

Fuel tax 'holiday' a hit with more than half of Canadians, opposed by those least financial stressed

Three-quarters of the Struggling support a cut in gasoline taxes, 53 per cent of the Thriving oppose it

July 11, 2024 – When summer comes in Canada, two things are guaranteed to rise – the temperature and [the price of gas](#).

New data from the non-profit Angus Reid Institute finds considerable support for an idea that would temporarily relieve Canadians some of the pain caused by one of them – a fuel tax holiday.

This idea, proposed before the House of Commons closed up for the summer by opposition Conservative leader Pierre Poilievre, is popular with 56 per cent of Canadians, notably [much higher](#) than the two-in-five who recently said they either viewed Poilievre favourably or said they would vote for him in a federal election.

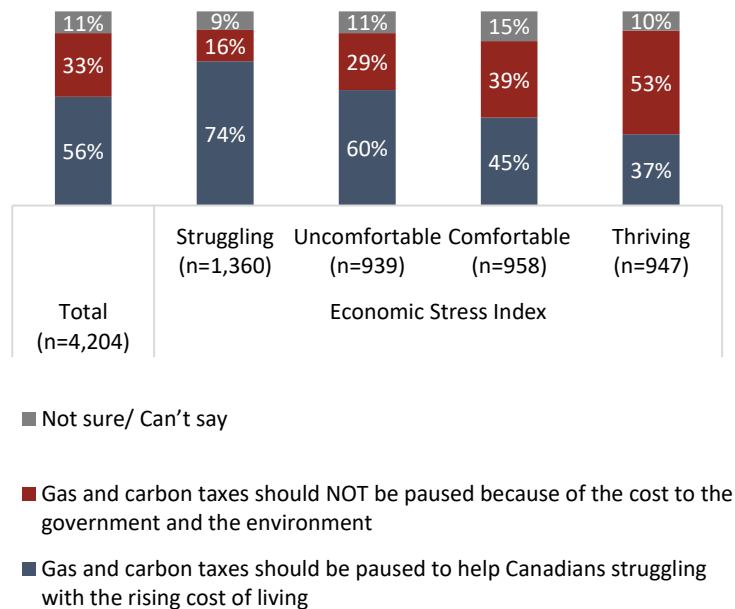
Proponents argue the exemption would lower the price of gas by an estimated 30 cents per litre, this as [three-quarters of Canadians](#) (76%) say the price of gas has gone up for them recently.

Those “Struggling” on ARI’s Economic Stress Index are most likely to support this policy – three-quarters do (74%). Support drops as the relative financial comfort increases. Those best off, the “Thriving”, reject the idea at a majority level, saying that this would cost the government financially and harm the environment further by encouraging vehicle use.

The carbon tax itself has proven a significant challenge for the governing Liberals. Recent ARI research found Canadians [tend to underestimate](#) their rebate amount, and [half would abolish](#) (40%) or lower it (11%) if they were able.

Related: [Raise, pause, abolish? Centre-left voters rally around carbon tax, but majority would still reduce or eliminate it](#)

Please select the statement which is closer to your view:



METHODOLOGY:

The Angus Reid Institute conducted an online survey from June 14-20, 2024 among a representative randomized sample of 4,204 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 +/- 1.5 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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Quebecers are divided evenly about a nationwide tax holiday, with 42 per cent for and 44 per cent against the idea, while majorities in all other regions say this is something they would like to see implemented.

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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Introduction

Federal Conservative leader Pierre Poilievre called for a “summer fuel tax holiday” prior to the adjournment of the House of Commons. He said the federal government should exempt gasoline and diesel fuel from not only the carbon tax he opposes, but also the GST and federal excise tax. This exemption could lower the price of gas [by about 30 cents per litre](#) across the country except in British Columbia, Quebec and the Northwest Territories, which have their own carbon pricing systems.

Waving the fuel excise tax alone would cost the federal government a significant amount. [In the 2021-22 fiscal year](#), the federal government netted a combined \$5.6 billion in excise levies between diesel and gasoline. There is also the argument a potential fuel tax holiday would come with a significant environmental cost, as the carbon tax is meant to encourage Canadians to lower their own personal emissions. The Canadian Climate Institute estimates the consumer carbon tax will cut between [19 and 22 million tonnes](#) by 2030.

However, cost of living remains a paramount concern in the eyes of Canadians. By a three-to-one ratio, [inflation \(chosen by 60%\) outpaces climate change \(chosen by 21%\)](#) among Canadians’ top issues. Meanwhile, [most Canadians oppose](#) the federal government’s current plan to continue raising the carbon tax. Ahead of the scheduled April increase to the carbon tax, half (51%) of Canadians wanted to see it lowered or abolished, while a further one-quarter (27%) preferred the federal government had forgone this year’s increase. Just one-in-five (22%) supported the planned increase.

Related: [Canadians feeling the financial heat this summer as housing pain intensifies; few see prices for essentials falling](#)

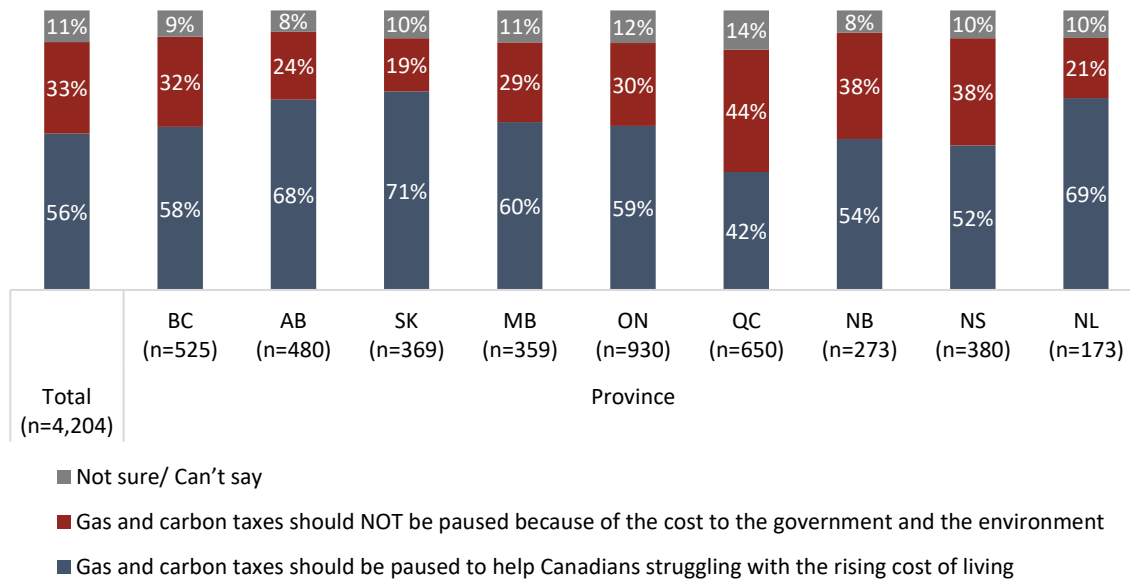
Support for fuel tax holiday highest in Saskatchewan, lowest in Quebec

With all that in the background, a majority (56%) support the Conservatives’ call for a fuel tax holiday this summer. One-third (33%) believe the cost to the environment and the government outweigh the benefit of waiving fuel taxes. Those in Quebec (44%) are most likely to be in the latter group, while support for the fuel tax holiday is highest in Saskatchewan (71%), Newfoundland and Labrador (69%) and Alberta (68%).

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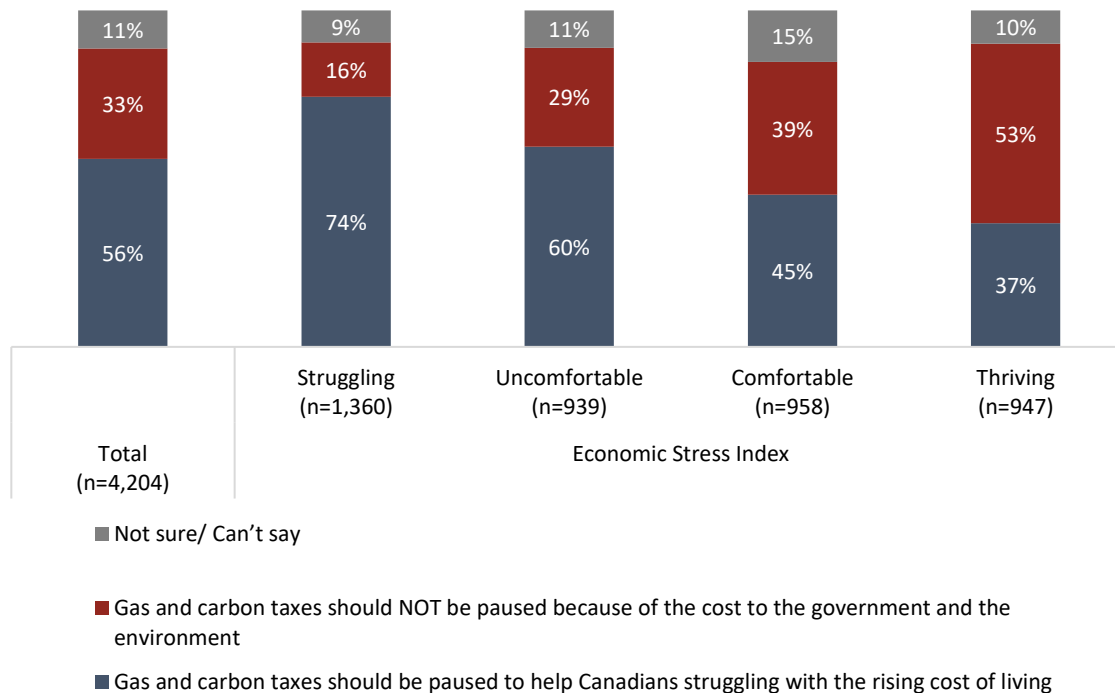
Three-quarters of the economically Struggling believe fuel taxes should be paused

The Conservatives argument is the fuel tax holiday is needed to provide some relief to Canadians struggling with the rising cost of living. The Angus Reid Institute's Economic Stress Index amalgamates several economic factors to sort Canadians into four groups: the Thriving, the Comfortable, the Uncomfortable and Struggling ([to see how the index is scored, click here](#)). A majority of the Thriving (53%) believe the environmental and government revenue cost of the fuel tax holiday is too high. At the opposite end of the index, three-quarters (74%) believe the federal government should waive fuel taxes this summer to help Canadians deal with the rising cost of living.

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Opposition to the fuel tax holiday is higher among younger Canadians, but at least half of all demographics believe the federal government should stop collecting fuel taxes this summer ([see detailed tables](#)).

Majority of likely Liberal, NDP voters oppose

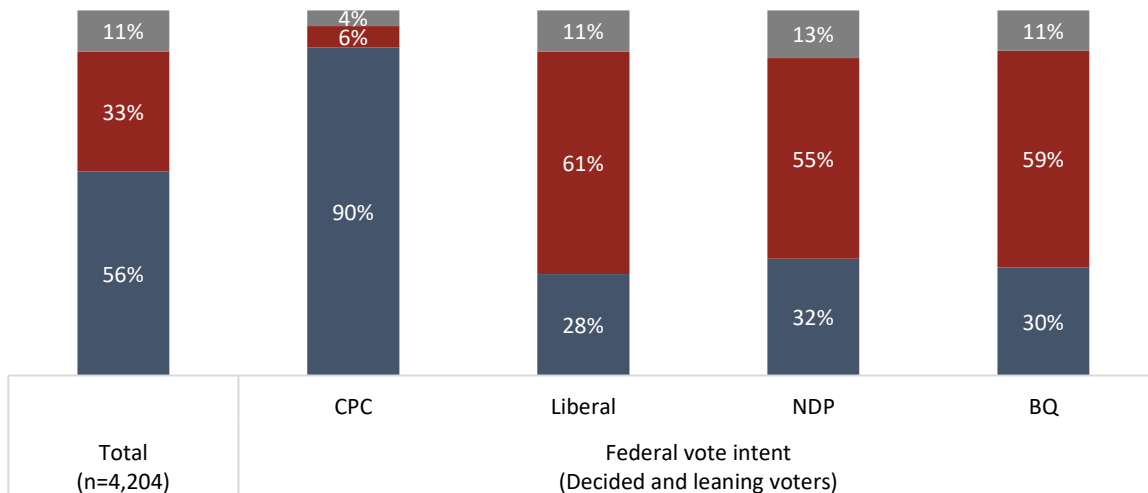
The trade off between measures to fight climate change and the rising cost of living came to the forefront when the federal government announced that home heating oil would be carbon tax exempt [in the fall](#). In the current economic environment, Canadians are more likely (56%) to believe [cost of living concerns should take priority over environmental ones](#) than vice versa (32%). However, likely NDP (53%), Bloc Québécois (50%) and Liberal (55%) supporters were more likely than others to say the inverse, that fighting climate change [should come first](#).

That sentiment from left-leaning political groups in Canada is further evident when it comes to the question of the fuel tax holiday. Majorities of likely Liberal (61%) and NDP (55%) voters say there should be no waiving of fuel taxes this summer by the federal government because of the potential environmental and government revenue cost. Notably, the size of the vote intent pie occupied by Liberal supporters has shrunk considerably in the past few years, [as concerns over the rising cost of living has many Canadians considering the Conservative party](#). An overwhelming majority (90%) of those who currently support the CPC believe the federal government should waive fuel taxes for Canadians this summer:

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Please select the statement which is closer to your view:



- Not sure/ Can't say
- Gas and carbon taxes should NOT be paused because of the cost to the government and the environment
- Gas and carbon taxes should be paused to help Canadians struggling with the rising cost of living

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