CENTRE FOR NATURAL RESOURCES POLICY

RESEARCH REPORT

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Restoring Trust

The Road to Public Support for Resource Industries




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Canada West FOUNDATION

CANADA WEST FOUNDATION

The Canada West Foundation focuses on the policies that shape the West's quality of life. Through our evidence-based research and commentary, we provide objective, practical solutions. For more than 40 years, we have been a passionate advocate for western Canada.

This report was prepared by Shafak Sajid, Policy Analyst, for the Canada West Foundation. Any errors or omissions remain the responsibility of the author. The author would like to thank Ipsos Reid for their feedback and support. The author also wishes to acknowledge the contributions of Michael Cleland, Len Coad, Doug Firby and Dylan Jones.

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EXECUTIVE SUMMARY

From treaty rights to community impact, western Canada's four major resource industries have been in the news a great deal in recent months. And a lot of the attention recently has been focused on the oil and gas industry.

The contentious Northern Gateway pipeline, for example, has become a lightning rod for public concern over health and safety, environment and Alberta's oil sands, which would supply the product the pipeline, would carry. Although lower profile, the mining, forestry and farming industries also have their critics, at times vigorous in their opposition. As resource industries are most successful when they enjoy public support, industries must not only understand the factors that drive trust but also identify areas where there are gaps so they can work to build public support.

To better understand how western Canadians feel about issues related to all the sectors of the four major resource industries – farming, forestry, mining and energy – the Canada West Foundation engaged Ipsos Reid to undertake a survey entitled *Public Support for Resource Industries*. The survey has good representation from each of the four western provinces; Ontario was included as a comparison group. Total sample size was 3,038 respondents. Among the key findings:

- Citizens of all four western provinces see the value of the resource industry, as it relates to their quality of life.
- Farming tops the list on virtually all measures of performance and trust. Mining and energy have the most room for improvement overall.
- Although most westerners recognize that the energy sector does the best job at generating and distributing economic benefits, they also demand better performance on the issues that matter most to the community: keeping commitments made to communities, protecting local health and safety and safeguarding the local environment.
- As shown by confidence in the regulatory effectiveness of the mining industry, building public confidence in the regulatory regime is vital to growing trust in a specific industry.
- Health and safety ranks as the top issue for trust, with environment a close second. Improving performance and finding credible ways of recognizing that performance should be a top priority.

Public support for and trust in farming is exceptional. Many respondents perceive farms as local, family run operations that are approachable, reliable, and environmentally sustainable while also contributing to western Canada's economic success. Public perception of forestry was mixed, with certain areas identified for significant improvement. Mining has low levels of familiarity; it is possible that people just do not know enough about the mining industry to trust it. On the other hand, people think they know the energy industry, yet net trust levels are lower than the three other resource industries measured.

Resource industries are recognized as doing well at contributing to the economy and creating jobs. In fact, these were also the top reasons why respondents trust the energy, mining and forestry industries. However, the energy, forestry and mining industries are also perceived to be motivated solely by profit. This suggests that communicating good performance on economic contributions and job creation has a lower impact on improving trust levels, compared to environment, impact on local communities and public health and safety.

In general, western Canadians attached a lot of importance to the ecological and social issues related to resource development. The survey results affirm the public has certain values and interests that they want better performance on. While western Canadians were convinced of the economic benefits of resource development, they want to see better efforts made to protect public health and safety and to keep promises to communities. They want to feel better about the industries' environmental performance. The future of public support is anchored in resource industries developing sustainable approaches to address these factors that are in line with the priorities of western Canadians.

INTRODUCTION

Public opinion research makes a significant contribution in meeting societal challenges by highlighting where people stand on certain key issues. To better understand how western Canadians feel about specific issues related to the four major sectors of the resource industry (mining, energy, forestry and farming), the Canada West Foundation engaged Ipsos Reid to undertake a survey. The results help define what public support looks like and the degree to which attitudes and beliefs align with industry practices and contributions.

Public confidence in, and support for, resource development have emerged as critical success factors for the resource industry to thrive. The survey sought to test where public support is strong, as well as identify issues that need more work to restore confidence and pride in the Canadian resource industry. Although natural resources play a vital role in the economic and social health of the western Canadian economy, associated environmental and social costs are top of mind with many. Understanding public perceptions around this, knowledge of environmental practices and social preferences for resource development outcomes help clarify the public mood.

Survey methodology

The study results are statistically representative of Canadian adults in Alberta, British Columbia, Manitoba and Saskatchewan. It has extremely good representation across the four provinces, and Ontario was included as a comparison group. All 3,038 respondents completed an online survey of approximately 20 minutes in length, yielding a reliability factor of plus or minus 2.2 per cent. Respondents represented a range of ages, educational backgrounds, occupations and income levels. Results have been weighted to ensure they reflect the proportionate representation of provinces included in the scope of the study.

TABLE 1: PROVINCIAL BREAKDOWN OF SURVEY RESPONDENTS

	AB	SK	MB	BC	ON	TOTAL
Number of Respondents	629	600	601	600	608	**3,038**

The survey asked questions about trust and familiarity with resource industries. It also identified a list of indicators and asked respondents to give each resource industry a performance score, ranging from 1 to 10. These metrics included, but were not limited to, environmental performance, public health and safety, economic contribution, keeping promises to communities, job creation and Aboriginal consultation. The survey data was analyzed using the Ipsos corporate reputation model to determine which indicators have a significant impact on improving trust levels.[3]

Ipsos Reid has taken measures to ensure the accuracy of its online polls. Many online polls only survey a pool of participants who have volunteered to offer their opinions. As a result, pollsters say the findings are not random and are therefore not necessarily representative of the whole population. Ipsos Reid overcomes this by supplementing their online panel by seeding pop-ups across different websites which results in a random sample of internet users.

Main themes

Achieving public support is a dynamic process that takes time to achieve and much effort to maintain. A discussion paper this year, authored by Michael Cleland, Nexen Executive-in-Residence for the Canada West Foundation, outlines the main set of issues affecting public support. The report, entitled *From the Ground Up*, is organized around the three pillars of sustainable development: **economy**, **community** and **environment**. These pillars encompass the full range of substantive issues, are familiar and have withstood the test of time since their introduction in the late 1980s. A fourth pillar – **engagement** – was added.[4] The survey tested trust and performance ratings on indicators related to the four themes highlighted above.

Trust

Resource development turns on public trust. The respondents were asked to what degree they trust a number of industries in western Canada. As shown in Figure 1, the most trusted resource industry is farming, with 67 per cent of respondents showing high trust. Although residents of a particular province tended to show stronger support for industries that are dominant in their province, Saskatchewan had slightly higher levels of trust than other provinces

1 By energy we mean oil, gas and electricity generation.

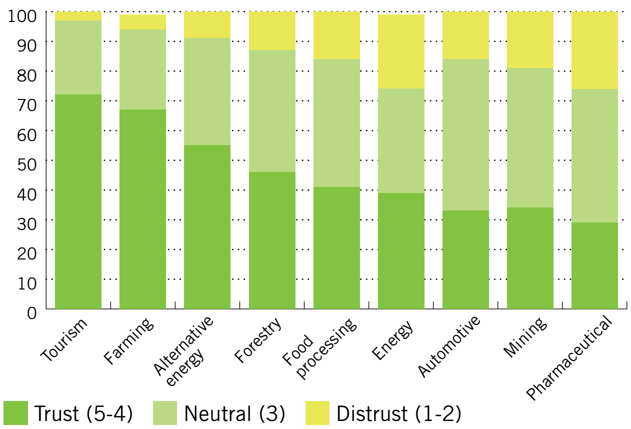
2 Survey results are available at www.cwf.ca

3 Ipsos corporate reputation model. Available at http://www.ipsos.com/public-affairs/sites/www.ipsos.com.public-affairs/files/Corporate%20Reputation%20and%20the%20Bottom%20Line%20INTL%20POV.pdf

4 Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 12

for all four industries. Since demographics of Saskatchewan respondents aren't significantly different from the other provinces, the higher levels of public support for resource industries could indicate generally more positive attitudes in Saskatchewan.

FIGURE 1: DEGREE OF TRUST FOR INDUSTRIES IN WESTERN CANADA (%)



Farming

Respondents love farming; they were significantly more positive about the farming industry than the other resource industries. This was especially strong among respondents in Alberta and Saskatchewan. When asked which resource industry they are proud of and which one is approachable, farming was the clear winner. The farming industry has managed to maintain an image of small, local, family run operations that are approachable, reliable and environmental sustainable while also being important to western Canada's success.

Although farming enjoys higher levels of trust and confidence, when asked to think of "resource industries in western Canada," 64 per cent of respondents identified energy as number 1. Farming was only mentioned by 16 per cent of the respondents. This suggests that farming is not strongly associated with the term "resource industries." More than half of their respondents in all four provinces said they trust the farming industry, and the highest was 76 per cent in Saskatchewan.

The survey probed to discover why respondents had or lacked confidence in each of the resource industries. The main responses are shown in Figure 2. For respondents who trust farming, there was no one single reason to trust the industry. There seems to be a romanticized view of the agriculture industry; respondents see it as reliable, honest, local family run farms.

Although farming is seen as crucial for western Canada's economic success, it had a low perceived performance on job creation. It is possible that stable employment is not what respondents expect from farming and it is not a reason why people trust the farming industry.

FIGURE 2: REASONS TO TRUST AND DISTRUST THE FARMING INDUSTRY

Reasons to trust

Reliable, trustworthy, responsible, honest 18%

Myself, friends, relatives come from a family background 16%

Food is a vital necessity 15%

Small, local, family run operations 15%

Reasons to distrust

Poor animal welfare issues 20%

Use of additives, chemicals & pesticides 20%

Use of hormones, antibiotics and genetic engineering techniques 19%

Motivated solely by financial gains 15%

Although the survey shows farming in a league of its own in public perception, it does not suggest that the farming industry should be complacent. While its perceived performance is higher than the other three resource industries, it did not get a free pass. Of the reasons to distrust the farming industry, animal welfare concerns are identified as the top one. About one in four respondents in western Canada say they've donated money to an environmental or animal welfare organization. Public concern about the use of chemicals, antibiotics and pesticides in food has also increased dramatically in the last decade. This may suggest that consumers need more information on how the food is grown and how farming practices impact their health. The farming industry needs to be careful about these vulnerabilities – a food safety or animal welfare issue could affect levels of trust.

Forestry

Forty-six per cent of respondents said they trust the forestry industry. For these respondents, the primary reasons for this trust (as shown in Figure 3) are environmental sustainability, government regulation and good reforestation practices. Having these two factors as the main reasons to trust is good news for the industry. Since the so-called War of the Woods battles against clear-cutting 20 years ago, the forestry industry in Canada has been focusing on tree improvement and reforestation practices.[5] Like most forestry activities, reforestation requires time and extensive co-operation among stakeholders. And, in spite of these efforts, trust levels for forestry lag well behind trust levels for farming. Clear-cutting and deforestation were also given as reasons to distrust the industry, and habitat protection and environmental impacts were identified as weaknesses. Though challenges for the forestry industry remain, a portion of the public citing the industry's good work over the past few years suggests positive momentum.

The primary reasons given for distrust of the forestry industry were varied and ranged from perceived non-sustainable environmental practices, profit motivation and belief that deforestation is evidence of no social responsibility. Trust levels did not vary too much across provinces, but Manitoba had the lowest percentage of those who trust the industry (40 per cent) compared to 52 per cent in Saskatchewan. Environmental sustainability is cited as a leading trust determinant. This polarization is also seen in the mining and energy industries.

FIGURE 3: REASONS TO TRUST AND DISTRUST THE FORESTRY INDUSTRY

Reasons to trust
Environmentally sustainable practices 22%
Good reforestation practices 22%
Government regulated 14%

Reasons to distrust
Bad for the environment, non-sustainable practices 30%
Motivated by financial gains, not socially responsible 20%
Do not approve of clear-cutting 20%
Deforestation 17%

5 Tree improvement aims to produce the best trees for reforestation in British Columbia. Tree improvement can increase the volume and value of future forests.

Mining

A high proportion of respondents feel they don't know enough about the mining industry to form strong opinions. Mining takes place in each of the four western provinces and ranges from mining minerals to uranium, potash, and sand and gravel operations. The mining industry is different in each of the four western provinces as is the public's familiarity with it. Overall, only 27 per cent of respondents felt they knew the industry well. Approximately one-third of respondents in each of British Columbia and Saskatchewan think they knew the mining industry well, but only 19 per cent of respondents in Alberta and Manitoba feel that way. Figure 4 shows that government regulation was given as the top reason to trust the mining sector. As noted earlier, environmental practices was perceived as both a reason to trust and distrust the industry. Roughly half of respondents in Saskatchewan (51 per cent) had high levels of trust in the mining industry, 20 per cent more than trust levels in the other three provinces.

FIGURE 4: REASONS TO TRUST AND DISTRUST THE MINING INDUSTRY

Reasons to trust

Government regulated 21%

Good for the economy, creates jobs 19%

Environmentally friendly and sustainable practices 14%

Reasons to distrust

Bad for the environment, non-sustainable practices 37%

Motivated by financial gains, not socially responsible 26%

Energy

Western Canadians think they are generally knowledgeable about the mining, energy and forest industries and are aware of the role each plays in the economy. They also understand the vastness of the resource sectors in western Canada and are concerned about the environmental and local community impact. Respondents expressed lower levels of net trust in the energy industry compared to the other three.[6] Just 39 per cent of respondents indicate a high level of trust in the energy industry and another one-quarter say they do not trust it. One in four respondents, on the other hand, has a better impression of the energy industry than they did a few years ago.

Respondents who trust the energy industry found it difficult to pinpoint a single reason, citing economic benefits, job creation and effective government regulation. As expected, respondents in Alberta and Saskatchewan have higher trust with almost half saying they trust the energy industry. For Manitoba and B.C., approximately one in three respondents trust the energy industry.

The reasons to distrust were more focused. There was a strong link between the lack of trust and perceptions that the industry is motivated just by profit, perceived lack of social responsibility and perceived lack of environmental sustainability. In fact, environmental sustainability is cited as a leading trust determinant. This polarization is seen across the forestry, mining and energy industries. As shown in Figure 5, only 20 per cent of respondents trust the energy industry (and that is because of perceived economic contribution) but almost half distrust the industry because it is perceived as being motivated solely by financial gains.

[6] Net trust = respondents with high levels of trust minus those with high levels of distrust.

FIGURE 5: REASONS TO TRUST AND DISTRUST THE ENERGY INDUSTRY

Reasons to trust

Good for the economy, creates jobs 20%

Government regulated 19%

Reputable, heard good things about it 17%

Environmentally friendly and sustainable practices 16%

Reasons to distrust

Motivated by financial gains, not socially responsible 48%

Bad for the environment, non-sustainable practices 34%

Sound government regulatory practices were cited as a reason to trust all four resource industries. It was the top reason given for trust in the mining industry. Interestingly, despite being a top reason to trust resource industries, the confidence in regulatory agencies to influence industry's decisions was relatively low. Regulation helps ensure that a clear standard based on public interest is set and met, but only one in four respondents thought regulatory agencies have the ability to influence resource industries. For regulatory agencies to succeed, people need to believe in their ability to enforce rules.

Demographic factors

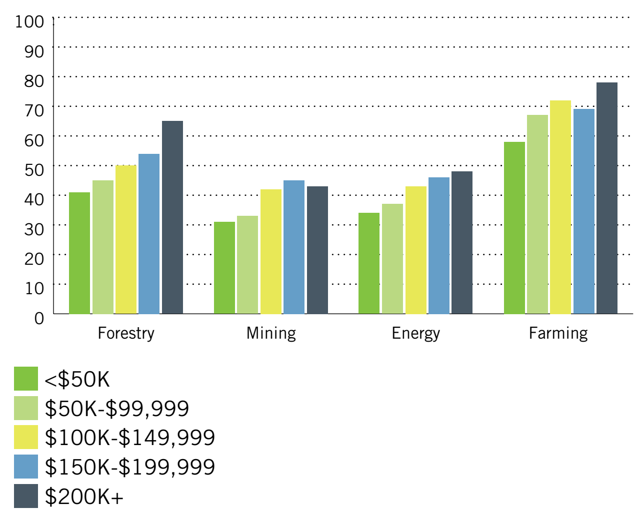
Across the four resource industries, familiarity and trust tend to be higher with older respondents. A higher proportion of 18-34 year-olds were less familiar and less trusting of the resource industries. Those 55 years and older were not only more familiar but also more supportive of resource industries.

Men were more familiar and put more confidence in the resource industries than women. For example, half of men and only 35 per cent of women thought they knew the farming industry well. Forty-one per cent of men and only 27 per cent of women trusted the mining industry.

A similar tendency was seen with trust according to income levels. Respondents with household income less than $50,000 are likely to be more distrusting of the resource industries. Figure 6 shows that, as income levels increase, so does trust. It is possible that households with lower income levels do not perceive themselves directly benefiting from resource development and hence do not trust it.

FIGURE 6: IMPACT OF INCOME LEVELS OF RESPONDENTS ON TRUST LEVELS

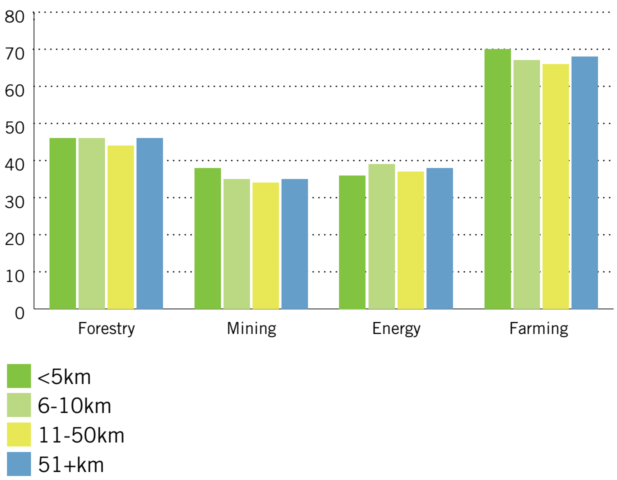
(% of respondents who have high trust in each industry)



The proximity of respondents to the resource industry had no significant impact on their levels of familiarity and trust. Intuitively, one would imagine that if a respondent lives less than five kilometres away from a resource operation they would be more aware and trusting of the industry in question because they would directly benefit from it. But Figure 7 shows that proximity had no impact.

FIGURE 7: IMPACT OF PROXIMITY OF RESIDENCE TO A PARTICULAR RESOURCE INDUSTRY ON TRUST LEVELS

(% of respondents who have high trust in each industry)



The survey also tested perceptions of respondents who live in the urban, suburban and rural areas. Rural respondents showed the highest levels of trust and urban the lowest in the four resource industries. There is a common view that urbanization is increasingly disconnecting people from a visceral understanding of what happens in our resource sectors. Familiarity levels by community type were more varied. Energy and mining had a greater proportion of urban respondents who knew these industries well. Farming and forestry had a greater proportion of rural respondents who knew these industries well.

The perceived performance scores tell a slightly different story. These numbers show that for most indicators urban respondents have more positive attitudes, closely followed by rural respondents. In farming, rural respondents have more positive attitudes on all indicators. Respondents living in suburban areas have the most negative attitudes across the board. Demographically, respondents were pretty evenly distributed among the three community types, so that does not contribute to the different views. There is a view that urbanization disconnects people from an understanding of what happens in the resource sectors, and therefore respondents living in the urban areas should have more negative attitudes. The survey did not support this theory.

Community

The survey gave respondents a list of topics and asked them to rank them personally. Table 2 shows that the issues most important to adults in western Canada are health and safety, minimizing environmental impacts and providing employment, local investment and infrastructure to communities. The degree of importance attached to public health and safety was the number 1 priority across the board.

TABLE 2: MOST IMPORTANT ISSUE RELATED TO THE RESOURCE INDUSTRY

MOST IMPORTANT ISSUE RELATED TO THE RESOURCE INDUSTRIES	
Protecting public health and safety of communities	34%
Minimizing environmental impact on local communities	22%
Providing benefits to communities (Employment, local investment, infrastructure, etc.)	21%
Fair distribution of benefits/jobs/business opportunities in communities	10%
Keeping promises and commitments to communities	9%
Respecting and engaging Aboriginal communities	3%
Respecting cultural values of local communities	2%

Respecting and engaging Aboriginal communities and respecting cultural values of local communities were ranked as tertiary issues, only three and two per cent of respondents respectively identifying them as the most important issue. The survey asked specific questions about Aboriginal consultation, which puts this issue in more perspective. More than 50 per cent of respondents agreed that Aboriginal Canadians should be consulted. However, Aboriginal engagement was not an important issue for most respondents.

Resource development tends to change the dynamic of a community. These are issues close to people's hearts, issues that would mobilize them, so it is surprising that "respecting cultural values of local communities" is not identified as being the most important issue. It is possible these words may not resonate with people and they did not make the connection.

Protecting public health and safety of communities

Protecting health and safety of communities was a fascinating theme. It was the most important issue for western Canadians. However, low performance scores suggest respondents perceive industry to be doing a poor job. For instance, 16 per cent of western Canadian respondents thought energy was doing well at protecting the public health and safety of communities while 29 per cent thought performance was poor. For forestry, 20 per cent thought it was doing well and 19 per cent thought it has poor performance. Even though health and safety is the top-of-mind issue, with a perceived poor performance, respondents do not consider it a reason to distrust the resource industries. Perhaps expectations are simply low.

Given the inherent hazards in resource industries, protecting health and safety is identified as a high priority. Companies prioritize health and safety and have developed good health and safety standards and regulations. Clearly, there is a disconnect between what people perceive and what industry reports it is doing. In western Canada, resource industries tend to have a better performance on health and safety standards on the basis of time-loss injuries across industries in the western provinces. This frames the question of how best to communicate good health and safety standards and improve trust levels.

Environment

When it comes to environmental management, there are issues at both the local and global levels. The survey tested respondents' attitudes towards environmental impacts by including a number of indicators: environmental responsibility, climate change and associated greenhouse gas (GHG) emissions, and efforts to minimize environmental impact on local communities. Using these indicators, respondents flagged perceived weaknesses in the energy, mining and forestry industries. Respondents perceive farming as having a relatively better performance on environmental indicators. The environmental dialogue at the global level is not as developed as the local one. But the survey reveals that the public is recognizing the danger of climate change and rising GHG emissions. Of the three environment indicators in the survey, perceived performance ratings for climate change and lowering emissions was slightly lower than the other two indicators across the four industries.

There is a clear dichotomy about environmental performance and sustainability. It acts both as a reason to trust and distrust the forestry, mining and energy industries. For instance, 22 per cent of respondents who trust and support the forestry industry do so because of sustainable environmental practices. Yet, 30 per cent of the respondents who do not trust the forestry industry do so because they think the industry has non-sustainable practices and is bad for the environment. Environmental responsibility and minimizing environmental impacts on local communities are among the top drivers of trust for all resource industries. Limiting climate change and lowering GHG emissions came slightly below the first two indicators and is a driver of trust, but has a lower impact on improving trust than the first two indicators. Effective communication and improved performance on these indicators would improve trust levels.

Providing benefits to local communities

Resource development has a significant role to play in developing communities across western Canada. Creating local opportunities, such as providing employment, investment and developing local infrastructure, is the simplest way to engage a community. In fact, 21 per cent of respondents cite it as the most important issue. Performance scores on this metric were better relative to some of the other indicators, with energy having a significantly better performance than the other three industries. Good social policy is defined by both economic and fairness factors. It is also critical to ensure the fair distribution of these benefits. For 10 per cent of respondents (shown in Table 2), fair distribution of the economic prosperity in communities is the most important issue related to resource industries. Approximately one in four respondents think resource industries are fair in the distribution of economic benefits in communities.

Cultural protection

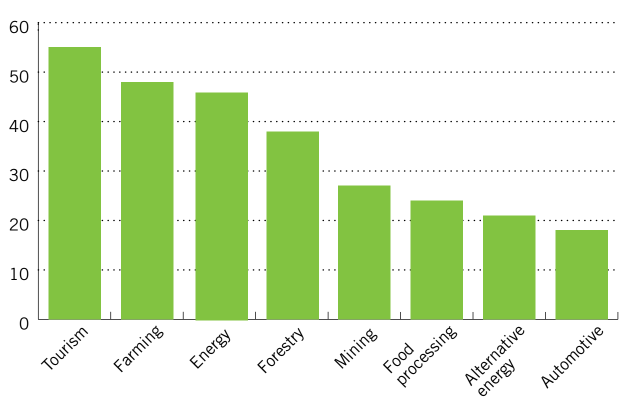
Cultural protection is an issue that arises in local communities, particularly in Aboriginal communities. Michael Cleland's *From the Ground Up* paper argues that cultural protection is an issue to which most industries are slow to respond.[7] This is evident in the survey findings, as the cultural protection indicator gets poor performance ratings across all four resource industries. For forestry, energy and mining on average, for every person who expressed support for industry's performance on respecting cultural values of local communities there were two people who felt strongly that the performance is poor. Farming was ranked better – 31 per cent of respondents thought the industry is doing well.

Cultural protection is a tricky issue. Protecting sacred sites and heritage buildings, for example, is relatively easy. As Cleland writes, "Protecting large swathes of land, such as old growth forests – for cultural, economic or eco-system reasons – is harder or has higher opportunity cost. Protecting the underlying culture of a traditional community is much harder still."[8] It is also fundamentally challenging to shift the economic foundation of a community without challenging its essential culture. The survey suggests the potential and intention to understand and protect the cultural values of local communities exists but needs more effort. However, sometimes it is difficult to reconcile such protection with inevitable impacts (social and physical) of resource development. While the public does not necessarily view protection of culture as a top priority (and this could just be a language or wording issue), they perceive industry's performance as poor. Moreover, the issue can resonate a great deal at the local level and, hence, there is room for co-operation and improvement.

Awareness and Advocacy

The survey asked some questions to assess the level of awareness and familiarity respondents thought they had with resource industries. Figure 8 shows respondents are the least sure about the mining sector, where nearly three-quarters feel they knew nothing or very little about the industry. Among the resource industries, respondents are most familiar with the farming and energy industries; with 48 per cent and 46 per cent of respondents saying they knew the respective sector fairly or very well.

FIGURE 8: HOW WELL DO YOU KNOW THE INDUSTRY?
(% of respondents who have high familiarity with each industry)



7 Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 19
8 Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 19

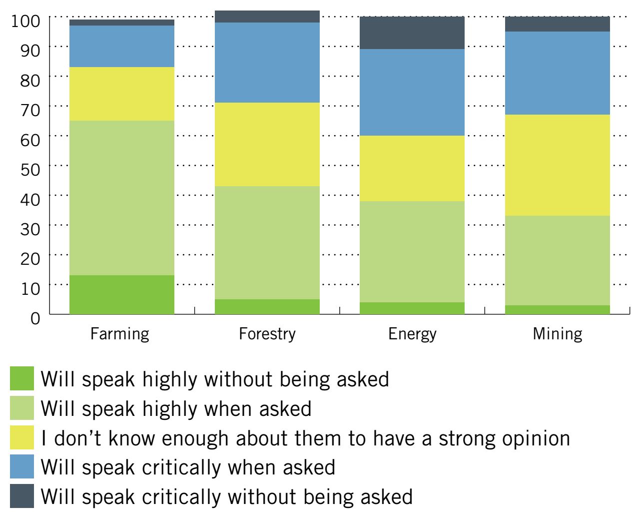
Western Canadians seem to like the idea of alternative energy, even if they don't know much about it.[9] Only 21 per cent of respondents said they were familiar with the industry, but 55 per cent trust and support it. Only two per cent of respondents feel alternative energy industry has high economic benefits, yet 14 per cent think it should be encouraged to expand.

Respondents were asked about specific interactions with the resource industries through media, social media, advertising, direct mail, website, conversations with colleagues or friends and written documents or reports. They indicated they have the most interaction with the energy industry. Sixty-nine per cent of respondents had some interaction with the energy industry in the past year, and more than half of respondents had not interacted with the other three resource industries at all.

When asked about awareness of the negative and positive impacts of each resource industry, the farming industry is most likely to be associated with positive impact. Responses for other industries vary on perceived impact. The main sources of information on resource industries were media, advertising and conversations with friends and colleagues. A higher proportion of respondents are aware of the negative impacts (as compared to the positive impacts) for the energy and mining industry. It is possible that most of what respondents are seeing, hearing or reading about these two industries is not perceived to be positive.

Advocacy activity was also measured in the survey. Advocacy is defined by the survey question which asked respondents if they were likely to speak positively or critically of each resource industry. Respondents are more likely to speak positively about the farming industry than any other resource industry by a significant margin. These questions were directed only at those who indicated a reasonable level of understanding of each industry. The positive sentiment was stronger with older respondents, men and those living in Alberta and Saskatchewan. Figure 9 shows a lack of knowledge and understanding significantly impacts mining where more than one-third felt they didn't know enough to form an opinion. This presents an opportunity for the mining industry to address these issues, encourage positive support and get ahead of the risk of losing public support. People think they know the energy industry. Four adults in 10 are likely to speak negatively of the energy industry, the highest percentage among those tested. Those who say they would do so tend to be younger, with incomes less than $100,000 and/or live in B.C. or Ontario.

FIGURE 9: ADVOCATES VERSUS DETRACTORS
(% of respondents)



The survey also tried to assess how active respondents are when it came to issues they care about. The majority of respondents say they had not written to a newspaper, social media or an elected official about any of the four resource industries. They had not called a television or radio program or donated or raised funds for an environmental or animal welfare cause. Of those who were active, approximately one-quarter of respondents had donated or raised funds for an environmental or animal welfare cause.

[9] Alternative energy is defined as wind, solar, district heating.

Of those who were active about issues they care about, adults in the age group 25-44 years tend to be more vocal on various media channels and being active on social media. This was true across the four industries. For some resource industries, like mining and energy, respondents were more aware of the negative impacts of the industry than the positive. Since younger respondents tend to have lower levels of trust in resource industries, it is problematic that they do not more closely follow or participate in the media.

FIGURE 10: NET TRUST AND ADVOCACY FOR INDUSTRIES

	FARMING	FORESTRY	MINING	ENERGY
Net advocacy	50	12	0	-1
Net trust	62	32	14	13
Familiarity	48%	38%	27%	46%

Net trust = trust-distrust, net advocates=advocates-detractors

According to the Ipsos corporate reputation model, familiarity is the bedrock of reputation; familiarity breeds trust and advocacy. But the survey results for the energy industry do not follow this model. As shown in Figure 10, familiarity levels for energy and farming are close. Yet farming has a net trust almost five times that of energy. The energy industry, which led the way in terms of interactions with respondents, has a net trust of just 13 per cent and it is the only industry where detractors slightly outweighed advocates. Mining and forestry both have lower familiarity than the energy industry, yet have higher overall trust. People think they know the energy industry and what they are seeing in the media or the Internet is not building trust. In *From the Ground Up*, Cleland notes that Canadian resource producers and Canada in general, are poorly positioned to succeed in the short term and even less so over the long term, with a strategy that primarily emphasizes high-level advocacy communications.[10] This is consistent with the survey findings.

Engagement

Keeping promises and commitments to communities

Keeping promises and commitments to communities was a strong theme across industries and a key driver of trust. With the exception of farming, which had a fair score, the rest of the industries had poor performance scores on this metric. "Engagement only works if all parties live up to their commitments and there is a rebirth of trust engendered by increased transparency and accountability. Continuous progress at the level of society is only possible if lessons are learned, extracted and shared," Cleland writes.[11] This is consistent with the survey findings, as keeping promises to communities was the top driver of trust for all four industries and would have a significant positive impact on trust.

Any resource project takes a number of years from conception to action. This gives stakeholders ample time to undertake adequate social and environmental planning and investment. Like most things, the details of the commitments made to the local community are not as important as the execution of those promises. Working with communities and demonstrating that you are living up to your commitments has a positive impact on trust levels.

Aboriginal engagement and consultation

Early consultation is an overarching theme of engagement and developing lasting relationships with Aboriginal communities. The survey asked specific questions about local and Aboriginal community engagement. *From the Ground Up* argues that governments may at times be reluctant to step up beside project proponents to consult with Aboriginal communities, even though the formal duty to consult lies with the Crown.[12] The survey found that, regardless of industry, three in four respondents feel that engagement with Aboriginal communities on resource projects is a shared responsibility between government and industry.

[10] Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 10

[11] Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 27

[12] Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 26

None of the resource industries gets a good performance rating for consulting with Aboriginal peoples. More than half of the respondents are neutral on the issue across the four industries. But approximately 27-30 per cent of respondents think the energy and mining industry are not doing a good job of consulting with Aboriginal communities.

When asked if Aboriginal Canadians should be proactively engaged on these projects, a high percentage of respondents said yes. However, the majority agree that Aboriginal Canadians should be engaged to the same extent as the general public on resource projects. These research findings validate *From the Ground Up*. The report also highlights that, despite the distinct sociological character of Aboriginal communities, interests and values are much the same. Everyone cares about jobs and community facilities. Everyone cares about traditions. And everyone cares about the environment.[13]

Moreover, when the survey asked respondents about organizations they think have an influence on decision-making, Aboriginal communities and the general public are at the bottom of the list. The general public, too, feels they are not engaged in the process. In terms of ability to influence an industry's decision, the respondents feel that the public has the lowest ability to influence resource industries. Twenty-eight per cent of respondents, across the four industries, are eager to learn more about the resource industries. Since, as noted earlier, interests and concerns about environment and health and safety are much the same, the public wants to be engaged to the same extent as the Aboriginal communities.

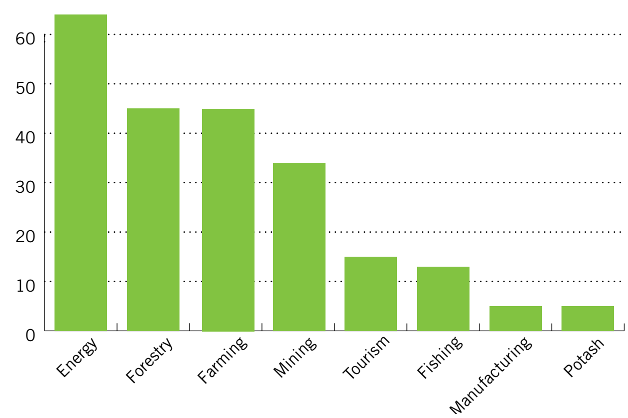
Economy

When survey respondents were asked to identify the industries that contribute most to the economic success of western Canada, all four resource industries were at the top. Although respondents indicate they do not trust the energy industry because they think it is solely motivated by profit, overall they agree it is important that the energy industry continue to contribute to western Canada's economic well-being. In Figure 11, 64 per cent of respondents identified the energy industry as contributing most to the western Canadian economy. Within the resource industries, energy was followed by farming and forestry then mining. The resource industries were top of mind when it came to economic contributions in western Canada.

There is a perception that people do not want to work and build their future in resource industries. The survey found that respondents are more likely to encourage young people to build their future in energy and farming than the other two resource industries. Also, willingness to work in the industry was highest for energy and farming. The 18-24 year-old respondents were hesitant to build their future in resource industries compared to the other more willing age groups. The next older group, 25-34 year-old adults, were most likely to be willing to work in resource industries. This coincides with the prime earning years of one's career.

FIGURE 11: WHICH INDUSTRIES CONTRIBUTE THE MOST TO THE WESTERN CANADIAN ECONOMY?

(% of respondents)



As shown in Figure 11, respondents recognized the economic contributions of the resource industries in western Canada. When asked which industries

[13] Michael Cleland, *From the Ground Up: Earning Public Support for Resource Development*, Canada West Foundation (2014), 6

provide high quality, stable employment and should be encouraged to expand in western Canada, the energy industry was the top choice for both, followed by farming. When respondents were asked to identify reasons they trust or don't trust the mining, forestry and energy industries, among the top three reasons to trust were "good for the economy" and "job creation."

However, economic benefits did not have the most impact as a driver of trust. Although resource industries received good performance scores on contributions to the overall economy, providing benefits to communities and job creation, these factors seem not to have a significant impact on improving trust. A viable economy is vital for successful communities and countries, and the resource sector has been an important factor in western Canada's development and growth. However, it may be that the public simply expects jobs and economic contributions from resource development. And the perception of economic benefits and stable jobs at the expense of environmental sustainability or a lack of health and safety measures is not acceptable to them.

Conclusion

The survey provides new insights on the levels and sources of public support for resource industries. In terms of public support, positive attitudes and trust, farming enjoys unique status compared to the three other resource industries measured. Yet, the farming industry should not be complacent. The perceived performance of farming, though better than the other three resource industries, is not perfect. An event, like a food safety issue, could escalate and rattle public support farming. Forestry is in the middle of the pack with certain crucial areas that need improvement. The mining and energy industries have the greatest room for improvement in public perception. A high proportion of respondents are not familiar with the mining industry's activities. However, past experiences of the energy and forestry industry show it is unlikely that any industry can fly under radar for long. Mining could one day be in the spotlight. This presents an opportunity for the mining industry to proactively address vulnerabilities and get ahead of the risk of further erosion of public support for mining.

Energy, on the other hand, has a tougher battle. Respondents claim to be more familiar with the industry and yet it has more detractors than advocates. The survey showed that respondents are more aware of the negative impacts of the energy industry. Negative coverage in the news media or social media might play a role in this; the information and opinions people are getting from a variety of sources are not building positive perceptions of the energy industry.

The importance of communities was a common theme across all industries. Keeping promises made to communities, minimizing environmental impacts and protecting public health and safety of local communities were all strong drivers of trust. It is clear that, to improve public perceptions and move the needle on the public support debate, not only must performance improve, but also credible ways of recognizing that performance must be developed. A large part of western Canada's economic prosperity is the result of conscious and sustained efforts to develop the resource economy. It took hard work and proactive problem solving. This is still true as westerners maintain and build on our success.

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