

Résumé

Automne 2010 – Groupes de discussion sur l'économie

Présenté au Secrétariat des communications et des consultations du Bureau du Conseil privé

kmoorcroft@pco-bcp.gc.ca

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Résumé

Du 15 au 18 novembre, Harris/Décima a mené dix groupes de discussion avec des Canadiens à Vancouver, Régina, Mississauga, Kitchener et Québec (deux groupes dans chacune de ces villes). Les groupes, composés de personnes du grand public, étaient segmentés en fonction du revenu du ménage : dans chaque ville, un groupe réunissait des participants dont le revenu du ménage était bas ou moyen et l'autre, des participants dont le revenu du ménage était élevé (les seuils étaient différents si le ménage comptait un seul adulte ou s'il en comptait plusieurs).

Les groupes ont permis d'explorer divers sujets relatifs à l'économie du Canada, dont l'humeur économique du pays, l'état actuel et futur de l'économie, les principaux défis, les effets perçus du Plan d'action économique, les mesures que le gouvernement fédéral pourrait prendre pour renforcer l'économie et stimuler la croissance.

Humeur économique

Dans les groupes de discussion partout au pays, les participants mentionnent que l'économie s'est stabilisée, bien qu'ils ne soient pas certains que la tendance soit à la hausse. Les participants s'entendent pour dire que la récession est terminée, bien que nombre d'entre eux croient que plusieurs secteurs du marché de l'emploi ne se sont pas encore remis de la récession, et ne s'en remettront peut-être jamais.

- À l'échelle du pays, les participants des ménages à revenu élevé nomment généralement une vaste gamme d'enjeux lorsqu'ils doivent indiquer le principal enjeu auquel le gouvernement du Canada doit faire face. Bien que les participants mentionnent l'économie plus que tout autre enjeu, le vieillissement de la population, les soins de santé, l'intégration des jeunes dans l'économie, l'Afghanistan et l'immigration reviennent souvent dans les groupes.
- Dans les groupes composés de gens à revenu faible ou moyen, une poignée d'enjeux retiennent particulièrement leur attention,

notamment les emplois à long terme et les défis qui attendent ceux qui font leur entrée ou un retour sur le marché du travail (les jeunes fraîchement sortis de l'école et ceux qui en sont à leurs dernières années de travail (les 55 ans et plus) et qui demeurent économiquement plus vulnérables après avoir perdu leur emploi pendant la récession). Cependant, les participants ne s'inquiètent pas outre mesure de la santé globale de l'économie. Lors du segment préliminaire de la discussion, les participants ont largement discuté d'enjeux comme le vieillissement de la population et ses impacts sur le coût des programmes et des services sociaux tels que les soins de santé.

Selon les participants, un des facteurs qui expliquent la stabilité de l'économie du Canada est une impression que l'économie est bien gérée, particulièrement si on la compare à la manière dont les autres pays gèrent leur économie. D'autres points qu'ils mentionnent fréquemment comme indicateurs clés d'une bonne gestion économique sont les règles bancaires strictes en vigueur au Canada ainsi que les taux d'intérêt et d'inflation relativement bas. D'autres initiatives, comme la recherche et la promotion d'accords commerciaux avec d'autres pays ont également contribué à donner l'impression que l'économie était gérée aussi bien que possible, compte tenu de l'environnement économique mondial.

Alors que la stabilité demeure l'impression dominante de l'état de l'économie, une impression sous-jacente d'anxiété s'impose néanmoins dans les discussions. Les participants attribuent principalement cette appréhension aux forces de l'économie mondiale ayant le potentiel d'influencer la situation fiscale du Canada, par exemple en exerçant une pression sur le marché du travail, particulièrement pour les jeunes et ceux qui ont perdu leur emploi pendant la récession.

En ce qui concerne l'avenir du pays à moyen et long terme, les participants font généralement preuve d'un certain optimisme – bien que prudent — qu'ils attribuent à divers facteurs :

- Leur confiance dans la persévérance et la résilience des Canadiens, et que la récession a fait ressortir;
- La confiance dans la capacité des Canadiens à prouver qu'ils sont innovateurs;
- L'ampleur des ressources naturelles, lesquelles sont perçues comme un atout important pour l'avenir.

Le Plan d'action économique du Canada

Lorsque la question leur est posée, les participants reconnaissent largement le Plan d'action économique du gouvernement du Canada. De nombreux participants parlent des panneaux érigés près des projets d'infrastructures et de la publicité qu'ils ont vue à propos du plan. Certains éléments du programme sont plus étroitement reliés au PAE que d'autres, notamment :

- Les infrastructures. Lorsqu'on leur demande de nommer des éléments précis du PAE, les participants mentionnent souvent les projets de construction de routes et d'autoroutes.
- Le crédit d'impôt pour la rénovation domiciliaire.
- Les changements temporaires en matière d'assurance-emploi. Environ la moitié des participants mentionnent les changements temporairement mis en place durant la récession (la prolongation des prestations de certains travailleurs), mais la proportion est beaucoup plus élevée dans les groupes à faible revenu. Cette initiative est hautement appréciée tant par ceux qui se souviennent de cette mesure que par ceux qui connaissent quelqu'un qui en a bénéficié. Certains participants mentionnent que ces changements ont été retirés depuis, mais la majorité d'entre eux trouvent qu'il était approprié d'avoir mis fin à cette prolongation temporaire.

Certains participants pensent également que d'autres initiatives telles que le CELI, le partage des revenus de retraite et les crédits d'impôt, comme le crédit d'impôt pour la condition physique des enfants, font partie du PAE.

Les impressions générales du PAE ont été homogènes dans tous les groupes et, dans l'ensemble, elles sont plus favorables que défavorables. En somme, le sentiment dominant est que le PAE est une mesure réactionnelle, adaptée, mais temporaire, pour aider l'économie à aller de l'avant pendant une période difficile. La grande majorité des participants perçoivent le PAE comme étant nécessaire et estiment qu'il est plutôt utile et parvient à ses fins. Certains participants épiloguent à propos de divers aspects de l'initiative, notamment l'accent qui a été mis sur certaines facettes de l'économie (construction) au détriment d'autres facettes, l'impression que l'argent a été attribué à certains projets qui n'étaient peut-être pas les plus importants (mais plus à portée de main), et le nombre (et le coût) de panneaux du PAE. Malgré tout, l'opinion prédominante est que l'initiative et sa rapidité d'exécution indiquent que l'économie est bien gérée.

Le déficit

Au sujet du déficit, la majorité des participants reconnaissent que le Canada accuse un déficit budgétaire annuel. Malgré tout, c'est un point qu'ils soulèvent très rarement d'emblée en début de discussion comme l'une des grandes préoccupations sur lesquelles le gouvernement devait cibler son attention.

La majorité des participants décrivent le déficit comme « gérable » et non comme préoccupation majeure. Les discussions soulèvent nombre de facteurs qui atténuent d'éventuelles préoccupations à ce sujet, dont :

- L'opinion que d'autres pays sont en bien plus mauvaise posture que le Canada, donc que le Canada ne devrait pas être ciblé par le FMI ou d'autres grands joueurs financiers internationaux;
- Les participants sont d'avis que le gouvernement du Canada gère bien les finances du pays, ce qui atténue l'anxiété;
- Ils croient que le gouvernement a mis en place un plan pour réduire le déficit et qu'il respecte ce plan.

Le Centre de recherche Harris/Décima certifie que les produits livrables finals sont conformes à l'exigence de neutralité politique décrite à la disposition 6.2.4 de la Procédure de planification et d'attribution de marchés de services de recherche sur l'opinion publique au sein du gouvernement du Canada nouvellement amendée.

A handwritten signature in black ink, appearing to read "Doug Anderson", with a long horizontal flourish extending to the right.

Doug Anderson, Vice-président principal, Centre de recherche Harris/Décima

Executive Summary

Fall 2010 Economy Focus Groups

Presented to Communications and Consultations
Secretariat of the Privy Council Office

kmoorcroft@pco-bcp.gc.ca

December 28, 2010

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Between November 15 and 18, Harris/Decima conducted ten focus groups with Canadians in Vancouver, Regina, Mississauga, Kitchener, and Quebec City (two groups per city). The general population groups were segmented based on household income: one group in each city comprised participants with lower to middle household incomes (based on household size) and the other group was held with participants in higher income groups (based on household size).

The groups explored a variety of topics related to Canada's economy, including the overall mood of the country, the current and future state of the economy, key challenges, the perceived impacts of the Economic Action Plan, current and potential actions the federal government could pursue to strengthen the economy and stimulate growth.

Economic Mood

Across the country, focus group participants signalled that the economy had stabilized, although was not necessarily moving in an upward trajectory. There was a general consensus that the recession was over, although many believed there remained significant parts of the employment market that had not recovered and may never recover from the recession.

- Nationwide, those in higher income groups tended to identify a wide range of issues as the top issue for the Government of Canada. While the economy was more often cited than any other issue, issues like the aging population, health care, integration of young people into the economy, Afghanistan and immigration were frequently raised.
- Among lower/mid income participants, there was significant attention to a handful of specific economic issues, with particular focus on long term unemployment, and the challenges faced by those entering and re-entering the job market (young people just out of school, and those in their later working years (55+) left economically vulnerable after losing work during the recession). However, concern about the

broader economy's health was not pervasive - issues like the aging population and its implications for the affordability of social programs and services like health care were also a dominant theme of discussion in the broad introductory segment of the discussion.

One of the reasons attributed to Canada's economic stability that the groups revealed was a sense that the economy was being well managed, particularly as compared to how well economies were being managed in other countries. Canada's strong banking regulations and relatively low interest and inflation rates were typically cited as key indicators of good economic management. Other initiatives, such as the pursuit of trade agreements and the promotion of trade with other jurisdictions, also helped to provide a sense that the economy was being managed as well as could be expected, given the global economic environment.

While stability remained the dominant impression about the state of the economy, an undercurrent of anxiety nonetheless prevailed in discussion. Participants attributed this apprehension primarily to forces in the global economy that had the potential to impinge upon Canada's fiscal situation, such as creating pressures in the employment market, for young people as well as those displaced by the downturn.

Nonetheless, there was a fairly broadly-held –albeit guarded - optimism about the country's medium and longer term future, which participants ascribed to a number of factors:

- A belief in the perseverance and resilience of Canadians, that the recessionary period had furthered;
- A belief in the idea that Canadians had shown the ability to prove themselves as innovators;
- The breadth of natural resources, which were seen as an important future asset.

Canada's Economic Action Plan

When prompted, the government of Canada Economic Action Plan (EAP) was widely recognized in the focus groups. Many cited the signs erected in proximity to infrastructure projects, and the advertisements that they had seen about the plan. A handful of the plan's components were more widely connected to the EAP than others, specifically:

- Infrastructure. Road and highway construction projects in particular, often came to mind first among focus group participants when asked about specific elements of the EAP.
- The Home Renovation Tax Credit.
- Temporary EI changes. The changes that were temporarily implemented during the recession (extensions of benefits for certain workers) were recalled by about half of participants, disproportionately higher among the lower income groups. This initiative was similarly highly valued among those who recalled it or had someone they personally knew who needed it. Some noted that the changes had since been rescinded, but most felt it was appropriate to have scaled that temporary extension back.

Some other initiatives, such as the TFSA, pension splitting, and tax credits like the children's fitness tax credit, were also believed by some to be part of the EAP.

Overall impressions of the EAP were consistent across the groups, and overall, more favourable than unfavourable.

In short, the prevailing sentiment was that the EAP was a reactive, responsive, but temporary effort to keep the economy moving forward during a difficult period. For the vast majority it was seen as necessary, and served its purpose quite usefully. Some quibbled about aspects of the effort, particularly the emphasis on certain parts of the economy (construction) over others, the sense that certain projects that might not be the most important (but most ready) got the dollars, and the prevalence (and cost) of EAP signs.

But the predominant opinion was that the effort, and the speed with which it was delivered, was a reflection of good economic management.

The Deficit

On the deficit, there was widespread recognition that Canada was running an annual budget deficit, although very rarely was it raised unprompted at the outset of the discussion as one of the big concerns on which the government must focus its attention.

Most described the deficit as manageable, not something that caused significant concern. Discussions suggest a number of factors that tended to mitigate potential concern about this issue:

- They believed other countries were in a far worse position than Canada, therefore Canada was not likely to be targeted by the IMF or other large international financial players;
- They believed that the country's finances were being managed well by the Government of Canada, and this dampened anxiety;
- They had a sense that there was a plan in place to bring down the deficit, and the government was sticking to that plan.

Harris/Decima Inc. certifies that the final deliverables comply with the political neutrality requirement in section 6.2.4 of the revised Procedures for Planning and Contracting Public Opinion Research in the Government of Canada.



Doug Anderson, Senior Vice President
Harris/Decima Inc.

Final Report

Fall 2010 Economy Focus Groups

Presented to Communications and Consultations
Secretariat of the Privy Council Office

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Introduction

Harris-Decima is pleased to present this report outlining the findings from qualitative research among Canadians related to the current state of the Canadian economy, their sense of economic well-being, and impressions of government initiatives to allay the negative impacts of the global economic downturn.

Canadian sentiment about the economy has fluctuated widely over the past 2 years. Overall consumer confidence moved rapidly downward in late 2008, then climbed upward until early 2010, at which point confidence began to erode slightly, before tapering off at the end of the summer.

It is clear that now more than ever, there is less and less of a universal Canadian sentiment about the state of the economy. Those in lower socioeconomic categories, as well as those economically dislocated by the recession continue to exhibit deep concern about the state of the economy. But consumer spending has slowly risen overall, and housing markets have stabilized, even grown in many parts of the country. In short, there has been no single overarching collective mood in regard to the economy.

Owing to this continually evolving economic climate, the Privy Council Office commissioned this research. Its core purpose is to help ensure that the Government of Canada understands attitudinal dimensions of the economic mood that macroeconomic data cannot easily capture and reflect.

To lend insight to these issues, Harris/Decima conducted ten focus groups with members of the general population, divided into groups of lower and middle income, and higher income households. The groups were held in each of the following cities (two focus groups per location): Vancouver, Regina, Mississauga, Kitchener and Quebec City. The following table outlines the distribution of the groups in terms of date, location, language and target audience:

City	Date	Language	Lower/ Middle income	Higher income
Vancouver	November 15, 2010	English	1	1
Regina	November 16, 2010	English	1	1
Mississauga	November 18, 2010	English	1	1
Kitchener	November 17, 2010	English	1	1
Quebec City	November 17, 2010	French	1	1
Total	--	--	5	5

The groups were conducted between November 15 and 18, 2010. The focus groups were two hours in length, with between eight and ten participants each. Sessions began at 5:30pm and 7:30pm each evening, and participants were given an honorarium of \$75 in appreciation for their time.

This report begins with an executive summary highlighting key findings from the focus groups followed by detailed results of the qualitative findings. Appended to this report are the recruitment screener and discussion guide (in English and French).

NOTE: For the purposes of this report, it is important to note that focus group research is a form of scientific, social, policy and public opinion research. As structured, restricted, group interviews that proceed according to a careful research design and attention to the principles of group dynamics, focus groups should be distinguished from “discussion groups”, “problem-solving groups”, “buzz groups”, or “brainstorming groups”. They are not designed to help a group reach a consensus or to make decisions, but rather to elicit the full range of ideas, attitudes, experiences and opinions of a selected sample of participants on a defined topic. Because of the small numbers involved, however, the participants cannot be expected to be thoroughly representative in a statistical sense of the larger population from which they are drawn and findings cannot reliably be generalized beyond their number.

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- Les changements temporaires en matière d'assurance-emploi. Environ la moitié des participants mentionnent les changements temporairement mis en place durant la récession (la prolongation des prestations de certains travailleurs), mais la proportion est beaucoup plus élevée dans les groupes à faible revenu. Cette initiative est hautement appréciée tant par ceux qui se souviennent de cette mesure que par ceux qui connaissent quelqu'un qui en a bénéficié. Certains participants mentionnent que ces changements ont été retirés depuis, mais la majorité d'entre eux trouvent qu'il était approprié d'avoir mis fin à cette prolongation temporaire.

Certains participants pensent également que d'autres initiatives telles que le CELL, le partage des revenus de retraite et les crédits d'impôt, comme le crédit d'impôt pour la condition physique des enfants, font partie du PAE.

Les impressions générales du PAE ont été homogènes dans tous les groupes et, dans l'ensemble, elles sont plus favorables que défavorables. En somme, le sentiment dominant est que le PAE est une mesure réactionnelle, adaptée, mais temporaire, pour aider l'économie à aller de l'avant pendant une période difficile. La grande majorité des participants perçoivent le PAE comme étant nécessaire et estiment qu'il est plutôt utile et parvient à ses fins. Certains participants épiloguent à propos de divers aspects de l'initiative, notamment l'accent qui a été mis sur certaines facettes de l'économie (construction) au détriment d'autres facettes, l'impression que l'argent a été attribué à certains projets qui n'étaient peut-être pas les plus importants (mais plus à portée de main), et le nombre (et le coût) de panneaux du PAE. Malgré tout, l'opinion prédominante est que l'initiative et sa rapidité d'exécution indiquent que l'économie est bien gérée.

Le déficit

Au sujet du déficit, la majorité des participants reconnaissent que le Canada accuse un déficit budgétaire annuel. Malgré tout, c'est un point qu'ils soulèvent très rarement d'emblée en début de discussion comme l'une des grandes préoccupations sur lesquelles le gouvernement devait cibler son attention.

La majorité des participants décrivent le déficit comme « gérable » et non comme préoccupation majeure. Les discussions soulèvent nombre de facteurs qui atténuent d'éventuelles préoccupations à ce sujet, dont :

- L'opinion que d'autres pays sont en bien plus mauvaise posture que le Canada, donc que le Canada ne devrait pas être ciblé par le FMI ou d'autres grands joueurs financiers internationaux;
- Les participants sont d'avis que le gouvernement du Canada gère bien les finances du pays, ce qui atténue l'anxiété;

- Ils croient que le gouvernement a mis en place un plan pour réduire le déficit et qu'il respecte ce plan.

Detailed Findings

This report details the findings from qualitative research conducted in November 2010 with Canadians. The groups explored a variety of topics related to Canada's economy, including the overall mood of the country, the current and future state of the economy, key challenges, the perceived impacts of the Economic Action Plan, current and potential actions the federal government could pursue to strengthen the economy and stimulate growth.

The findings from this research are presented below, organized by theme.

Mood of the Country

Across the country, focus group participants signalled that the economy had stabilized, although was not necessarily moving in an upward trajectory. There was a general consensus that the recession was over, although many believed there remained significant parts of the employment market that had not recovered and may never recover from the recession.

A sense of external risk was among the prime reference points that informed their sense of how the country was faring (broadly speaking). How they felt about the governance of the country or their respective province/region, and how they felt the economy overall was doing served as other key indicators.

When asked about the top issue for the Government of Canada, those in higher income groups tended to identify a wide range of areas. While the economy was more often cited than any other issue, issues like the aging population, health care, integration of young people into the economy, Afghanistan and immigration were frequently raised.

This was similarly true in the lower income groups. There was slightly more attention to the economy in these groups, specifically the issue of long-term unemployment, and the challenges faced by those entering and re-entering the job market. However, issues like the aging population and its implications for the affordability of social programs and services like health care were also

a dominant theme of discussion in the broad introductory segment of the discussion.

Current State of the Economy

Most participants in the groups believed that the economy had stabilized and was past the recession, although there was little sense of positive momentum, and there was also a belief that many Canadians continued to feel the effects of the global economic downturn. Many expressed a belief that the road to recovery would take longer than previously thought. The words that were most often used to describe the state of the economy were:

- Stabilized
- Flat
- Resilient
- Opportunity

While the word stability reflected the dominant impression about the state of the economy, an undercurrent of anxiety nonetheless prevailed. Participants attributed this apprehension primarily to forces in the global economy that had the potential to impinge upon Canada's fiscal situation. Familiarity with financial problems facing the U.S., Ireland, the UK and other nations was very high, across all groups. The concept of "contagion", where the inability of one country to make good on its debt obligations could have a domino effect on the rest of the world (including Canada) was found to be widely understood, and this, combined with continuing economic uncertainty in the U.S. drove anxiety.

One of the reasons attributed to Canada's stability was a sense that the economy was being well managed, particularly as compared to how well economies were being managed in other countries. Canada's strong banking regulations and relatively low interest and inflation rates were typically cited as key indicators of good economic management. Other initiatives, such as the pursuit of trade agreements and the promotion of trade with other

jurisdictions, also helped to offer a sense that the economy was being well managed.

In addition to concerns about the potential for other economies' financial difficulties to affect Canada, other factors of concern included:

- The state of the US economy. There was more pessimism than optimism about the US economy in the near to medium term.
- A widespread sense that the availability of work for those without hard skills/trades or education was very scarce, and showed no sign of change.

Canadians used a range of economic reference points to gauge the relative health of the economy and those in lower income households were more likely to use micro-level considerations exclusively in forming their opinion about the state of the economy. Factors that were most widely used as reference points were:

- The stability and security of employment among themselves, colleagues, and friends;
- The local/regional real estate market ;
- The state of the companies/businesses where they worked, whether they seemed to be growing/hiring;
- The level of consumer spending.

The Future State of the Economy

Most said they were optimistic about the Canadian economy in the medium term (3-5 year timeframe), but believed things would largely remain the same over the next year. Among those in the higher income category, there was nearly universal optimism for themselves, over both near and medium term. That optimism was typically fuelled by the following factors:

- A belief in the perseverance and resilience of Canadians, that the recessionary period had furthered;
- A belief in the idea that Canadians had shown the ability to prove themselves as innovators;
- The breadth of natural resources, which were seen as an important future asset.

Nonetheless, optimism was often guarded, with participants pointing to a number of challenges that could impede Canada's economic growth, such as:

- The precarious state of the US economy, which coupled with US protectionism, could have detrimental impact for Canada, given Canada's dependence on the US economy.
- The limitations of Canada's post-secondary educational system, notably trade and technical schools. Participants stressed the importance of providing people in job transition, and young people with lower educational abilities, with the skills they needed to be effective participants in the economy. However, there was a widely-held view that, aside from a handful of educational institutions, the education system still was not doing enough to prepare young people for the workplace. Additionally, existing retraining programs under the EI system were not considered to be achieving their potential, with some participants citing personal negative experiences with programs as examples.

- The sustainability of the health care system. Many participants, particularly in lower income groups, drew connections between public health and economic health, and expressed fear that a healthcare system in decline would have a significant impact on the economy.
- The Deficit. Although anxiety over the annual budget deficit was generally low, a few characterized it as a growing and serious challenge that had the potential to impede progress in the future. A few also expressed concerns about the cost of the war in Afghanistan and its impact on the government's books.

The Government of Canada's Economic Action Plan

Recall of components of the federal government's Economic Action Plan (EAP) was fairly high, with some elements more widely connected with the plan than others. When prompted, the name of the plan itself was widely recognized, with a number of respondents referring to EAP signage they had seen. The most-commonly mentioned aspects of the EAP included:

- Infrastructure. Road and highway construction projects in particular, often came to mind first among focus group participants when asked about specific elements of the EAP.
- The Home Renovation Tax Credit was also often cited as being connected with the EAP.
- EI changes. The EI changes that were temporarily implemented during the recession (extensions of benefits for certain workers) were recalled by about half of participants, disproportionately among the lower income groups. This initiative was similarly highly valued among those who recalled it or had someone they personally knew who needed it. Some noted that the changes had since been rescinded, but most felt it was appropriate to have scaled that temporary extension back.

- Bailout to auto companies. Where at the outset of the recession the bailout was understood to be the centerpiece of government's efforts to deal with the downturn, now it was seen as one component of the effort. And while early on it was a flashpoint for anger in focus groups, there was a consensus in virtually all the groups this wave (save Vancouver) that the bailouts had been an appropriate step, and many knew that companies had begun paying the money back. Some even signalled that they had been strongly opposed to the bailouts and had become grudging converts to the idea that it may have been the right step by government to take.

Other initiatives mentioned by participants as examples of federal government action (and in some cases, viewed as part of the EAP) included:

- TFSA. There was high familiarity with TFSAs, and a few participants identified it as being a component of the EAP. There was nearly universal approval of the TFSA as a policy, as it connoted a recognition of the need for ways to help enable the newly or nearly retiring baby boomers to be economically sustainable into the future.
- Pension splitting. Sometimes associated with the EAP, changes that allowed for pension splitting were cited in several groups as part of government's efforts to mitigate the impacts of the recession. Like the TFSA, its importance was considered high, as it was seen as one of the remedial actions necessary to manage the financial circumstances facing the aging population.
- Tax credits, such as the Children's Fitness Tax Credit, were familiar to some but most were not certain whether these were part of the EAP or not.

Focus group participants were asked about their impressions of the overall effectiveness of the Economic Action Plan to date, as well as their opinions about the value of maintaining the EAP (or a version of the EAP) moving forward.

Overall impressions of the EAP were consistent across the country. The prevailing sentiment was that the EAP was a reactive, responsive temporary effort to keep the economy moving forward during a difficult period. For the vast majority it was seen as necessary, and served its purpose quite usefully. Some quibbled about aspects of the effort, particularly the emphasis on certain parts of the economy (construction) over others, the sense that certain projects that might not be the most important (but most ready) got the dollars, and the large number of EAP signs. But the predominant opinion was that the effort, and the speed with which it was implemented, was a reflection of good economic management.

In hindsight, most participants wished the EAP was a little more future-oriented, sustainable, diverse in its benefits, and oriented to the future of the economy (technology, high skilled labour, facilitating young people entering the workforce).

When asked directly whether the EAP ought to continue, the vast majority of participants felt that it should, although the orientation of the initiatives/expenditures should shift, away from some of the short-term stimulus initiatives toward some longer-term efforts that they believed would put Canada on solid footing for its economic future.

The Deficit

Virtually all participants in the groups were aware that the federal government was currently running a budget deficit. Most felt the budget deficit was primarily due to external factors (global economic crisis) rather than being about mishandling of federal spending, or unnecessarily levels of spending.

While few liked the idea of a deficit, most characterized the current budget deficit as something that was manageable and appropriate given the circumstances facing the economy, rather than something that was of very deep concern.

Discussions suggest a number of factors that tended to mitigate potential concern about this issue:

- They believed other countries were in a far worse position than Canada, therefore Canada was not likely to be targeted by the IMF or other large international financial players;
- They believed that country's finances were being well managed by the Government of Canada, and this dampened anxiety;
- They had a sense that there was a plan in place to bring down the deficit, and the government was sticking to that plan.

Most participants wished that Canada was not running an annual budget deficit, and instinctively wanted some deficit-reduction measures implemented. That said, participants generally advocated reducing the deficit gradually over time, since they feared the repercussions of what a more aggressive approach to eliminating the deficit would entail. There was a pervasive sense that the latter strategy would be extremely painful, and would lead to cuts in areas such as health care, education, and other social programs.

In some of the groups, the issue of consumer debt was raised, and prompted greater concern than federal debt/deficit.

Ultimately, when asked about how government ought to tackle the deficit, most believed that it was preferable to be moderate rather than aggressive in bringing it down. Participants wanted to see a more stable economy before efforts to reduce the deficit were fervently pursued.

Appendix A: Recruitment Screeners

Appendix B: Discussion Guides

MODERATOR'S GUIDE

November, 2010

INTRODUCTION (5 Minutes)

Explain to participants:

- The role of moderator is to ask questions, timekeeper, objective/no special interest
- The length of the session (2 hours)
- Taping of the discussion, one-way mirror and colleagues viewing in back room
- Results are confidential and reported all together/individuals are not identified/participation is voluntary
- Role of participants: not expected to be experts, no need to agree with each other, speak openly and frankly about opinions and remember that there are no wrong answers
- Get participants to introduce themselves and their occupation/hobbies etc...

WARM UP: General Context (25 Minutes)

- Thinking of the issues facing Canada today, which one would you say the Government of Canada should focus on most? FLIP CHART – PROBE
- What makes you say that?

ECONOMIC SITUATION (40 Minutes)

[ASSUMING THEY HAVE MENTIONED THE ECONOMY] Many of you mentioned the economy as an area the Government of Canada should focus on.

- Overall, how is Canada's economy doing? What makes you say that?
- What do you feel is going well? What do you feel is not going well?
- Have you seen or heard of any specific actions or steps taken to help Canada's economy? [RECORD ON FLIP CHART]
- SHOW OF HANDS BUT NO DISCUSSION YET: Who has heard of the Economic Action Plan?
- BRIEFLY DESCRIBE THE EAP: The Economic Action Plan was the Government of Canada's response to the economic crisis that began in 2008. It consisted of a variety of measures such as investment in infrastructure projects, tax incentives such as the Home Renovation Tax Credit, changes to employment insurance and loans to the auto manufacturing sector.
 - SHOW OF HANDS: Now that I've described it to you, how many recall having heard about the EAP?
- WORD ASSOCIATION: Before we have a discussion about it, using the list of adjectives I'm going to provide to you, I'd like you to circle the two or three words that you feel best describe the Economic Action Plan.
 - Once you've picked the words you feel best describe it, I'd now like you to underline the word or words you would wish described it.
 - Go around the table asking people to identify their choices and after you've heard them all, begin a discussion on why they feel those words apply. (Or, are the words they WISH applied)
- What are your views on the EAP?
 - Is it something that should continue? Permanently? For a long time? For a short time?
- How do you think things will be one year from now? What about 5 years from now? What are the biggest threats to or concerns you have about Canada's economy? PROBE IF NECESSARY:
- Have you heard anything about whether the Government of Canada is in a deficit or surplus situation when it comes to its budget?
- In fact, the Government is in a deficit situation. How do you feel about that fact? How comfortable are you with it? (PROBE: Is it a good/bad thing? Is, or was, it necessary/unnecessary?)
- Where do you think Canada's economy is headed? Are you optimistic about the future? What makes you say that?
- How does Canada's situation compare with those of other countries?

- Probe on economy, deficit
- If different, how so?
- What internal factors will most affect our economic future?
- What external factors will most affect our economic future?

GOVERNMENT ACTION ON THE ECONOMY [40 Minutes]

- What do you think the Government should be doing about the economy? [RECORD ANSWERS ON FLIP CHART]
- What additional steps do you think the Government should take to ensure that the Canadian economy remains internationally competitive and continues to attract investment and create jobs?

CONCLUSION [5 Minutes]

We have covered a lot of topics today and really appreciate you taking the time and energy to come down here and give your opinion. Your input is very important and insightful!

- To conclude, I wanted to ask you whether you have any last thoughts that you want to give the Government of Canada.