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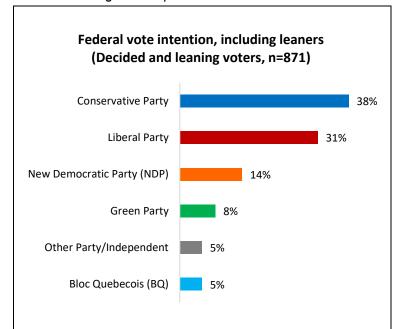
Trudeau government's handling of SNC-Lavalin affair opens seven-point lead for CPC over Liberals

Two-thirds of Canadians say the SNC-Lavalin affair is a sign of 'deeper scandal' in the PMO

February 26, 2019 – As political watchers across the country await with bated breath testimony from former Attorney General and Justice Minister Jody Wilson-Raybould, the latest public opinion poll from the non-profit Angus Reid Institute shows the SNC-Lavalin affair taking a toll on the fortunes of Prime Minister Justin Trudeau and his Liberal government.

While it remains unclear exactly how much - if any - pressure Trudeau and his staff put on Wilson-Raybould not to prosecute the Quebec-based engineering firm for fraud and corruption charges stemming from its business in Libya, most Canadians (66%) say they believe there is a deeper scandal in the Prime Minister's Office. Moreover, a similar number (63%) say they believe SNC-Lavalin should be fully prosecuted under the criminal code, rather than allowed to negotiate a remediation agreement, as the PMO reportedly would have preferred.

These findings correspond with low marks for Trudeau himself. Fully six-inten Canadians (60%) say they have an



METHODOLOGY:

The Angus Reid Institute conducted an online survey from February 21 – 24, 2019, among a representative randomized sample of 1,009 Canadian adults who are members of Angus Reid Forum. For comparison purposes only, a probability sample of this size would carry a margin of error of +/- 3.1 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.

unfavourable view of the Prime Minister, and a nearly identical 59 per cent say their opinion of him has worsened over the last month or so. While this is driven largely by the negative views of right-of-centre voters, it's notable that three-in-ten (28%) who would vote for Trudeau's Liberal Party in an election held tomorrow also say their view of the PM has worsened.

All of this creates a political landscape in which Trudeau's Liberals would find themselves trailing Andrew Scheer's Conservative Party of Canada by seven percentage points (38% to 31%) in the event an election were held tomorrow.

More Key Findings:

 Trudeau isn't the only party leader viewed unfavourably by a majority of Canadians. Most also hold unfavourable opinions of Scheer (54% do) and New Democratic Party leader Jagmeet Singh (64%)

CONTACT:

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- Political preference informs opinion on the SNC-Lavalin affair, with those who would vote for the Conservatives in an election held tomorrow overwhelmingly taking the view that there is a deeper scandal to uncover (95%), while most Liberal supporters feel it has been overblown (72% do)
- Trudeau stands out from the other major party leaders because of the number of Canadians whose opinion of him has worsened in recent weeks. Six-in-ten (59%) say this of Trudeau, while roughly half as many say this of Scheer (25%) or Singh (29%)

About ARI

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 foundation 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.

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Part 1 - The SNC-Lavalin affair

Most see a deeper scandal lurking

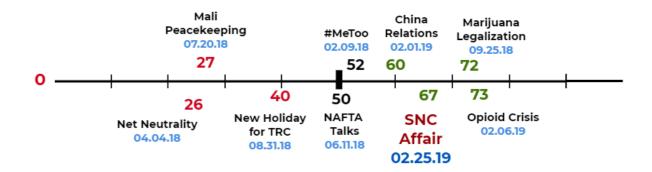
The controversy currently engulfing Ottawa began with the apparent demotion of Wilson-Raybould from Attorney General and Minister of Justice to Minister for Veterans Affairs in January. After the cabinet shuffle, the Globe and Mail reported that Primer Minister Justin Trudeau's office put "heavy pressure" on Wilson-Raybould to reconsider the decision to prosecute SNC-Lavalin. Trudeau has denied that either he or anyone in his office directed Wilson-Raybould to change her decision.

Since this initial reporting, the story <u>has spiraled</u> into Parliamentary investigations and calls for Wilson-Raybould and the Prime Minister himself to testify before the justice committee of the House of Commons, dominating the political news cycle for the better part of the last three weeks.

But how much is this issue resonating with the Canadian public? According to the Angus Reid Institute's Engagement Index, which measures the relative attention Canadians are paying to the topics of ARI polls, this story is generating a level of engagement well above average. The SNC-Lavalin affair scores a 67 on the index, which is substantially higher than the average score of 50 (for greater detail on the ARI Engagement Index, see notes on methodology at the end of this release).

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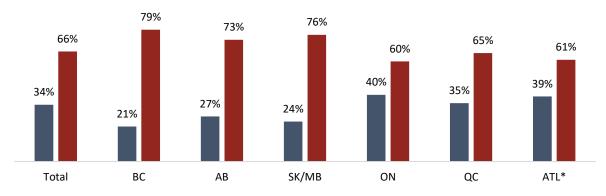
Scores on Angus Reid Institute Engagement Index



50 = generating an average level of engagement

Perhaps reflecting their relatively high level of awareness of this issue, Canadians are generally of the opinion that the near-wall-to-wall media coverage is justified. While one-in-three (34%) take the view that this issue has been "overblown" by politicians and the media, twice that many (66%) say there is a deeper scandal to be uncovered. This view is especially strong in provinces west of Ontario, though majorities in all regions feel this way:

Which of the following broad statements is closest to your own point of view: (All respondents)



■ This issue has been overblown by the media and politicians. The resignation of Gerald Butts settles the matter

■ There is a deeper scandal within the Prime Minister's Office and more information will emerge

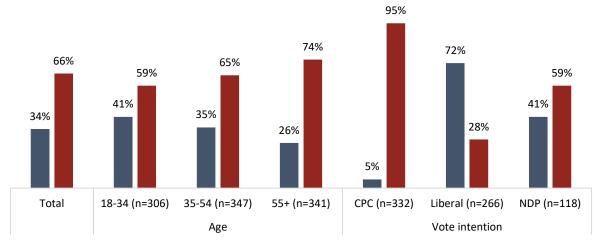
*small sample

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Views on this question vary only slightly by age, with younger respondents (those ages 18-34) more likely to say the issue has been overblown and is settled by the recent resignation of Trudeau's Principal Secretary Gerald Butts, while three-quarters (74%) of those in the 55-plus age group take the opposing view.

More tellingly, an overwhelming majority (95%) of those who intend to vote for the CPC say they believe there is a deeper scandal that will emerge, while most would-be Liberals (72%) say the opposite. Those who would cast ballots for the NDP are more evenly split, though a majority lean toward the perspective that more information is likely to emerge:

Which of the following broad statements is closest to your own point of view:



- This issue has been overblown by the media and politicians. The resignation of Gerald Butts settles the matter
- There is a deeper scandal within the Prime Minister's Office and more information will emerge

Two-thirds say SNC should be prosecuted

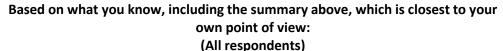
One of the underlying questions in this scandal is whether Canada would be better served, as a country, by prosecuting SNC-Lavalin for its alleged corruption, or by allowing it to enter a remediation agreement in which it would admit wrongdoing, pay a substantial fine, and pay back any gains it got from its corrupt behaviour.

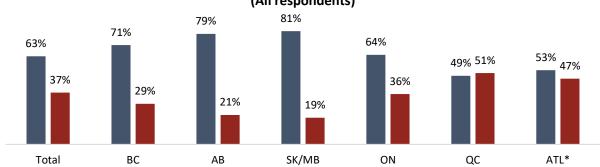
Prosecuting the company – as the crown is currently set to do – would result in more severe punishment for those who broke the law, including potentially a 10-year ban on SNC-Lavalin receiving contracts from the federal government. This could entail significant damage to the company's bottom line and therefore significant job losses at one of Canada's largest employers.

The appeal of a remediation agreement, for those who support it, is the potential to avoid such negative consequences for the broader economy by allowing the company to continue to accept government contracts, pay its fines over a period of multiple years, and potentially avoid massive layoffs.

Asked which approach they would prefer, most Canadians opt for full prosecution, with those in Western Canada especially inclined to feel this way. Residents of SNC's home province of Quebec, meanwhile, are divided, with half (51%) preferring a remediation agreement.

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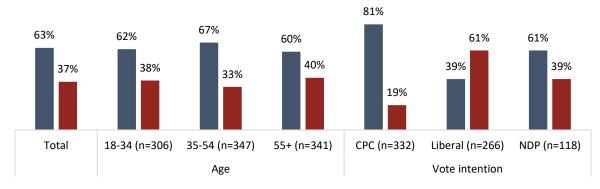


- SNC-Lavalin should be fully prosecuted under the criminal code and face a possible 10-year ban on government contracts as punishment
- SNC-Lavalin should be allowed to negotiate a remediation agreement, so the company can keep operating normally to protect current employees and investors

*small sample

Again, political preference is a major driver of opinion in this issue. Those who would vote for opposition parties if an election were held tomorrow tend to prefer prosecution – overwhelmingly so in the case of CPC supporters – while those who would vote for the governing Liberals favour a remediation agreement:

Based on what you know, including the summary above, which is closest to your own point of view:



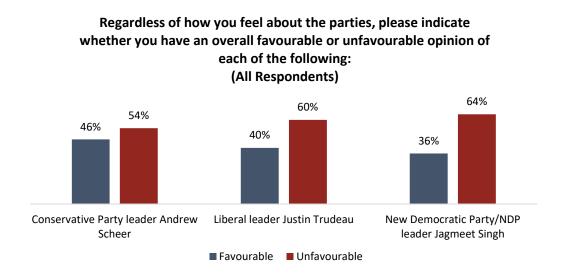
- SNC-Lavalin should be fully prosecuted under the criminal code and face a possible 10-year ban on government contracts as punishment
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Part 2 - Political implications

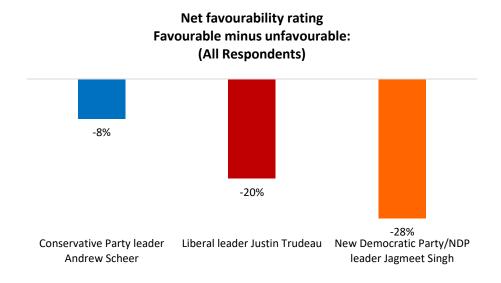
Six-in-ten view Trudeau unfavourably

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The SNC-Lavalin matter still leaves many questions unanswered, and the fallout from the controversy may not be fully known for months. That said, there are indications that the Prime Minister is facing a political backlash over his alleged role in the affair. Six-in-ten Canadians now say they have an unfavourable view of Trudeau, with four-in-ten saying they view the Prime Minister favourably. This puts him slightly behind Opposition leader Andrew Scheer, who holds the favour of 46 per cent of Canadians.



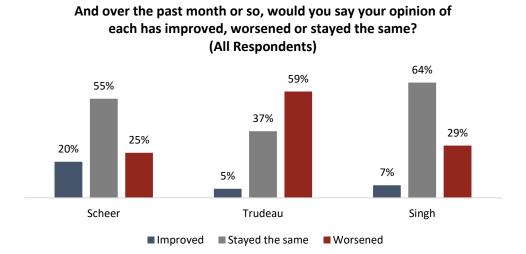
Looking at these data as a net favourability rating – that is, the percentage of those saying favourable minus those saying unfavourable – the picture is not particularly rosy for any federal leader. NDP leader Jagmeet Singh fares worst, with a minus-28 rating overall:



Over the past few weeks, Canadians have watched Andrew Scheer criticize Trudeau and his government for its handling of the SNC affair. Scheer called the issue a "<u>textbook case of government corruption</u>." This, however, has not generated much in the way of positive movement for the Conservative leader, though the Trudeau brand has certainly taken a hit.

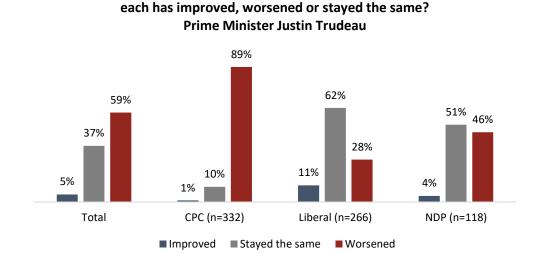
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One-in-five Canadians (20%) say their opinion of Scheer has improved in the past month, compared to slightly more who say their opinion of him has worsened (25%). For Trudeau, the trend is overwhelmingly negative, with six-in-ten (59%) saying their view of him has diminished:



Trudeau's negative momentum over the past month is largely a product of opinions from Canadians outside of his base, but it is worth noting that even three-in-ten (28%) of those who say they would vote for his party in an election held tomorrow have soured on him in recent weeks:

And over the past month or so, would you say your opinion of



CPC leads in vote intention

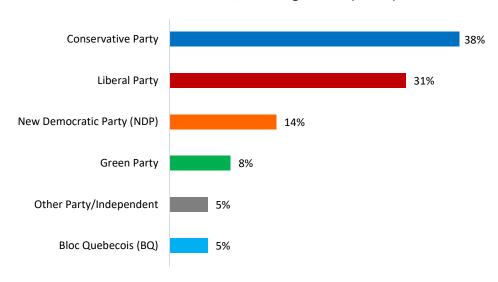
Perhaps driven by the worsening public opinion of the Prime Minister, the nationwide vote intention picture now favours the Conservative Party.



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Asked who they would support if an election were held tomorrow, 38 per cent of decided and leaning Canadian voters opt for the Conservative candidate in their riding. Support for the Liberal Party sits at 31 per cent, while the NDP projects at 14 per cent nationally:

Federal vote intention, including leaners (n=871)



The Liberal Party has fallen out of favour in several regions that were important to garnering its majority in 2015. The Conservative Party holds a small advantage in B.C. and Ontario, provinces the Liberals won by five and nine percentage points, respectively, in 2015.

Meanwhile, in Quebec, the home of Montreal-based SNC-Lavalin, residents are divided evenly between the CPC and Liberals, each of which is statistically tied with the Bloc Quebecois:

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If a federal election were held tomorrow, which party's candidate would you be most likely to support in your own riding (including leaners, excluding undecideds and non-voters, n=871)

	Respondents from Each Province						
	Total (1,009)	BC (138)	AB (133)	SK/MB (140)	ON (318)	QC (206)	ATL (74*)
Conservative Party	38%	33%	60%	50%	40%	24%	34%
Liberal Party	31%	28%	19%	28%	37%	24%	40%
New Democratic Party	14%	21%	9%	10%	14%	14%	8%
Bloc Quebecois	5%	-	-	-	-	22%	-
Green Party	8%	13%	5%	3%	7%	10%	10%
Other	5%	4%	6%	8%	3%	7%	7%

^{*}Small Sample Size

Notes on Methodology:

Since early 2015, the Angus Reid Institute has been asking Canadians a standardized question about how closely they are following the topics of ARI polls. To facilitate easy comparisons across disparate topics, ARI researchers have developed an Engagement Index based on respondents' answers.

For each issue, respondents are asked to say whether they are "following it in the news and discussing it with friends and family," "seeing some media coverage and having the odd conversation," "just scanning the headlines," or not seeing or hearing anything about the issue.

The index is based on the average response to this question over the years, with greater weight given to the highest level of engagement on the scale, and lesser weight given to the "having the odd conversation" and "just scanning headlines" responses. An "average" issue scores a 50 on the index, with scores higher than 50 representing above-average engagement and scores lower than 50 representing below-average engagement.

On this particular topic of the SNC-Lavalin affair, more than four-in-ten (44%) say they are "following it in the news and discussing it with friends and family." Another 25 per cent are "seeing some media coverage and having the odd conversation." One-in-five (21%) are "just scanning the headlines," and the rest (11%) haven't seen or heard anything about this story. Responses on this topic equate to a score of 67 on the ARI Engagement Index, which is the second-highest score recorded in 2019 so far, behind only the 73 recorded in ARI's report on the opioid epidemic.

For detailed results by age, gender, region, education, and other demographics, click here.