Airport Privatization: Canadians not prepared to clear this idea for takeoff

April 26, 2017 – A plan to sell Canada’s eight largest airports to the private sector appears to be grounded, for now, and a new public opinion poll from the Angus Reid Institute suggests Canadians will be content if the idea stays stuck on the runway.

The nation’s biggest airports are currently run by not-for-profit airport authorities. The federal government has been studying the possibility of selling these facilities to private investors, but this new survey finds Canadians more than twice as likely to say doing so would be “a bad idea” than to say it’s a good one.

Canadians are also inclined to believe that privately owned airports would worsen the overall travel experience, and make air travel more expensive and less secure. These tendencies hold true regardless of how frequently a person travels, though the most frequent travelers are slightly more likely than other groups to think privatization is a good idea that would have positive consequences.

Key Findings:

- A small majority of Canadians (53%) say privatizing Canada’s eight largest airports would be either a “bad” or “very bad” idea. The rest are more likely to say they “don’t know” (26%) than to say privatization would be good (21%)

- Almost six-in-ten (57%) say selling Canada’s airports to the private sector would make it more expensive to fly, and significant numbers (43%) think security would worsen as well

- Those who fly more frequently are more likely to have an opinion on these questions, while those who never fly are most likely to express uncertainty

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Most Canadians oppose airport privatization

Before the 2017 federal budget was released, there were rumblings that the government was considering selling off some big assets – Canada’s eight largest airports – to the private sector. Ultimately, that didn’t happen in this year’s budget, but the government has continued to study the issue.

The federal Liberals’ reported enthusiasm for privatizing airports as a means of raising funds to invest in other infrastructure projects has prompted a motion in Parliament and some sternly worded statements from the opposition Conservatives and an anti-privatization campaign from some of airports themselves.

For most Canadians, however, the question of airport privatization has largely flown under the radar. Fully half of survey respondents (51%) say they hadn’t heard anything about the issue until they took this survey, and three-quarters (75%) have either heard nothing about it or only scanned the headlines.

Those who fly more frequently – defined for the purposes of this survey as “more than five times a year” – have been paying considerably closer attention to news about airport privatization, as seen in the following graph:

Canadians’ lack of familiarity with the ongoing debate about selling their country’s airports doesn’t preclude them from having strong feelings about the prospect.
As asked whether privatizing Canada’s eight largest airports – Toronto, Vancouver, Montreal, Calgary, Edmonton, Ottawa, Winnipeg, and Halifax – is a good idea or a bad one, most Canadians choose the latter. Indeed, the largest number (34%) say privatizing these airports would be “a very bad idea,” that Canada should “definitely not” pursue:

The belief that selling Canada’s airports would be a bad idea is consistent across all regions, age and gender groupings, and other demographics, but some groups are more likely to feel this way than others.

Among Canadians ages 55 and older, for example, six-in-ten (61%) say privatization would be a bad idea, compared to roughly half of other age groups. Notably, these younger age groups are not more likely to say airport privatization is a good idea. Rather, they’re more likely to be uncertain, as seen in the following graph:

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Would privatizing - or selling Canada’s eight largest airports to the private sector - be:

<table>
<thead>
<tr>
<th>A very good idea - Canada should definitely do it</th>
<th>A good idea</th>
<th>A bad idea</th>
<th>A very bad idea - Canada should definitely NOT do it</th>
<th>Don't know/Can't say</th>
</tr>
</thead>
<tbody>
<tr>
<td>6%</td>
<td>15%</td>
<td>19%</td>
<td>34%</td>
<td>26%</td>
</tr>
</tbody>
</table>

Would privatizing - or selling Canada’s eight largest airports to the private sector - be:

<table>
<thead>
<tr>
<th>Total</th>
<th>18 - 34</th>
<th>35 - 54</th>
<th>55+</th>
</tr>
</thead>
<tbody>
<tr>
<td>A good/very good idea</td>
<td>21%</td>
<td>22%</td>
<td>20%</td>
</tr>
<tr>
<td>A bad/very bad idea</td>
<td>53%</td>
<td>48%</td>
<td>61%</td>
</tr>
<tr>
<td>Don't know/Can't say</td>
<td>26%</td>
<td>30%</td>
<td>20%</td>
</tr>
</tbody>
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A similar dynamic can be seen when looking at responses by frequency of air travel. Those who travel more regularly are more likely to have an opinion – good or bad – about privatization, while those who never fly are almost as likely to be unsure as they are to say selling Canada’s airports would be a bad idea:

**Would privatizing - or selling Canada's eight largest airports to the private sector - be:**

<table>
<thead>
<tr>
<th>Air Travel Experience</th>
<th>A good/very good idea</th>
<th>A bad/very bad idea</th>
<th>Don’t know/Can’t say</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>53%</td>
<td>21%</td>
<td>26%</td>
</tr>
<tr>
<td>Frequently (more than 5 times per year)</td>
<td>56%</td>
<td>14%</td>
<td>30%</td>
</tr>
<tr>
<td>Sometimes (2 - 5 times per year)</td>
<td>61%</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td>Occasionally (once a year or less)</td>
<td>53%</td>
<td>20%</td>
<td>26%</td>
</tr>
<tr>
<td>Never fly</td>
<td></td>
<td>18%</td>
<td>42%</td>
</tr>
</tbody>
</table>

**What would the effects of privatization be?**

Proponents of privatizing Canada’s airports point to the potential revenue selling such assets could generate – as much as $40 billion according to one study conducted by Vancouver’s airport authority, or somewhere between $7 billion and $16 billion according to another, conducted by the C.D. Howe Institute. Whatever the amount, this windfall could be reinvested in other areas, notably transportation and infrastructure projects.

As the government set about spending this money, what would the situation inside Canada’s airports be like?

Most Canadians don’t expect it would improve. Slightly more than one-in-ten (12%) say they think the overall experience of flying out of Canadian airports would improve if those airports were privatized. Almost four times as many (46%) think the experience would worsen, as seen in the following graph:
Again, frequent travelers and older respondents are more likely to have an opinion – either positive or negative – while younger respondents and those who never fly are more likely to say “don’t know” (see comprehensive tables for greater detail).

Notably, though efforts to privatize government-owned industries are often associated with the right of the political spectrum, relatively few people who voted for the Conservative Party of Canada in the 2015 election say they think privatizing Canada’s airports would lead to an improved experience for travelers.

Even more significantly, though it is a federal Liberal government that has proposed airport privatization, the issue appears to be a losing one with past Liberal voters. More than half (51%) of those who supported the Liberals in 2015 think privatization would make airports worse, and just one-in-ten (10%) think it would improve the experience:

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Similar response patterns can be seen in Canadians’ views on how privatization would affect security, with Canadians much more likely to say selling Canada’s airports would mean worsened security (43%) than to say security would improve (9%):

And, if Canada’s airports were privatized, what effect, if any, do you think that would have on the security of these airports and air travel in Canada?

- Improved security: 9%
- No difference in security: 27%
- Worsened security: 43%
- Don’t know/Can’t say: 20%

Airport security screenings will almost certainly continue to be carried out by the federal government – specifically the Canadian Air Transport Security Authority (CATSA) – regardless of who owns the airport buildings. On this front, very little would actually change if Canada’s airports were sold.

Other airport security functions – everything from private security guards hired to patrol terminals and parking facilities to the use and position of surveillance cameras in parts of an airport other than the CATSA checkpoints – could potentially change under new ownership. These potential changes may be what Canadians have in mind when they say security will worsen.

Finally, on the price of air travel, Canadians are fully seven times more likely to expect airport privatization to make flying more expensive (57%) than to expect it to make flying cheaper (8%):

And, again, if Canada’s airports were privatized, what effect, if any, do you think that would have on the cost of air travel in Canada? Would it be:

- Less expensive to fly: 8%
- About the same as now: 18%
- More expensive to fly: 57%
- Don’t know/Can’t say: 17%
On this question, even those who never fly are overwhelmingly in agreement that flying would become more expensive, as seen in the following graph:

And, again, if Canada's airports were privatized, what effect, if any, do you think that would have on the cost of air travel in Canada? Would it be:

<table>
<thead>
<tr>
<th>Air Travel Experience</th>
<th>Less expensive to fly</th>
<th>More expensive to fly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frequently (more than 5 times per year)</td>
<td>8%</td>
<td>57%</td>
</tr>
<tr>
<td>Sometimes (2 - 5 times per year)</td>
<td>12%</td>
<td>64%</td>
</tr>
<tr>
<td>Occasionally (once a year or less)</td>
<td>8%</td>
<td>61%</td>
</tr>
<tr>
<td>Never fly</td>
<td>8%</td>
<td>58%</td>
</tr>
<tr>
<td>Total</td>
<td>8%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Selling Canada’s airports could be a potential boon to the federal government’s proposed infrastructure bank – offering lots of cash to invest in new roads, bridges, and public transportation. Given the way most Canadians feel about airport privatization, however, it’s possible that the government would pay a significant political price for selling these facilities.

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.

For detailed results by age, gender, region, education, and travel frequency, as well as other demographics, click here.