

# Ontario Finance Survey March 2004



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# Methodology

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- 1501 interviews in Ontario
  - Margin of error +/- 2.53%
  - Data was weighted to accurately reflect the demographic profile of the province.



## Direction of Ontario (1)

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- Ontarians are unsure of the direction of the province 45% feel it is heading in the right direction, and 47% feel the province is heading in the wrong direction.
  - Residents of the Northeast Metro (51%) area are most likely to say the province is heading in right direction while residents of Eastern Ontario (42%) are least likely to feel the province is heading in the right direction.
  
- Turning to the direction of the Government of Ontario, we see that 54% feel that the Government is on the right track with only 36% feeling that it is on the wrong track.
  - Residents of Central Ontario (62%) and women (57%) are most likely to think the Government is on the right track.
  - Residents of Eastern Ontario are also least likely to say the Government of Ontario is on the right track.



## Direction of Ontario (Cont'd)

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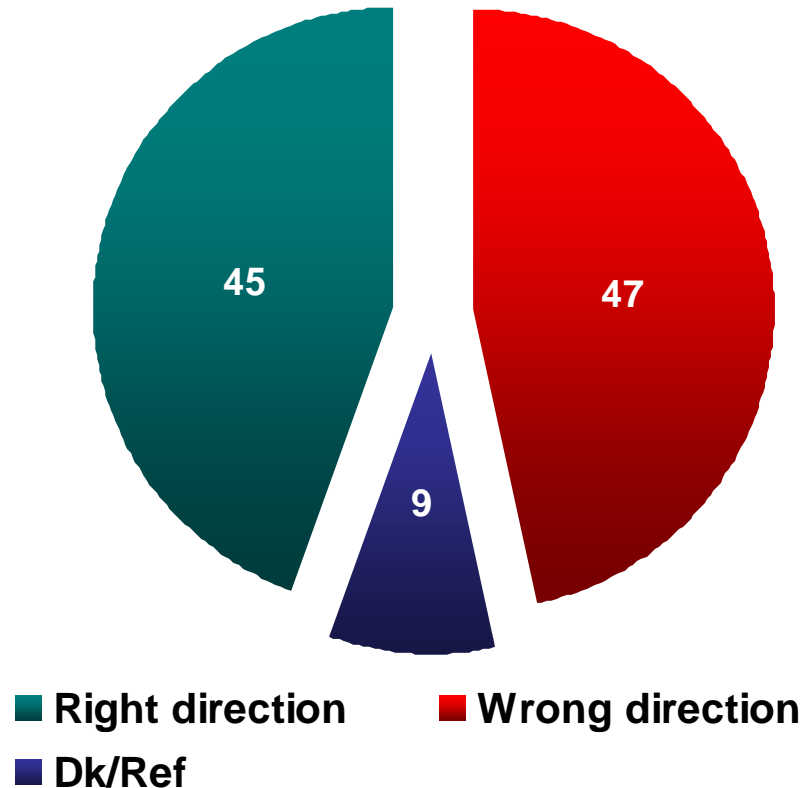
- The reasons given for why the government is on the right track vary, most notably are:
  - 14% general positive attributes of the Government
  - 11% anticipating improvement
- The most frequently stated reasons for while Ontarians feel the Government is on the wrong track are:
  - 30% general negative attributes of the Government
  - 13% general economic issues



# Direction of Province

*Some people say that, while the Province of Ontario has some problems, the Province is generally headed in the right direction at the current time. Other people say that there are more things going badly than well in the Province right now and that the Province is headed in the wrong direction.*

*Which of those two statements is closer to your own opinion?*

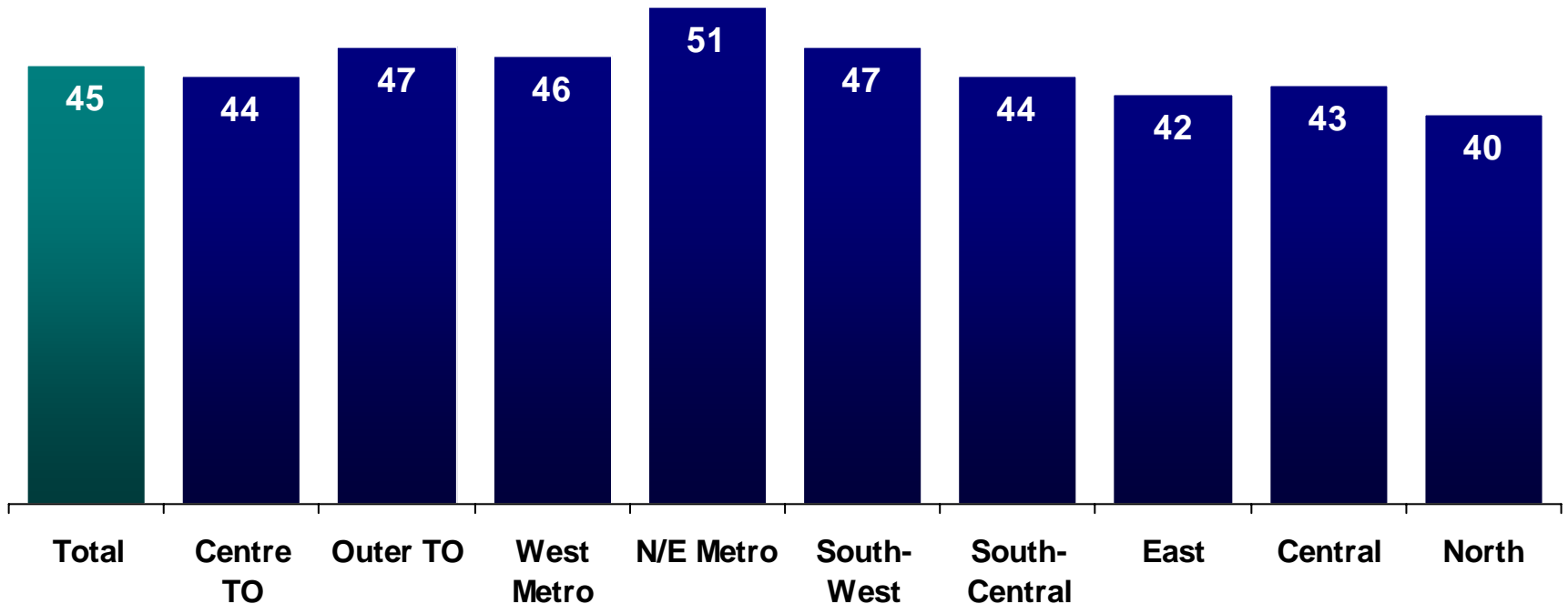




# Direction of Province

*Some people say that, while the Province of Ontario has some problems, the Province is generally headed in the right direction at the current time. Other people say that there are more things going badly than well in the Province right now and that the Province is headed in the wrong direction.*

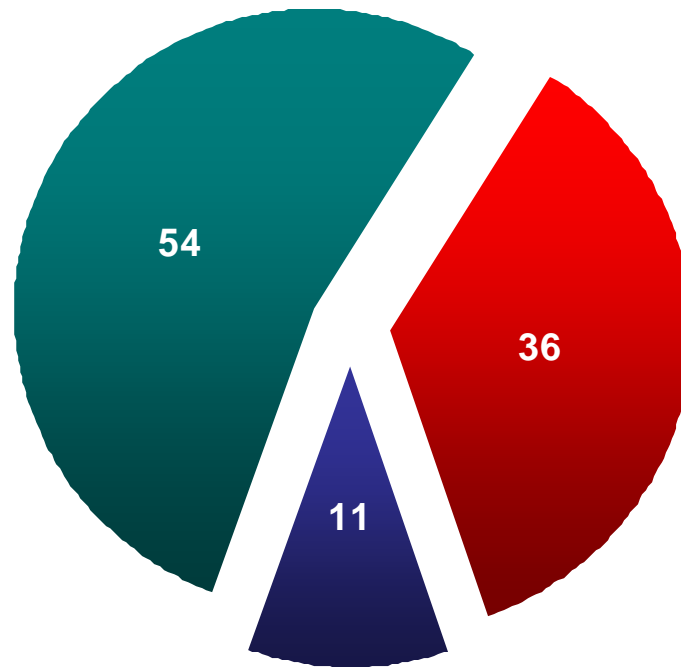
*% saying right direction?*





# Direction of Ontario Government

*Do you feel that the Ontario Government is on the right track or on the wrong track?*



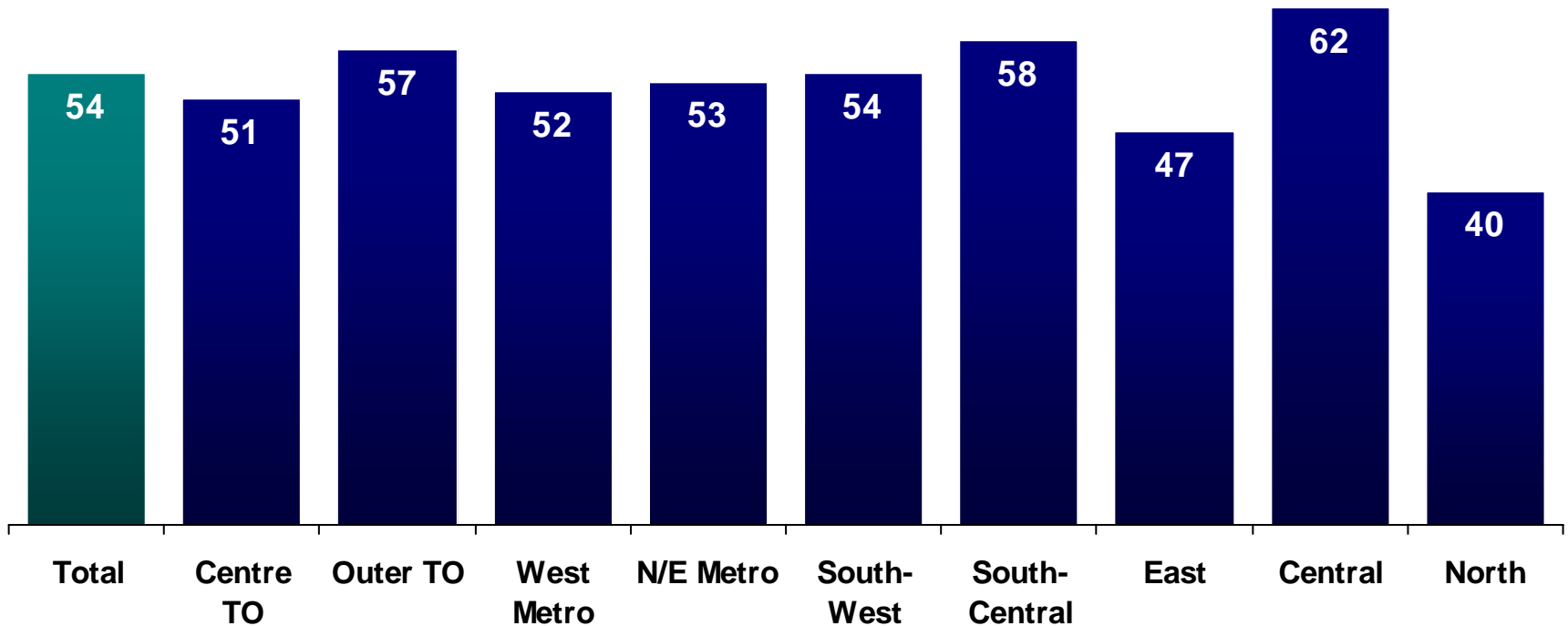
■ Right track ■ Wrong track ■ Dk/Ref



# Direction of Ontario Government

*Do you feel that the Ontario Government is on the right track or on the wrong track?*

*% saying right track*

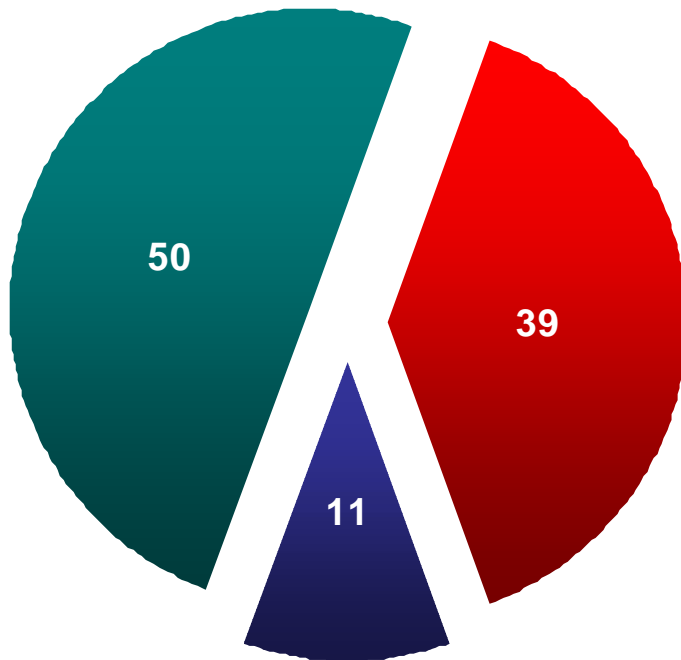




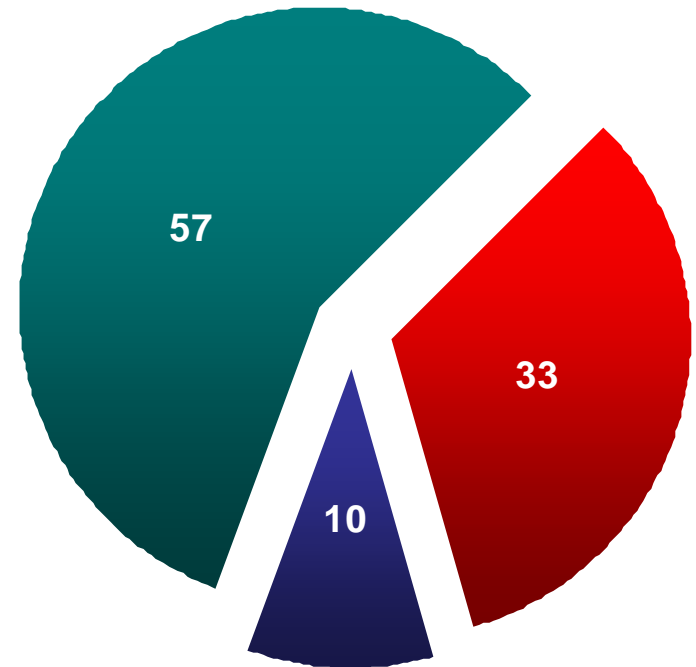
# Direction of Ontario Government by Gender

*Do you feel that the Ontario Government is on the right track or on the wrong track?*

Men



Women



■ Right track ■ Wrong track ■ Dk/Ref

■ Right track ■ Wrong track ■ Dk/Ref

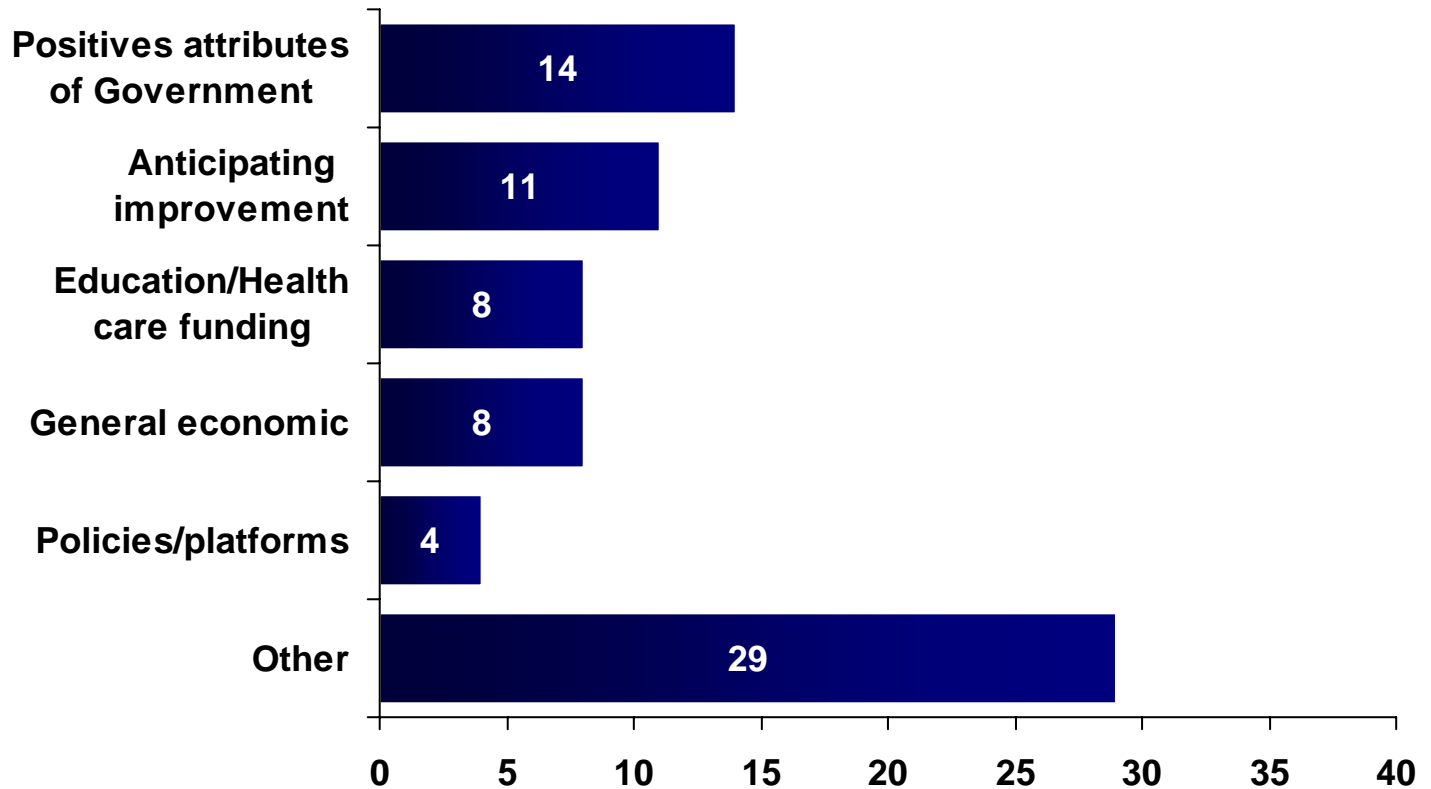


# Direction of Ontario Government

*Do you feel that the Ontario Government is on the right track or on the wrong track?*

*Why would you say that?*

## Reasons given by those saying right track



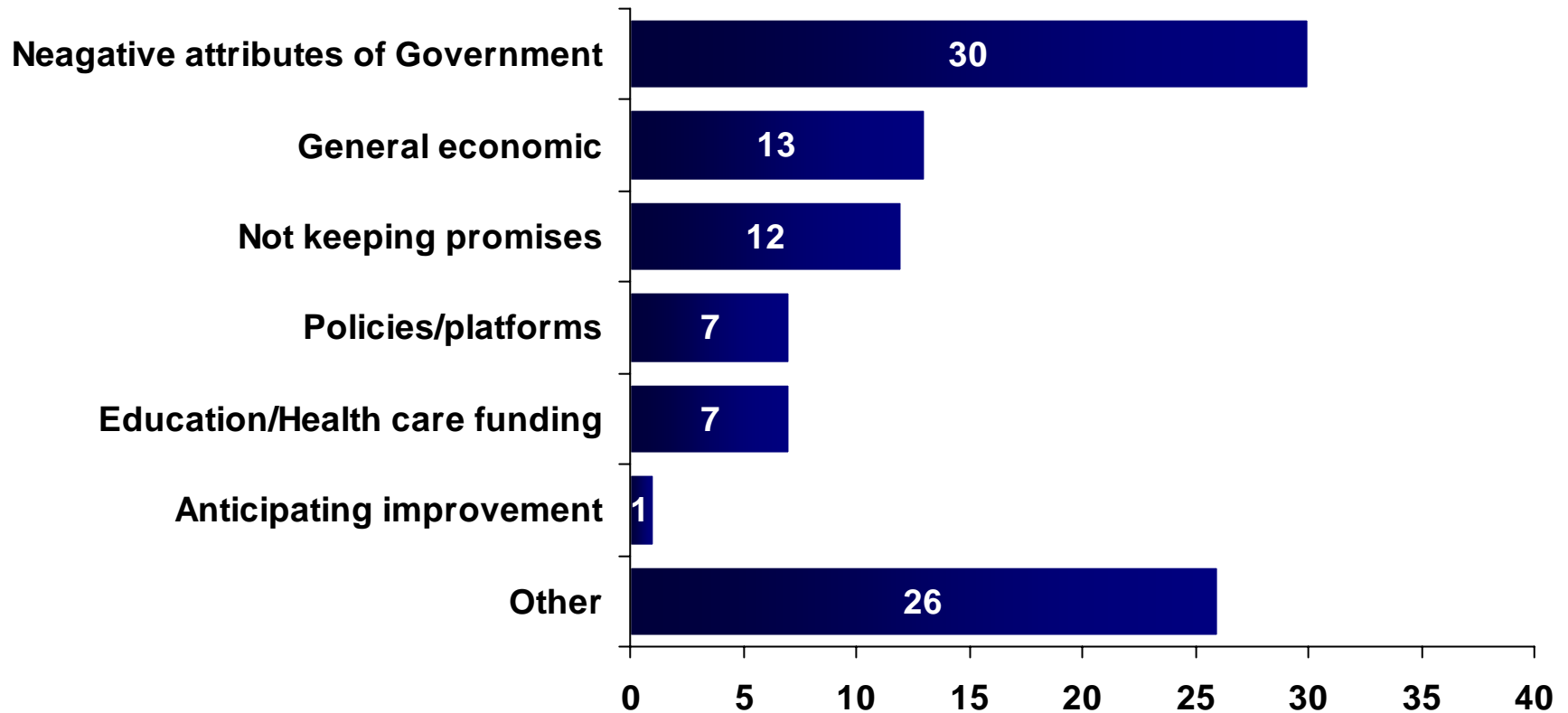


# Direction of Ontario Government

*Do you feel that the Ontario Government is on the right track or on the wrong track?*

*Why would you say that?*

## Reasons given by those saying wrong track





# The Economy (1)

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- Overall outlook on the economy is generally optimistic with 56% feeling that the economy is growing moderately, however, only 6% feel the the economy is strongly growing.
- Reasons given for why residents feel the economy is growing are:
  - 20% general economic issues
  - 18% employment rate
  - 11% personal experience/opinion
- The most frequently cited reason for the economy declining is also general economic issues (25%), employment rate (15%) followed by general social issues (10%). There appears to be two separate groups of Ontarians that view the economy very differently. Not surprisingly, those reporting an income over \$75k feel that the economy is growing.
- Looking to the future 50% Ontarians feel that the economy will remain the same. As well, 45% feel that their personal economic situation will remain the same, with 42% feeling their personal economic situation will get better in the future.



## The Economy (Cont'd)

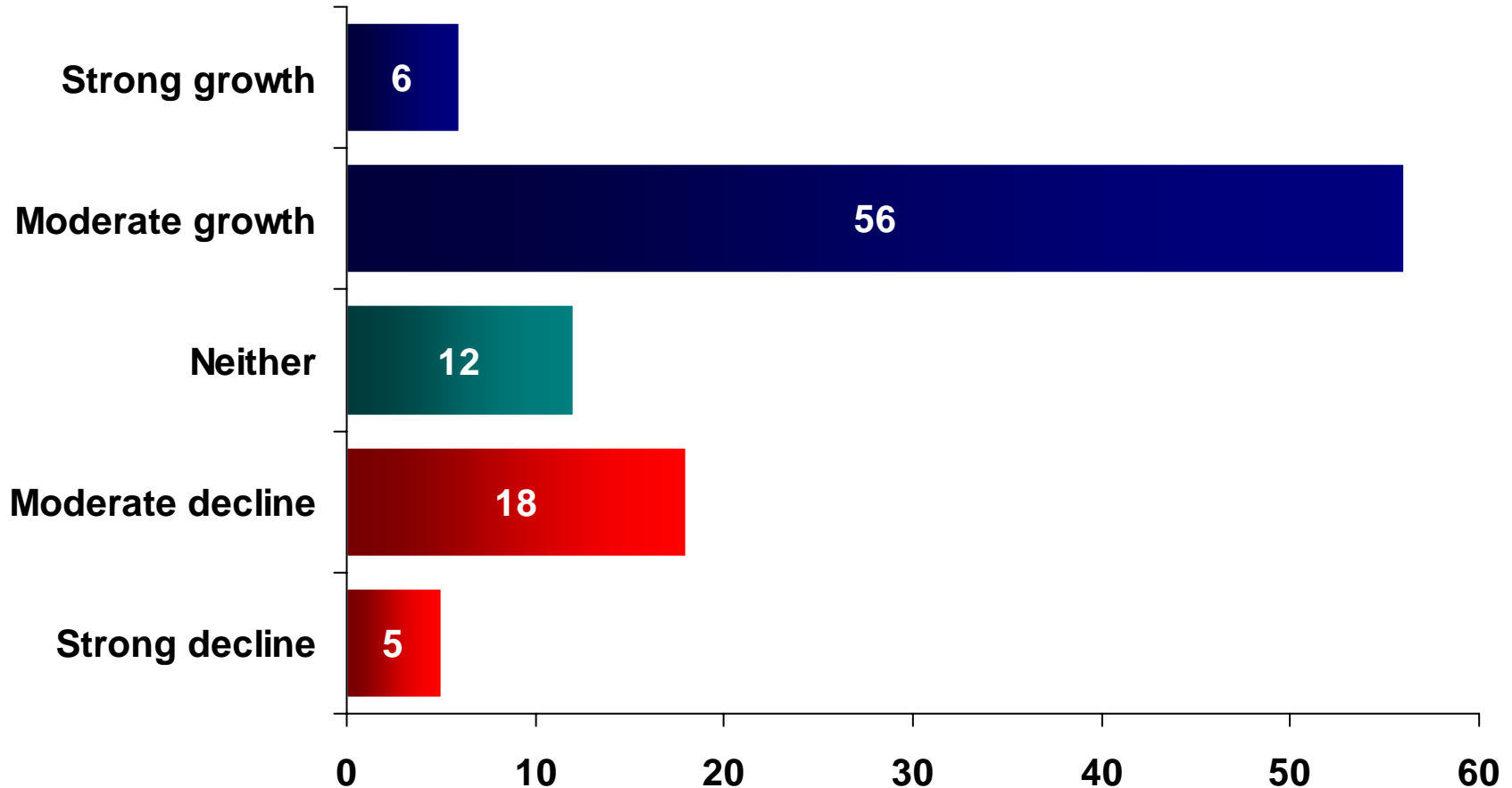
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- Only 32% of Ontario residents are confident about the economy now that there is a new government. In focus groups there was virtually no one who had a sense of what the government's plan for the economy might be, but most presumed it had to be better than the previous government's.
- It is interesting to note that 13% of respondents cited general economic issues as a reason the Government of Ontario is on the wrong track.



# State of Ontario's Economy

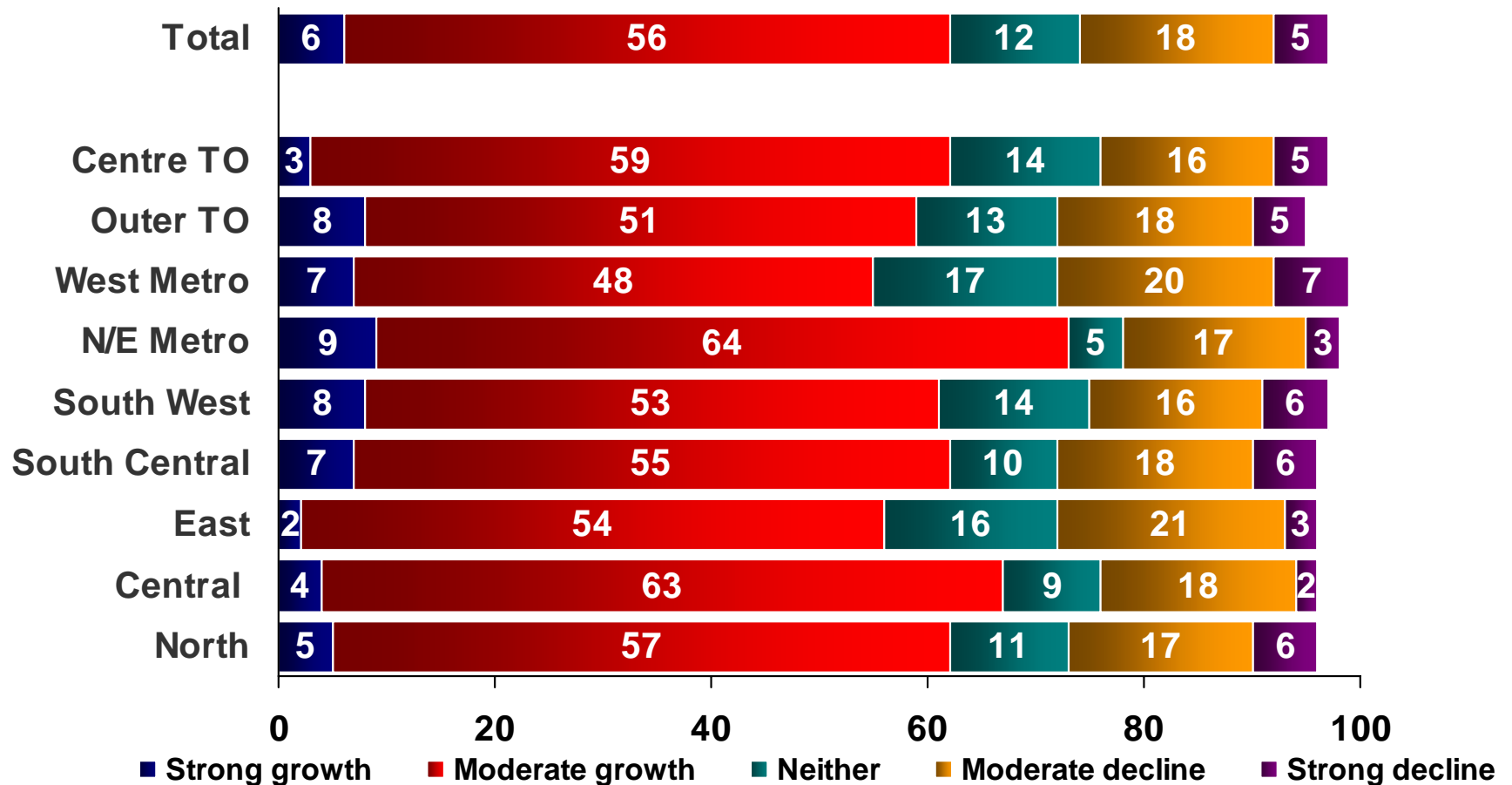
*In general, how would you describe the state of the economy in Ontario today? Would you say that it is in a period of strong growth, moderate or slow growth, neither growing nor declining, moderate decline or strong decline?*





# State of Ontario's Economy

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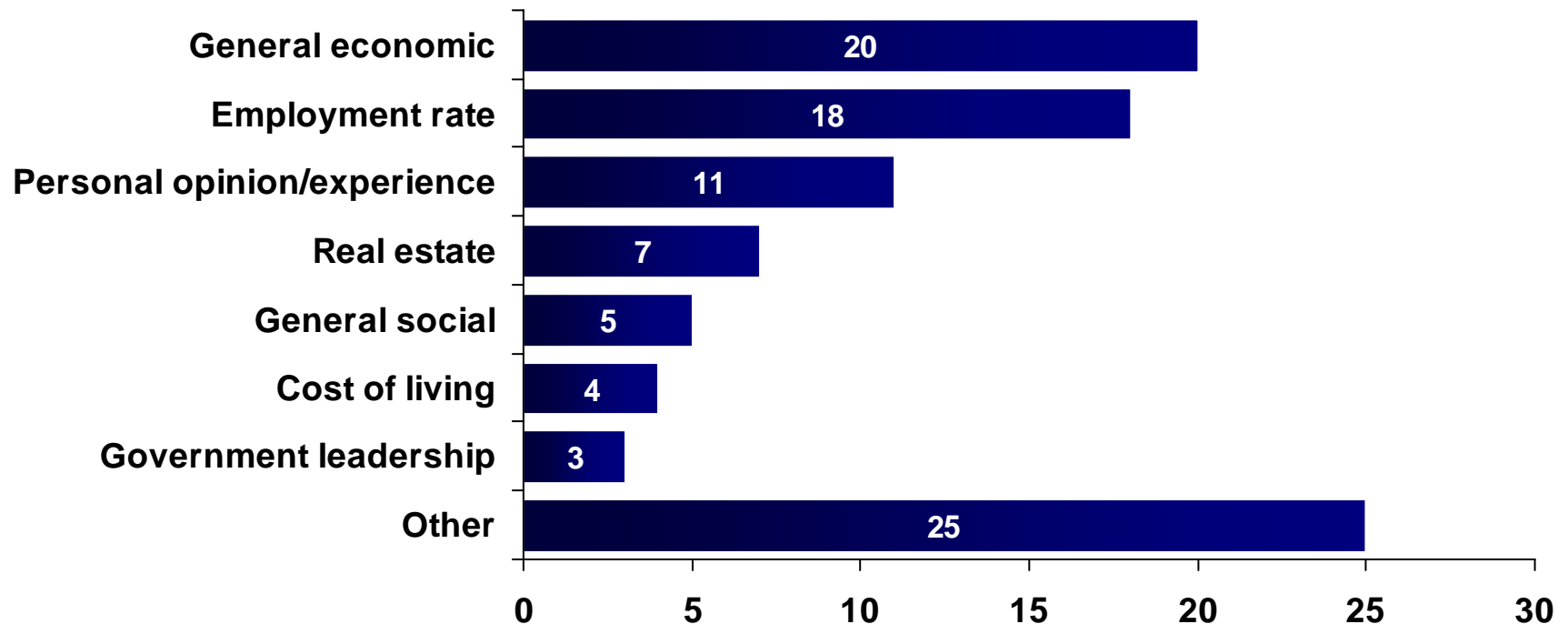


# Reasons for State of Ontario's Economy

*In general, how would you describe the state of the economy in Ontario today? Would you say that it is in a period of strong growth, moderate or slow growth, neither growing nor declining, moderate decline or strong decline?*

*Why would you say that?*

## Reasons given by those saying economy growing



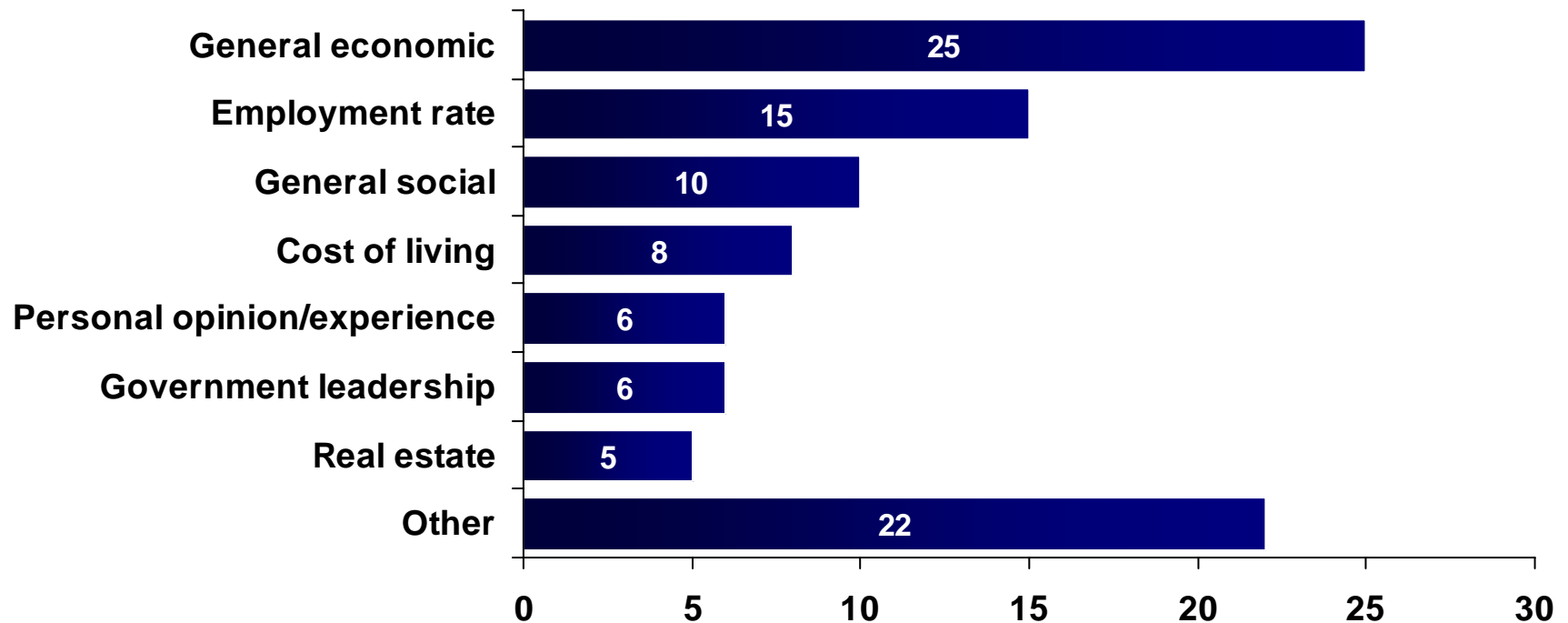


# Reasons for State of Ontario's Economy

*In general, how would you describe the state of the economy in Ontario today? Would you say that it is in a period of strong growth, moderate or slow growth, neither growing nor declining, moderate decline or strong decline?*

*Why would you say that?*

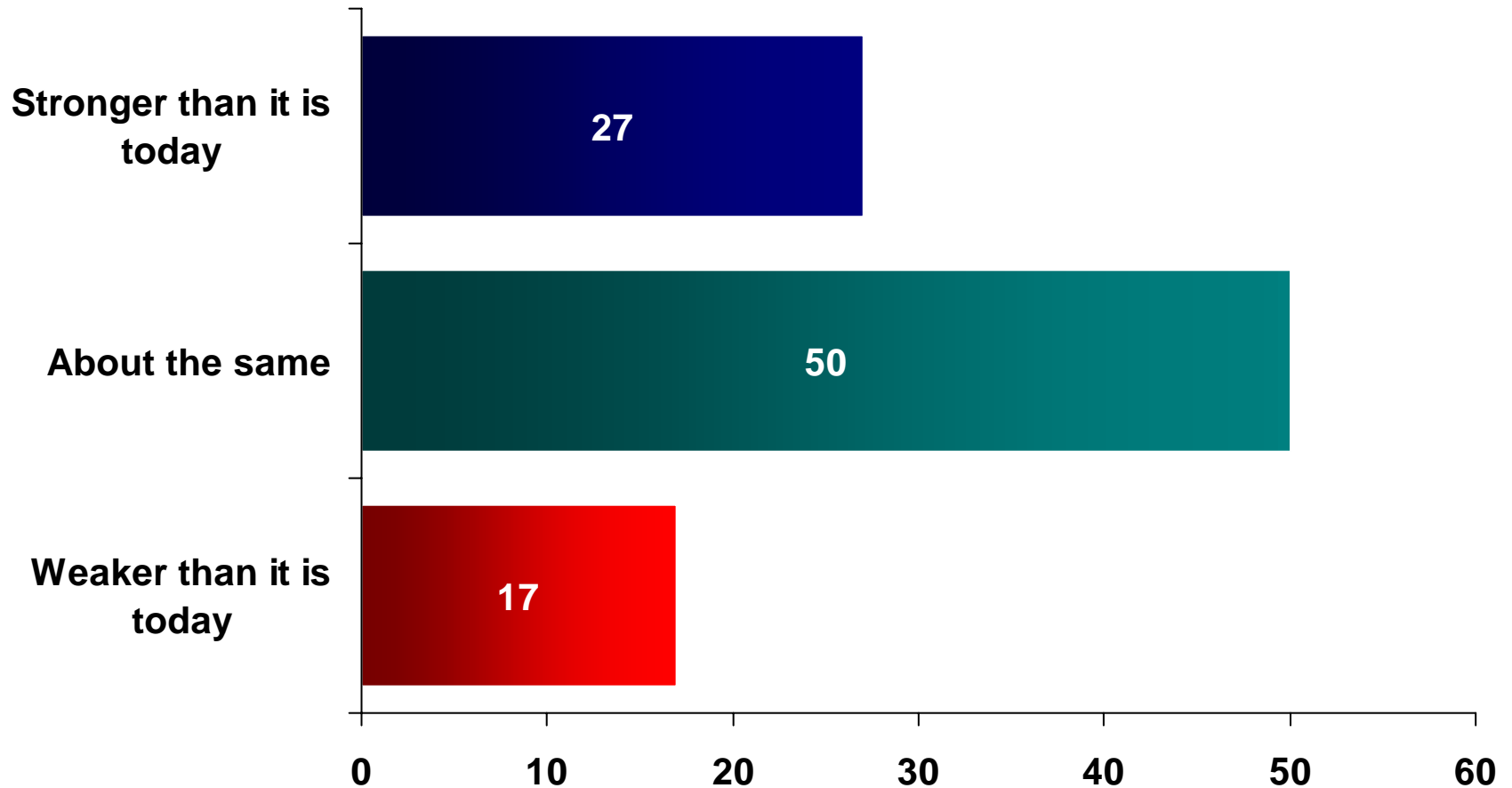
## Reasons given by those saying economy declining





# Future of the Economy

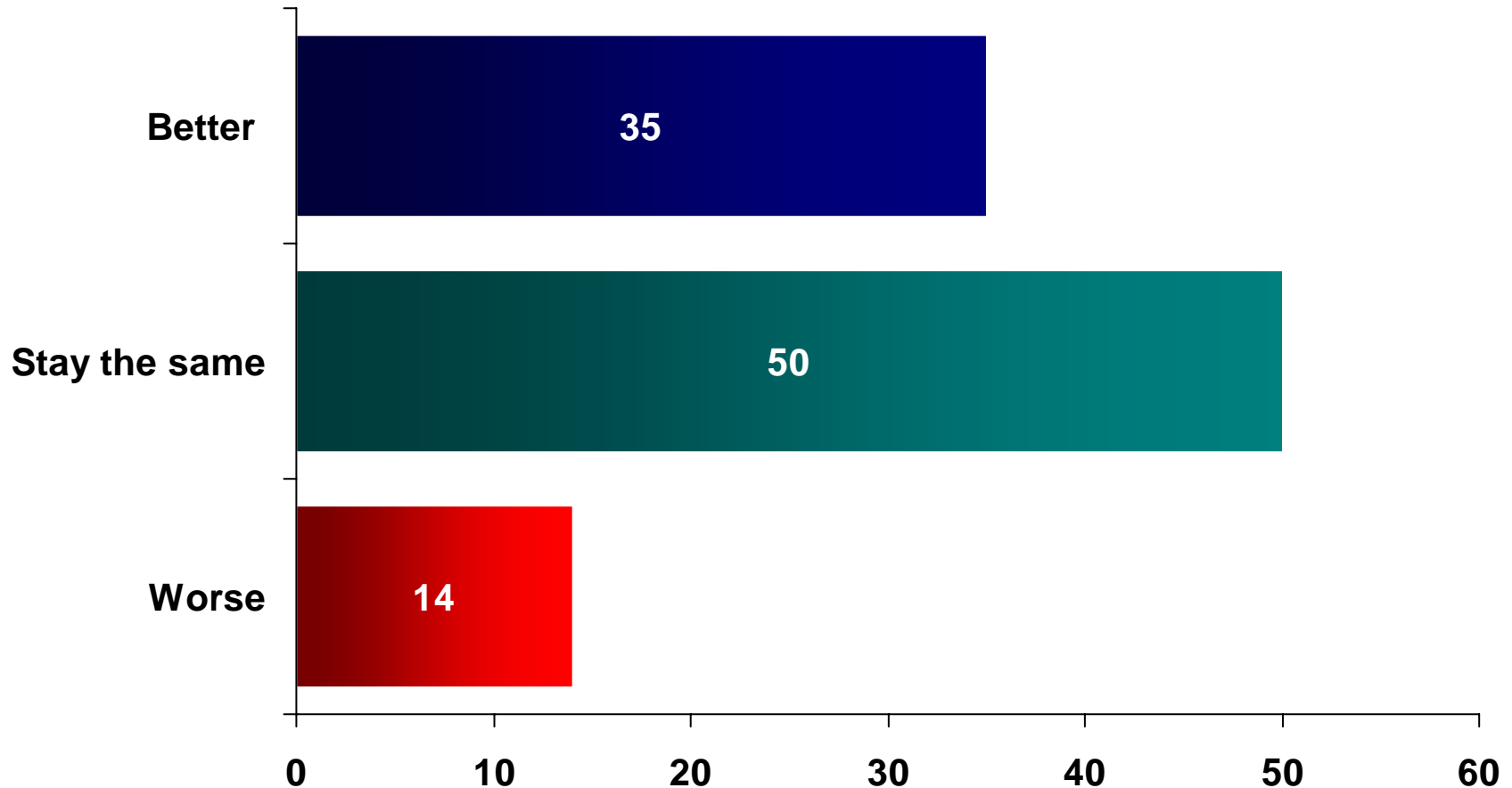
*Looking ahead to one year from now, do you think the economy will be stronger than it is today, weaker than it is today or about the same as it is today?*





# Personal Economic Situation

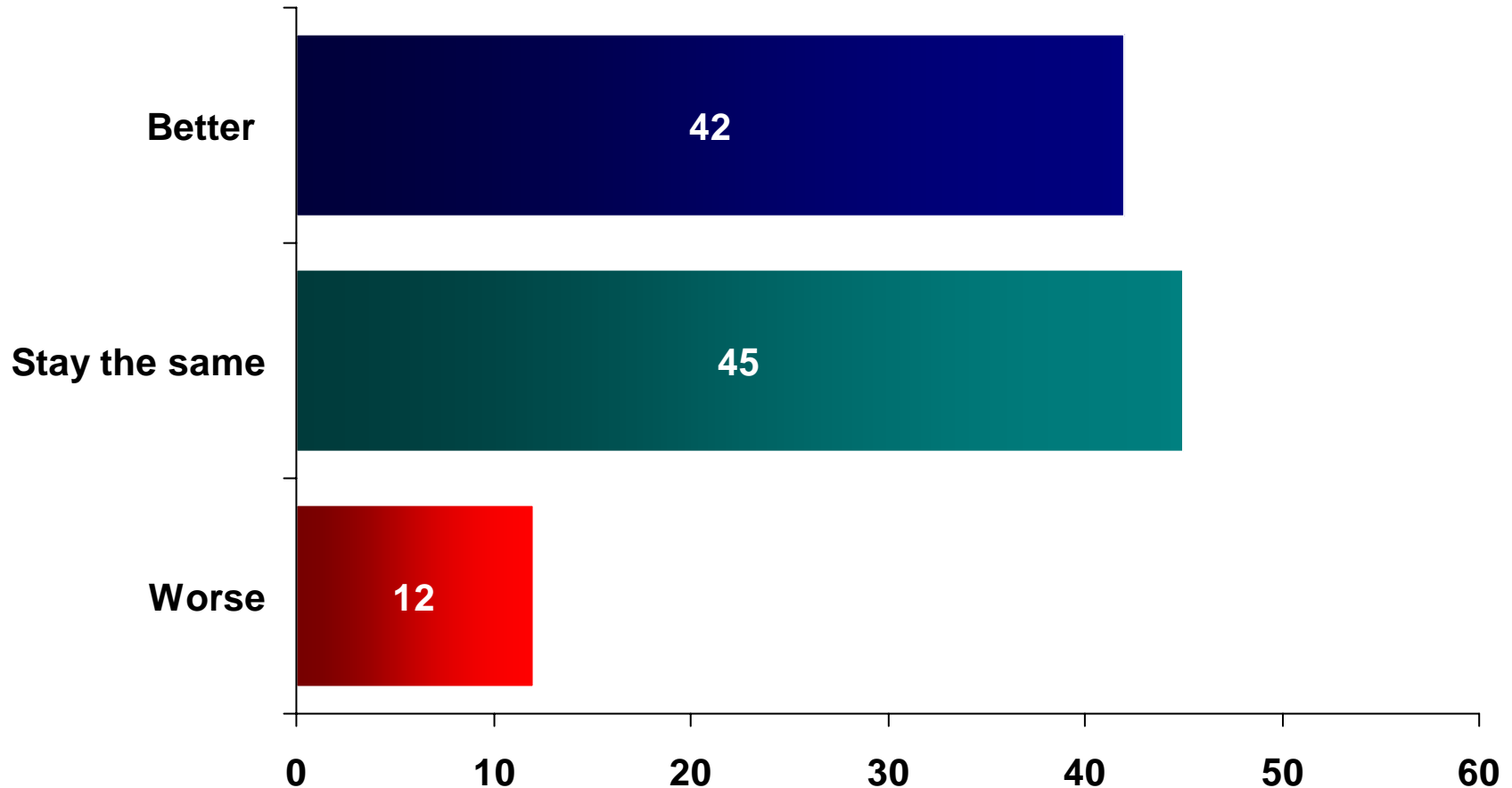
*How would you say your personal financial or economic situation is today. Would you say you expect your personal financial or economic situation to get better, get worse or stay about the same?*





# Future Personal Economic Situation

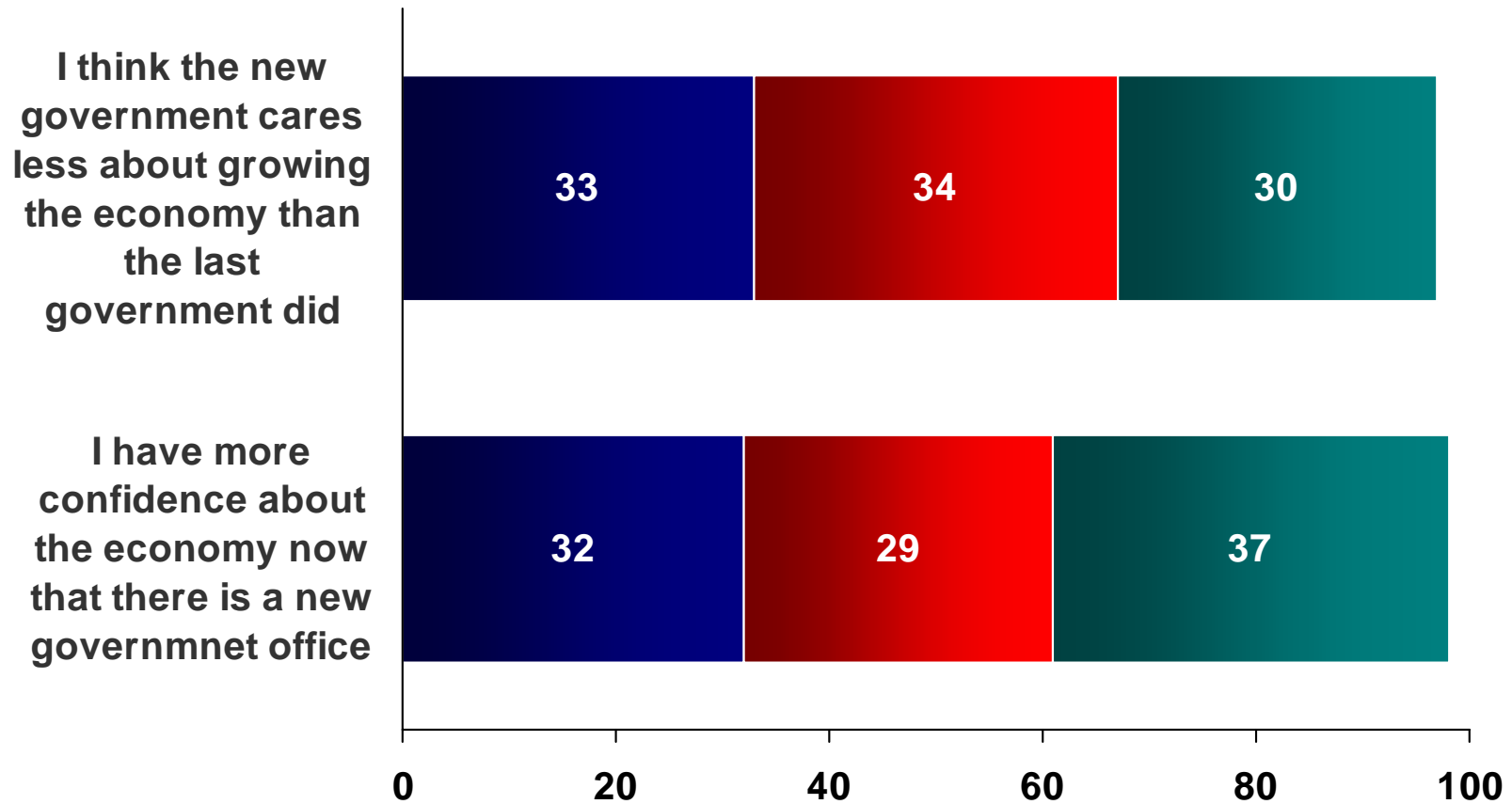
*How do you expect your personal financial or economic situation to be one year from now – compared to what it is like today? Do you expect that your personal financial or economic situation will be in better shape than it is now, worse than it is now, or no different from now?*





# Government and the Economy

*I am going to read you a series of statements some people might make and ask you to tell me whether you agree or disagree with them.*





## Priorities and Performance (1)

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- Building a strong economy (87%) is the top priority, followed closely by reducing waiting times for health care (86%) and having enough electricity (86%). Of less importance to Ontarians are not increasing income taxes (64%) and reducing income taxes (59%).
- The province gets its highest performance ratings for having enough electricity (43%) and Building a strong economy (41%). While its receives its lowest performance rating on reducing wait times for health care (29%), reducing elementary class sizes (28%) and reducing income taxes (27%).
- The economy and electricity are key drivers for the Province, while reducing waiting times for health care, and reducing crime is seen as a key challenge.



## Priorities and Performance (Cont'd)

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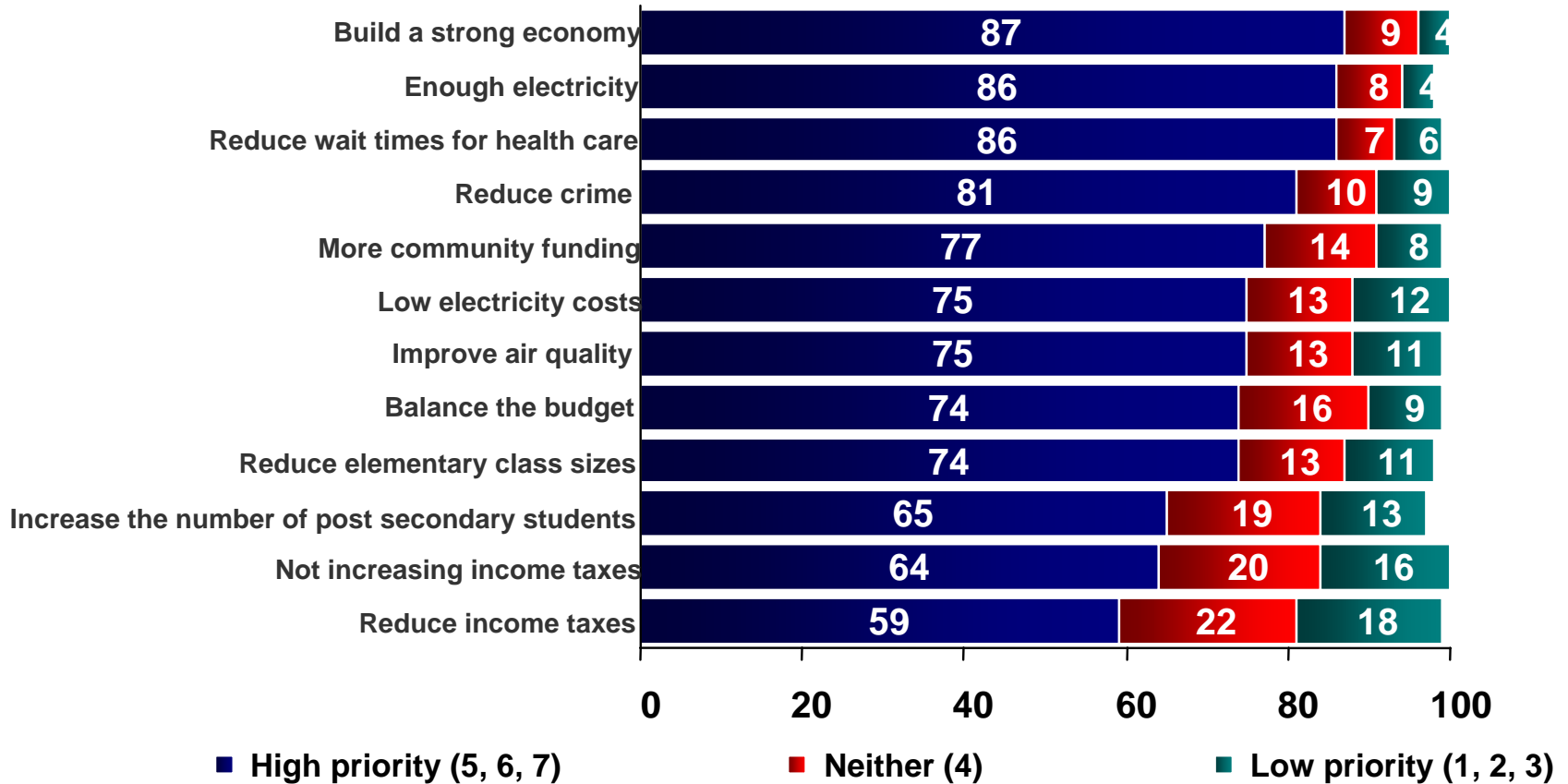
- Although performance ratings on individual issues are somewhat low, the Government's overall performance rating is high (78%). 45% give the government a fair rating, 31% give a good rating, however only 2% give an excellent rating.
- The government receives its highest performance rating from Central (83%) and Northern (80%) Ontario.



# Priorities of the Government of Ontario

How much priority would you like the Ontario Government to place on each of the following issues?

How about ...

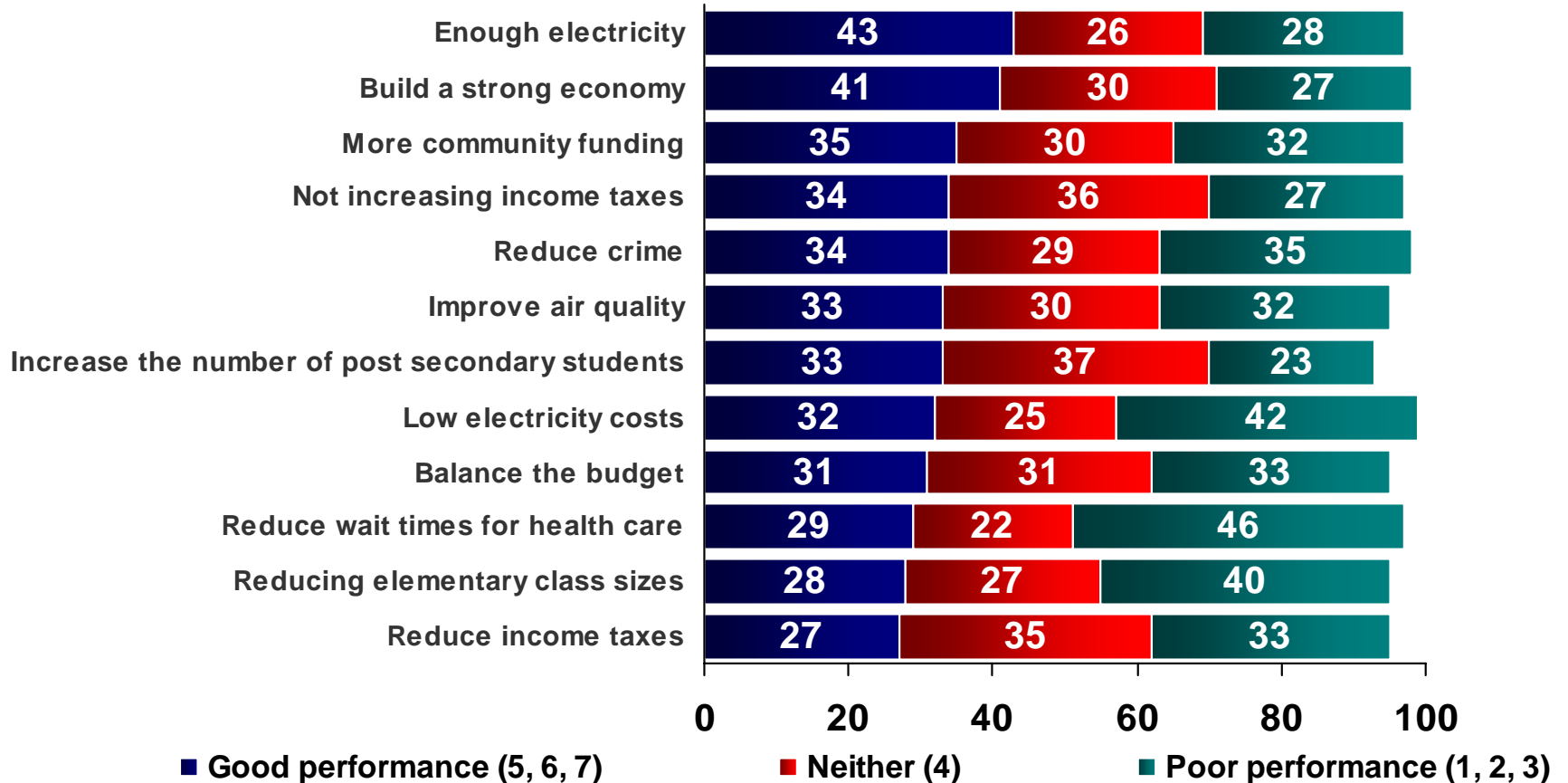




# Performance of the Government of Ontario

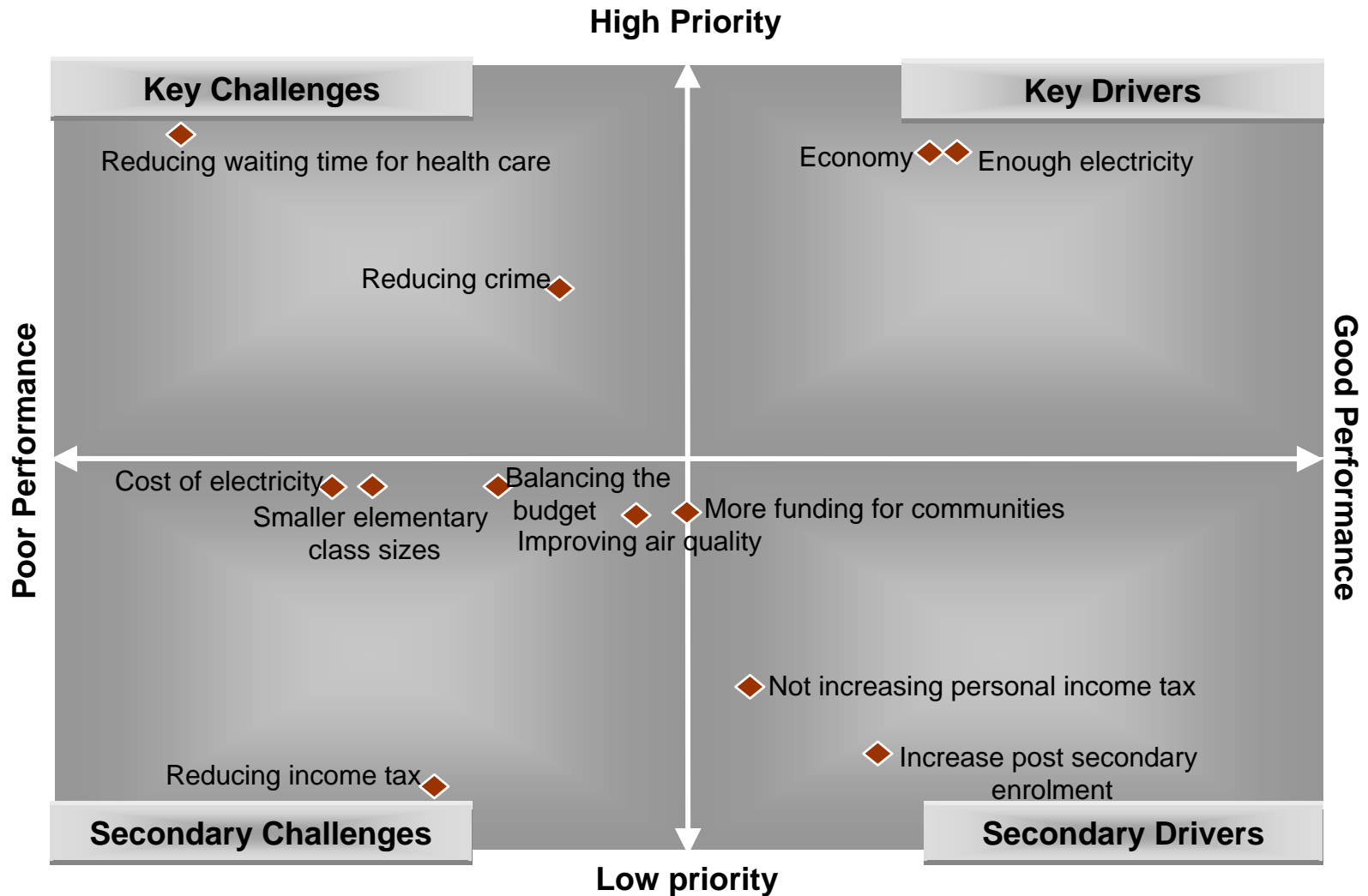
*Now I would like to ask you how satisfied you are with the performance of the Ontario Government to date on these same issues?*

*How about ...*





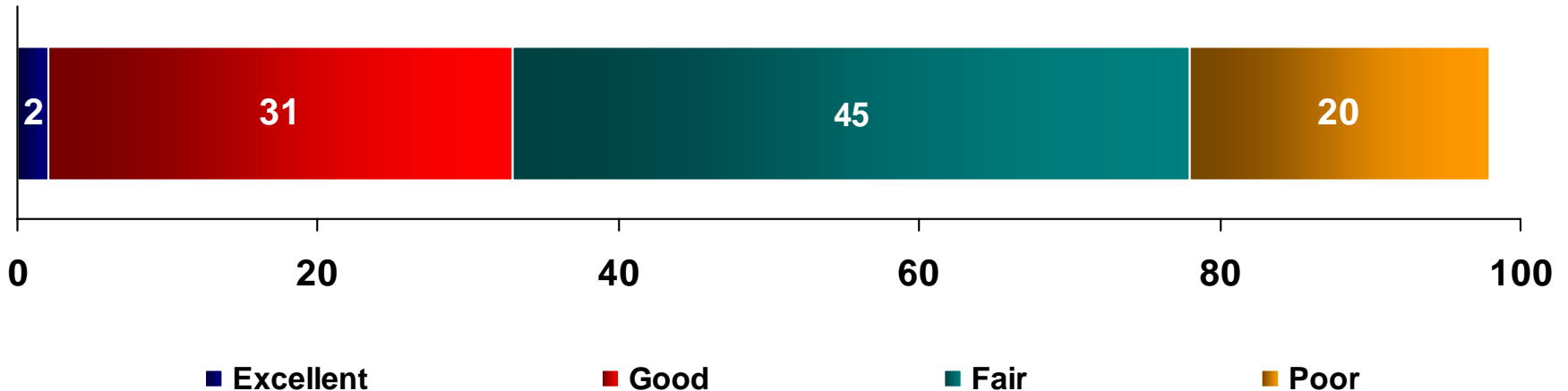
# Mapping Priorities and Performance





# Performance of the Government of Ontario

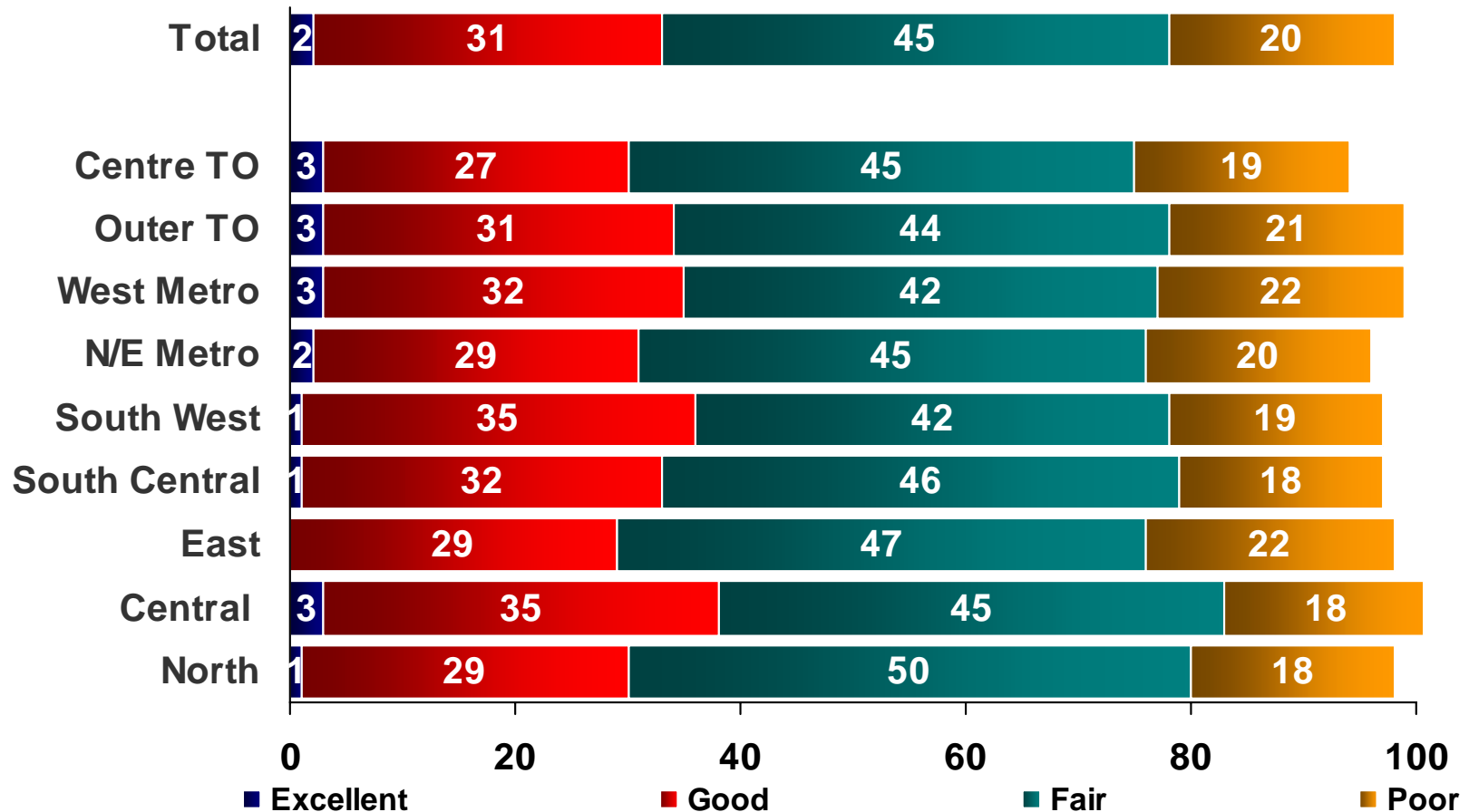
*How would you rate the performance of the Ontario Government overall – excellent, good, fair or poor?*





# Performance of the Government of Ontario

*How would you rate the performance of the Ontario Government overall – excellent, good, fair or poor?*





# The New Government (1)

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- The Majority of Ontarians (61%) believe that the Government is not taking its election commitments seriously. This is interesting considering 53% feel that it is more important to fulfill its election promises than balance the budget.
  
- If one election promise should be kept, most Ontarians feel that it should be more money for health care, education and municipalities (66%).
  - 19% feel it should be the promise of no tax increases
  - 14% think it should be to balance the budget
  
- When comparing no tax increases to a balanced budget, the previous sentiment holds. 54% of Ontario residents believe its more important for the premier to keep his promise not to raise taxes than it is to balance the budget.
  
- The overall view of the new government is generally favourable. The majority of respondents feel that the new government is well intentioned, and 41% feel that they will do a better job at managing the finances more carefully. However, the plurality of Ontarians (38%) do not feel that they have a sense of the government's plan.



## The New Government (Cont'd)

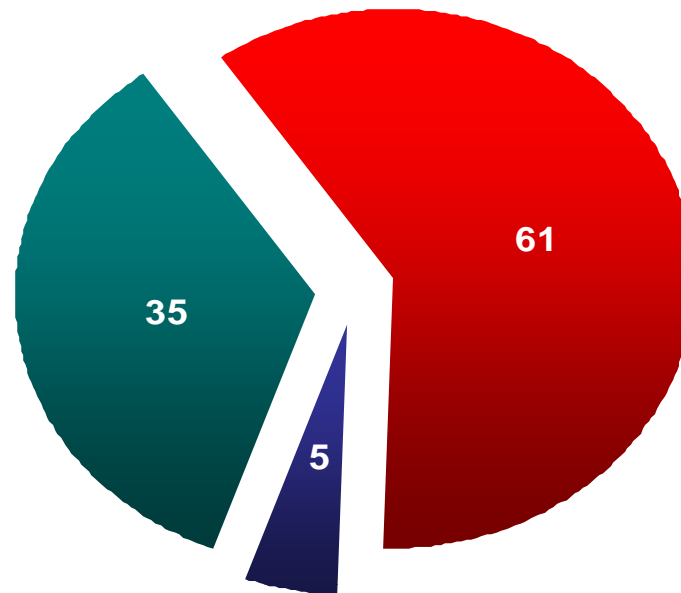
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- In focus groups the majority accorded the government a cautious benefit of the doubt largely based on antipathy to the previous government.
- However, there was a deep and worrying cynicism about government and politicians in general. Most pointed to a repetitive pattern of broken promises.



# Commitment of Government

*Which of the following statements is closest to your own view? The Government takes its election commitments seriously and will try its best to fulfill them, or This Government does not take its election commitments seriously and is looking for excuses to break them.*

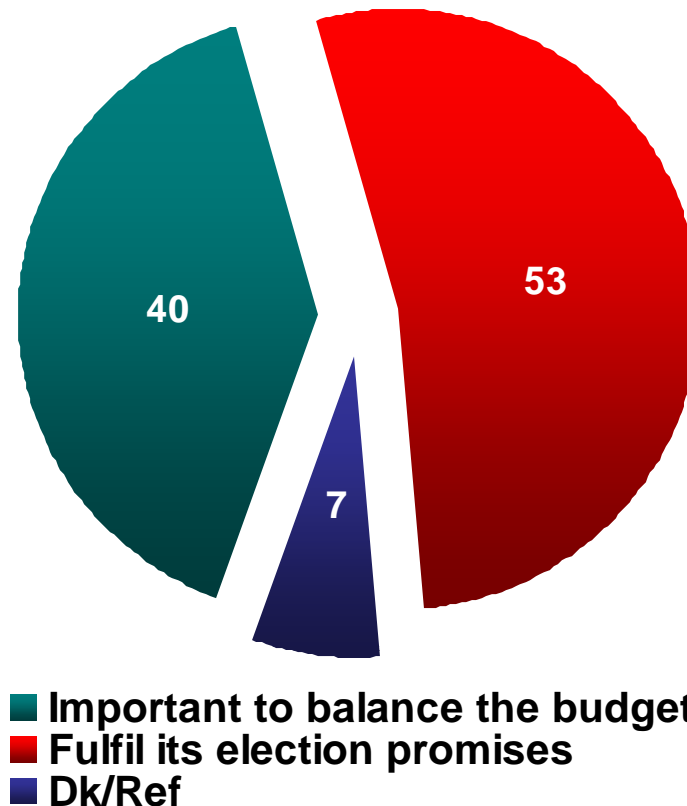


- The Government takes its election commitments seriously
- The Government does not take its election commitments seriously
- Dk/Ref



# Election Promises vs. Balanced Budget

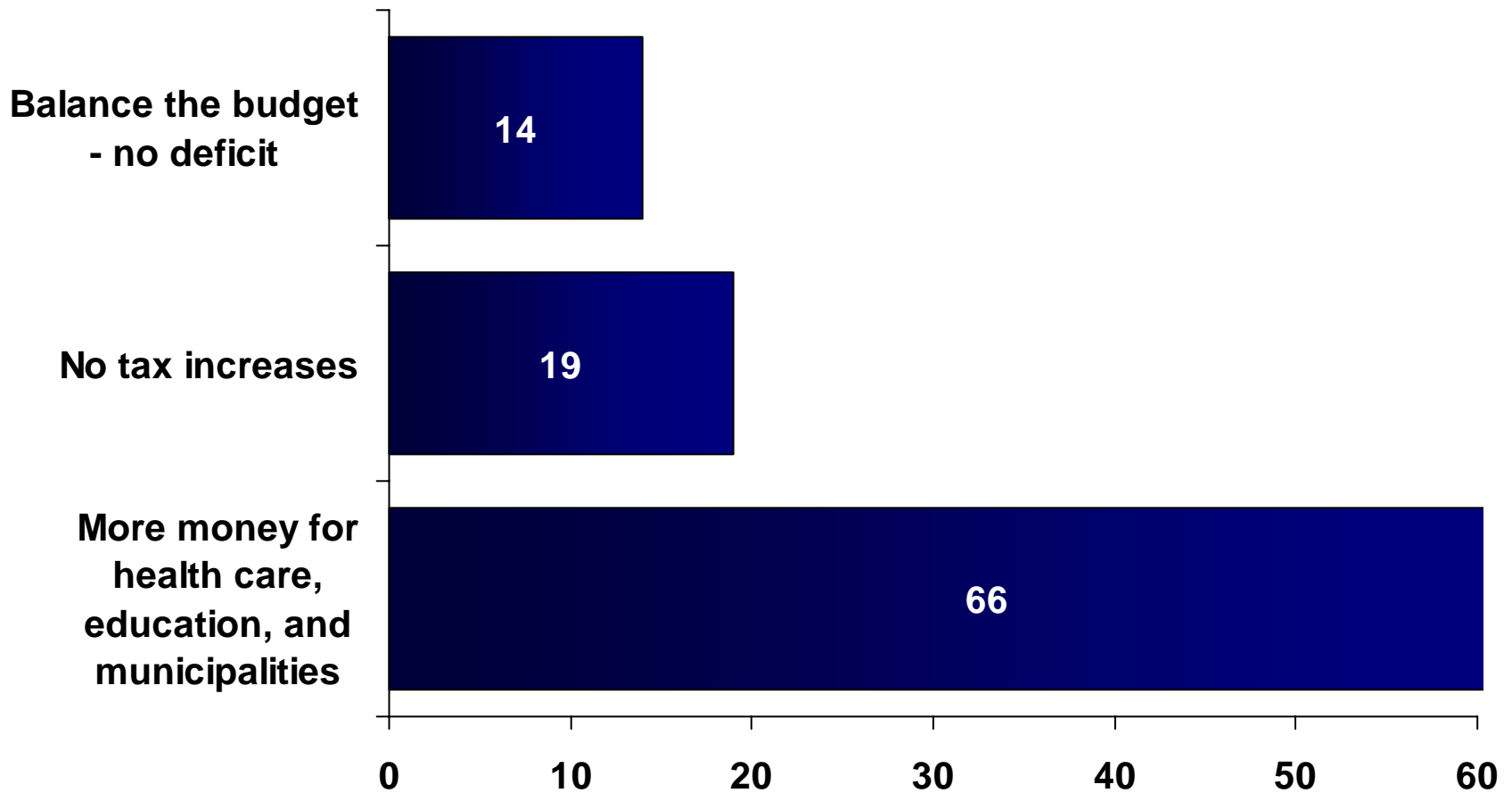
*Which of the following statements comes closest to your own view? It is more important for the Government to balance the budget than to fulfill its other election promises or It is more important for the Government to fulfill its other election promises than to balance the budget?*





# Keeping Election Promises

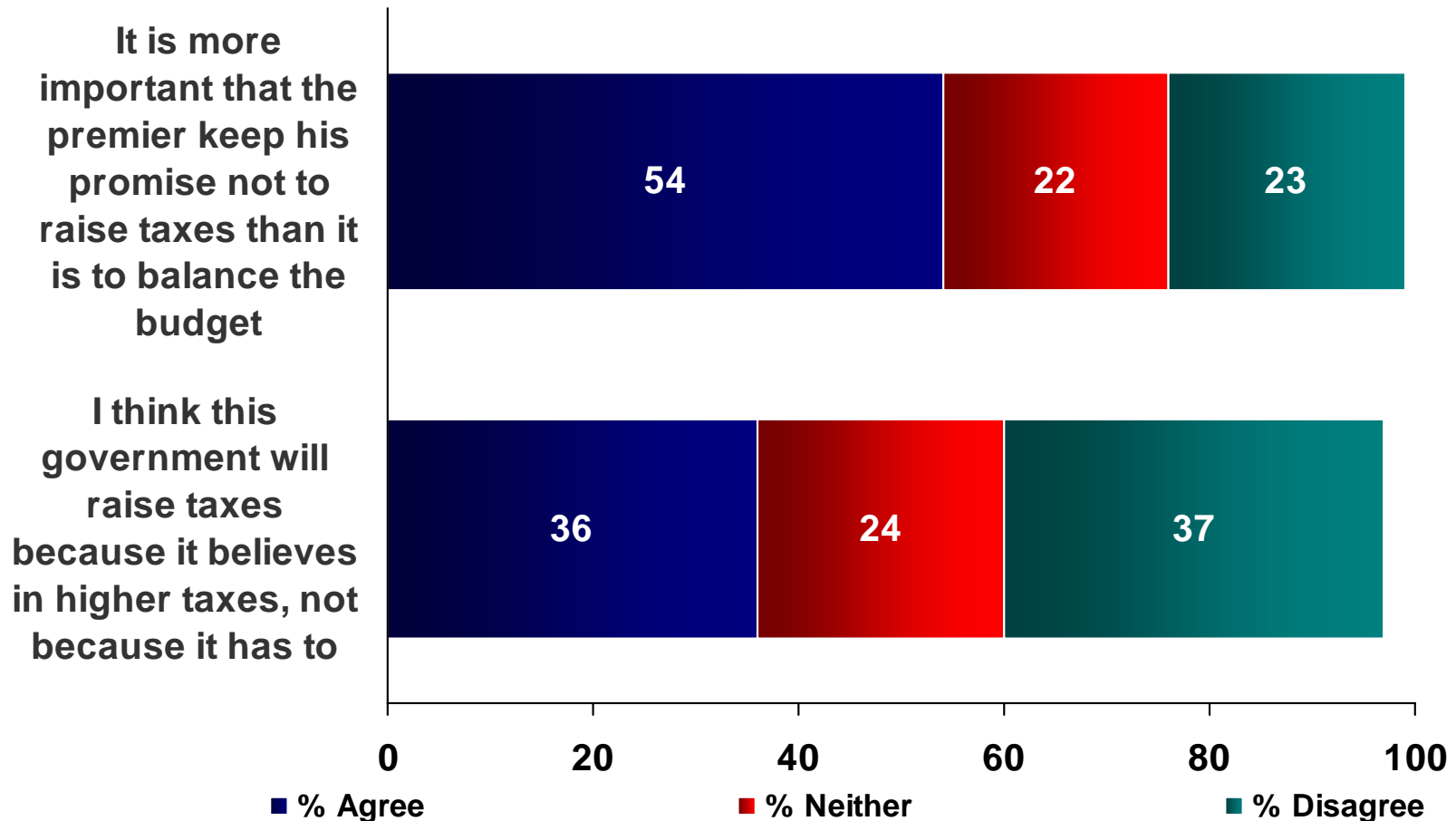
*Given the deficit situation, it may be impossible for the Government to fulfil all the promises it made in the election campaign. Which of these three broad promises is it most important that the Government keep?*





# Government and Taxes

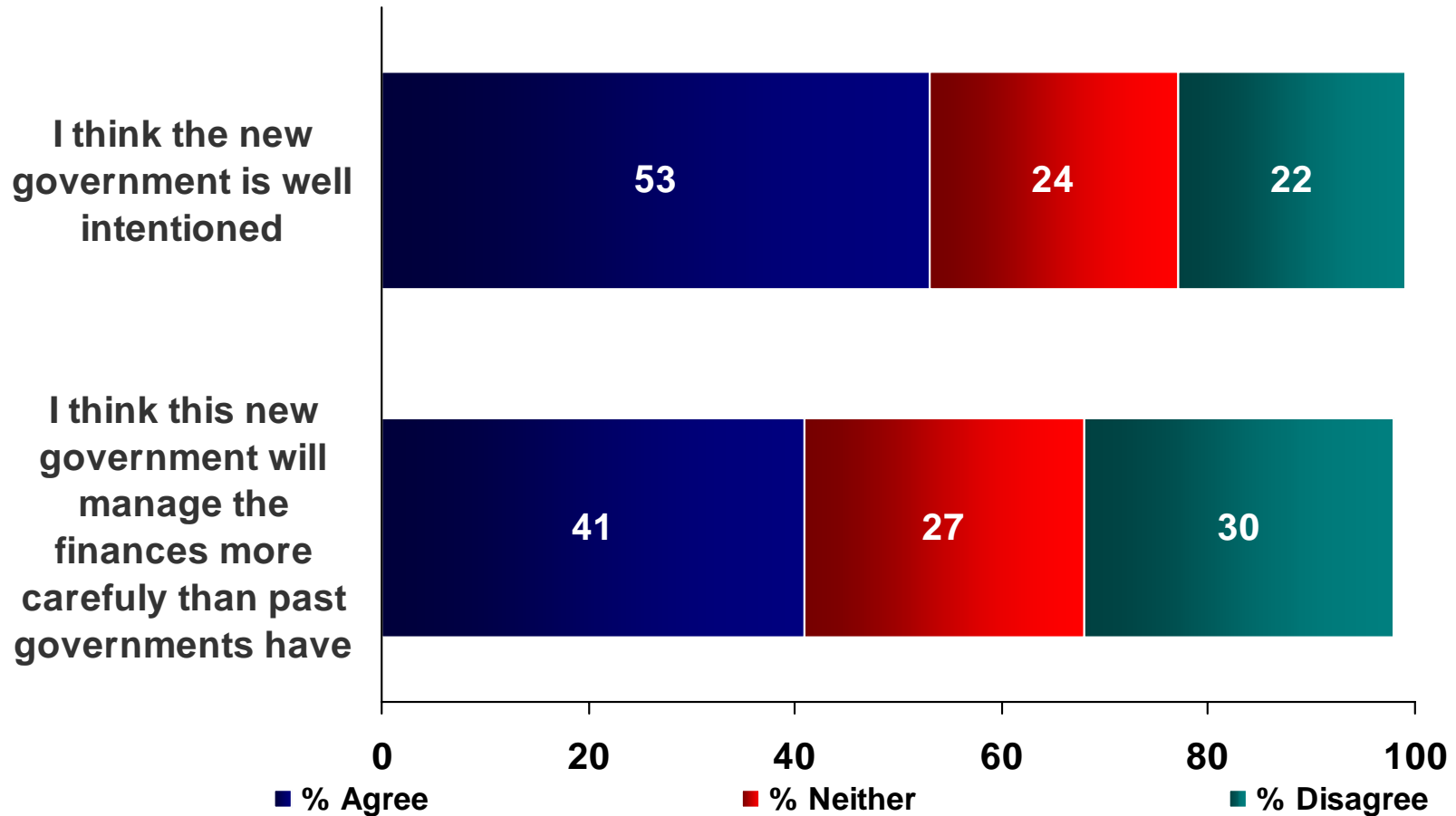
*I am going to read you a series of statements some people might make and ask you to tell me whether you agree or disagree with them.*





# Image of the New Government

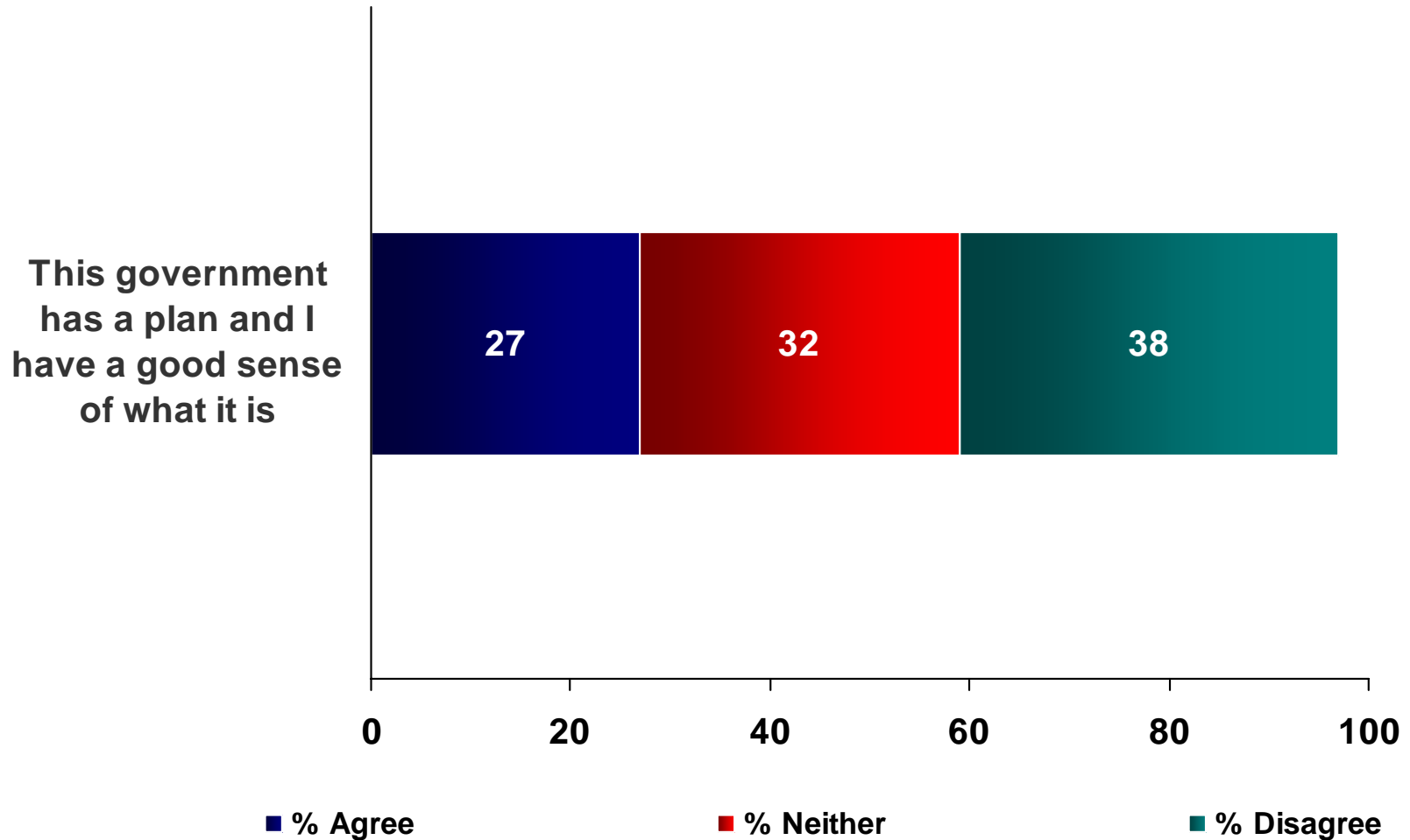
*I am going to read you a series of statements some people might make and ask you to tell me whether you agree or disagree with them.*





# Sense of the Government

*I am going to read you a series of statements some people might make and ask you to tell me whether you agree or disagree with them.*





## Deficit (1)

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- All most 3 in 5 Ontarians think that the current financial situation of the province is worse than the previous government said, but not as bad as the current government says it is.
  
- Data from focus groups supports the above finding. Most believe that the government has overstated the size of the current deficit to gain political advantage and to justify not implementing promises.
  
- When asked why would the government be making the province's financial situation worse than it is, the reason varied:
  - 23% excuse for breaking election promises
  - 15% to make previous government look bad
  - 11% to make themselves look good.
  
- Almost half of Ontarians feel the best approach to the deficit is to eliminate it in 2 years by increasing spending by 2.3%.



## Deficit (Cont'd)

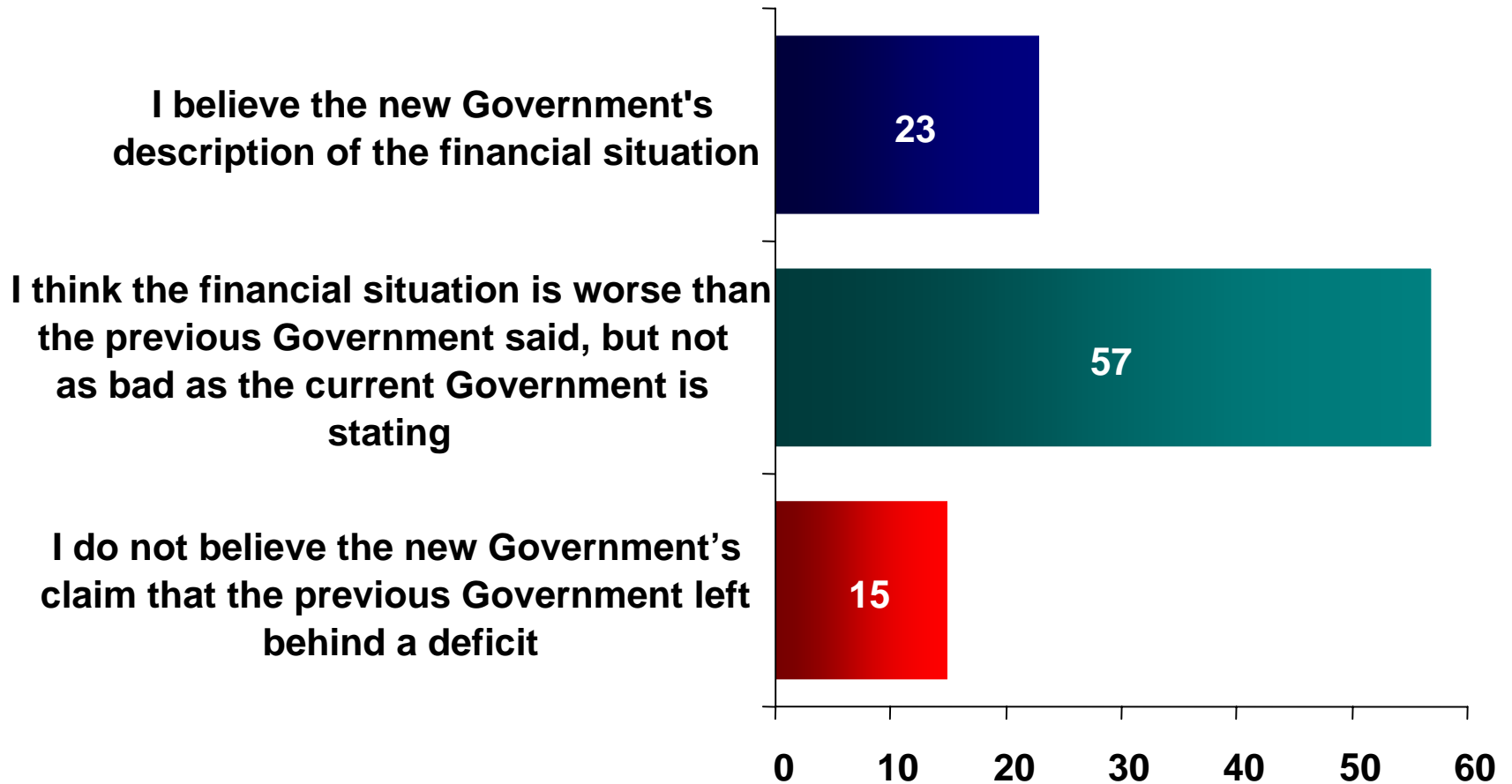
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- Ontarians believe the best way to address the deficit is by a mix of spending reductions and user fee/tax increases (63%). The preference for increases in user fees is illustrated in the paired choices table. User fees are favoured over slowing health care spending (78%) to reducing electricity subsidies (61%).
- From the focus groups we see that given the size of the deficit, most Ontarians said they would prefer the government to breach promises than to cause lasting difficulty by honouring them. Furthermore, many do not see user fees as as a breach of the promise not to raise taxes.



# Deficit

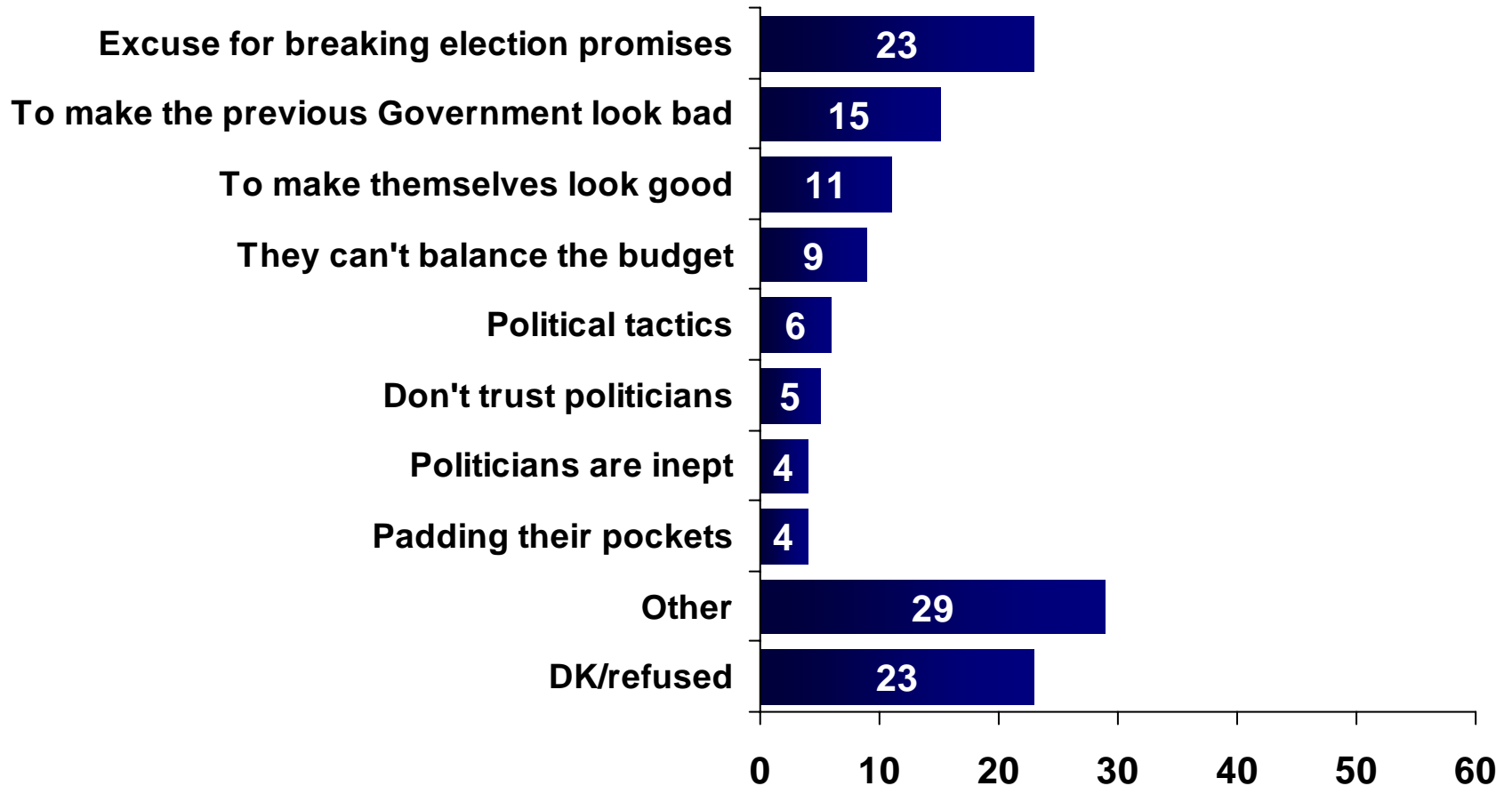
*The Ontario Government has announced that the Province is running a deficit of over 5 billion dollars, instead of having a balanced budget as the previous Government had claimed. Which of the following statements comes closest to your own view?*





# Deficit: Worse than it is?

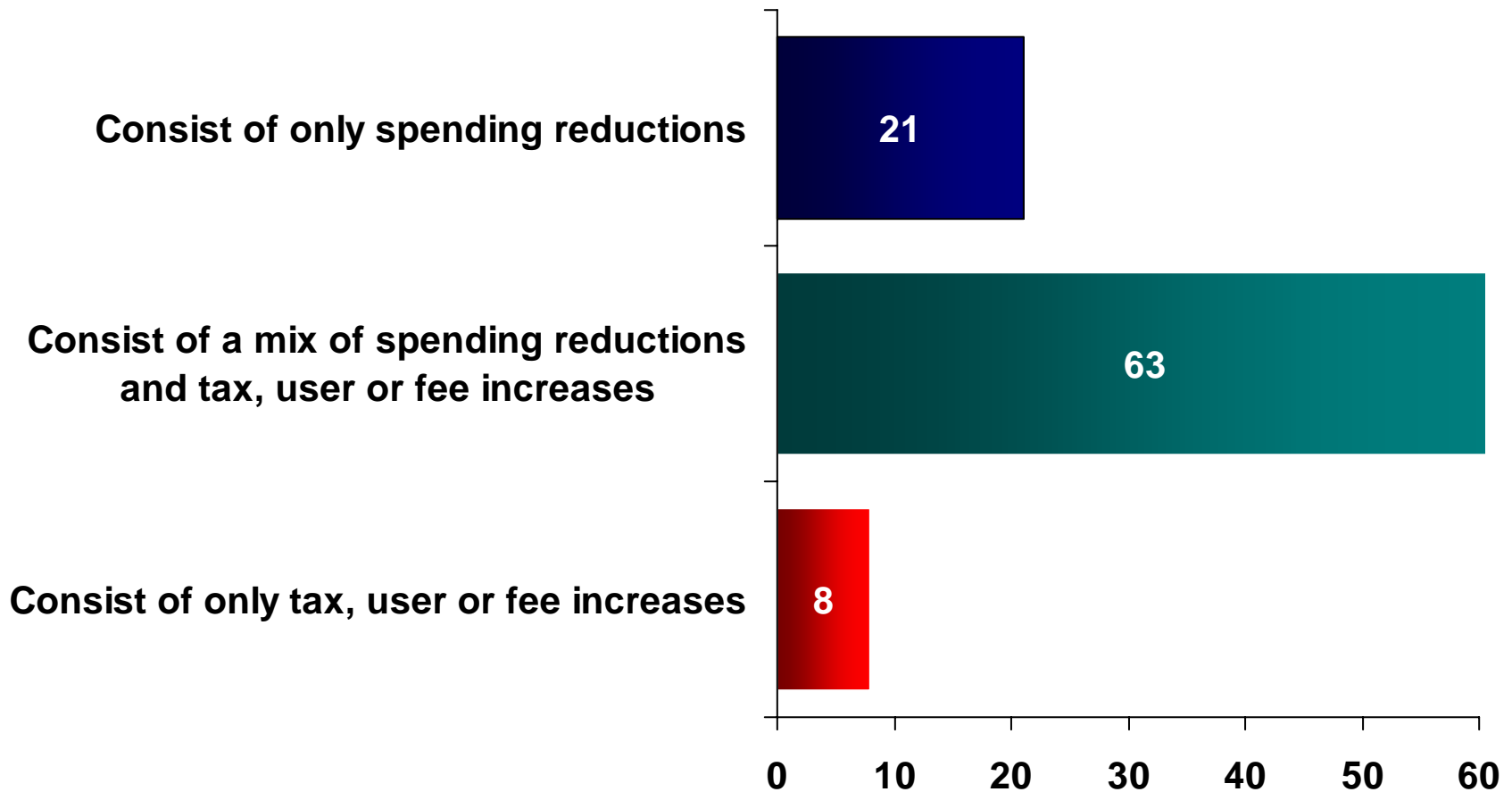
*Why would the Government be making the province's financial situation worse than it is?*





# Plan for Eliminating the Deficit

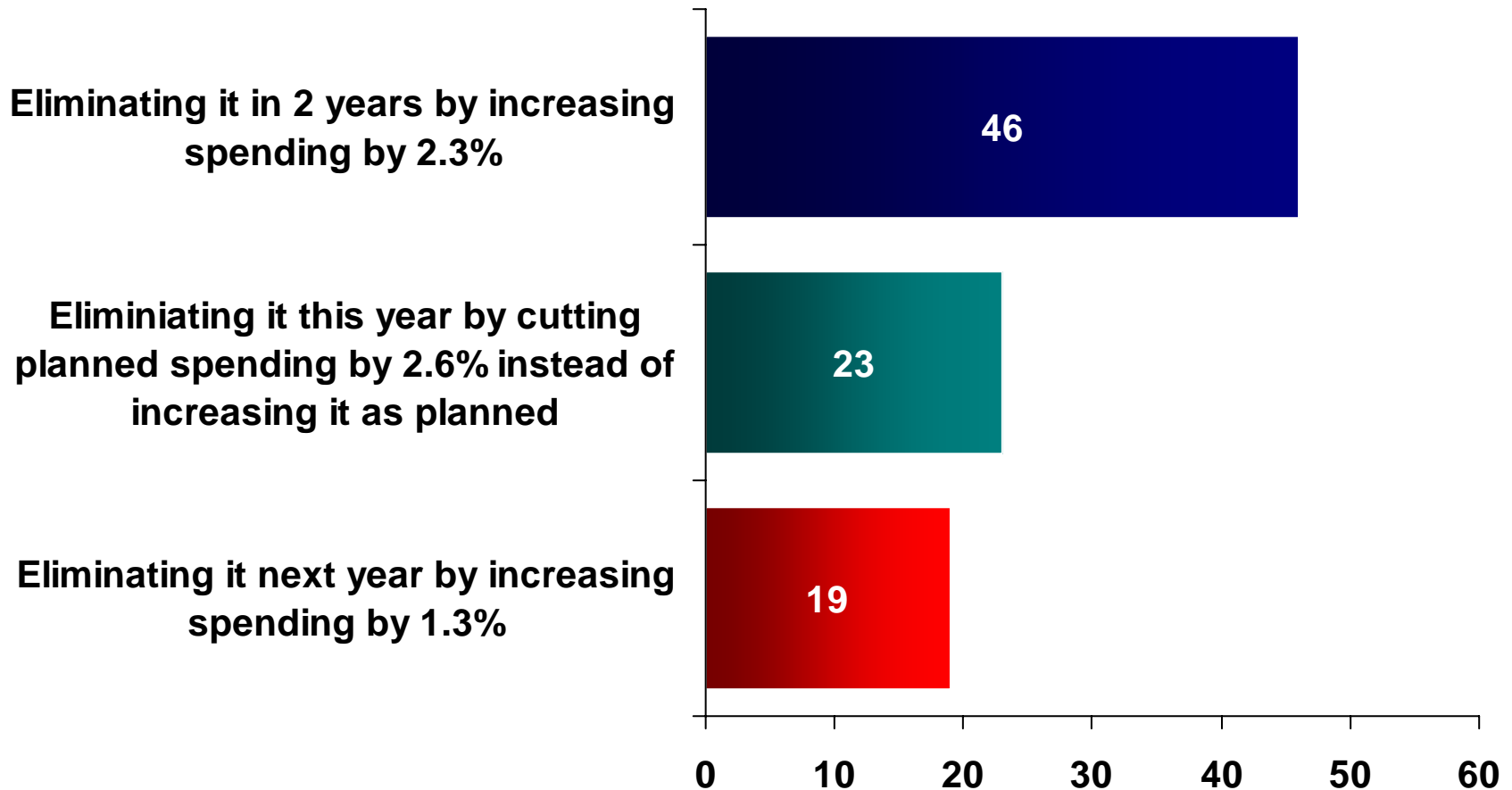
*Economists and the Minister of Finance say that if no action is taken there will be an ongoing deficit of about 5.6 billion dollars a year. Do you think the Government's plan to eliminate the deficit should...?*





# Preferred Approaches for Eliminating the Deficit

*Which of the following three approaches of the deficit would you prefer...?*





# Eliminating the Deficit: Paired Choices

*If, in order to eliminate the deficit, you had to choose between...?*

	Chosen Over...						
	Slow HC spending	Slow education spending	Increase personal income taxes	Reduce electricity subsidies	Increase user fees	Increase provincial sales tax	No extra funding to municipalities
Slow HC spending		58	63	73	78	59	59
Slow education spending	30		54	65	77	50	57
Increase personal income taxes	28	38		65	73	42	40
Reduce electricity subsidies	21	27	29		61	23	33
Increase user fees	17	15	18	32		14	22
Increase provincial sales tax	30	42	43	66	74		44
No extra funding to municipalities	33	36	48	59	69	47	



# Conclusions

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- The overall opinion of the government is moderately favourable. The majority of Ontarians feel that the government is on the right track, and that the government is well intentioned.
- However, many believe that its not taking its elections promises seriously. This coupled with the fact that 38% of Ontarians feel that the government doesn't have a plan might be of concern for the province.
- The economy is a top of mind priority, even though most feel that the economy is moderately growing.
- Ontarians believe that there is in fact a deficit, however it is not as bad as the current government is stating. The preferred approach for eliminating the deficit is a mix of spending reductions and user fee/tax increases.
- User fees are preferred rather than cutting health care or education spending, and increasing the provincial sales tax