

Facing tough talk over NAFTA renegotiations, Canadians rediscover affection for the trade pact

Canadians are three times more likely to say NAFTA has benefitted their country than hurt it.

February 13, 2017 – When Prime Minister Justin Trudeau meets U.S. President Donald Trump face-to-face for the first time on Monday, the pair are almost certain to discuss the North American Free Trade Agreement (NAFTA). When they do, they'll do so against a backdrop of rapidly shifting Canadian public opinion on the topic.

The latest study from the Angus Reid Institute finds Canadians – who were lukewarm towards the trade deal just eight months ago – noticeably more enthusiastic about NAFTA now that the President of its largest member is [threatening to radically change it](#).

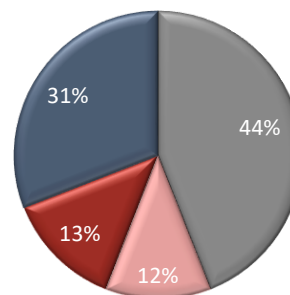
More than four-in-ten Canadians (44%) now say NAFTA has benefitted their country, compared to just 25 per cent who said this last June. Likewise, fewer than one-in-four (24%) now say they would like to see the deal renegotiated, down from 34 per cent last year.

This sudden surge in affection for the Canada-US-Mexico trade pact first implemented in 1994 doesn't necessarily equate to a belief that it will remain intact, however. Most Canadians think renegotiation will happen, and they're three times more likely to expect Canada to be worse off than better off as a result.

Key Findings:

- Canadians largely feel NAFTA has been a benefit to their nation – 44 per cent say it has, while 13 per cent say it has hurt Canada and 12 per cent say it has had no effect. The rest (31%) are unsure

Overall, would you say NAFTA has generally:



- Benefitted Canada
- Hasn't really had an impact one way or the other
- Hurt Canada
- Not sure/Don't know

METHODOLOGY:

The Angus Reid Institute conducted an online survey from February 6 – 9, 2017, among a representative randomized sample of 1,508 Canadian adults who are members of the [Angus Reid Forum](#). For comparison purposes only, a probability sample of this size would carry a margin of error of +/- 2.5 percentage points, 19 times out of 20. Discrepancies in or between totals are due to rounding. The survey was self-commissioned and paid for by ARI. Detailed tables are found at the end of this release.

- Asked what they expect to happen to NAFTA going forward, most (56%) say it will be renegotiated. Only 8 per cent think it will be done away with completely, and similarly small numbers expect it to survive unchanged (12%)
- Only one-in-ten Canadians (10%) think Canada will emerge from NAFTA renegotiation better off than it is now. More than one-in-three (35%) say the country will be worse off

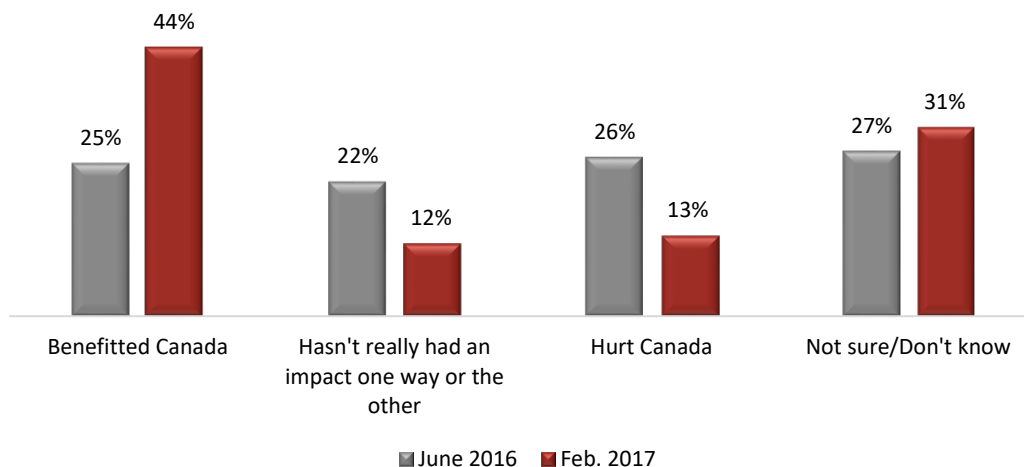
Views of NAFTA over time

U.S. President Donald Trump came to power promising to [rip-up trade deals and renegotiate them](#) on terms more favourable to his country. His top target? The accord that governs trilateral trade between Canada, the United States, and Mexico.

As recently as June 2016, the Canadian public was not particularly enthusiastic about NAFTA. An [Angus Reid Institute poll](#) released that month – ahead of the so-called “Three Amigos Summit” between Prime Minister Trudeau, Mexican President Enrique Peña-Nieto, and then-U.S.-President Barack Obama – found roughly as many respondents saying the deal had hurt Canada (26%) as saying it had benefitted the country (25%). Large numbers were unsure (27%) or convinced the pact had made little difference either way (22%).

What a difference eight months and a new U.S. president make. Today, with NAFTA under threat, Canadians have radically changed the way they feel about the deal in a relatively short period of time. A large number (31%) remain unsure of the treaty’s impact, but the number saying it has hurt Canada or been a net neutral force has fallen dramatically, and the number saying it’s a net benefit has nearly doubled:

Overall, would you say NAFTA has generally:

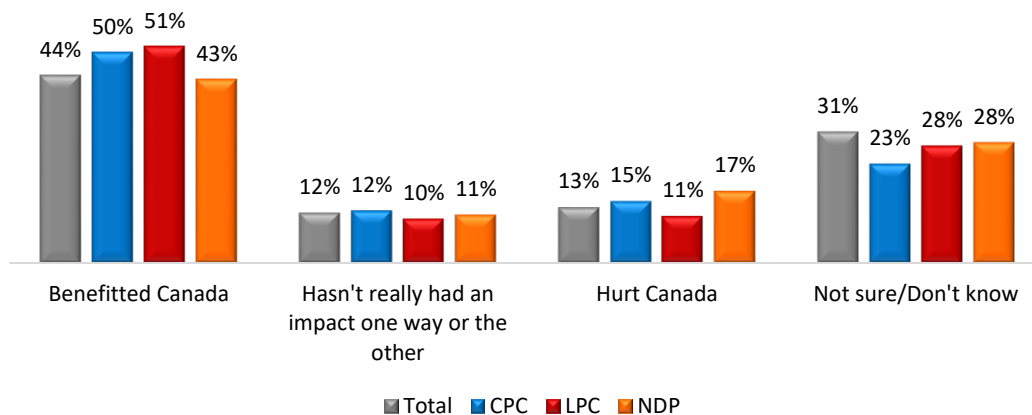


Men and older Canadians (those ages 55 and older) are more likely to say NAFTA has benefitted Canada, though it should be noted that this doesn't mean women and younger age groups are more likely to say the deal has been painful. Rather, women are nearly twice as likely as men to say they are “not

sure” what the agreement’s impact has been (40% versus 22%). Younger people are similarly more likely to express uncertainty that older ones ([see comprehensive tables for greater detail](#)).

Notably, the current view that NAFTA has been a net benefit to Canada cuts across party lines. Even those who voted for the arguably [trade-skeptical](#) New Democratic Party in the 2015 federal election are much more likely to say the pact has been beneficial than to say it has been harmful:

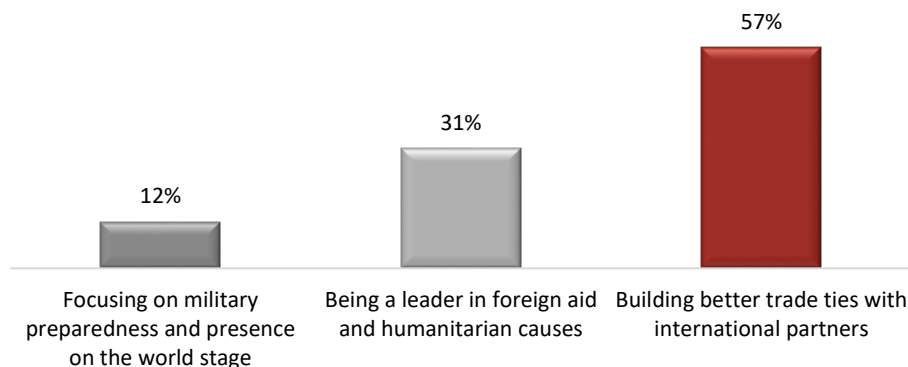
Overall, would you say NAFTA has generally:



These latest views on NAFTA are a significant departure from where Canadians were on the concept of North American trade in the early 1990s. Back in 1993, as NAFTA was being negotiated, a majority of Canadians (58%) told Angus Reid they opposed the deal.

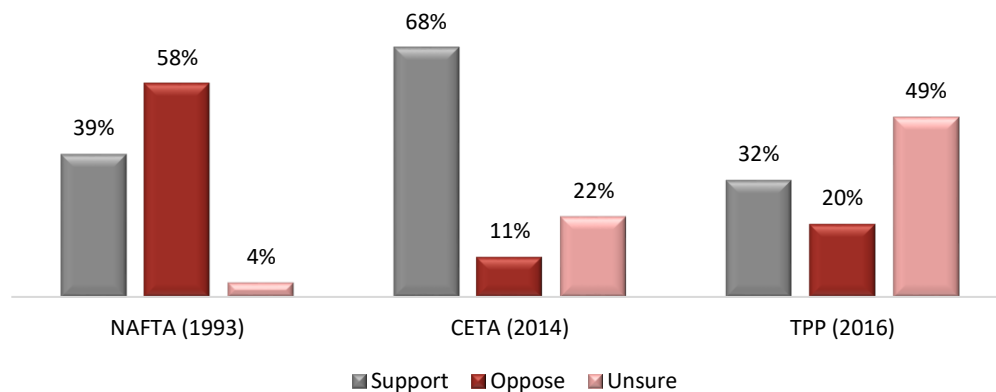
Over the years, however, Canadians have come around on the concept of free trade. [ARI polling](#) during the 2015 federal election found international trade to be Canadians’ preferred foreign policy focus:

All things considered, what should Canada's TOP priority be when it comes to foreign affairs? (data from September 2015)



Likewise, surveys on two contemporary free trade deals – the now-likely-defunct [Trans-Pacific-Partnership](#) (TPP) and the soon-to-be-ratified [Comprehensive Economic and Trade Agreement](#) (CETA) between Canada and the European Union – found Canadians feeling more positive than negative overall, though large numbers said they were “not sure” about each one:

Canadians' support for trade agreements over time:

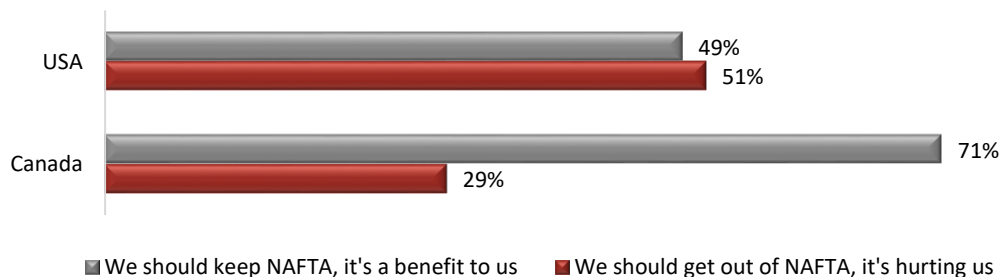


What should happen to NAFTA?

While Canadians haven’t always been enthusiastic about NAFTA, most of them would still like to see the North American trade deal continue in some form or another. Asked to weigh their options in a trade-off question in the Angus Reid Institute’s [comprehensive study of Canadian values](#) last September, seven-in-ten Canadians (71%) chose “we should keep NAFTA, it’s a benefit to us” over “we should get out of NAFTA, it’s hurting us” (29%).

The same cannot be said of Americans, who were evenly divided when confronted with this face-off. Fully half of U.S. registered voters chose the “we should get out of NAFTA option,” as seen in the following graph:

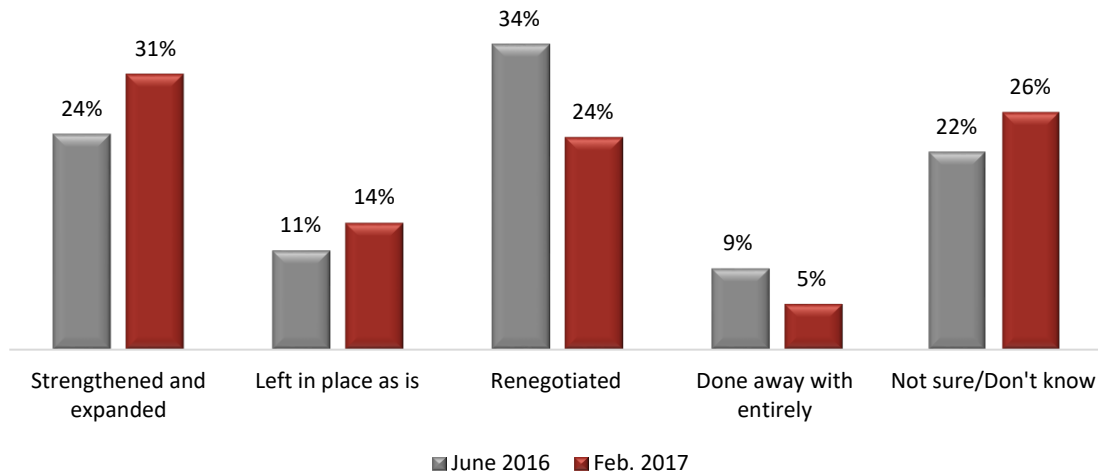
What is your overall view of NAFTA? (September 2016)



When asked a different question about the future of NAFTA, Canadians' opinions have also shifted since June. [At that time](#), one-in-three Canadians (34%) said they would like to see NAFTA renegotiated – though it's worth noting that fewer than one-in-ten (9%) wanted it to be done away with entirely. One-in-four (24%) said it should be “strengthened and expanded.”

Today, more Canadians say they would like to see the agreement strengthened and expanded than any other option:

What would you like to see happen with NAFTA over the next few years? Would you prefer to see NAFTA:

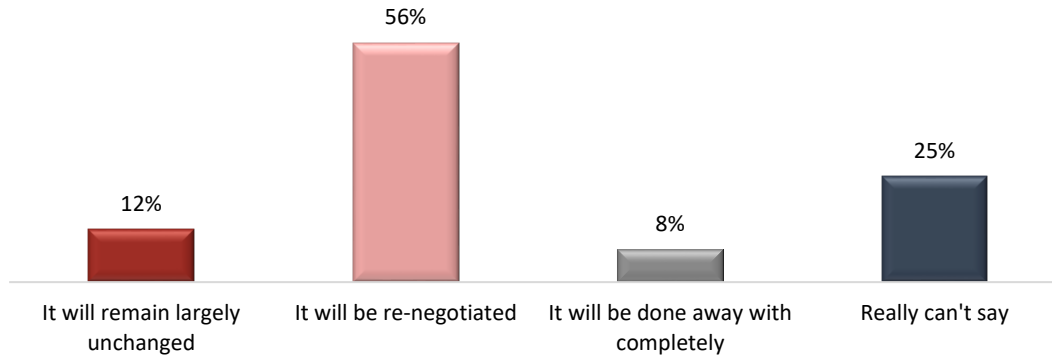


As was the case in June, men and older Canadians are more likely to have an opinion on NAFTA, while women and younger Canadians are more likely to be unsure ([see comprehensive tables](#)).

Canadians see renegotiation as inevitable:

Whether or not Trump and Trudeau begin the process of renegotiating NAFTA when they meet on Monday, more than half of Canadians (56%) expect the deal will ultimately be renegotiated in a way that entails significant changes. One-in-ten Canadians (12%) say the deal will remain largely unchanged, while a similar number (8%) say the deal will be done away with completely:

There has been a lot of talk out of Washington and Ottawa in recent weeks about renegotiating NAFTA. What do you think will happen to the trade agreement?

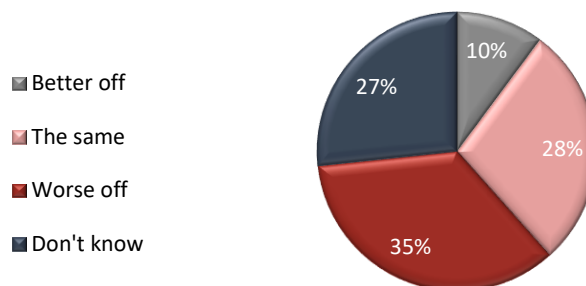


The new President's interest in renegotiating NAFTA is widely regarded as primarily targeting Mexico, not Canada. Indeed, Canada's ambassador to the U.S. [went as far as to say](#) that he didn't "think Canada is the focus as all."

That said, the renegotiation of North America's far-reaching trade partnership would likely put some protections that Canadian industries have fought for under the microscope. The Trump administration has made it known that the softwood lumber industry and Canadian livestock are both [sources of interest](#), where the U.S. would like to seek more favourable terms of trade.

The tough talk on trade from south of the border appears to have left Canadians concerned over the outcome of a renegotiation. Just one-in-ten say they would expect Canada to come out better off under a new deal, while more than three times as many say this nation would be hurt by new terms:

Do you think Canada will emerge from NAFTA re-negotiation better off than now, the same or worse off?

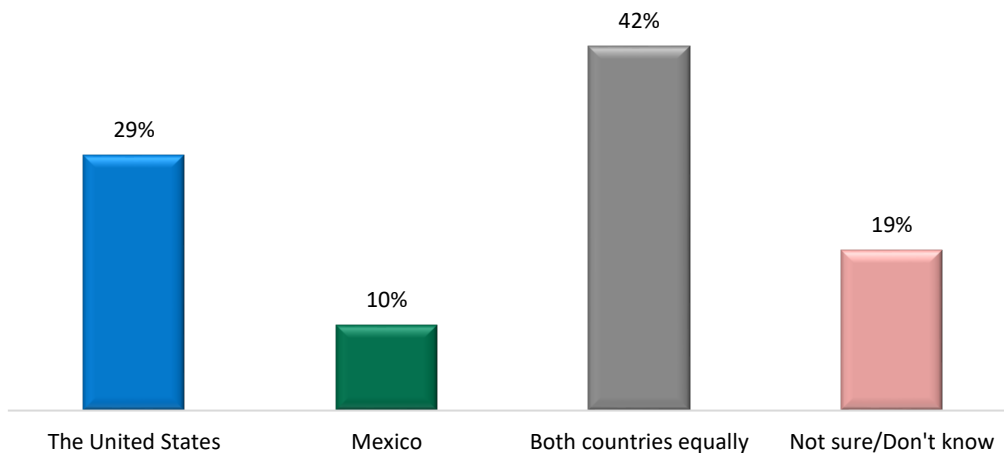


U.S. a more popular post-NAFTA partner than Mexico

If NAFTA does indeed disintegrate, where should Canada focus its trade efforts? As might be expected, given that Canada's trade with the U.S. is worth more than US\$600 billion annually, Canadians are roughly three times more likely to favour a focus on the U.S. than they are to prefer focusing on Mexico (29% versus 10%).

That said, the largest number of Canadians (42%) would like their government to focus on the U.S. and Mexico equally if NAFTA were no more.

Suppose NAFTA no longer existed. If that were the case, which North American country should Canada focus its trade efforts on?



This finding is notable, considering current trade with Mexico is worth slightly less than US\$30 billion annually. It suggests – as [previous ARI polling](#) has also suggested – that many Canadians would like their country to forge a closer relationship with Mexico, though not at the expense of the Canada-U.S. relationship.

*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.*

Summary tables follow. For detailed results by age, gender, region, education, and other demographics, [click here](#).

Canada, the US, and Mexico implemented the North American Free Trade Agreement (or NAFTA) in 1994. Overall, would you say NAFTA has generally:

(weighted sample sizes)	June 2016 (1519)	Feb 2017 (1508)
Benefitted Canada	25%	44%
Hurt Canada	26%	13%
Hasn't really had an impact one way or the other	22%	12%
Not sure / Don't know	27%	31%

**Overall, what would you like to see happen with NAFTA over the next few years?
Would you prefer to see NAFTA:**

(weighted sample sizes)	June 2016 (1519)	Feb 2017 (1508)
Strengthened and expanded	24%	31%
Left in place as is	11%	14%
Re-negotiated	34%	24%
Done away with entirely	9%	5%
Not sure / Don't know	22%	26%

Canada, the US, and Mexico implemented the North American Free Trade Agreement (or NAFTA) in 1994. Overall, would you say NAFTA has generally:

(weighted sample sizes)	Total (1508)	2015 federal election vote		
		CPC (370)	LPC (494)	NDP (246)
Benefitted Canada	44%	50%	51%	43%
Hurt Canada	13%	15%	11%	17%
Hasn't really had an impact one way or the other	12%	12%	10%	11%
Not sure / Don't know	31%	23%	28%	28%