

## Training, innovation better than tax cuts for prosperity, survey says

**Eric Beauchesne**

Canwest News Service

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OTTAWA - Canadians believe that investing in training and in encouraging innovation will do more to boost economic prosperity than cutting business taxes or freeing firms from bureaucratic red tape, according to survey results being presented at a conference here Monday.

The survey by Nanos Research found that only 30.2 per cent said tax cuts for business were very important to the future prosperity of Canada, marginally less than the 31.6 per cent who said that cutting red tape for business was very important.

However, 53.7 per cent said improving training was very important, followed closely by 48.4 per cent who said encouraging discoveries and inventions was very important.

The gap between the proportions who selected training or encouraging discoveries and those selecting tax cuts or reducing red tape was even wider when all results are included from the survey, which asked people to rank the measures on a scale of one to five with five being very important and one being not all important.

A surprising finding is how forward looking most Canadians are when it comes to looking for ways to boost the country's economic prosperity, said Nik Nanos, head of the polling firm, who will present the results at a one-day symposium on intellectual property reform here organized by Public Policy Forum.

And it's a finding that Canada's political leaders should not ignore, suggested Nanos, who will participate in panel discussion at the symposium.

Canadians aren't looking for quick fixes to such challenges, such as might be suggested by those advocating tax cuts or reducing red tape for business, he said in an interview.

Instead, they are looking for long-term solutions to Canada's prosperity challenge such as might be offered by increased investment in training and education or increased investment in research and development.

The survey results show there is not a big public appetite for across-the-board business tax cuts. Yet they also suggest tax cuts linked to or designed to encourage increased investment by business in training or in research and development would be more popular, Nanos said.

"Whether it's discovering a new medicine or a new high-tech telecommunications device, Canadians see value in the investment and focus on research and innovation," Nanos said. "Ensuring we have a training strategy to support that innovation is a natural fit.

"We see a high premium placed on training," he added, noting that's especially the case in Quebec where 61.9 per cent, and in Ontario where 54.6 per cent, saw improving training as very important, well above the 47.5 per cent in Western Canada and slightly higher than the 51.7 per cent in Atlantic Canada.

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The regional gap, said Nanos, may be a reflection of the economic divide between the booming resource-based western economies and the struggling industrial economies of Ontario and Quebec where training and innovation are seen as more urgent priorities.

While the survey results suggest Canadians are also very supportive of the protection of intellectual property rights for those who make discoveries or inventions or create unique products, that support is again strongest in the industrial heartland of Ontario and in Quebec.

The survey found 52.1 per cent of Canadians "strongly support" protection of intellectual property rights. That strong support ranged from a high of 63.8 per cent in Quebec and 54.2 in Ontario to only 43.8 per cent in Western Canada and 44.2 per cent in Atlantic Canada.

The full results of the survey of 1,001 Canadians earlier this month is seen as being accurate within 3.1 percentage points 19 times out of 20.

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