

MR. PRESIDENT**SPECIAL OFFER:** Order your very own keepsake copies of the Post featuring coverage of Barack Obama's historic presidential inauguration.**NATIONAL POST**
A BETTER READ.[Home](#) / [News](#) / [Canada](#)

Search National Post...

[Search](#)

Canadians pessimistic, poll shows

Economic Crisis; Majority back deficit spending for growth

Matthew Coutts, Canwest News Service

Published: Monday, January 26, 2009



Peter J. Thompson, National Post

Finance Minister Jim Flaherty is set to deliver what many say is the most anticipated budget in Canadian history tomorrow.

On the day before the Conservative government releases its budget that is expected to plunge the country into deficit for the next half decade, a new poll reflecting the deepening pessimism of the average Canadian suggests a majority would approve deficit spending to stimulate growth if the benefits are passed directly to the people and not to industry in the shape of rescue packages.

The survey conducted by Nanos Research, for the magazine Policy Options, was intended to probe the mood of the country on the deepening economic crisis and ask what steps government should take to respond to it. Not surprisingly, 57.8% of Canadians have a dark view of the future, expecting a more severe downturn lasting at least into next year, as opposed to a shorter one ending this summer.

The poll results released today come ahead of a federal budget that is expected to include major stimulus spending. The Prime Minister's Office last week leaked news that the federal government would record a \$64-billion deficit over the next two fiscal years, \$34-billion in the 2009-10 fiscal year alone, and would likely not return to running a surplus until 2014-15.

On the same day, however, the Bank of Canada suggested the country would likely begin to emerge from recession by the middle of this year, citing bold measures taken

More On This Story

[Editorial: Why we don't need a big stimulus](#)[Don Martin: Rules no longer apply on the Hill](#)[Tories mark \\$1B for job creation](#)[Flaherty's tumultuous tenure leads to historic budget](#)[Baird expected to outline budget's infrastructure spending](#)

Related Topics

[Jack Layton](#)[Jim Flaherty](#)[Business](#)[Canadian Economy](#)powered by **Inform**

Story Tools

[Change font size](#)[Comment on this story](#)[Print this story](#)[E-Mail this story](#)

Share This Story

[Facebook](#)[Digg](#)[Stumble Upon](#)[More](#)

Story tools presented by

by the world's governments and central banks that appeared set to shorten the length of the recession to about nine months.

The majority of Canadians appear to have accepted more dour forecasts and a similar number, just under 57%, also supported or somewhat supported governments spending to stimulate the economy.

"I think a stimulus deficit is almost becoming a non-ideological, short-term strategy. That regardless of whether you are left or right or regardless of whether you vote for the Conservatives or the New Democrats or the Liberals or the Bloc, you are likely to view stimulus and a short-term deficit as acceptable," said Nik Nanos, president and CEO of Nanos Research.

When asked how they would want to stimulate the economy, respondents were specific on the course they expected the government to assume. An option between investing money in infrastructure and public works, rescue packages for struggling industries such as forestry and automotive, tax incentives for companies to create jobs and individual tax cuts to stimulate consumer spending, infrastructure came out on top. Three out of four Canadians listed investing in hospitals, bridges and transit lines as their first or second spending option. The next most popular stimulus plan was a cut to personal tax to boost consumer spending, with half of the respondents listing it as one of their first two spending preferences.

Last on the list by far was the idea of rescue packages for struggling industry, similar to those recently approved by both Washington and Ottawa for the auto sector. Only three out of 10 Canadians listed it as a preferred method of stimulus.

"I think it would be fair to say, and I don't think this is a big surprise, that many Canadians believe that if we are going to go into a deficit that we should try to help as many people as possible through this deficit. There tends to be a greater cynicism in regards to bailing out companies and industries because many times it is hard for Canadians to visualize the trickle down benefit of something like that," Mr. Nanos said.

< 1 2 >

[Get the National Post newspaper delivered to your home](#)

Reader Discussion

E-Mail

Password

[Login and Post](#)

Please log in to leave a comment | [Not registered?](#)

More From National Post

[Tim and Jim climb up deficit hill](#)
National Post - Thursday, Jan. 22, 2009

[BOC HITS AT BANK LENDING](#)
National Post - Friday, Jan. 9, 2009

More From the Web

[PM signals permanent tax cuts in budget](#)
Canada.com - Monday, Jan. 26, 2009

[Harper should be sent packing](#)

[GM Canada snubs \\$3B in bailout cash](#)

Montreal Gazette, Canada - Saturday, Jan. 24, 2009