

The Economy, Life Satisfaction and Government Policy: Canada in the Americas Context

This final section focuses on topics outside the main themes covered in the Americas Barometer 2014 study, but which further enhance our understanding of how Canadians compare with citizens in other countries throughout the western hemisphere. The survey included questions about overall life satisfaction, religiosity, internet use, the economy and household financial well-being, the role of the federal government in economic life, and income inequality.

Overall Life Satisfaction

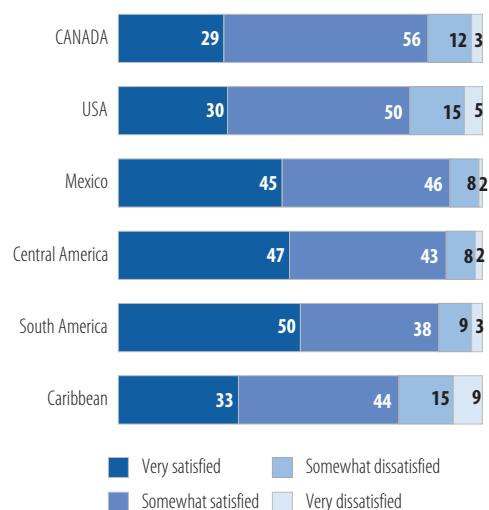
The first question in the survey asks how satisfied people are with their life. Over eight in ten Canadians claim that they are “very” (29%) or “somewhat” (56%) satisfied, compared with one in six who are “somewhat” (12%) or “very” (3%) dissatisfied. This reflects a modest improvement from 2012 (very satisfied ratings have increased by 4 points), but comparable to 2010 ratings.

As was the case in 2012, Canadians are less likely than citizens of most other countries in the Americas to be very satisfied with their lives, although the proportion dissatisfied is about average (Canadians are among the most likely to say they are “somewhat satisfied”). Strong life satisfaction is most widespread in Colombia (61%) and Panama (60%), and least so in Bolivia (22%), Jamaica (24%), Haiti (20%), and Trinidad and Tobago (22%).

Over the past two years, life satisfaction level have changed little on a regional basis, but there have been some changes within specific countries: Satisfaction has increased in Paraguay and Chile, while declining in Guyana, Costa Rica, Venezuela, Brazil and Ecuador. The trend in Haiti has shown increases in both those very satisfied, and those dissatisfied (with fewer now in the “somewhat” category).

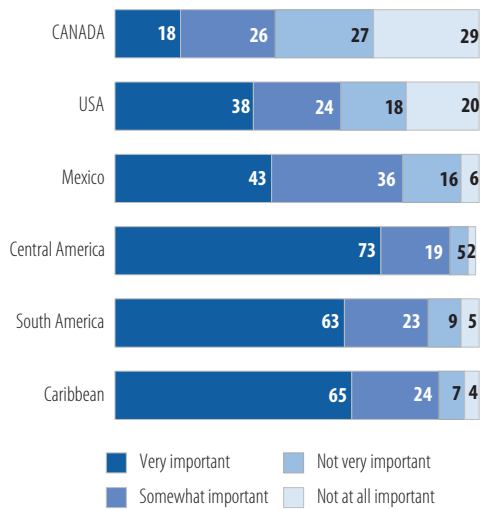
Across Canada, strong life satisfaction is most evident in Manitoba and Saskatchewan (37%), and British Columbia (36%, which along with Alberta records the most notable improvement since 2012), and least so in Quebec (22%). Overall life satisfaction is also highest among Canadians 60

Overall satisfaction with your life

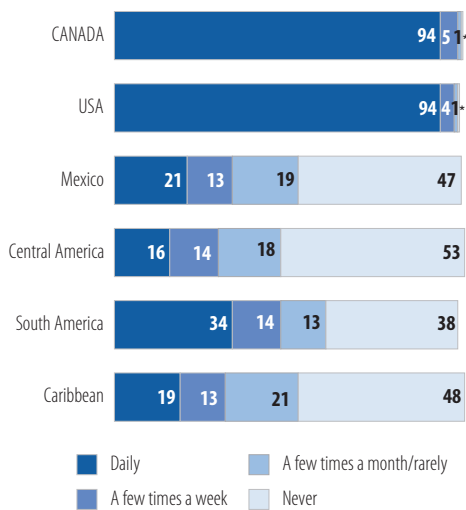


plus, those with a university education, those on the political right, federal Conservatives and evangelical Christians. As in the past, life satisfaction is linked to household income, and the past two years has shown the most notable improvement among those in the top income bracket.

Importance of religion in your life



How often do you use the internet?



Importance of Religion

Affiliation with religious faiths has been in gradual decline in Canada for decades, and the importance which Canadians place on religion has eroded further in the past two years. Fewer than one in five (18%) say religion is very important to their life, compared with three in ten (29%) who say it is not at all important (up from 24% in 2012).

Canadians are by far the most secular people in the Americas, with this distinction getting stronger since 2012. Strong majorities say religion is very important across most countries, most notably in El Salvador (82%), Nicaragua (78%), Guyana (78%) and Brazil (75%), where fewer than five percent of the population places no importance. Countries with more significant secular populations include Uruguay, Argentina and Chile

In Canada, a strong importance on religion is most widely expressed by residents of Manitoba and Saskatchewan (29%), Canadians on the political right (24%), Conservative supporters (26%), those very satisfied with their life (28%), those civically engaged (30%), and both evangelical Christians (71%) and those with non-Christian faiths (30%). This view is least evident in Quebec (9%).

Internet Use

One of the sharpest contrasts across the north-south axis of the hemisphere is in use of the Internet. Almost all Canadians and Americans report using the Internet on a daily basis, and in Canada this practice is reported by at least nine in ten from every identifiable group.

Regular Internet use is much less common throughout the rest of the Americas. Just over four in ten citizens of Trinidad and Tobago (45%), Uruguay (43%) and Argentina (40%) report daily Internet use, and this proportion falls to under one in ten in Guyana and Nicaragua. The Internet is rarely or never used by significant majorities living in Haiti (76%), Nicaragua (73%), El Salvador (71%), Guyana (70%), and close to half (47%) the population of Mexico.

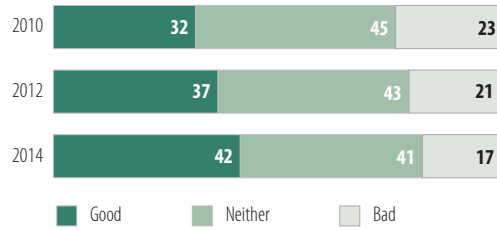
National Economic Trends

CURRENT NATIONAL ECONOMY. Canadians have a generally positive outlook when they are asked to describe the country's economic situation, and this view has been strengthening since 2010. More than four in ten (42%) now rate the economy as either very good (6%) or good (36%), which is up from 37 percent in 2012 and 32 percent in 2010. Fewer than one in five (17%) rate the national economy as bad or very bad.

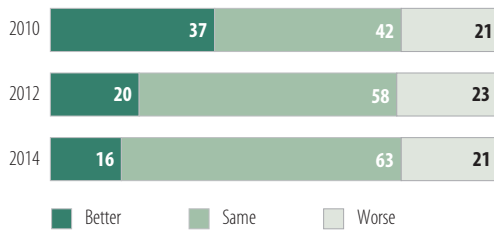
Within Canada, there are notable differences in perceptions of the current national economy. Views are more positive in Alberta, Saskatchewan and Manitoba, and among residents of Toronto, while they are less positive in Quebec. Good ratings of the economy have increased in all parts of the country, but most noticeably in British Columbia (43%, up 15 points).

Canadians most likely to see the economy overall as either good or very good include those with a university degree, those with household incomes over \$100,000, those born in another country, the political right, federal Conservatives, those high on the civic action index, the very religious, and those very satisfied with their life. Those less apt to share this view include those with the lowest incomes and least education, and those on the political left. However, no more than one-quarter of any group describes the current national economy as in bad shape.

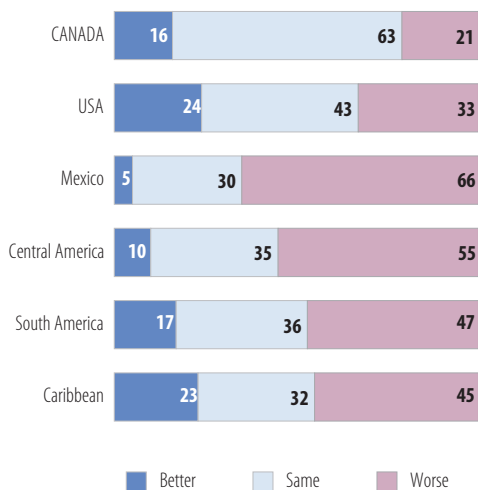
Canada's current economic situation



Canada's economic situation compared to 12 months ago



Your country's current economic situation compared to 12 months ago



ECONOMY COMPARED WITH LAST YEAR. Despite improving perceptions of the national economy, a declining proportion of Canadians believe it has improved over the past year. One in six (16%) say the economy is better than 12 months ago, down from 20 percent in 2012 and 37 percent in 2010. There has been a corresponding increase in the view that the country's economic situation has remained the same, while one in five (21%) continue to say it is now worse. This trend can likely be explained by the fact that Canada has been recovering from the deep recession of 2008-09, which would have provided citizens with the basis of comparison.

Opinions about the change in national economic circumstances are notably more pessimistic in most other countries in the hemisphere (the exceptions being Ecuador and Chile). Perceptions of worsening conditions are most widespread in Guyana (70%), Venezuela (80%), Argentina (70%), Mexico (66%) and Jamaica (63%). USA residents are more polarized than most, with one-quarter (24%) saying their economy is now in better shape, compared with one-third (33%) who take the opposite view.

Canadians most likely to see the economy getting better include those with the most education and income, those on the political right, Conservative Party supporters, the civically engaged and those who are very religious. Younger Canadians are as likely to see the economy as improving as getting worse, but their sentiment is noticeably less positive than in 2012.

Household Financial Circumstances

CURRENT HOUSEHOLD FINANCES. Canadians' description of their own overall economic situation is similar to their assessment of the nation's economy. More than four in ten (44%) say their circumstances are either very good (8%) or good (36%), compared with one in five who describe them as bad (15%) or very bad (4%). The remainder (36%) indicate their finances are somewhat in the middle, neither good nor bad). This represents steady improvement since 2010, when 38 percent described their financial circumstances as good.

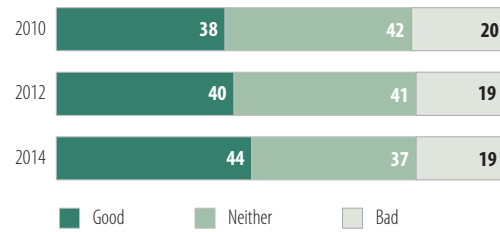
In Canada, the most positive assessments are given by men, Canadians 60 plus, and those with higher levels of education and income (65% of those in the top bracket, compared with only 23% of those at the bottom). This view is also most apt to be shared by those on the political right and Conservative party supporters. Since 2012, improved circumstances are reported by almost all parts of the population, but most noticeably by Canadians with a high school education and those on the political right.

PERSONAL CIRCUMSTANCES COMPARED WITH LAST YEAR. Two in ten (22%) Canadians say their economic situation was better than last year, versus one-quarter (24%) who indicate it is now worse. These results are essentially unchanged from findings in 2012 and 2010.

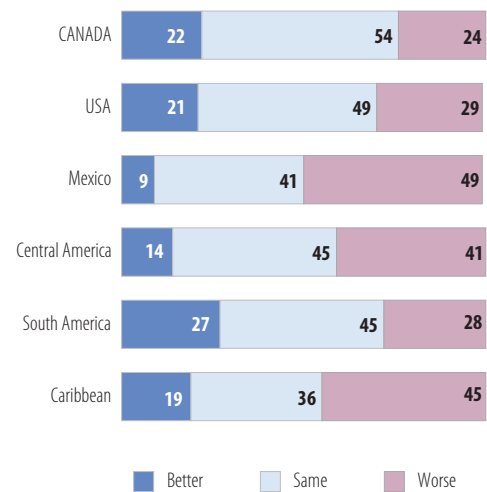
Across the Americas, there is considerable variation in responses to this question. Improved economic circumstances are most widely reported by citizens in Nicaragua (29%), Colombia (32%), Brazil (33%) and Uruguay (30%). In contrast, worsening circumstances are indicated by half or more of those living in Mexico (49%), Guyana (50%), Venezuela (63%), and Argentina (48%).

Across Canada, improved financial circumstances are most likely to be reported by residents in Alberta and Toronto, men, younger Canadians, and those on the political right. Worsening finances are more apt to be mentioned by British Columbians, women, middle-aged Canadians, those with lower incomes, and those on the political left.

Your own current economic situation



Your own current economic situation compared with 12 months ago



ADEQUACY OF HOUSEHOLD INCOME. A direct measure of the economic circumstances of families is whether the income received in the household is sufficient for their needs. Close to six in ten Canadians describe their current income as either “good enough for them and they can save from it” (22%), or “just good enough for them so that they do not have major problems” (35%). Four in ten (39%) report their income is inadequate, either “not enough for them so that they are stretched” (26%), or that it is “not enough for them to the extent that they are having a hard time” (13%). These findings are essentially unchanged from the 2012 and 2010.

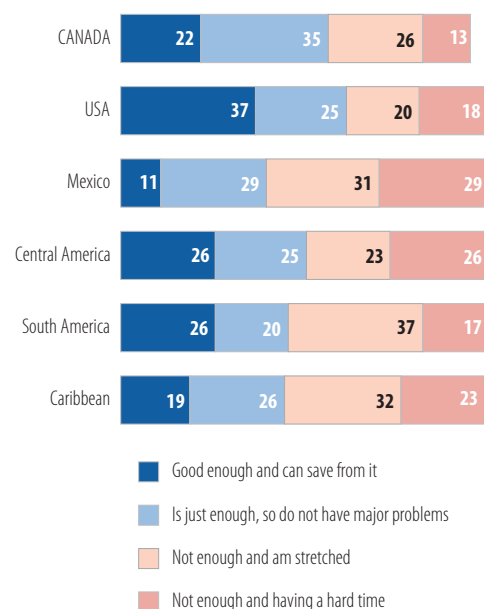
Income security varies across the Americas. The most positive self-assessments are reported in the USA, Belize and Chile, and the most negative in Mexico, Venezuela, Bolivia, and Trinidad and Tobago (where 7% have full security, compared with 39% who do not have enough and are struggling).

In Canada, income security is most widely reported by Albertans and Canadians under 30, and least so among Atlantic Canadians. Security is predictably linked closely to household income: 44 percent of Canadians in the top income bracket say their income is good enough and they can save from it, compared with only seven percent of those earning under \$30K per year (66% of whom say it is not enough).

Income security plays a major factor in determining overall life satisfaction. Among Canadians who say their household income is good enough and they can save from it, close to half (47%) are very satisfied with their life, compared with only seven percent who are somewhat or very dissatisfied. These percentages are almost reversed among those who do not have enough and are having a hard time (10% very satisfied, versus 42% dissatisfied). Among those who fall somewhere in between these two categories of financial security, most indicate they are somewhat satisfied.

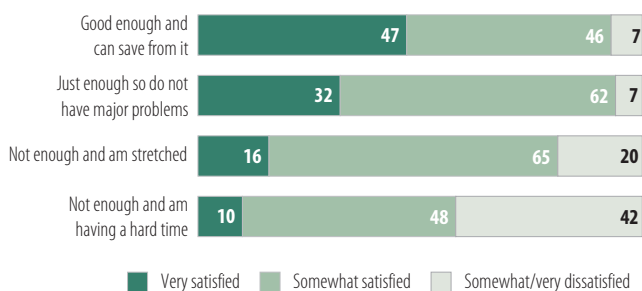
GOVERNMENT ASSISTANCE. Governments in most countries provide some form of income assistance to address income insecurity and poverty. One in six (16%) Canadians say their household receives regular assistance in the form of money, food, or products from the government, not including pensions. This is most likely to be reported by Canadians in the lowest income bracket (37%), compared with just six percent among those in the top bracket.

Your current household income is ...



Overall satisfaction with your life

By adequacy of income



Across the Americas, this form of government assistance is most commonly reported in the Caribbean, especially in Haiti (49%) and Jamaica (45%). By comparison, very few receive such support in Venezuela (1%), Brazil (<1%) and Uruguay (2%)

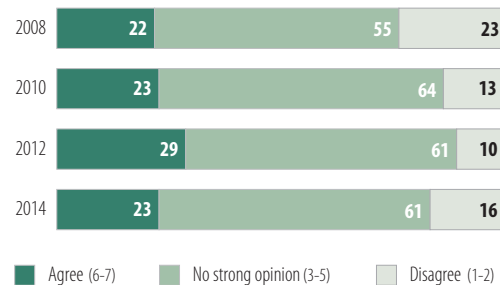
Role of the federal government

The role of government in shaping the economy and encouraging growth is typically one of the most important subjects of public debate in democracies across the Americas and in other parts of the world. For Canadians expectations that the federal government responds appropriately to economic crises, and adopts policies that benefit the economic fortunes of Canadian citizens are important determinants of public confidence in governments. Political scientists regard the economy as fundamental to election outcomes.

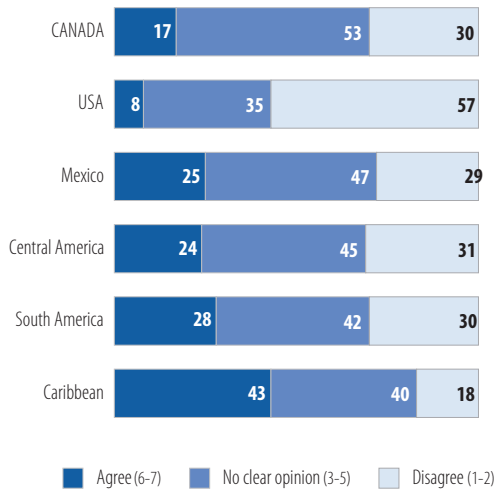
RESPONSIBILITY FOR CREATING JOBS. Employment is typically the key indicator used to judge the economic effectiveness of government. The media pay much attention to the monthly jobs reports, and there is ongoing debate about the roles of government and the private sector in creating jobs. On the question of how much responsibility the federal government carries in boosting employment, the public remains largely divided. Just under one-quarter (23%) of Canadians agree that the Canadian government, more than the private sector, should be primarily responsible for creating jobs, compared with one in six (16%) who disagree. This represents a six percentage point shift from “agree” to “disagree, and is now back to 2008-2010 levels.

In Canada, agreement with active government responsibility for job creation has declined across much of the population, but most noticeably in Montreal, among rural residents and Canadians on the political left. This perspective is now most widely endorsed in Quebec, among Canadians without a high school diploma, those born outside of the country, those on the political right, those civically engaged, and Catholics. This view is least evident in Alberta, among Canadians 60 plus, those in the top income bracket and Conservative party supporters. No more than a quarter from any group clearly disagrees with the principle that the federal government has a primary role in boosting employment.

The Canadian government, instead of the private sector, should be primarily responsible for creating jobs



National government should own most important industries in the country



GOVERNMENT OWNERSHIP OF INDUSTRY. Canadians are less supportive of government involvement in the economy through ownership in the private sector. Only 17 percent agree that the Canadian government, instead of the private sector, should own the most important enterprises and industries of the country, compared to three in ten who strongly disagree (30%). Opinions are largely unchanged from 2010 and 2012.

In comparison with opinions in Canada, public support for government ownership is noticeably stronger almost everywhere else across the hemisphere, the notable exception being the USA (where only 8% agree, versus 36% who disagree) and Venezuela (11% versus 48%). Support is most widespread in Belize, Paraguay, Chile, Uruguay, Argentina, Haiti and the Dominican Republic.

In Canada, support for public ownership of major industries is similar across the population, with disagreement most evident among older Canadians, those born in the country, and Conservative Party supporters. Endorsement of the concept is similar between those on both the left and the right of the political spectrum.

RESPONSIBILITY FOR REDUCING INCOME INEQUALITY.

Attention to the issue of income inequality has grown significantly in the past few years and has been drawing considerable attention. Examples include the Occupy Wall Street movement that started in New York in 2011 and quickly spread to many cities around the world. In 2014, French economist Thomas Picketty published *Capital in the Twenty-First Century*, and despite its academic tone rapidly became a runaway best seller.

Almost half (48%) of Canadians agree that the “Canadian government should implement strong policies to reduce income inequality between the rich and the poor”, compared with very few (6%) who disagree. Agreement levels are down marginally from 2012, but above that recorded in 2010.

Throughout the Americas, there is a similar degree of public support for active government efforts to reduce income inequality, with majorities in most countries expressing agreement and no more than one in ten in disagreement. Support is most widespread in South America, especially Brazil, Paraguay, Chile, Uruguay, and Argentina. This view is least apt to be shared in Venezuela (only 35% agree with the statement), Panama (38%) and the USA (30%)

In Canada, support for active government policies to reduce inequality is strongest in Atlantic Canada and Quebec, among Canadians with lower incomes, those on the political left, and those civically engaged. Support is weakest among Canadians in the top income bracket, and Conservative Party supporters. Since 2012, public support for government actions in this area dropped sharply in Quebec (while still remaining strong) and in rural areas.

Government should implement strong policies to reduce income inequality

