



# LOOKING **WEST** 2008

Segment 4. A Trading Region:  
Western Canadian Attitudes About Trade



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## Introduction

Western Canadians are generally positive about international trade. The majority of western Canadians feels that expanding international trade is a very high or high priority, and western Canadians believe that free trade has been very or somewhat good for Canada in a number of ways. In particular, large corporations, consumers and the economy are seen as beneficiaries of increased international trade. Western Canadians clearly value the Canada-US economic relationship, as almost three-quarters of western Canadians feel that the relationship should either be made stronger or kept at its current level. Western Canadians are also supportive of government-led trade missions to promote Canadian business, and of the removal of interprovincial trade barriers within Canada.

At the same time, not all trade attitudes are overwhelmingly positive. In every province, western Canadians are more likely to say increased international trade has been bad for Canada's environment. Additionally, a significant number of western Canadians feel that increased international trade has been bad for Canadian workers, for Canada's social programs, and for Canadian culture.

On many trade issues, there is a clear BC-prairie province divide, with BC residents being less likely to see the impacts of trade as positive, and less likely to desire a stronger economic relationship with the United States. At the same time, BC residents are the most supportive of the removal of interprovincial trade barriers within Canada.

**About Looking West 2008:** The Looking West 2008 Survey is part of the Canada West Foundation's Going for Gold Project. The survey was administered by Probe Research between January 2 and February 8, 2008 from their Winnipeg call centre, DataProbe. A total of 4,000 residents were interviewed, with 1,000 from each of British Columbia, Alberta, Saskatchewan and Manitoba. One can say with 95 percent certainty that the results are within +/- 1.55 percentage points of what they would have been if the entire adult population of western Canada had been interviewed; for individual provinces, results are within +/- 3.1 percentage points. Looking West 2008 Survey topics include economic perceptions, policy priorities, trade, government and the economy, human capital, and climate change. The survey results will be released in segments over the course of 2008. Visit the Canada West Foundation website ([www.cwf.ca](http://www.cwf.ca)) for more information.

The Going for Gold Project has been made possible with the support of:



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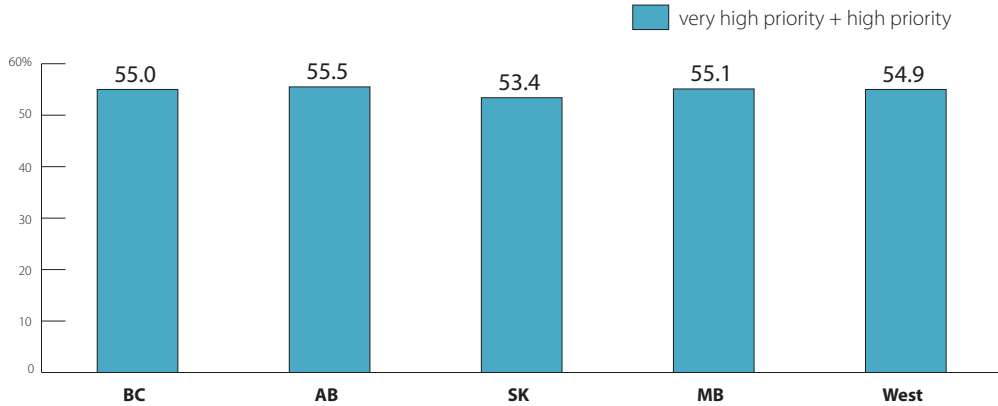
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## Expanding Trade

Figure 1: Priority of Expanding Canada's International Trade Relationships



### Expanding Trade

*The majority of western Canadians feels that expanding Canada's trade relationships with other countries is a very high or high priority.*

	Very high priority	High priority	Moderate priority	Low priority	Very low priority
BC	26.2%	28.8%	29.6%	9.8%	3.6%
AB	24.8	30.7	34.1	6.9	2.5
SK	25.2	28.2	34.7	6.5	3.5
MB	26.3	28.8	34.1	5.5	3.8
West	25.6	29.3	32.1	8.0	3.2

Survey question: "I am now going to ask you some questions about the importance of a few specific public policy issues. Using a scale of 1 to 5, with 1 meaning it is a very low priority for you, 3 meaning it is a medium priority, and 5 meaning it is a very high priority for you, please rate expanding Canada's trade relationships with other countries."

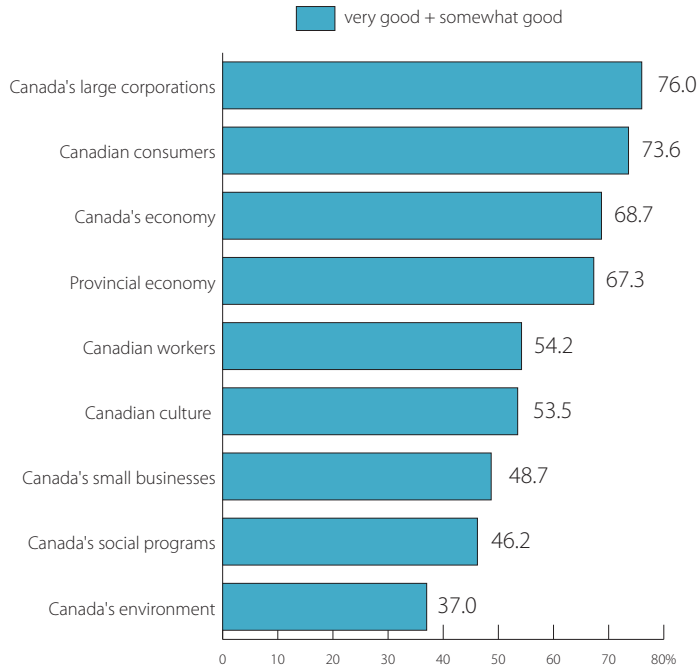
The majority of western Canadians feels that expanding trade is a very high or high priority, but the issue falls well behind many other public policy issues, such as health care, the environment, poverty, transportation infrastructure, and post-secondary education. Of the 15 public policy areas included in the survey, expanding trade came in ninth in terms of very high/high priority ratings. This suggests that expanding international trade is something that western Canadians generally support, but that it is not as salient as health care, the environment and a number of other concerns.





## International Trade

**Figure 2: Impact of Increased International Free Trade (Western Canada)**



Survey question: "As you may know, Canada has free trade agreements with the United States and Mexico and is a member of the World Trade Organization that promotes free trade between countries around the world. Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for ..."

Looking West 2008 Survey respondents were asked about the impact of increased international free trade in nine areas: Canada's economy, their province's economy, Canadian consumers, Canadian workers, Canada's small businesses, Canada's large corporations, Canada's environment, Canada's social programs, and Canadian culture. (Respondents were first asked about the Canadian economy and their provincial economy; after this, the list order was randomized.) The findings reveal that a majority of western Canadians believes that free trade has been good for Canada in a number of ways. Canada's large corporations are seen as a particularly large beneficiary. Canadian consumers and the economy are also seen as benefiting from free trade.

### International Trade

*Western Canadians see large corporations and consumers as beneficiaries of increased international free trade.*

## International Trade

**Figure 3: Impact of Increased International Free Trade (Western Canada)**

	Very good	Somewhat good	Somewhat bad	Very bad
Canada's large corporations	32.0%	44.0%	10.7%	3.0%
Canadian consumers	17.1	56.5	16.8	3.7
Canada's economy	13.1	55.6	19.0	6.8
Provincial economy	16.6	50.7	19.2	6.8
Canadian workers	9.3	44.9	29.7	8.3
Canadian culture	9.0	44.5	23.7	6.2
Canada's small businesses	8.7	39.9	29.5	12.0
Canada's social programs	5.7	40.5	25.7	6.8
Canada's environment	4.6	32.4	38.2	11.1

Survey question: "As you may know, Canada has free trade agreements with the United States and Mexico and is a member of the World Trade Organization that promotes free trade between countries around the world. Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for ..."

While pre-Free Trade Agreement (FTA) and North American Free Trade Agreement (NAFTA) debates heard of concerns about the impacts of free trade upon employment and culture, the majority of western Canadians feels that increased international free trade has been very or somewhat good for Canadian workers and Canadian culture. Assessments are not universally positive, however. In three areas—small business, social programs, and the environment—less than a majority believes that free trade has been good, and in one area—the environment—the number of western Canadians who feel that increased free trade has been negative is greater than the number who feel that it has been positive.

### International Trade

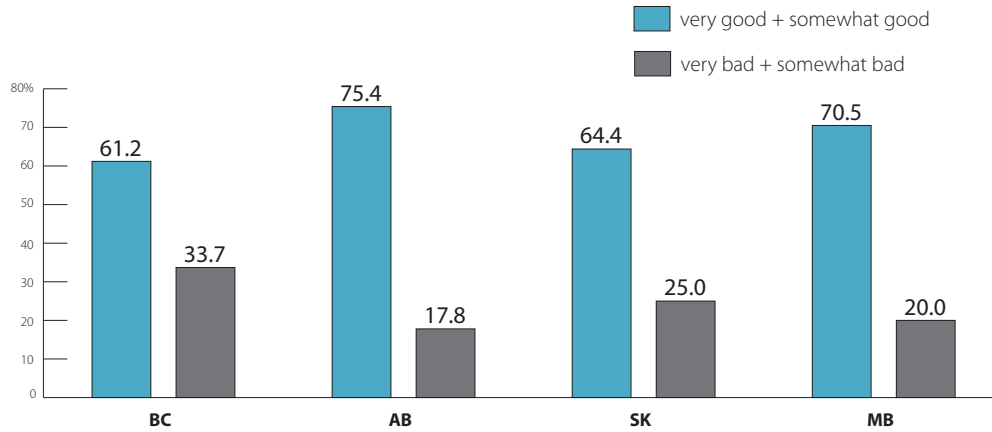
*The majority of western Canadians feels that expanding Canada's trade relationships with other countries is a very high or high priority.*





## International Trade

Figure 4: Impact of Increased International Free Trade on Provincial Economy



	Very good	Somewhat good	Somewhat bad	Very bad
BC	13.6%	47.6%	23.5%	10.2%
AB	23.7	51.7	14.5	3.3
SK	13.8	50.6	19.0	6.0
MB	10.7	59.8	16.2	3.8

Survey question: "Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for [province]'s economy?"

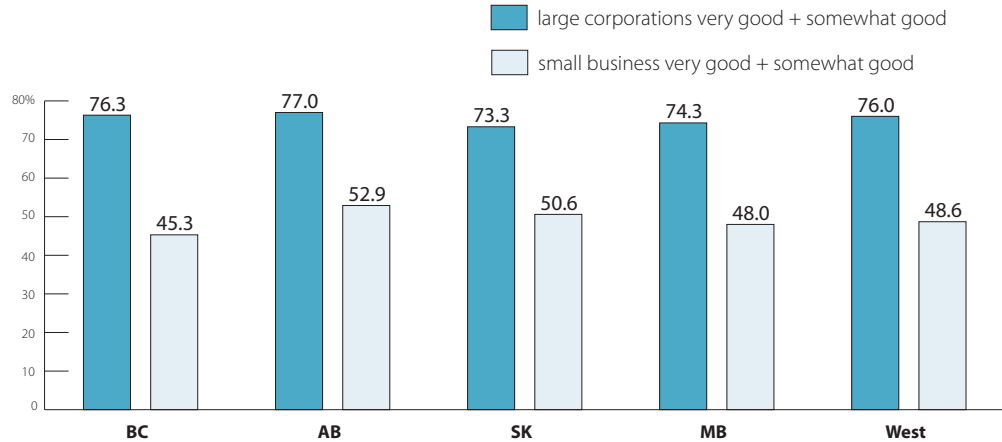
Three-quarters of Alberta residents feel that increased international trade has been good for the Alberta economy, with almost one-quarter stating that it has been *very good*. At the other end of the spectrum, British Columbia residents are less effusive about the positive benefits of trade for the BC economy: while 6 in 10 feel that increased international trade has been good, over 3 in 10 feel that it has been bad for the BC economy. These attitudes may reflect BC's difficult experience with the Canada-US softwood lumber dispute. (BC residents are also more likely to state that increased international trade has been bad for the Canadian economy, with 31.0% stating that it has been bad, compared to 20.7% of Alberta residents, 25.0% of Saskatchewan residents, and 20.9% of Manitoba residents.)

### International Trade

*Albertans are the most likely, and British Columbians are the least likely, to state that increased international free trade has been good for their provincial economy.*

## International Trade

Figure 5: Impact of Increased International Free Trade on Large Corporations and Small Business



### International Trade

*While three-quarters of western Canadians feel increased trade has been good for large corporations, just under one-half feel that it has been good for small business.*

	Large corporations				Small businesses			
	Very good	Somewhat good	Somewhat bad	Very bad	Very good	Somewhat good	Somewhat bad	Very bad
BC	32.0%	44.3%	10.4%	3.4%	7.5%	37.8%	29.3%	15.7%
AB	34.3	42.7	10.7	2.3	10.7	42.2	29.0	8.8
SK	29.0	44.3	9.8	3.3	8.3	42.3	28.5	7.5
MB	28.2	46.1	12.6	2.7	8.2	39.8	32.2	10.3
West	32.0	44.0	10.7	3.0	8.7	39.9	29.5	12.0

Survey questions: "Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for Canada's large corporations/Canada's small businesses?"

Across the western provinces, three-quarters of residents feel that increased international trade has been good for Canada's large corporations. However, there is less agreement about the effects on small business. British Columbia and Manitoba residents are divided on whether trade has been good or bad for small business, while in Alberta and Saskatchewan, slim majorities state that it has been good.





## International Trade

**Figure 6: Impact of Increased International Free Trade on Consumers and Workers**



### International Trade

*A good-sized minority of British Columbians states that increased international free trade has been bad for Canadian workers.*

	Consumers				Workers			
	Very good	Somewhat good	Somewhat bad	Very bad	Very good	Somewhat good	Somewhat bad	Very bad
BC	17.2%	54.6%	19.4%	4.3%	7.4%	39.6%	35.2%	11.3%
AB	18.1	57.6	15.0	3.1	11.1	52.0	23.0	5.7
SK	15.7	55.9	14.2	3.7	10.3	46.9	26.3	6.3
MB	15.4	61.3	13.9	2.9	10.5	43.5	30.0	6.1
West	17.1	56.5	16.8	3.7	9.3	44.9	29.7	8.3

Survey questions: "Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for Canadian consumers/Canadian workers?"

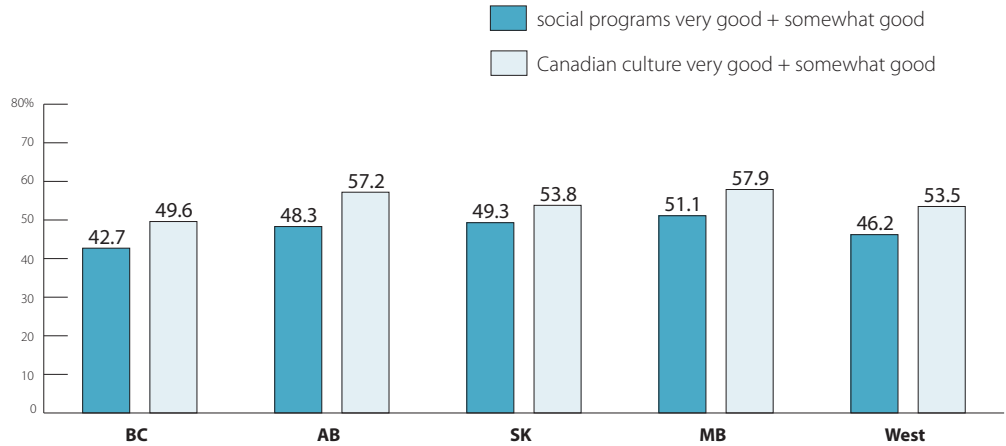
In all four western provinces, over 7 in 10 residents feel that increased trade has been good for Canadian consumers. British Columbians are somewhat more likely than prairie residents to state that trade has been bad for consumers. The provincial differences—or, more specifically, BC-prairie differences—are stronger with respect to the impact of increased international trade on Canadian workers. While the majority of prairie residents (and over 6 in 10 Albertans) feels that trade has been good for workers, BC residents are more divided: the number of BC residents who feel that trade has been *bad* for workers is equal to the number who feel that it has been good for workers.





## International Trade

Figure 7: Impact of Increased International Free Trade on Social Programs and Canadian Culture



	Social programs				Canadian culture			
	Very good	Somewhat good	Somewhat bad	Very bad	Very good	Somewhat good	Somewhat bad	Very bad
BC	7.1%	35.6%	28.1%	9.3%	9.3%	40.3%	26.2%	8.4%
AB	4.2	44.1	24.6	4.7	9.4	47.8	21.7	4.2
SK	5.5	43.8	21.5	4.5	7.2	46.6	20.7	5.5
MB	4.6	46.5	23.8	4.8	8.6	49.3	22.5	3.8
West	5.7	40.5	25.8	6.8	9.0	44.5	23.7	6.2

Survey question: "Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for Canada's social programs/Canadian culture?"

In every province, respondents are more likely to describe the impact of increased international free trade on Canada's social programs as "good" than to describe it as "bad." However, while the gap between these good and bad assessments is between 19 and 23 percentage points in the prairie provinces, there is only a difference of 5 percentage points in BC—a comparatively slim margin. BC residents are also less likely than prairie residents to state that increased international free trade has been good for Canadian culture; again, the difference between good and bad responses in BC is considerably smaller than on the Prairies.

### International Trade

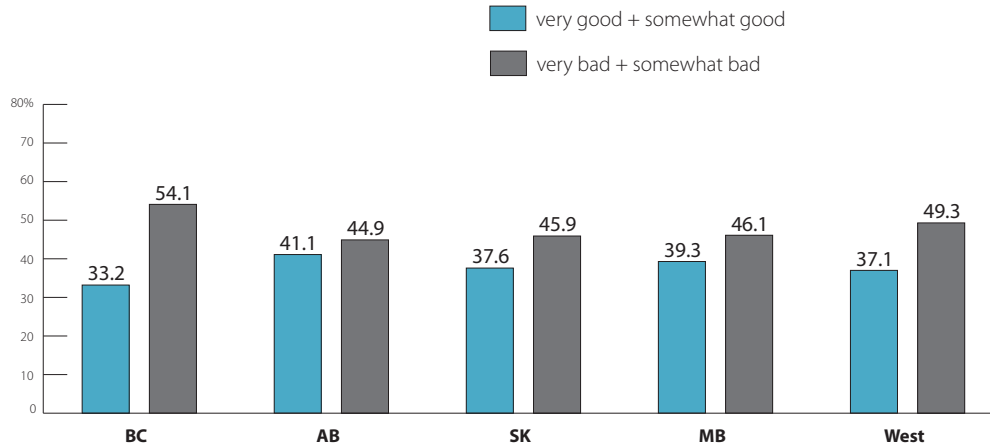
*BC residents are less likely than prairie residents to state that increased international free trade has been good for Canada's social programs and Canadian culture.*





## International Trade

**Figure 8: Impact of Increased International Free Trade on Environment**



	Very good	Somewhat good	Somewhat bad	Very bad
BC	4.7%	28.5%	39.8%	14.3%
AB	4.9	36.2	36.7	8.2
SK	3.3	34.3	36.1	9.8
MB	4.8	34.5	37.9	8.2
West	4.7	32.4	38.2	11.1

Survey question: "Do you think that increased international free trade has been very good, somewhat good, somewhat bad, or very bad for Canada's environment?"

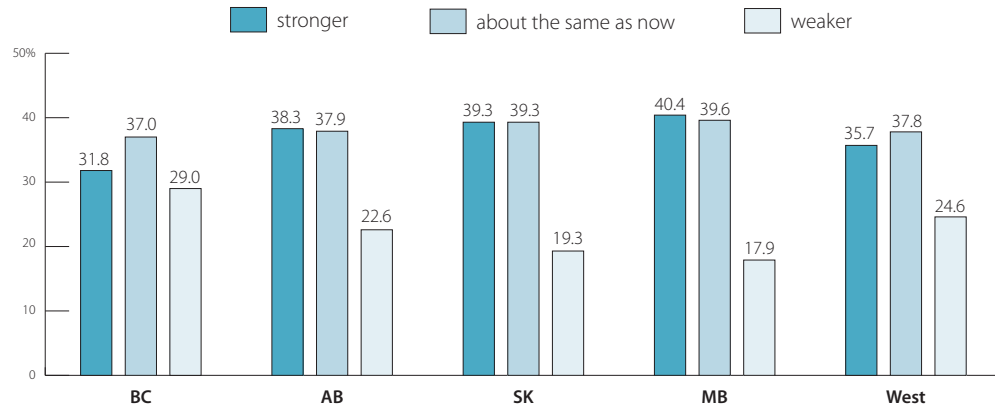
Over 4 in 10 residents in Alberta, Saskatchewan and Manitoba, and over 5 in 10 in BC, feel that increased international free trade has been bad for Canada's environment. The difference between good and bad ratings is largest in BC at 21 percentage points, and smallest in Alberta at 4 percentage points.

### International Trade

*In every province, western Canadians are more likely to say that increased international free trade has been bad for Canada's environment.*

## Canada-US Economic Relationship

Figure 9: Canada-US Economic Relationship



	Much stronger	Somewhat stronger	About the same as now	Somewhat weaker	Much weaker
BC	8.7%	23.1%	37.0%	22.4%	6.6%
AB	9.9	28.4	37.9	17.4	5.2
SK	10.8	28.5	39.3	13.0	6.3
MB	10.3	30.1	39.6	13.9	4.0
West	9.5	26.2	37.8	18.8	5.8

Survey question: "Thinking about Canada's economic relationship with the United States do you think it should be much stronger, somewhat stronger, about the same as now, somewhat weaker, or much weaker than it is right now?"

The United States is Canada's largest trading partner, and western Canadians appear to value that relationship: almost 4 in 10 feel that the economic relationship between the two countries should be maintained at its current level, while a near-equal number feel that the relationship should be stronger. For the West as a whole, one-quarter feel that the relationship should be weaker. The regional result masks considerable provincial variations, with British Columbians being both more likely to state that the relationship should be weaker and less likely to state that the relationship should be stronger.

### Canada-US Economic Relationship

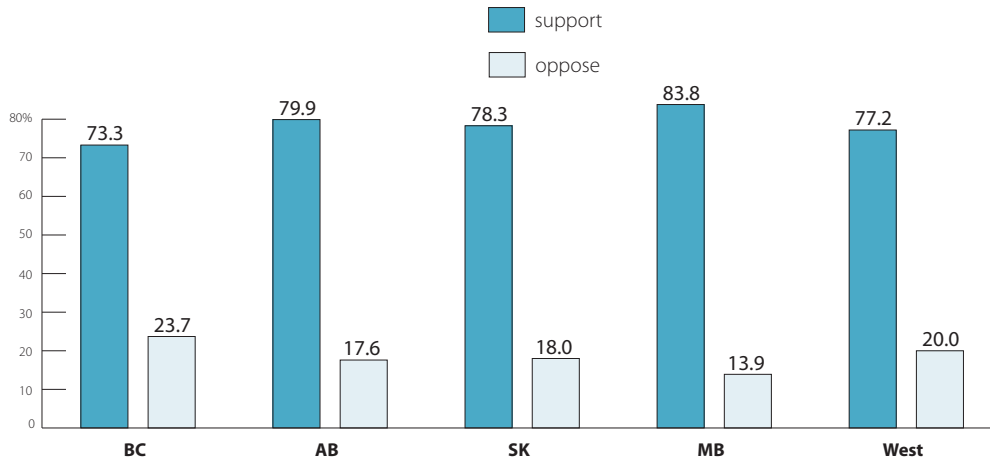
*Almost 3 in 4 western Canadians feel that the Canada-US economic relationship should be maintained or strengthened, with BC residents being the least likely to favour a stronger relationship.*



## Trade Missions



**Figure 10: Support for Government-Led Trade Missions**



	Strongly support	Somewhat support	Somewhat oppose	Strongly oppose
BC	24.8	48.5	17.5	6.2
AB	25.9	54.0	12.8	4.8
SK	25.0	53.3	13.0	5.0
MB	29.4	54.4	10.3	3.6
West	25.7	51.5	14.7	5.3

Survey question: "Governments often take steps to promote the economy. Please indicate if you strongly support, somewhat support, somewhat oppose or strongly oppose sending government-led delegations to other countries to promote Canadian businesses."

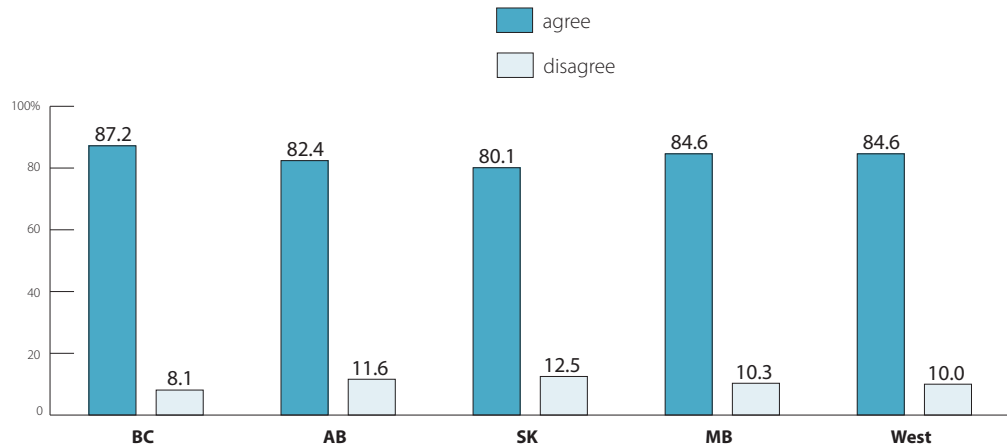
In each of the western provinces, there is considerable support for government trade missions to promote Canadian business. Support is highest in Manitoba, where 8 in 10 residents support such missions. Opposition is highest in BC, with almost one-quarter of BC residents stating that they oppose government-led trade missions.

### Trade Missions

*About 8 in 10 western Canadians support government-led trade missions.*

## Provincial Trade Barriers

Figure 11: Interprovincial Trade Barriers Should Be Removed



	Strongly agree	Somewhat agree	Somewhat disagree	Strongly disagree
BC	61.9%	25.3%	5.6%	2.5%
AB	56.7	25.7	7.4	4.2
SK	53.3	26.8	8.0	4.5
MB	55.8	28.8	7.4	2.9
West	58.6	26.0	6.7	3.3

Survey question: "Trade barriers between the Canadian provinces should be removed." (agree/disagree)

### Provincial Trade Barriers

Over 8 in 10 western Canadians feel that interprovincial trade barriers should be removed.

Over 8 in 10 western Canadians agree—and over 5 in 10 *strongly* agree—that interprovincial trade barriers should be removed. BC residents are the most supportive of this position, with over 6 in 10 strongly agreeing.





## Conclusion

Economists have long been supportive of liberalized trade because of its positive effects on economic growth. The public, however, has not always been as enthusiastic, and it is striking to consider how Canadian public opinion toward free trade has shifted since the introduction of NAFTA. Research has shown that, while Canadians were generally reluctant about free trade prior to the implementation of the Free Trade Agreement and NAFTA, by 2000 Canadians were largely supportive of liberalized trade.<sup>1</sup> The generally positive public assessments of international free trade remain, as illustrated in the Looking West 2008 Survey.

But while assessments are more positive than negative, the findings indicate muted, rather than enthusiastic, support for free trade. While the balance of opinion is behind free trade, the survey findings suggest that western Canadian support for international free trade is somewhat tempered. This is particularly true with respect to the perceived negative impact of increased international trade upon the environment.

Turning to internal trade, it is interesting to see that BC residents are the most enthusiastic about the removal of interprovincial trade barriers, particularly given that BC residents are the most likely to report negative impacts of increased international free trade. More broadly, the extremely strong pan-western support for the removal of *interprovincial* trade barriers is of note, particularly as Saskatchewan and Manitoba remain outside the BC-Alberta Trade, Investment and Labour Mobility Agreement. ■



1. See Mendelsohn, Matthew. 2002. *Canada's Social Contract: Evidence From Public Opinion*. Discussion Paper No.P01, Public Involvement Network. Ottawa, ON: Canadian Policy Research Networks; and Mendelsohn, Matthew and Robert Wolfe. 2001. "Probing the after-myth of Seattle: Canadian public opinion on international trade, 1980-2000." *International Journal* 56: 234-60.

## About the Canada West Foundation

### Our Vision

A dynamic and prosperous West in a strong Canada.

### Our Mission

A leading source of strategic insight, conducting and communicating non-partisan economic and public policy research of importance to the four western provinces and all Canadians.

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In 1970, the One Prairie Province Conference was held in Lethbridge, Alberta. Sponsored by the University of Lethbridge and the Lethbridge Herald, the conference received considerable attention from concerned citizens and community leaders. The consensus at the time was that research on the West (including BC and the Canadian North) should be expanded by a new organization. To fill this need, the Canada West Foundation was created under letters patent on December 31, 1970. Since that time, the Canada West Foundation has established itself as one of Canada's premier research institutes. Non-partisan, accessible research and active citizen engagement are hallmarks of the Foundation's past, present and future endeavours. These efforts are rooted in the belief that a strong West makes for a strong Canada.

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