

Canadians open to bigger trade relationships, but uncertainty lingers over Trans-Pacific Partnership

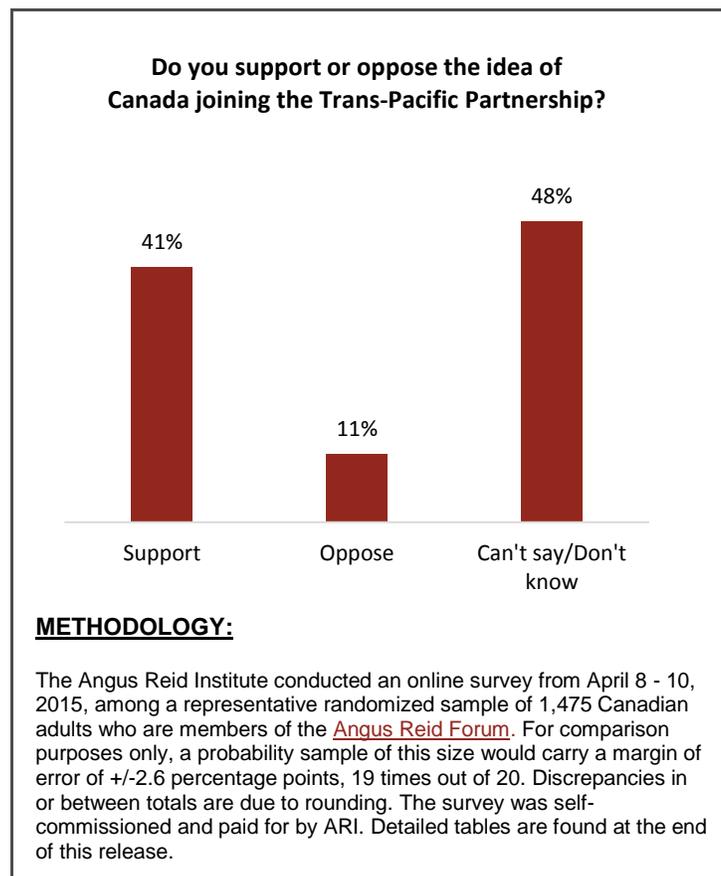
Nearly half of Canadians say they don't know enough about the proposed TPP to have an opinion.

April 29, 2015 – Canadians appear to be increasingly bullish about building closer ties with trading partners in the Americas, Europe and Asia, according to a new poll by the Angus Reid Institute.

This openness to trade is reflected in the level of support for the proposed Trans-Pacific Partnership currently being negotiated among 12 Pacific Rim nations in Asia and the Americas. Supporters of the regulatory and investment treaty outnumber opponents four-to-one (41% and 11% respectively) – although half (48%) of Canadians don't know enough about the deal to have formed an opinion as yet.

Key Findings:

- Canadian sentiment is closely divided on this country's overall international competitiveness: 52 per cent believe Canada is "keeping up," versus 48 per cent who fear we are "falling behind"
- Canadians' first choice for expanded trade continues to be traditional partners – the U.S. and the European Union – but Canadians are also increasingly interested trade with other regions
- Asked to make a choice between the world's two most populous nations – China and India – Canadians tend to favour putting greater effort into our overall bilateral relationship with China (58% versus 42% choosing India)
- The Trans-Pacific Partnership is supported by a margin of almost four-to-one (41% in favour, 11% opposed), but half (48%) of Canadians feel they don't know enough to form an opinion at this point



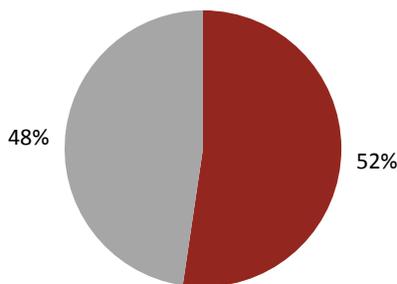
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Keeping pace on competitiveness

Canadians are almost evenly divided about whether or not Canada is keeping pace in terms of overall international competitiveness. Fifty-two per cent of Canadians believe we are "*keeping up with other countries and competing as well as we should be.*" Just under half (48%) of respondents expressed the opposite view: "*We are falling behind other countries and are not competing as well as we should be.*"

Thinking about Canada's international competitiveness, which of the following is closest to your opinion?



- We are keeping up with other countries and competing as well as we should be
- We are falling behind other countries and are not competing as well as we should be

In a May 2014 survey, the same line of questioning elicited a similar but perhaps slightly less buoyant assessment. In that poll, 54 per cent were concerned Canada is falling behind versus 46 per cent confident we are keeping up.

Provinces dominated by production of oil (Alberta and Saskatchewan) were the most confident in Canada's competitiveness, with three-in-five Albertans (59%) and an even greater proportion of Saskatchewan residents (65%) believing we are keeping up. Opinion is closer to an even split in other parts of the country.

Canadians bullish about expanding trade

The Canadians surveyed were presented with a list of global regions and were asked to choose up to two with which Canada should try to develop closer trade ties. The same line of questioning in an Angus Reid sounding taken last year [yielded similar findings](#) in terms of Canadians' overall favoured trading partners, but – interestingly – this latest poll recorded higher numbers for all markets.

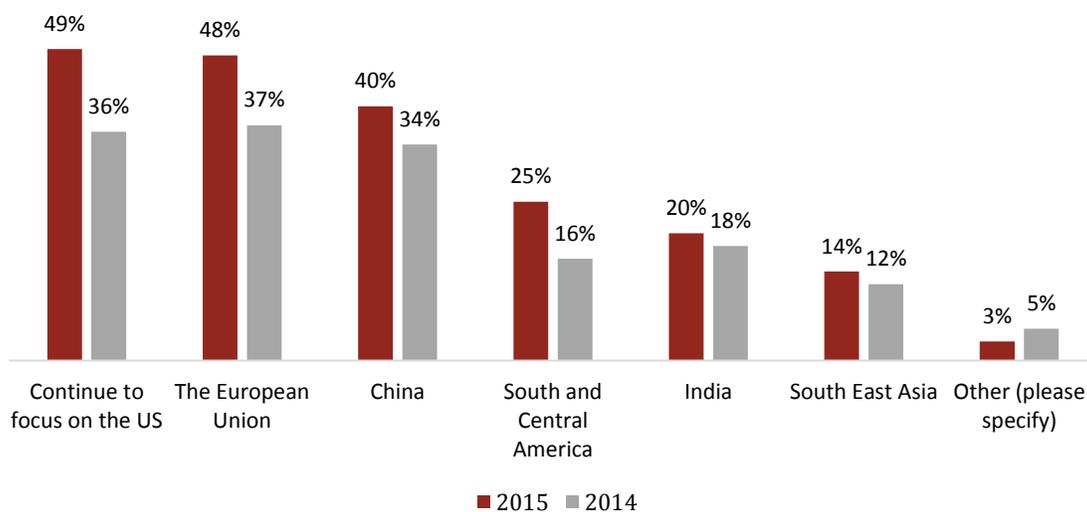
- The United States and the European Union topped the list with each being named by roughly half of respondents (49% and 48% respectively in the current poll, compared to 36% and 37% last year).

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- China remains third among prospective partners, with 40 per cent of Canadians favouring an enhanced trading relationship with this nation (compared to 34% a year ago).

With which of the following countries or regions do you think Canada should try to develop closer trade ties?



- One-in-four Canadians (25%) surveyed chose Central and South America (compared with 16% last year).
- India edged up to 20 per cent from 18 per cent last year, and Southeast Asia moved to 14 per cent from 12 per cent.

Canadians' enthusiasm for enhanced trade relationships runs roughly parallel to their country's [list of top trading partners](#). The [U.S.](#) and [China](#) are the individual countries with which Canada trades the most, but the countries of the E.U. [take second place](#) (behind the U.S.) when looked at as a single economy.

Looking at the regional findings, British Columbians were somewhat less likely than other Canadians to choose the U.S. (42% in B.C. versus 49% nationally) and the E.U. (43% versus 48% nationally) as the primary targets for enhanced trade. B.C. and Saskatchewan were relatively more keen about enhanced trade with India (27% in each province compared to 20% nationally).

China trumps India

Asked to choose directly between China and India, Canadians select China (58%) over India (42%) as the preferred target for expanded relationships including trade. That's despite the fact that, as shown in a

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recent report by the Asia Pacific Foundation, Canada's current level of trade with China dwarfs the country's relationship [with India](#).

Earlier this month, an [Angus Reid Institute poll](#) found that 37 per cent of Canadians perceive India as growing rapidly, while 38 per cent think India's growth is moderate and 22 per cent think it's stagnant. Those numbers suggest that roughly three-in-five Canadians are underestimating India's economy. In a recent global economic forecast, the International Monetary Fund predicted [India will lead economic growth](#) among both emerging and advanced nations in Asia this year and next, expanding by 6.5 per cent, compared to 6.3 per cent for China.

Which country do you think Canada should put more effort into?



British Columbia residents are split evenly between favouring an expanded effort on overall relationships with China (50%) and India (50%). Saskatchewan was the only other individual province supporting a similar balance (China – 51%, India – 49%). In all other regions, respondents opted for placing priority on China over India.

Pacific trade uncertainty

Overall, 41 per cent of Canadians support the Trans-Pacific Partnership, a 12-nation free trade deal the Canadian government hopes will expand its ties with various national markets in the Asia-Pacific region, including Japan, Singapore, Malaysia and Vietnam, among others. Eleven per cent oppose the idea. Importantly, almost half of all Canadians (48%) either can't say or don't know how they feel about it.

Among the half of Canadians who have formed an opinion about the proposed TPP, therefore, the margin of support is almost four-to-one (41% and 11% respectively).

The Canadian government sees the emerging Asia-Pacific market as critical to Canada's economic prosperity, compared to the slower pace of trade growth with the United States and the European Union.

So far, a major sticking point in the negotiations has been [Canada's reluctance](#) to open up its "supply management" system, which protects the country's dairy, poultry, and egg industries from international competition.

Groups that focus on public policy issues are divided on the merits of the TPP:

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- Non-governmental organizations such as the [Council of Canadians](#) and [Doctors Without Borders](#) have condemned the proposed agreement on the premise that it would allow corporations to undermine public policy and push up costs for essential public services such as health care.
- The Canadian Council of Chief Executives, meanwhile, notes that one-in-five Canadian jobs depends on exports. The Council said in [a recent report](#) that Canada’s trade outside of North America “is low and poorly diversified” — noting that the U.S. accounts for 64 per cent of total bilateral trade compared to only 15 per cent with Asia.

Views of the proposed trade agreement do not vary markedly across regions – including in Canada's Pacific province of B.C. Support is stronger in Saskatchewan (55%), among men (52%) and among those with a university education (50%) – in each case thanks to relatively lower numbers of unsure respondents.

*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research organization established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

Thinking about Canada's international competitiveness, which of the following is closest to your opinion?								
(Unweighted bases)	Total (1475)	Region						
		BC (205)	AB (155)	SK (84)	MB (85)	ON (496)	QC (356)	ATL (94)
We are keeping up with other countries and competing as well as we should be	52%	53%	59%	65%	48%	49%	54%	51%
We are falling behind other countries and are not competing as well as we should be	48%	47%	41%	35%	52%	51%	46%	49%

Thinking about Canada's international competitiveness, which of the following is closest to your opinion?						
(Weighted sample sizes)	Total (1475)	Gender		Age		
		Male (721)	Female (754)	18-34 (422)	35-54 (552)	55+ (501)
We are keeping up with other countries and competing as well as we should be	52%	49%	55%	54%	48%	55%
We are falling behind other countries and are not competing as well as we should be	48%	51%	45%	46%	52%	45%

As we look to the future, with which of the following countries or regions do you think Canada should try to develop closer trade ties?								
(Unweighted bases)	Total (1475)	Region						
		BC (205)	AB (155)	SK (84)	MB (85)	ON (496)	QC (356)	ATL (94)
Continue to focus on the US	49%	42%	50%	40%	52%	49%	52%	55%
The European Union	48%	43%	45%	42%	51%	51%	47%	56%
China	40%	38%	40%	40%	47%	37%	47%	31%
South and Central America	25%	28%	24%	28%	23%	22%	26%	28%
India	20%	27%	22%	27%	19%	22%	14%	17%
South East Asia	14%	18%	18%	21%	9%	14%	12%	8%
Other (please specify)	3%	4%	1%	2%	0%	5%	2%	5%

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The European Union	48%	44%	52%	48%	47%	50%
China	40%	45%	36%	45%	33%	44%
South and Central America	25%	23%	26%	22%	28%	23%
India	20%	25%	16%	19%	21%	21%
South East Asia	14%	17%	11%	14%	14%	14%
Other (please specify)	3%	4%	3%	5%	4%	2%

Based on whatever you may have seen or heard about this and on your own general impressions, would you say you support or oppose the idea of Canada joining the Trans-Pacific Partnership?

(Unweighted bases)	Total (1475)	Region						
		BC (205)	AB (155)	SK (84)	MB (85)	ON (496)	QC (356)	ATL (94)
Support	41%	39%	45%	55%	38%	41%	40%	35%
Oppose	11%	15%	9%	11%	14%	12%	8%	11%
Can't say/Don't know	48%	46%	46%	33%	48%	47%	52%	55%

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Support	41%	52%	31%	40%	35%	47%
Oppose	11%	13%	9%	10%	13%	9%
Can't say/Don't know	48%	35%	61%	50%	51%	43%

There are two Asian countries with populations of more than one billion: India and China. When you think about Canada's overall relationships with these countries, which country do you think Canada should put more effort into?

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		BC (205)	AB (155)	SK (84)	MB (85)	ON (496)	QC (356)	ATL (94)
India	42%	50%	42%	49%	36%	46%	33%	43%
China	58%	50%	58%	51%	64%	54%	67%	57%

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China	58%	59%	56%	66%	52%	57%

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	2015	2014
Continue to focus on the US	49%	36%
The European Union	48%	37%
China	40%	34%
South and Central America	25%	16%
India	20%	18%
South East Asia	14%	12%
Other (please specify)	3%	5%

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