

Outlook 2020: Stark regional differences underscore Canadians' economic confidence for the year ahead

Quebecers most positive about economic outlook, Albertans most anxious

November 15, 2019 – Despite relatively strong indicators for [Canada's economic growth](#) in the year ahead, Canadians themselves are twice as likely to say they expect a worsening of economic conditions (43%) rather than an improvement (21%) at the provincial level.

That said, the latest public opinion survey from the non-profit Angus Reid Institute shows the story varies greatly by region.

In Quebec, residents are slightly more likely to say that conditions in the province will improve (30%) instead of worsen (24%), while in Alberta, four-in-five residents (79%) say the economy in their province will deteriorate over the next year.

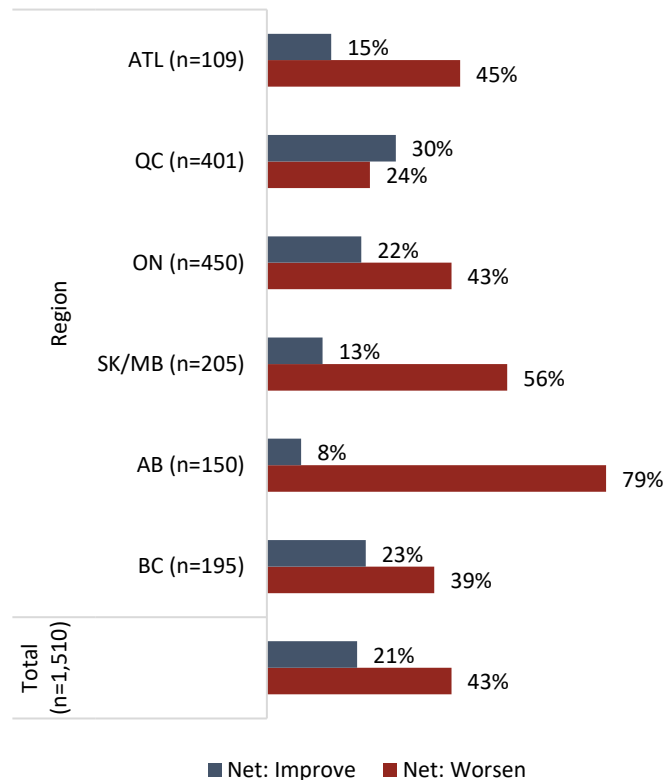
The study also finds that despite wage growth rising this year to its [highest levels since 2009](#), a considerable number of Canadian workers say they were left out of the pay increases.

While half of full- and part-time workers say they have received a raise over the past twelve months, the other half have not. Further, one-in-five workers say they haven't had a raise in at least five years (6%), or ever (14%).

More Key Findings:

- The number of Canadians who are concerned about potential household job losses is close to unchanged since the beginning of Justin Trudeau's first term. Four-in-ten (43%) say this is a concern for them currently (highest in Alberta at 64%) while 46 per cent said this in January of 2016

Over the next twelve months, do you think the economy of your own province will improve, remain the same, or worsen?



METHODOLOGY:

The Angus Reid Institute conducted an online survey from November 8 – 12, 2019 among a representative randomized sample of 1,510 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 +/- 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.

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- Among those who have received a raise, just one-in-ten (9%) say it made a significant positive impact on their financial well-being. Half (50%) say it was of negligible effect.
- Economic expectations carry a political element. Just five per cent of those who voted for the Conservatives expect the Canadian economy to improve over the next 12 months, compared to 44 per cent of those who supported the Liberal Party. One-quarter of NDP voters (23%) expect the economy to improve, while fewer Bloc Quebecois voters agree (15%)

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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Who received a raise... and did it help?

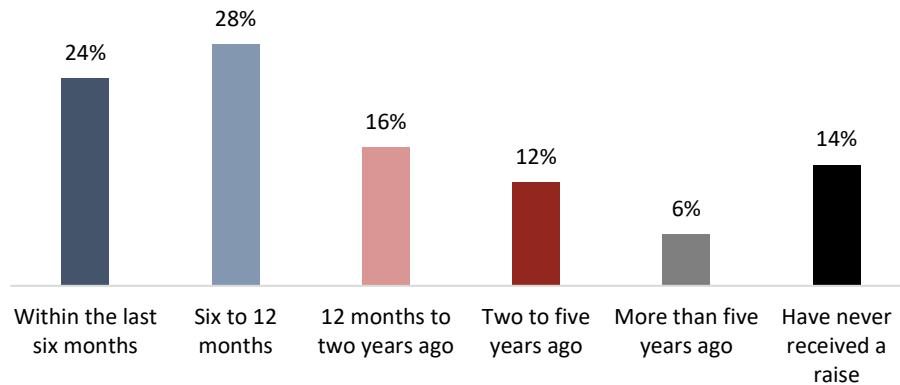
Wages in Canada have been reportedly stagnant in recent years, failing to keep up with relatively robust overall economic growth. That said, signs pointed to wage growth finally outpacing inflation earlier this year, buoyed by a [shrinking workforce](#), which is attributable to higher rates of retirement.

The Angus Reid Institute, however, finds that not all Canadian workers are seeing their wages boosted. Half of part-time and full-time workers say that they have received a raise within the last year, while the rest either saw their last wage increase one to two years ago (16%), two to five years ago (12%) or more than five years ago (6%).

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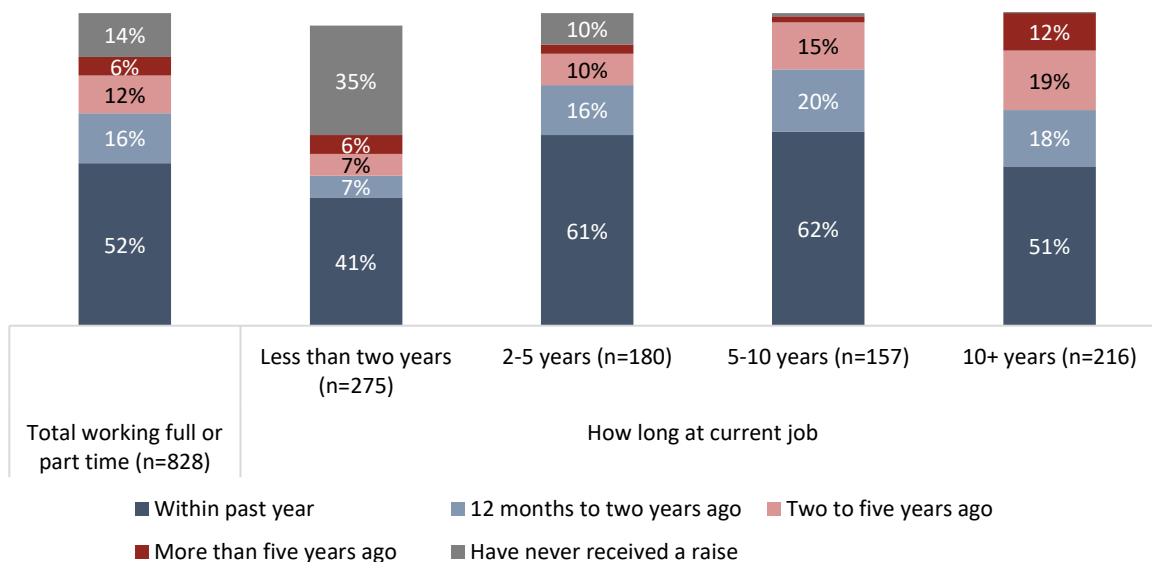
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**When was the last time that you received a raise, whether to your salary or other financial incentives, from either from your current employer or a previous one?
(Total working full or part time, n=828)**



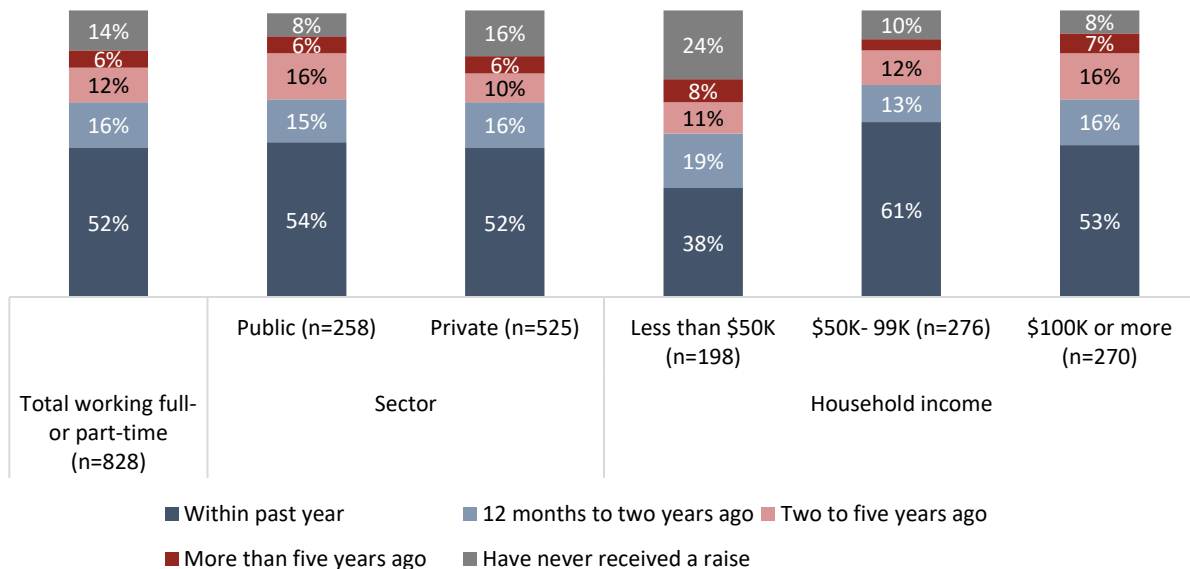
Length of time on the job has an effect on reporting of last raises. The percentage of working Canadians who received a raise within the last year is relatively consistent among those who have been at their current job for between two and 10 years. For those who have been with their employer for more than 10 years, the number who haven't seen a raise in a longer period of time increases significantly, as seen in the following graph:

When was the last time that you received a raise?



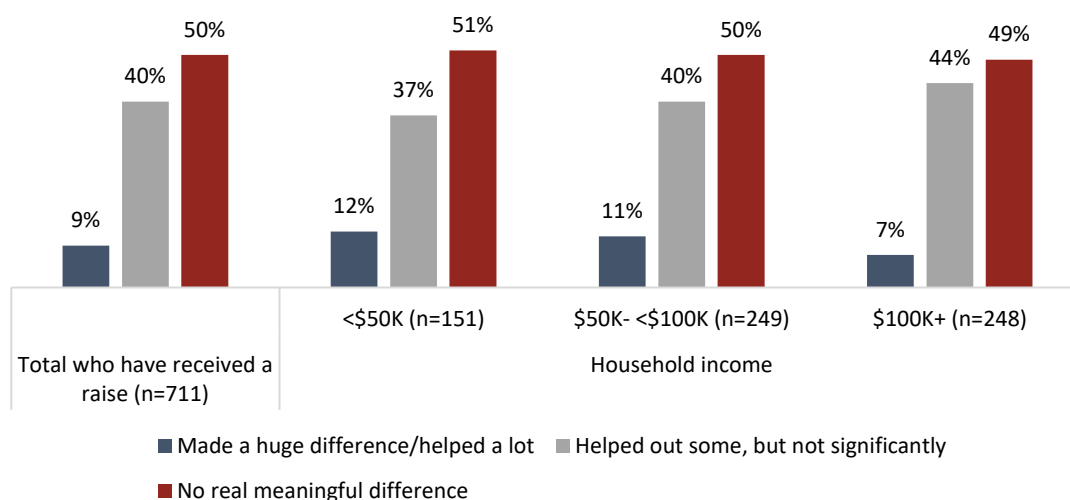
Public sector employees are slightly more likely to have received a raise within the past six months, while lower income households are considerably more likely to have never received a raise compared to those with middle and high incomes:

When did you last receive a raise?



Notably, half of those who received a raise, across all income levels, say that it made no real meaningful difference to their financial wellbeing. Approximately one-in-ten say that the difference was significant and helped them a lot:

What sort of impact did the most recent raise you received have on your financial wellbeing?



Concern about potential job losses highest in Alberta

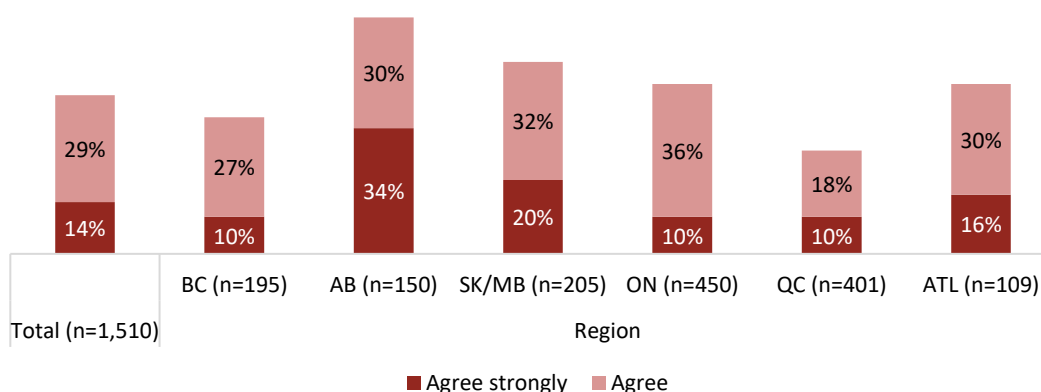
Wages aside, for a significant proportion of Canadian households, job security is top of mind. Asked whether they fear that someone in their household may lose a job due to economic conditions, four-in-ten

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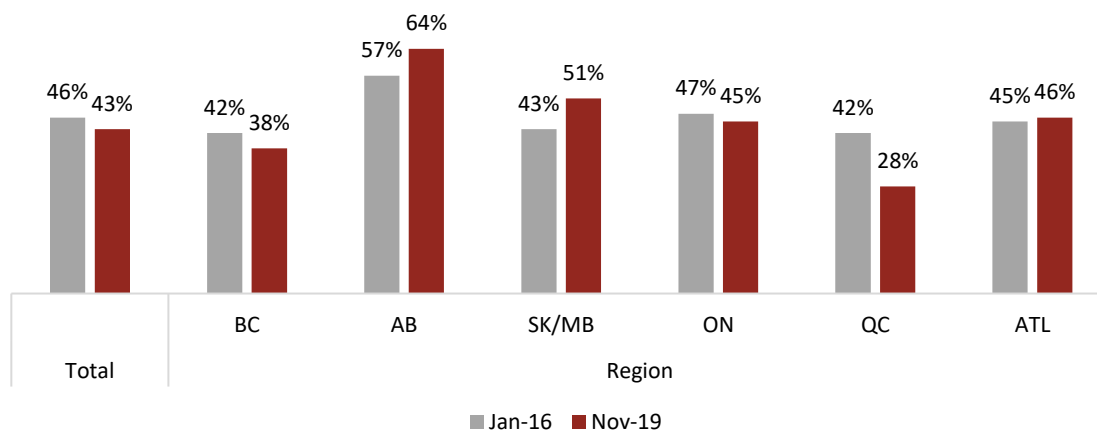
(43%) say this is a concern. Notably, the number of Albertans who say this is a “serious worry” is more than double the national average (34% versus 14%):

Percentage who agree: "I'm concerned that I or someone in my household could lose a job because of the economy"



Many in Alberta and Saskatchewan have called on the federal government to do more to address their anxieties (primarily centered on natural resource and pipeline issues). Residents in both provinces voice increased anxieties regarding job security since the beginning of the Liberal government’s first term, while elsewhere numbers have receded or are unchanged. In Quebec, worries about job security have declined considerably:

Percentage who agree: I'm concerned that I or someone in my household could lose a job because of the economy



Economic Optimism: the regional story

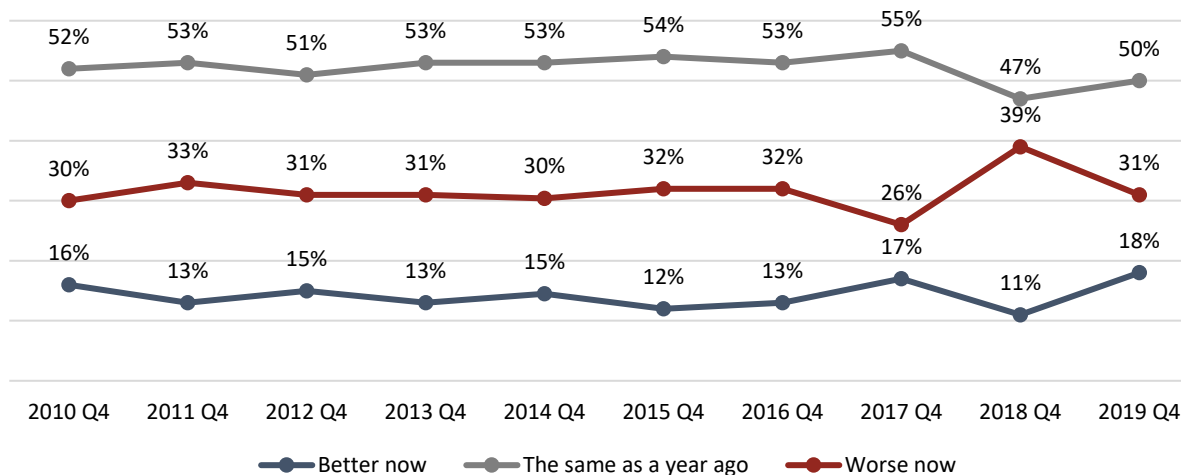
On the surface, Canadians’ responses to a long-asked question about their standard of living appear relatively stable. The Angus Reid Institute asked respondents if their standard of living is better or worse

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than it was a year ago and finds that after some movement in 2017 and 2018, both positive and negative, totals have returned to a similar proportion as seen in most years:

All things considered, do you think your current standard of living is better or worse now than it was a year ago?



Regional responses, however, tell the real story. In Quebec, the highest number of respondents say their standard of living has improved in a decade of tracking, while the number is lowest in Alberta. Notably, Alberta’s proportion of positive responses dropped by half immediately after Justin Trudeau’s Liberals formed government in 2015 and have remained low since.

Percentage who say their standard of living is better now than it was a year ago										
	2010 Q4	2011 Q4	2012 Q4	2013 Q4	2014 Q4	2015 Q4	2016 Q4	2017 Q4	2018 Q4	2019 Q4
BC	11%	12%	14%	16%	16%	15%	17%	17%	11%	12%
AB	16%	16%	24%	20%	20%	11%	10%	12%	10%	10%
SK/MB	17%	17%	17%	15%	14%	14%	13%	16%	10%	13%
ON	16%	14%	16%	12%	15%	14%	13%	19%	12%	18%
QC	19%	9%	11%	11%	12%	12%	13%	17%	9%	27%
ATL	18%	17%	15%	13%	12%	15%	14%	12%	10%	15%

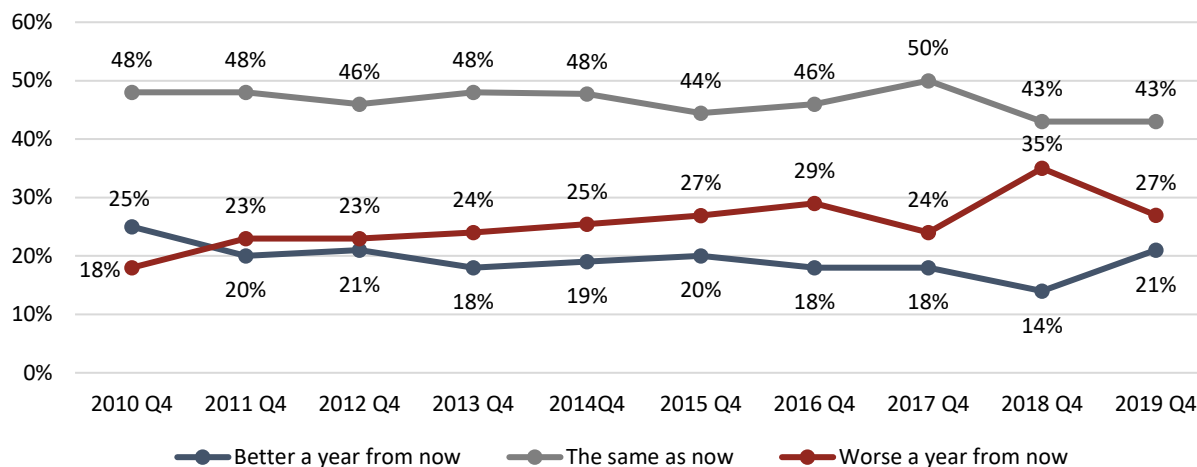
Alberta has been hit hard by job losses in Canada, driven by a [receding oil and gas sector](#). As the unemployment rate nationally has dropped to [near four-decade lows](#), Alberta has seen consistently [higher unemployment](#) than most provinces. Perhaps no datapoint better represents the frustration in Alberta than the rising percentage of residents who say their standard of living has worsened over the past year. The number skyrocketed immediately after Justin Trudeau's Liberals formed government, and sits at 56 per cent this year:

Percentage who say their standard of living has worsened in the last year										
	2010 Q4	2011 Q4	2012 Q4	2013 Q4	2014 Q4	2015 Q4	2016 Q4	2017 Q4	2018 Q4	2019 Q4
BC	39%	38%	33%	32%	33%	32%	31%	25%	36%	31%
AB	27%	27%	21%	21%	19%	43%	45%	36%	57%	56%
SK/MB	23%	24%	24%	26%	30%	30%	33%	37%	50%	48%
ON	34%	36%	31%	33%	31%	31%	34%	25%	41%	29%
QC	23%	29%	34%	34%	33%	30%	24%	18%	27%	18%
ATL	31%	36%	37%	36%	33%	29%	33%	33%	38%	31%

What do Canadians expect going forward?

In terms of expectations for the coming year, more than one-quarter (27%) anticipate a decline in their standard of living while one-in-five (21%) anticipate an improvement:

And a year from now, do you think your standard of living will be better or worse?



There is a noticeable rise in optimism in British Columbia, Quebec and Ontario for the coming year:

Percentage who say their standard of living will be better a year from now										
	2010 Q4	2011 Q4	2012 Q4	2013 Q4	2014 Q4	2015 Q4	2016 Q4	2017 Q4	2018 Q4	2019 Q4
BC	24%	20%	22%	19%	21%	21%	19%	14%	10%	21%
AB	32%	27%	29%	27%	23%	16%	17%	22%	16%	8%
SK/MB	28%	23%	22%	20%	18%	22%	19%	16%	11%	13%
ON	24%	21%	21%	16%	19%	21%	18%	20%	15%	23%
QC	25%	17%	18%	19%	17%	18%	19%	18%	15%	28%
ATL	26%	18%	23%	17%	17%	23%	16%	13%	13%	15%

Meanwhile, pessimism has decreased everywhere other than Alberta, about what the next year will hold:

Percentage who say their standard of living will be worse a year from now										
	2010 Q4	2011 Q4	2012 Q4	2013 Q4	2014 Q4	2015 Q4	2016 Q4	2017 Q4	2018 Q4	2019 Q4
BC	19%	26%	26%	26%	27%	25%	26%	24%	34%	29%
AB	11%	18%	16%	17%	18%	38%	35%	28%	40%	52%
SK/MB	14%	23%	20%	22%	25%	26%	30%	33%	45%	37%
ON	22%	24%	23%	27%	24%	27%	31%	26%	39%	25%
QC	14%	21%	22%	23%	29%	24%	22%	14%	23%	14%
ATL	19%	28%	30%	28%	28%	25%	31%	29%	36%	31%

Part Two: Economic expectations for provinces, country

Household expectations vary widely based on which region of the country respondents live, but what about the nation and regions more broadly? Canadians were asked for their expectations on both.

Quebecers most bullish about own provincial outlook

Quebecers lead the nation in optimism about the economic fortunes of their *own province* over the coming 12 months. This, may be attributable to high levels of satisfaction with both their [provincial government](#) and the [outcome of the federal election](#). GDP [growth projections](#) for the province are at a stable 1.6 per cent for 2019 and 2020.

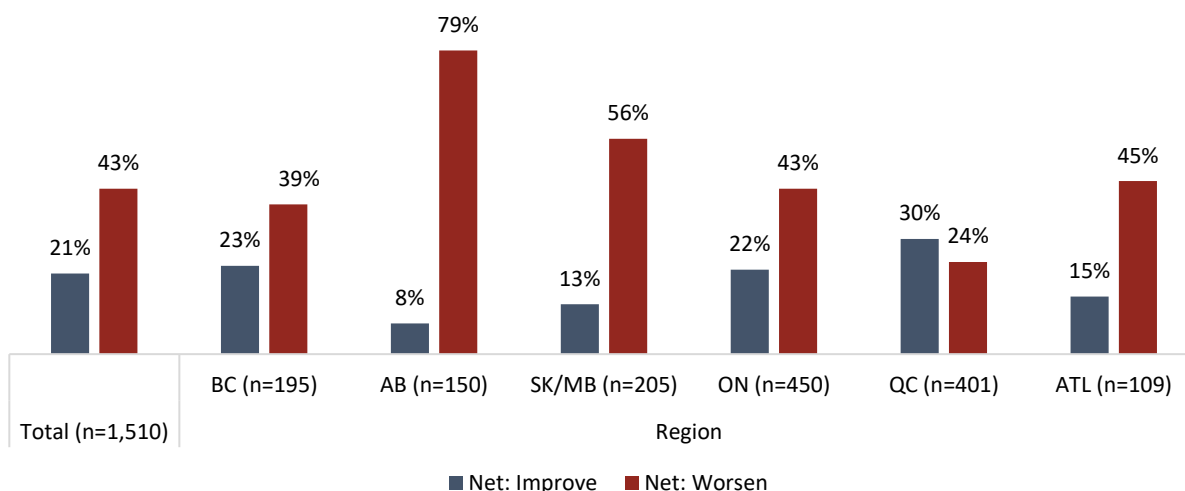
Related: Canadians divided about future of minority government

Indeed, more Quebecers say the provincial economy will improve rather than worsen in the coming year. By contrast, in Alberta, the vast majority (79%) expect their province's struggles to continue. Despite the overwhelming pessimism, the province is expected to see [better growth in 2020](#) after meagre positive growth in 2019:

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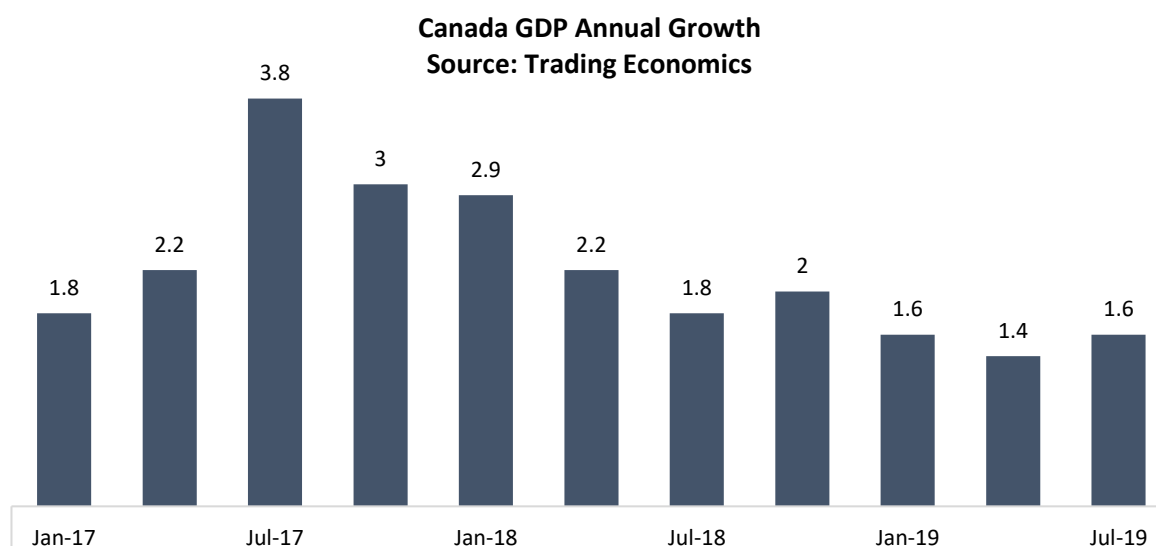
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Over the next twelve months, do you think the economy of your own province will improve, remain the same, or worsen?



Canadian economic outlook

Overall, Canadians are twice as likely to say that they expect the economic performance of the nation to worsen rather than improve over the next year. This is particularly notable, as many of the key economic indicators point to healthy growth. The second quarter of this year, for example, saw Canada’s best quarterly economic growth since 2017, and annual GDP growth has remained steady, despite difficult times in Alberta:

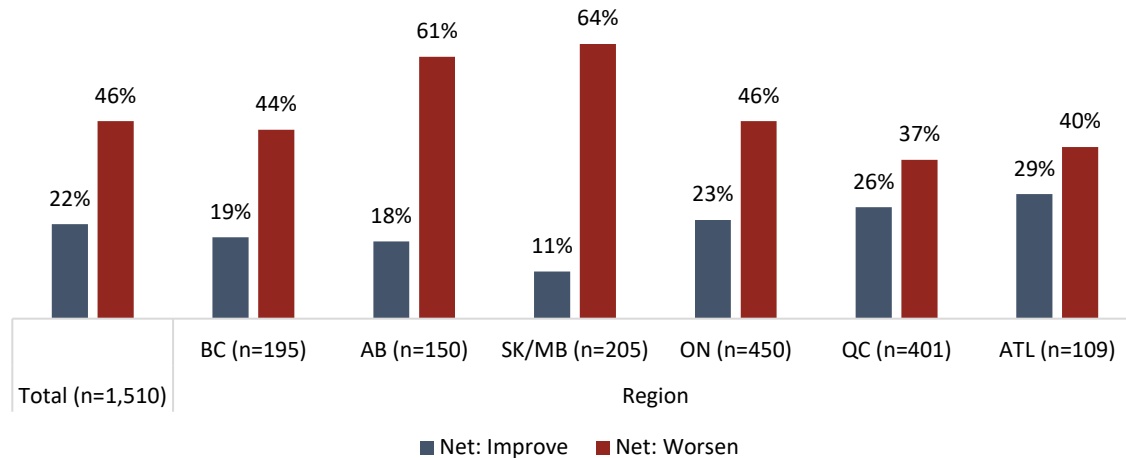


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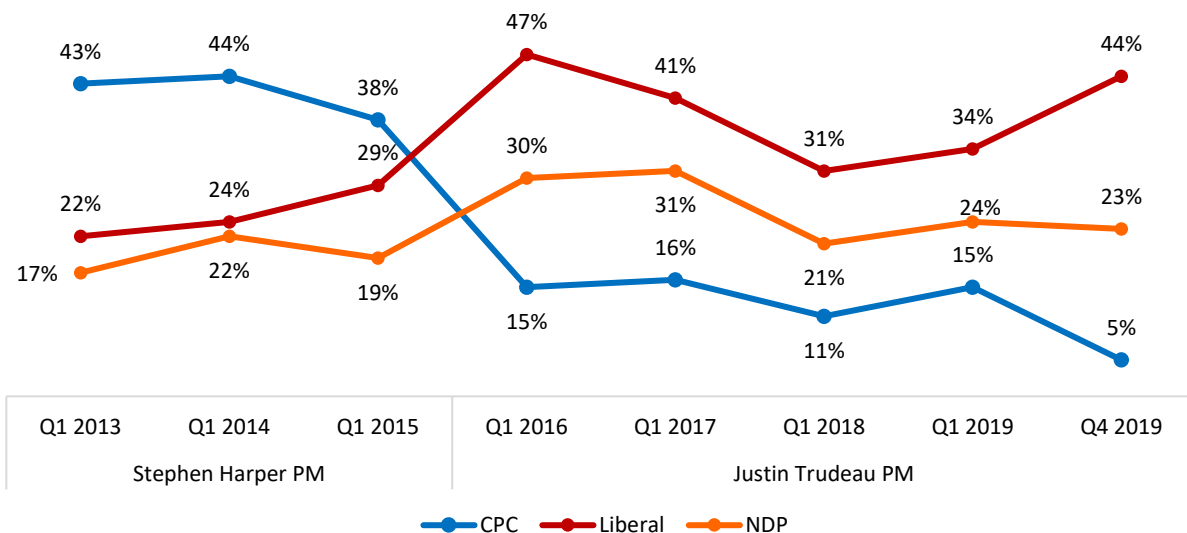
That said, pessimism exceeds optimism. It is highest in Alberta and the prairies on the question of Canada's overall expected economic performance. Quebec's provincial optimism dissipates when considering the country as whole:

Over the next twelve months, do you think the Canadian economy will improve, remain the same, or worsen?



By far the most likely indicator of a person's view on the strength of the Canadian economy, however, is political ideology. Just five per cent of those who supported the Conservative Party in the October election say that the economy will improve, compared to 44 per cent of those who supported Justin Trudeau's Liberals. A clear line of demarcation appears for supporters of both parties after the power shift from the CPC to the Liberals in 2015.

Percentage saying they expect the Canadian economy to improve over the next 12 months: (by vote last)



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