shared concerns related to the negative impacts they expected climate change would have on Canadians' health, believing that it could lead to a decrease in air and water quality across the country.

Questioned whether they had observed any impacts of climate change in their communities as well as in their own lives, participants identified a range of areas that they felt had been impacted by changing weather patterns. Several reported having changed their behaviours to try to mitigate the impact of climate change, including utilizing public transportation more frequently and making efforts to grow their own food. A number mentioned no longer partaking in activities such as camping, citing concerns related to higher temperatures and the growing risk of wildfires in the summer months. Participants also believed that climate change had negatively affected their mental and physical health, with some reporting having faced issues such as growing anxiety related to the potential impacts of climate change in the years and decades to come and increasing physiological challenges (such as worsening asthma) in recent years.

Discussing actions that the Government of Canada had taken to prepare for and mitigate the impacts of climate change, a number recalled initiatives related to the goal of decreasing emissions, including the implementation of a price on carbon as well as its commitment to achieve net-zero emissions by 2050. Some also mentioned initiatives from the federal government related to encouraging Canadians to switch to electric vehicles (EVs). These included making investments towards the increased production of EVs in Canada as well as providing financial incentives to individuals who purchase these vehicles.

Carbon Pricing (Mid-Size Centres Alberta, Prairies, Atlantic Canada)

Participants in three groups took part in discussions related to carbon pollution pricing in Canada. At the outset of their conversation, those residing in mid-size centres in Alberta were asked what, if anything, they had recently seen, read, or heard about carbon pollution pricing. Almost all expressed concern about the potential negative impacts of carbon pollution pricing, with a large number associating the implementation of a price on carbon with what they perceived as a significant increase to the cost of gasoline in recent years. A number were worried about the impact that initiatives such as the implementation of a price on carbon could have on the employment market in their province, especially in the oil and gas sector, which they expected would likely face additional financial challenges as a result of having to adhere to the federal carbon pricing system.

Asked whether, to the best of their understanding, there was currently a price on carbon in their respective provinces, almost all participants believed that there was. Discussing what they had seen, read, or heard about the Canada Carbon Rebate (CCR), while several expressed familiarity with this program, few were aware of any specific details. Informed that the CCR was a tax-free amount to help eligible individuals and families offset the cost of federal pollution pricing, many questioned the purpose of federal pollution pricing system, if the funds acquired through this program were eventually redistributed back to Canadians. Several were of the opinion that, rather than paying back these amounts through CCRs, funds acquired by the federal government through its price on carbon should instead be reinvested towards environmentally focused initiatives such as providing financial incentives for Canadians to retrofit their homes with energy efficient technology including solar panels and heat pumps.

Discussing whether, based on what they knew about the price on carbon pollution and the CCR, they supported or opposed the Government of Canada's carbon pricing program, most expressed opposition to this initiative. Asked whether they had any suggestions to improve the federal carbon pricing system, several reiterated the need for the Government of Canada to provide a more simplified, straightforward explanation as to how the program worked, why CCRs were being returned to Canadians, and the tangible actions that this initiative was having on reducing carbon emissions in Canada going forward.

Climateflation (Mid-Size Centres Alberta, British Columbia, Prairies)

Participants in three groups engaged in brief conversations related to the concepts of climateflation and heatflation. Asked whether they had previously heard the term climateflation, few indicated that they had. Discussing what they thought climateflation might refer to, many felt that it was likely connected to climate-focused initiatives such as the implementation of a price on carbon, which they viewed as a contributing factor to the perceived rising cost of living as of late. No participants were familiar with the term heatflation. It was largely thought that this phrase was likely similar to climateflation, but with a more specific focus on the impacts caused by rising temperatures.

Asked how much of an impact, if any, they felt climate change had on the cost of food, almost all in the groups based in British Columbia (B.C.) and the Prairies felt that it was having a significant impact. It was widely thought that warmer temperatures in the summer, a lack of precipitation, and resulting droughts and wildfires had made it increasingly difficult and more expensive for farmers to produce food, leading to higher grocery prices for consumers. Several in the group comprised of those residing in mid-size centres in Alberta, however, believed that the impact of climate change on food prices had been relatively minor. Among these participants it was felt that federal initiatives such as the price on carbon had been a far greater contributing factor to rising grocery costs than climate change.

Auto Theft (Greater Toronto Area Middle Class)

Participants in the group comprised of middle-class individuals residing in the Greater Toronto Area (GTA) engaged in a discussion related to auto theft. Asked whether they had recently seen, read, or heard about actions that the Government of Canada was taking to address this issue, none reported that they had. All viewed auto theft as an increasing concern in their community that required greater prioritization from the federal government, with a number recalling having personally been impacted by this issue.

Provided with information regarding a number of measures that the federal government had recently announced related to combatting auto theft, all reacted positively, with many expressing strong support for the addition of new criminal offences to the *Criminal Code*. Several expected that the initiative to strengthen the capacity of the Canada Border Services Agency (CBSA) to detect and search containers suspected to hold stolen vehicles would also be particularly effective in combatting auto theft.

Asked whether they felt these actions would have a major, minor, or no impact, most expected they would have a major impact and believed these represented the right initiatives for the Government of Canada to be focusing on. Among the smaller number who thought these measures would only have a minor impact, it was thought that actions also needed to be taken by manufacturers to make it more difficult to steal these automobiles in the first place.

Electric Vehicles (Ontario)

One group took part in a brief discussion related to electric vehicles (EVs). Asked if they had recently seen, read, or heard any news related to the Government of Canada and EVs, several recalled its commitment to require all new vehicles sold in Canada to be zero-emission vehicles (ZEVs) by 2035, as well as recent investments (in partnership with companies such as Honda) towards the manufacturing of EVs and EV batteries in Ontario.

Informed that the Government of Canada and the Government of Ontario had recently announced that Honda Canada would be making a \$15 billion investment towards the building of four new EV manufacturing plants in the province, several reacted positively, believing that this would lead to the creation of more high-paying jobs in the province as well as benefit the environment by producing more emissions-free vehicles. A number, however, expressed potential concerns related to this approach. Among these participants, it was thought that producing EVs could be quite costly and that many of these vehicles were currently unaffordable for lower- and middle-income Canadians. Some were also of the impression that there were environmental concerns associated with mining the raw materials required for EV batteries as well as challenges related to disposing of these batteries at the end of their lifespans.

Discussing the potential impacts to their community from EV-related initiatives such as these, a few worried about potential job losses and questioned whether the jobs created through this initiative would be enough to offset the potential loss of employment for those currently employed in the manufacturing of gasoline-powered automobiles. A number also expressed concerns related to whether the electricity grid in their area would be able to handle the substantial increases in demand that they expected would accompany a large-scale shift among Canadians towards driving EVs.

MORE INFORMATION

The Strategic Counsel

Contract number: CW2241412

Contract award date: December 19, 2022

Contract value: \$ 814,741.30
