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Portraits 2017

# International Trade & Globalization

BY KIRAN ALWANI, GIANCARLO ACQUAVIVA,  
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Mowat Centre

ONTARIO'S VOICE ON PUBLIC POLICY



School of Public Policy & Governance  
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## Portraits 2017

The *Portraits 2017* series analyzes survey data from a comprehensive study of public opinion in Ontario and Quebec. The survey focused on a wide range of subjects, including federalism, the economy, social programs, international trade, immigration and diversity, and relations with Indigenous peoples. The data provides valuable new evidence about whether and how citizens' attitudes towards one another, to the federation and to Canada are evolving at a time of considerable change and uncertainty in the wider global political context.

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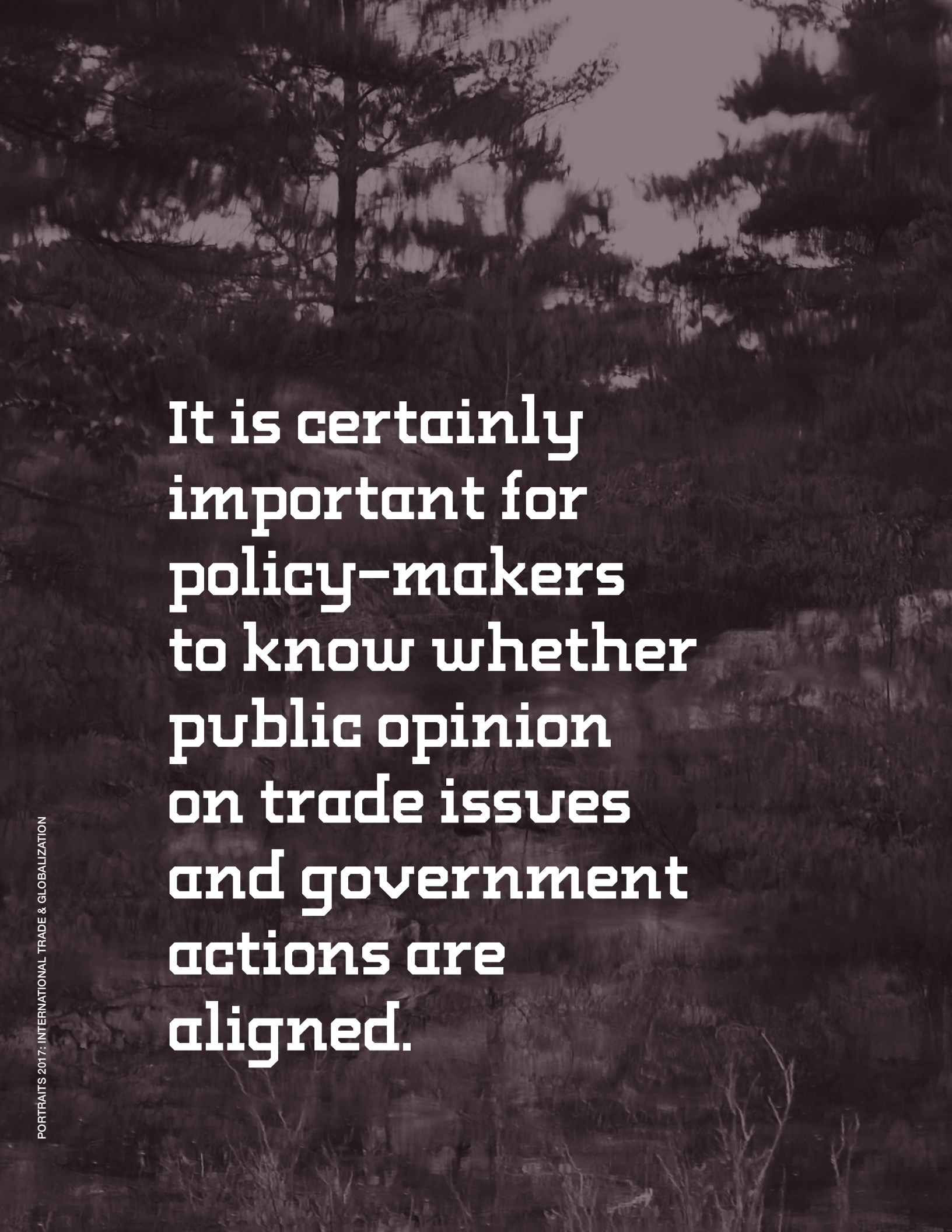


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**It is certainly  
important for  
policy-makers  
to know whether  
public opinion  
on trade issues  
and government  
actions are  
aligned.**

# 1 INTRODUCTION

The UK is leaving the European Union, the world's largest single market. The US has walked away from a trans-Pacific trade accord and has triggered a renegotiation of the North American Free Trade Agreement (NAFTA). Do these moves signal growing public skepticism in Western democracies about the benefits of globalization or the importance of international trade deals? In the case of Ontario, does the public continue to support trade and trade agreements?

The recent Mowat Centre *Portraits 2017* survey finds that the answer to the latter question is yes.

The issue of trade liberalization famously divided the Canadian public and framed national electoral campaigns several times in the nineteenth and twentieth centuries, most notably in 1988. By the turn of this century, however, a more favourable and less polarized public mood on the issue had evolved as the original trade agreement with the US and its successor, NAFTA, took effect along with the implementation of the 1995 World Trade Organization agreements. The Seattle (1999) and Quebec City (2001) protests against globalization and trade liberalization notwithstanding, by 2001 a large plurality of Canadians supported both globalization and the negotiation of new international trade agreements.<sup>1</sup>

In the current environment, however, it would be unwise to simply assume that this more positive public attitude still holds. The UK's Brexit vote and the election of Donald Trump in the US both serve as reminders that the public mood can shift. Pundits have concluded that "both Trump's upset victory in the US election, and Britain's referendum in favour of exiting the EU were campaigns won in part on a rejection of trade liberalization."<sup>2</sup>

Of course, the Brexit vote was driven by discomfort about issues well-beyond trade – notably the free movement of workers across borders. And President Trump's "America First" agenda is not merely a response to fears of globalization. At the very least, though, both developments show that public support for the ever-increasing integration of economies cannot be taken for granted.

1 Matthew Mendelsohn, Robert Wolfe, and Andrew Parkin, "Globalization, Trade Policy and the Permissive Consensus in Canada," *Canadian Public Policy* 28, no. 3 (2002).

2 Canadian Press, "Poll Suggests 'Northern Populism' Brewing in 'Divided' Canada," *The National Post* (June 25, 2017); <http://nationalpost.com/news/politics/the-populism-project-new-poll-suggests-northern-populism-brewing-in-canada>.

There are a number of recent developments which might be expected to have shaped attitudes to trade and globalization in Canada and Ontario. These include the financial crisis that began in 2008, the continuing loss of stable manufacturing jobs and the rise of more precarious modes of employment. They also include developments in the area of trade itself: the federal government has negotiated new trade agreements, including one with the European Union and another with 10 other Pacific countries. And Canada is now engaged in the high-profile renegotiation of NAFTA at the insistence of a US President who has threatened to rescind the agreement if he doesn't get the outcome he wants.<sup>3</sup>

This complex mix of positive and negative signals may have impacted how Canadians assess the benefits of trade liberalization. Does the Canadian public remain as supportive of trade and globalization as it was at the turn of the millennium? Has support for international trade agreements eroded in the wake of recession? Does the intense coverage of American angst about trade have a spillover effect (either positive or negative) on Canadians' views?

Knowing more about public attitudes matters for policy. It is certainly important for policy-makers to know whether public opinion on trade issues and government actions are aligned. In the US, at least, there is evidence to suggest that the extent of the public's souring on NAFTA has been over-stated, and that something other than public attitudes towards trade deals is driving the current administration's policy choices. In Canada,

the reverse situation may be true; that is, the government's enthusiastic pursuit of new international trade agreements may mask public skepticism about their benefits. People from certain demographic groups, or from regions hit hardest by recession and job loss, may not necessarily feel that international trade agreements are benefiting them or their local communities.

The *Portraits 2017* survey on public opinion in Ontario was designed to address these questions. This report explores whether, more than 15 years after the landmark 2001 survey cited above, the attitudes of Ontarians relating to trade and globalization have shifted.

The survey shows that Ontarians are broadly supportive of trade and globalization. That support has risen over time, as the proportion that has no opinion has fallen. However, Ontarians are also more likely to see these benefits accruing to the country or the province as a whole rather than to their local community. A slight majority of Ontarians say that both the owners of Canadian businesses and workers in Canada benefit from international trade agreements, but almost half say that the United States benefits more than Canada from trade between the two countries. The latter finding perhaps reflects shifting attitudes towards Canada's relationship with the United States in the wake of the 2016 presidential election.

<sup>3</sup> The dispute over US tariffs on steel and aluminium erupted in early March 2018, several months after the survey that is the basis of this report was conducted.

# Ontarians' Opinions on International Trade & Globalization



## Responsibility



Feel the *federal government* should be solely or *mainly responsible* for international trade



Say that the federal and the provincial governments *together* should be responsible for international trade



## Who Benefits?

Ontarians feel international trade agreements benefit:

### + BUSINESSES?

Both business owners and workers



Business owners more than workers



### + REGIONS?

Canada



Ontario



Local Community



## Support



Ontarians support Canada negotiating new trade agreements with other countries



Ontarians support Canada encouraging more rapid globalization

# 2 KEY FINDINGS

Ontarians are broadly supportive of trade and globalization:

- » Four in five (81 per cent) support Canada negotiating new trade agreements with other countries, while only one in ten (9 per cent) are opposed.
- » Three in five (59 per cent) support Canada encouraging more rapid globalization, while only one in four (26 per cent) are opposed.

A majority of Ontarians say that international trade agreements are beneficial, but they are more likely to see these benefits accruing to the country or the province as a whole rather than to their local community:

- » Seven in ten Ontarians (71 per cent) say that Canada benefits from international trade agreements, and two in three (66 per cent) say that the province does as well. But only one in two (51 per cent) say their local community benefits from international trade agreements.
- » The sense that international trade agreements benefit the local community is stronger in Toronto (60 per cent) and the GTA (54 per cent) than it is in Southwestern (41 per cent) and Eastern Ontario (40 per cent). Almost one in three people in Eastern Ontario (31 per cent) and Southwestern Ontario (30 per cent) feel that international trade agreements harm their local communities.

Opinions vary on the questions of whether the benefits of free trade are shared equally between workers and employers, and between Canada and the US:

- » One in two (52 per cent) Ontarians say that both the owners of Canadian businesses and workers in Canada benefit from international trade agreements, while one in four (24 per cent) say that business owners benefit more.
- » Almost one in two (47 per cent) say that the United States benefits more on the whole from trade between Canada and the US, while 29 per cent say that both countries benefit equally, and 11 per cent say that Canada benefits more.



Support for trade and globalization among Ontarians has risen over time, as the proportion that has no opinion has fallen:

- » In 2017, 81 per cent of Ontarians supported negotiating new trade agreements with other countries, compared with 67 per cent in 2001.
- » Support for globalization among Ontarians has risen from 53 per cent in 2001 to 59 per cent in 2017. At the same time, however, opposition has also increased (as the proportion with no opinion has fallen), from 16 per cent in 2001 to 26 per cent in 2017.
- » While overall support for negotiating international trade agreements has grown, the proportion of Ontarians saying that these agreements harm their local community has doubled, from 11 per cent in 2001 to 23 per cent in 2017.

Support for both trade and globalization is currently higher among older Ontarians than among their younger counterparts, a finding which differs from the pattern that held in 2001:

- » 87 per cent of Ontarians over the age of 55 support Canada negotiating new trade agreements with other countries, compared with 74 per cent of those under the age of 35. Older men are especially supportive, while younger women are less so.
- » While Ontarians as a whole have grown more supportive of trade and globalization over time, this is due entirely to significant growth in support among those above the age of 35. Views of those under the age of the 35 have remained more or less unchanged.

While most Ontarians say that the federal government should be responsible for international trade, there is an important proportion saying that the province should also have a role:

- » Three in five (62 per cent) Ontarians say the federal government should be solely or mainly responsible for international trade, down from four in five (82 per cent) in 2001.
- » One in three (33 per cent) Ontarians say that both the federal and the provincial governments together should be responsible for international trade; in Quebec, the proportion is higher, at one in two (48 per cent).

Attitudes towards Canada's relationship with the United States have also shifted over time:

- » Views about whether Canada should have closer or more distant ties to the US have returned to pre-9/11 levels. One in four Ontarians (26 per cent) currently say that relations should be closer, while 29 per cent prefer more distant relations and 42 per cent prefer no change.

# 3 DETAILED FINDINGS

## Trade and Globalization

Overall, Ontarians remain positive about international trade and its impacts. In fact, support for negotiating new international trade agreements has increased over the years. Four in five (81 per cent) Ontarians now support negotiating new trade agreements with other countries, compared with two in three (67 per cent) in 2001. The proportion of Ontarians that strongly (and not just somewhat) supports new trade deals has also increased significantly, from 19 per cent in 2001 to 31 per cent in 2017. Whereas in 2001 almost one in four Ontarians (23 per cent) had no opinion about whether the country should pursue new trade agreements, the number fell to 10 per cent in 2017.

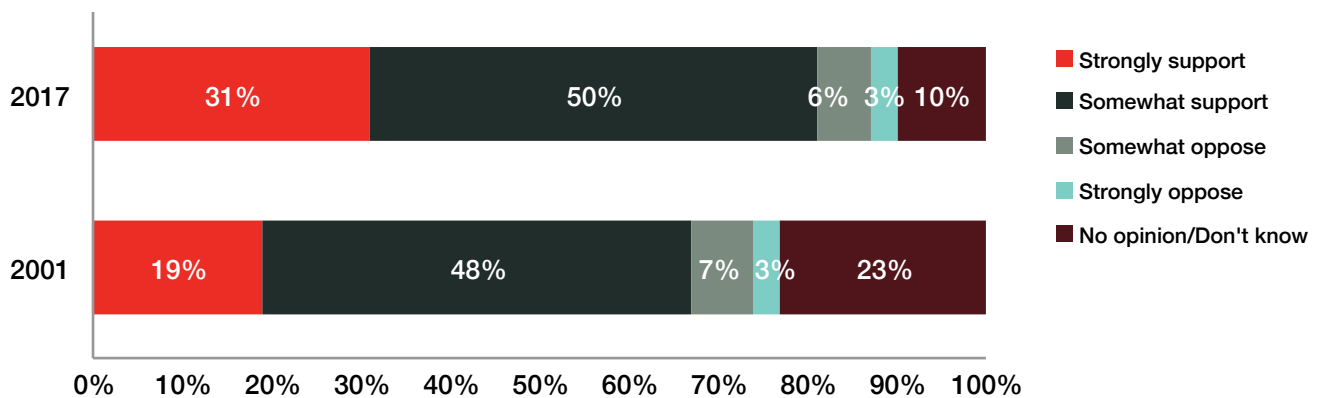
When asked how much of a priority negotiating new international trade agreements between Canada and other countries should be, 40 per cent of Ontarians ranked it as a high priority and 46 per cent ranked it as a medium priority. Only 11 per cent of Ontarians ranked this as a low priority.

These findings are consistent with recent Canadian survey data from other sources. A recent EKOS survey, for instance, found that an all-time high of 81 per cent of Canadians agree that there should be free trade between the US, Canada and Mexico. Similarly, the Pew Research Center's Spring 2017 Global Attitudes Survey found that 74 per cent of Canadians view NAFTA as a positive thing compared to only 17 per cent that view it as negative. And in the fall of 2017, the Angus Reid Institute reported that 59 per cent of Canadians supported the Trans-Pacific Partnership.<sup>4</sup>

There is also growing support among Ontarians for globalization, though Ontarians remain somewhat less supportive of globalization than they are of international trade agreements. The proportion supporting Canada encouraging more rapid globalization rose from 53 per cent in 2001 to 59 per cent in 2017. At the same time, as the concept of globalization has become more familiar, the proportion saying they have no opinion has fallen from 31 per cent to only 14 per cent.

4 Frank Graves, "North America at the Crossroads," *EKOS Politics* (September 1, 2017); <http://www.ekospolitics.com/index.php/2017/09/north-america-at-the-crossroads/>; Bruce Stokes, "Views of NAFTA Less Positive – and More Partisan – in U.S. than in Canada and Mexico," *Pew Research Center* (May 9, 2017); <http://www.pewresearch.org/fact-tank/2017/05/09/views-of-nafta-less-positive-and-more-partisan-in-u-s-than-in-canada-and-mexico/>; Angus Reid Institute, "With U.S. out, Canadian Support for 'TPP 11' Nearly Doubles," Angus Reid Institute (November 3, 2017); <http://angusreid.org/tpp-11/>.

**FIGURE 1**  
**Support for New Trade Agreements**



**Questions:**

2017: How much do you support or oppose Canada negotiating new trade agreements with other countries, or do you have no opinion on this?

2001: Do you strongly support, support, oppose, or strongly oppose Canada negotiating new trade agreements with other countries, or do you have no opinion on this?

Importantly, however, there has also been an increase in the number of Ontarians who oppose more rapid globalization – from 16 per cent in 2001 to 26 per cent in 2017. In other words, as the number with no opinion has shrunk, both the proportion of Ontarians supporting more rapid globalization and the proportion opposing it have grown since 2001, although on the whole those in support continue to outnumber those opposed by more than a two to one margin.

International comparisons similarly show that opinion on globalization is more divided than are views on trade liberalization. For example, according to recent polling by the Chicago Council on Global Affairs, 72 per cent of Americans and Mexicans view international trade as a good thing for their economy. But smaller majorities of Americans (64 per

cent) and Mexicans (51 per cent) say that globalization has a positive effect on their country.<sup>5</sup>

The fact that support for globalization among Ontarians is somewhat lower than support for new trade deals indicates that the two attitudes do not completely overlap. Indeed, while those who support more rapid globalization are almost universally supportive of Canada negotiating new trade agreements, the reverse is not true: a significant minority (20 per cent) among those who support new trade deals are opposed to more rapid globalization.

This suggests that globalization is associated by some Ontarians with certain concerns

5 Craig Kafura et al., "For First Time, Majority of Mexicans Hold Unfavorable View of United States," *The Chicago Council on Global Affairs* (January 18, 2018); <https://www.thechicagocouncil.org/publication/first-time-majority-mexicans-hold-unfavorable-view-united-states>.

that do not relate to international trade. This is consistent with the analysis previously conducted on the results from the 2001 survey, which showed that attitudes towards globalization were more likely than attitudes towards trade liberalization to be influenced by an array of other measures, such as attitudes towards immigration, the US, and multinational corporations.<sup>6</sup>

It is also evident that attitudes towards international trade agreements and globalization do not neatly align with stereotypical “left wing” or “right wing” preferences. This illustrates the extent to which the fissure between economic nationalists and continentalists that dominated political debate in the latter decade of the 20th century has been largely left behind. While support for Canada negotiating new trade agreements is consistently high, it is actually higher than average among those who say that spending more on education or fighting climate change are high priorities, and lower than average among those who prioritize cutting taxes. Those who see more spending on education as a priority are also more supportive of globalization, while those who want to see taxes cut are less supportive.

Finally, while most Ontarians support more rapid globalization, a majority (76 per cent) also agree that because of globalization, big businesses have been making more and more of the decisions that political leaders used to make. While the overall level of agreement with this statement in 2017 is similar to that found in a previous 2002 survey (73 per cent), the proportion of those agreeing strongly (and not just somewhat) has risen, from 18 per cent to 25 per cent.

6 Matthew Mendelsohn, Robert Wolfe, and Andrew Parkin, “Globalization, Trade Policy and the Permissive Consensus in Canada,” *Canadian Public Policy* 28, no. 3 (2002).

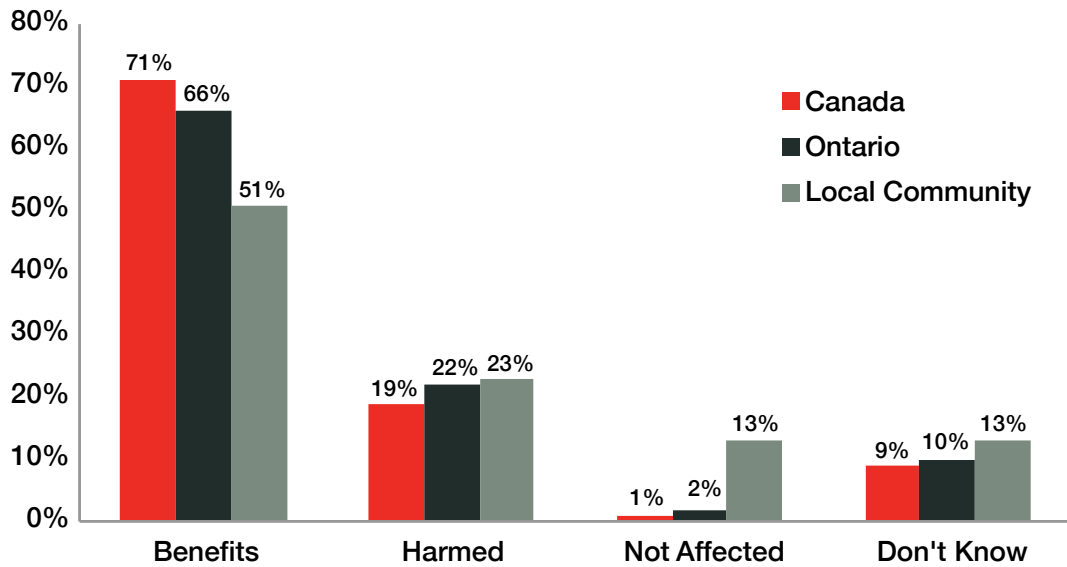
## The Impact of International Trade Agreements

The rise in Ontarians’ support for new trade deals is accompanied by a rise their perceptions of the benefits of international trade.

Despite the concerns noted above about the growing influence of big businesses in the wake of globalization, Ontarians have become more and not less likely to say that international trade benefits both the owners of Canadian businesses and workers in Canada, rather than only one group or the other: this view is now held by more than half of Ontarians (52 per cent), a figure that is slightly higher than in 2001 when it stood at 46 per cent. Whereas in 2001 32 per cent of Ontarians said that the owners of Canadian businesses benefit more from international trade agreements (because more trade means more profits), the proportion holding this view in 2017 fell to 24 per cent. In 2017, fewer than one in ten Ontarians (7 per cent) think that workers benefit more, and the same proportion (7 per cent) say that neither owners nor workers benefit.

Ontarians were also asked if Canada, the province and their local community each benefits, is harmed, or is not affected either way by international trade agreements. Seven in ten Ontarians (71 per cent) say that international trade agreements benefit Canada, a figure similar to that reported in 2001. However, the proportion of Ontarians saying that Canada benefits a great deal has risen from 31 per cent in 2001 to 41 per cent in 2017, while the proportion saying it benefits a little fell. And a majority of Ontarians (66 per cent) say that international trade agreements benefit their

**FIGURE 2**  
**Impact of Trade Agreements on Canada, the Province and the Local Community**



**Question:**

How much do you think each of the following benefits, is harmed, or is not affected either way by international trade agreements? a) Canada; b) Your province (Ontario); c) Your local community

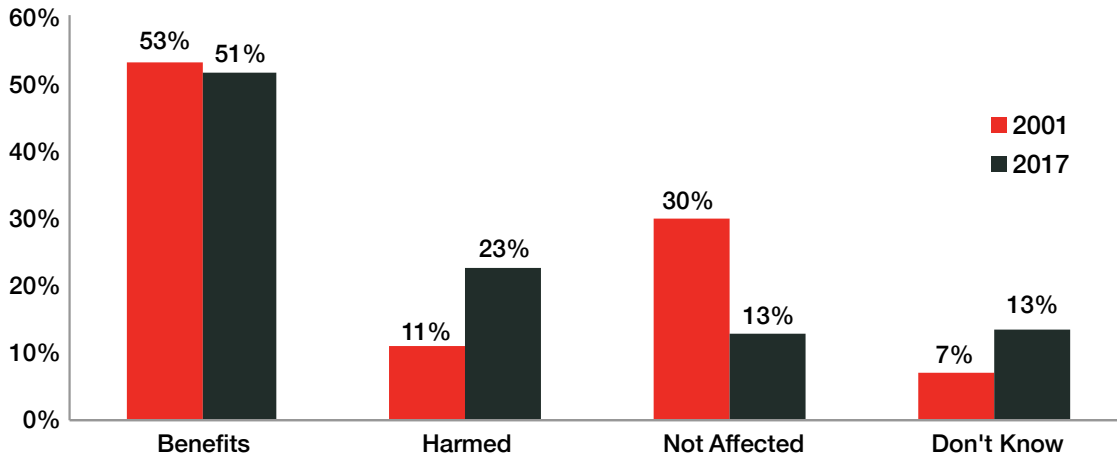
province while about one in five (22 per cent) say that the province is harmed (11 per cent are unsure).<sup>7</sup>

Fewer Ontarians say that international trade agreements benefit their local community, although the proportion that sees the benefits at the local community level (51 per cent) is still more than twice as high as the proportion that sees the harm (23 per cent). Notably, though, the proportion of Ontarians that believes international trade agreements have harmed their local community is twice as high in 2017 (23 per cent) as it was in 2001 (11 per cent).

*It is also evident that attitudes towards international trade agreements and globalization do not neatly align with stereotypical “left wing” or “right wing” preferences.*

<sup>7</sup> Note that the 2001 survey did not ask about of the impact of international trade on provinces.

**FIGURE 3**  
**Impact of Trade Agreements on the Local Community**



**Questions:**

2017: How much do you think each of the following benefits, is harmed, or is not affected either way by international trade agreements? a) Your local community

2001: Can you tell me whether you think each of the following benefits a great deal, benefits a little, is harmed a little, is harmed a great deal, or is not affected either way by international trade agreements?

These results match a general trend found by other studies in which international trade is more likely to be seen as having a broad positive impact at the national level rather than having more direct benefits such as improved wages or higher employment. For example, the Spring 2014 Global Attitudes Survey conducted by the Pew Research Center found that while an average of 84 per cent of the population in advanced economies believes that trade benefits their country overall, only 44 per cent believe that trade increases domestic employment, and a mere 25 per cent believe that trade leads to higher domestic wages.<sup>8</sup>

Ontarians also express some concerns about whether the benefits of Canada-US trade are shared equally between both countries. Almost one in two Ontarians (47 per cent) say that

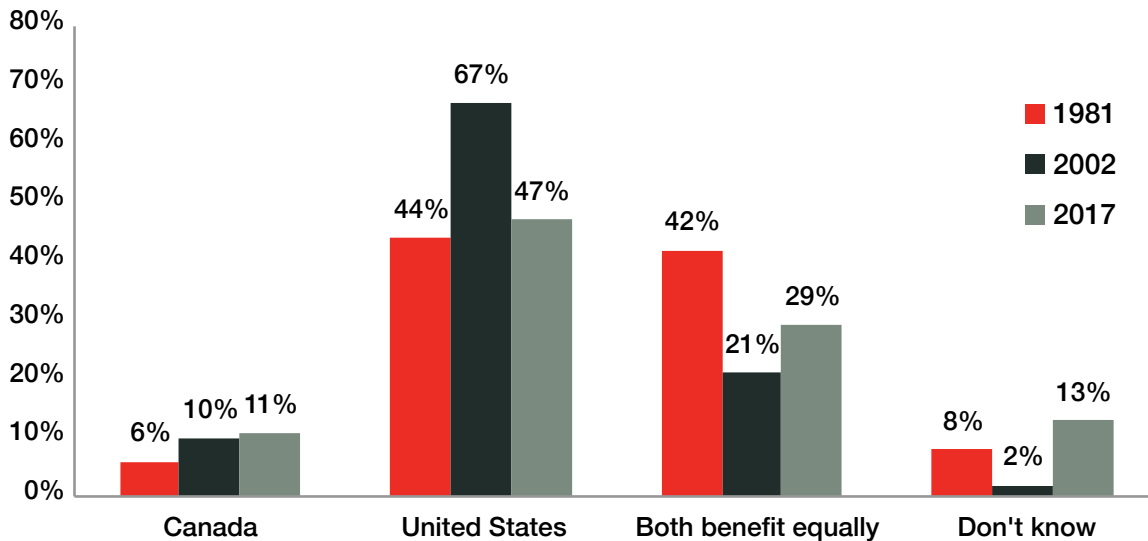
the US benefits more on the whole from trade between the two countries. Only one in ten (11 per cent) say that Canada benefits more, and 29 per cent say that both countries benefit equally. The proportion saying that the US has the advantage, however, is lower than it was in 2002, when 67 per cent of Ontarians felt this way.

These findings contrast those from US surveys, which report that a majority of Americans believe that both countries benefit equally from the US-Canada trade relationship. An October 2017 survey conducted by the Pew Research Center found that only seven per cent believe that the US benefits more than Canada, while 57 per cent believe that both countries benefit about equally, and 20 per cent of Americans believe that Canada benefits more.<sup>9</sup>

8 Pew Research Center, "Faith and Skepticism about Trade, Foreign Investment," *Pew Research Center* (September 16, 2014); <http://www.pewglobal.org/2014/09/16/faith-and-skepticism-about-trade-foreign-investment/>

9 Alec Tyson, "Americans Generally Positive About NAFTA, but Most Republicans say it Benefits Mexico More Than U.S." *Pew Research Center* (November 13, 2017); <http://www.pewresearch.org/fact-tank/2017/11/13/americans-generally-positive-about-nafta-but-most-republicans-say-it-benefits-mexico-more-than-u-s/>.

**FIGURE 4**  
**Who Benefits More from Canada-US Trade?**



**Question:**

In our trade with the United States, which country benefits more on the whole?

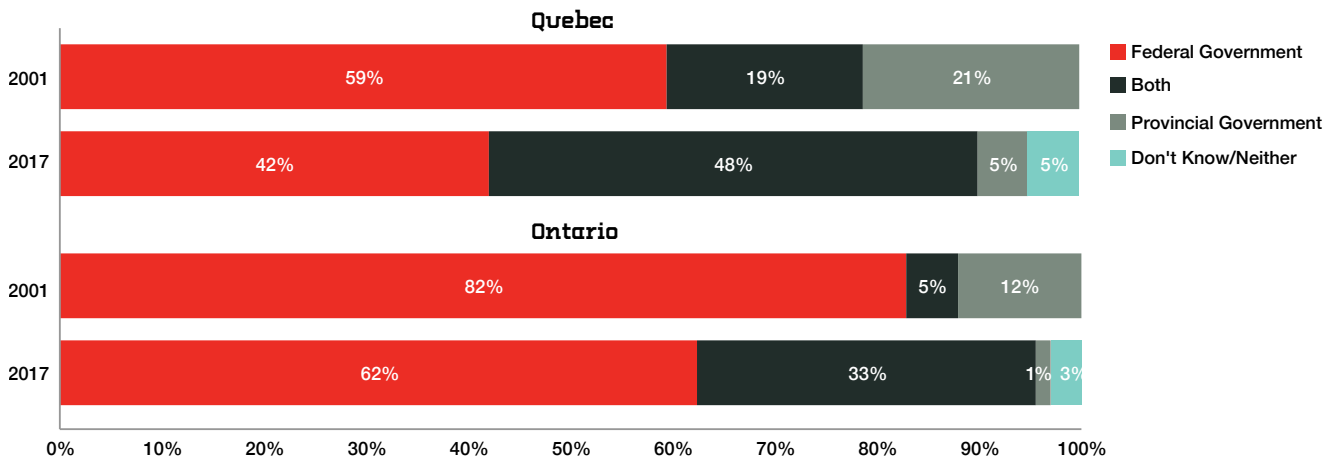
Source for 1981 & 2002: Environics Focus Canada

## Federal-Provincial Collaboration

One of the most important developments in Canada’s approach to international trade negotiations in recent years has been the increased role of provinces in the process. This was most evident in the talks that led to the Comprehensive Economic and Trade Agreement (CETA) between Canada and the European Union, where, for the first time, provinces joined the federal government at the negotiation table. Less formally, in the aftermath of the 2016 US presidential election provincial governments have also played an active role in promoting the advantages of NAFTA among decision-makers in the US.

The *Portraits 2017* survey also addressed the question of how the negotiation of trade agreements should be managed within the federation. The results show that a majority sees international trade as a federally-led domain, with 62 per cent saying it should be only or primarily a federal responsibility. However, an important proportion of Ontarians support the notion that trade should be at least a shared responsibility between the federal and the provincial governments: 33 per cent of Ontarians say that the federal and provincial governments should together be responsible for international trade. This proportion is much higher than it was in 2001, when only five per cent held that view.

**FIGURE 5**  
**Responsibility for International Trade within the Federation**



**Questions:**

2017: Which level of government should be responsible for each of the following areas: Only the federal government; Primarily the federal government; Both federal and provincial governments together; Primarily the provincial government; Only the provincial government; Don't know? International trade

2001: Please tell me whether you think each of the following areas should be under the authority of only the federal level of government, primarily the federal level of government, primarily the provincial level of government or only the provincial level of government? Trade with other countries

Source for 2001: Environics Focus Canada

The 2001 question, however, was worded differently, in that respondents were only offered the options of either federal or provincial leadership; it fell to respondents to decide whether to insist that it should in fact be a shared responsibility. The greater proportion of Ontarians that sees a role for their provincial government in international trade in 2017 therefore may not necessarily signal a real change in attitude over time, so much as a change made possible by the inclusion of “both governments together” as a prompted option. The safest conclusion is either that more Ontarians than before wish to see their provincial government working alongside the federal government in managing the international trade file, or that previous surveys masked the fact that many Ontarians already held this preference.

*While most Ontarians are supportive of international trade, this does not necessarily translate into support for closer relations with our largest trading partner — the US.*

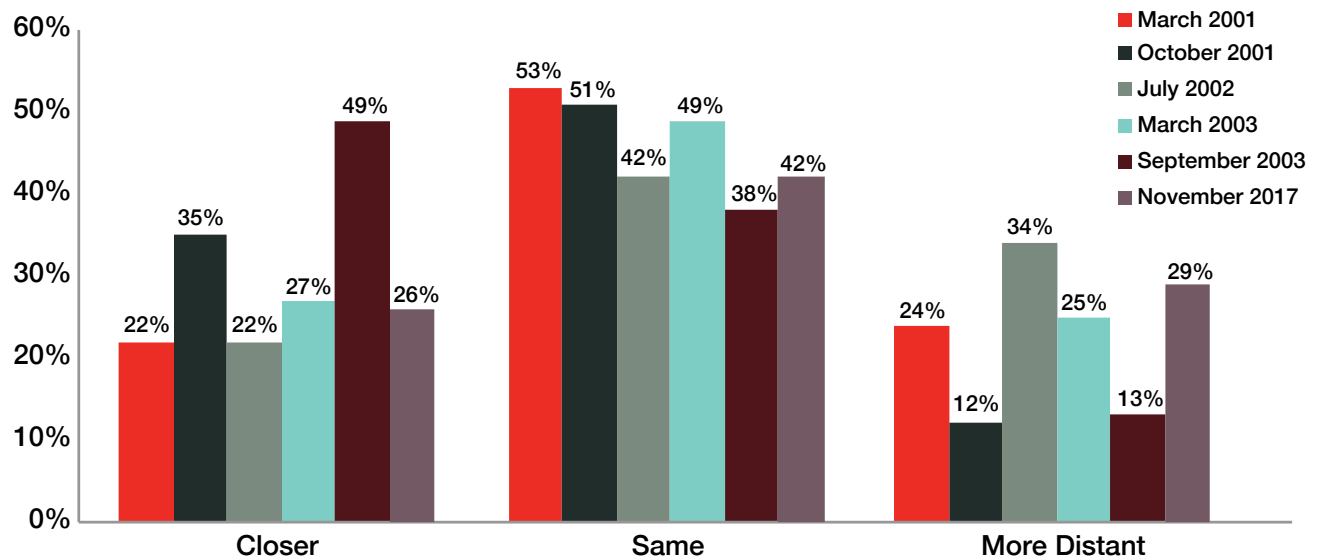


# Canada-US Relations

While most Ontarians are supportive of international trade, this does not necessarily translate into support for closer relations with our largest trading partner – the US. When asked if Canada should have closer or more distant ties with the US, a plurality of Ontarians (42 per cent) favour keeping things about the same as they are now. However, the proportion preferring that Canada have more distant ties to the US has increased noticeably – from 13 per cent in 2003 to 29 per cent in 2017. At the same time, the number of Ontarians saying that Canada should have closer ties to the US has decreased from 49 per cent in 2003 to 26 per cent in 2017.

The survey also asked how much of a priority improving relations between Canada and the US should be for Canada. A plurality (46 per cent) said this was a “medium” priority. The number of Ontarians ranking this as a high priority, however has decreased from 39 per cent in 2003 to 22 per cent in 2017, while the number of Ontarians ranking this as a low priority has increased from 19 per cent in 2003 to 30 per cent in 2017.

**FIGURE 6**  
**Canada’s Ties with the United States**



**Questions:**

2017: Do you think Canada should have closer or more distant ties to the United States than it has now?

Previous years: Do you think Canada should have much closer ties to the US, somewhat closer, about the same as now, somewhat more distant, or much more distant ties to the US than it has now?

It is likely that views on whether Canada should have closer or more distant ties to the US are heavily influenced by political events. The relatively stronger Canadian support found in 2001 and 2003 data can be attributed to the proximity of these surveys to the events surrounding 9/11, and the expression of solidarity with the US at the time. Conversely, views in 2017 can be attributed to negative perceptions of the current US administration.<sup>10</sup>

The political changes in the US may also have reinforced Ontarians' sense of their country's distinctiveness. In 2017, 70 per cent of Ontarians disagreed with the idea that Canadians and Americans basically have the same values. This is more than the 63 per cent in 2004 and the 65 per cent in 2002 that felt the same way. One in three Ontarians (34 per cent) now strongly disagree that Canadians and Americans basically have the same values, compared with 21 per cent in 2004 and 19 per cent in 2002.

<sup>10</sup> According to recent polling by Gallup, global approval of US leadership in the world fell from 48 per cent to 30 per cent between 2016 and 2017. Within Canada specifically, this decline was found to be even more severe, dropping from 60 per cent in 2016 to 20 per cent a year later. See: Laura Smith-Spark, "US Slumps in Global Leadership Poll After Trump's 1st Year," *CNN* (January 18, 2018); <https://edition.cnn.com/2018/01/18/world/us-slips-behind-china-in-gallup-global-leadership-poll-intl/index.html>.

## Ontario's Regions

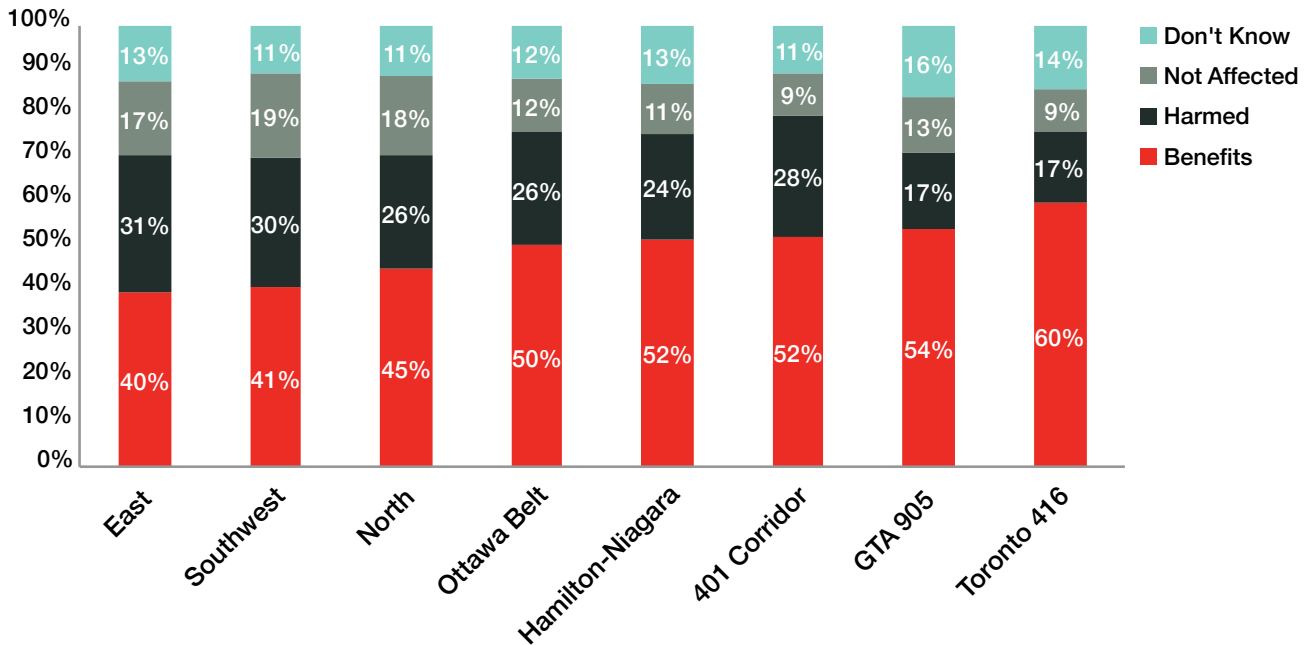
Although majorities in all regions of Ontario support Canada negotiating new international trade agreements, the level of support and the perceptions of the impact of international trade vary across different regions of the province.

Ontarians from predominantly urban areas are more positive about trade and globalization than are those from mostly rural areas. Whereas 65 per cent of the population of the City of Toronto and 62 per cent of the population of the surrounding Greater Toronto Area support Canada encouraging more rapid globalization, the level of support is lower in Eastern Ontario (48 per cent) and Southwestern Ontario (55 per cent).<sup>11</sup> A third of the populations of Eastern Ontario (35 per cent) and Southwestern Ontario (33 per cent) are opposed to Canada encouraging more rapid globalization, compared with 20 per cent of the Toronto population and 23 per cent of the GTA population.

This urban-rural divide is further reflected in opinions on how populations of different regions feel about the impact of international trade on their local communities. While a majority of respondents in each region says that international trade agreements benefit Canada and their province, they do not necessarily see these benefits reaching their local communities. Compared with 60 per cent of the Toronto population and 54 per cent of the surrounding GTA population, only 40 per cent of the population of Eastern Ontario and 41 per cent

<sup>11</sup> Eastern Ontario covers the area between the eastern edge of the Greater Toronto Area and the area surrounding Ottawa; Southwestern Ontario includes the areas bordering Lakes Erie and Huron but excluding both the Hamilton-Niagara area and the core urban areas running along highway 401 to Windsor. See the map included as Appendix B.

**FIGURE 7**  
**Impact of Trade Agreements on the Local Community, by Region**



**Question:**

How much do you think each of the following benefits, is harmed, or is not affected either way by international trade agreements? a) Your local community

of the population of Southwestern Ontario feel that international trade agreements benefit their local community. Almost one in three people in Eastern Ontario (31 per cent) and Southwestern Ontario (30 per cent) feel that international trade agreements harm their local communities.

There are similar variations in opinion across regions in terms of the impact of our trade with the US. While 38 per cent of Torontonians feel that both Canada and the US benefit equally from this partnership, only 18 per cent of the Southwest population feels this way. While a majority of the population (59 per cent) of Southwestern Ontario feels that the US benefits more from this relationship, only 39 per cent of the GTA population agrees.

Further research is required to determine what lies behind these regional differences. It is natural to assume that these differences are linked to different underlying economic conditions and the extent to which each region was hit by and has subsequently recovered from the last economic recession. However, they may also be linked to demographic characteristics, as the population within each region differs in terms of factors such as income and educational attainment. As the following section shows, each of these factors, and others, are related to attitudes towards trade and globalization.

# Other Factors Relating to Attitudes Towards Trade and Globalization

The level of support for trade and globalization varies among different segments of the Ontario population.

## AGE AND GENDER

Recent research on the impact of gender on trade preferences suggests that women are less likely to support trade liberalization (or are more likely to favour protectionism).<sup>12</sup> *Portraits 2017*, however, shows that in Ontario, women (78 per cent) are only slightly less likely to support Canada negotiating new international trade agreements than are men (84 per cent), while similar proportions of both men (61 per cent) and women (58 per cent) support Canada encouraging more rapid globalization.

The views of men and women in Ontario differ more significantly on the issue of Canada's relationship with the US. Thirty-five per cent of women, compared with 23 per cent of men, favour Canada having more distant ties from the US; conversely, 34 per cent of men, compared with 23 per cent of women, agree that Canadians and Americans basically have the same values.

Support for new trade agreements increases somewhat with age: 87 per cent of Ontarians over the age of 55 support Canada negotiating new trade agreements with other countries, compared with 74 per cent of those under the age of 35. Older men are especially supportive, while younger women are less so (90 per cent of men over the age of 55 support new trade agreements, compared with 71 per cent

of women under the age of 35). Support for more rapid globalization also increases with age (64 per cent among those over the age of 55, compared with 55 per cent among those under the age of 35) – and again, older men are among the most supportive and younger women are among the least.<sup>13</sup>

A survey conducted by the Angus Reid Institute in September 2017 found a similar demographic pattern regarding Canadian attitudes towards NAFTA. According to that survey, 56 per cent of Canadians above the age of 55 believe that NAFTA has benefited the Canadian economy since its ratification, compared with 41 per cent of Canadians between the ages of 18 and 34. The study also found that men above the age of 55 held the most positive attitudes towards NAFTA, with 63 per cent believing that NAFTA has benefited the Canadian economy.<sup>14</sup>

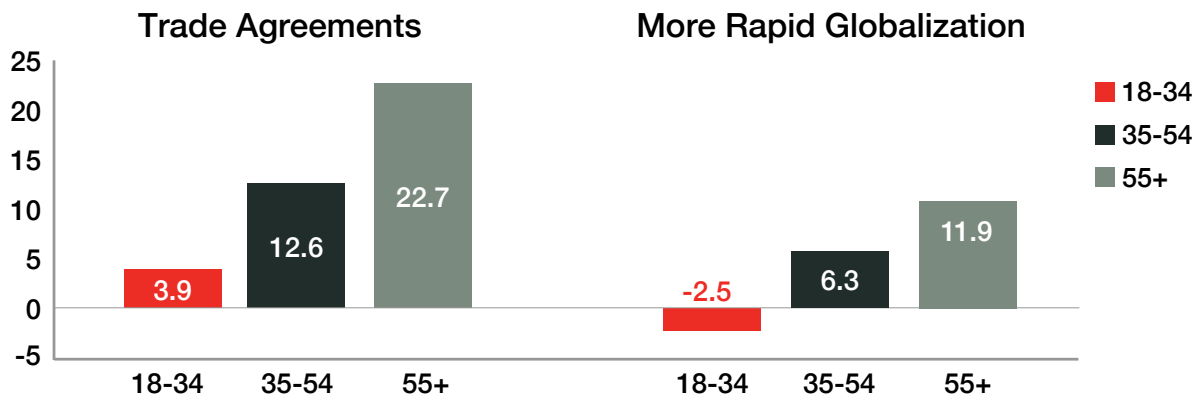
These findings contrast significantly with several surveys conducted in the US which have found that support for international trade agreements tends to decline among older segments of the population. For example, in the Spring 2017 Global Attitudes Survey by the Pew Research Center, 62 per cent of Americans

12 Alexandra Guisinger, "Information, Gender, and Differences in Individual Preferences for Trade," *Journal of Women, Politics & Policy* 37, no. 4 (2016).

13 It is worth noting, however, that while levels of support for trade and globalization vary among these different age and gender groups, the level of opposition does not; rather, those who are less supportive of trade or globalization are more likely to say they do not know or have no opinion than to say that they are opposed.

14 Angus Reid Institute, "What Canadians Want Most from a New NAFTA," *Angus Reid Institute* (September 23, 2017); <http://angus-reid.org/nafta-round-three-ottawa/>.

**FIGURE 8**  
**Support for Trade and Globalization, by Age Group: Change in Percentage Points between 2001 and 2017**



**Trade Agreements Questions:**

2017: How much do you support or oppose Canada negotiating new trade agreements with other countries, or do you have no opinion on this?

2001: Do you strongly support, support, oppose, or strongly oppose Canada negotiating new trade agreements with other countries, or do you have no opinion on this?

**More Rapid Globalization Questions:**

2017: How much do you support or oppose Canada encouraging more rapid globalization, or do you have no opinion on this?

2001: Many people say that we are presently experiencing a process of globalization, which means that the economies of all the countries of the world are becoming more and more linked and interdependent. Do you strongly support, support, oppose, or strongly oppose Canada encouraging more rapid globalization, or do you have no opinion on this?

aged 18 to 29 supported NAFTA, in comparison to only 44 per cent of Americans over the age of 50.<sup>15</sup>

The *Portraits 2017* findings related to age also contrast with those from the 2001 Canadian survey. In 2001, support for both trade and globalization declined with age – younger Ontarians were more supportive than their older counterparts. In 2017, the situation is reversed. While younger Ontarians in 2017 are more or less as supportive of Canada negotiating new international trade agreements

as they were in 2001, older Ontarians have become much more supportive, overtaking their younger counterparts. In the case of more rapid globalization, support among younger Ontarians has actually declined very slightly, while support among older Ontarians has grown, again allowing them to overtake their younger counterparts.

What this means is that, while Ontarians as a whole have grown more supportive of trade and globalization over time, this is due entirely to significant growth in support among those above the age of 35. The views of those under the age of the 35 have remained more or less unchanged.

15 Bruce Stokes, "Views of NAFTA Less Positive – and More Partisan – in U.S. than in Canada and Mexico," *Pew Research Center* (May 9, 2017); <http://www.pewresearch.org/fact-tank/2017/05/09/views-of-nafta-less-positive-and-more-partisan-in-u-s-than-in-canada-and-mexico/>.

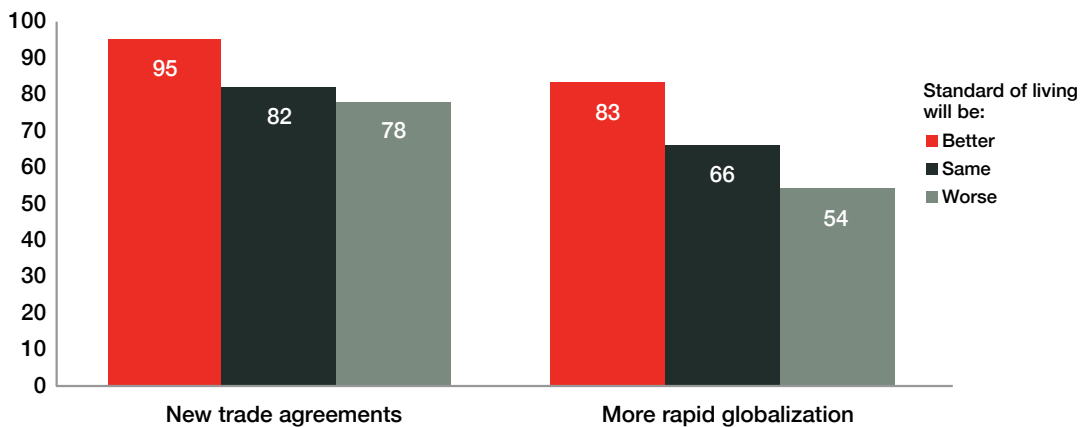
## INCOME AND EDUCATION

The level of support for international trade also differs among Ontarians based on their income and education levels. Those with annual incomes of over \$50,000 are more likely to strongly support Canada negotiating new international trade agreements compared with those whose incomes are below \$50,000. Those with higher incomes are also more supportive of Canada pursuing closer ties to the US, while those with lower incomes are more likely to support more distant ties. In terms of education, Ontarians who have attained a postsecondary education are also more likely to strongly support new international trade agreements.

## ECONOMIC OUTLOOK

Ontarians' economic outlook also influences their level of support for international trade. While Ontarians, regardless of their views on the economy, tend to support Canada negotiating new international trade agreements, those who believe that their local economy has improved over the past five years are overwhelmingly supportive (91 per cent), compared with 79 per cent for those who believe their local economy has stayed the same and 76 per cent for those who believe that their local economy has worsened. About six out of ten (63 per cent) of those who have a positive economic outlook also feel that both the owners of Canadian businesses and workers in Canada benefit from international trade agreements, compared with 43 per cent of those who feel that their city or region's local economy has deteriorated in the last five years.

**FIGURE 9**  
**Support for Trade and Globalization, by Outlook on Inter-Generational Mobility**



**Questions:**

How much do you support or oppose Canada negotiating new trade agreements with other countries, or do you have no opinion on this? a) Strongly support + b) Somewhat support

How much do you support or oppose Canada encouraging more rapid globalization, or do you have no opinion on this? a) Strongly support + b) Somewhat support

Which of the following statements comes closest to your own view: When they get older, today's young Canadians will have a better / a worse / the same standard of living than their parents did?

Perceptions of the opportunities or obstacles facing the younger generation also matter. Those who say that young Canadians will have a better standard of living than their parents did are more likely to support trade and globalization than those who think the standard of living of young Canadians will be worse.

## CONCERN FOR JOB SECURITY

Not surprisingly, outlook on job security is also related to opinions about trade. Ontarians who are concerned about themselves or a member of their immediate family finding or keeping a stable, full-time job are more likely to say that international trade agreements harm their local community, compared with those who are not concerned (26 per cent for the former compared with 16 per cent for the latter).

Similarly, only 48 per cent of those who are concerned about finding or keeping a job say that both the owners of Canadian businesses and workers in Canada benefit from international trade agreements, compared with 60 per cent of those who are not concerned about their job security. Twenty-one per cent of those who are not concerned about their job security feel that owners of Canadian businesses benefit more from international trade, compared with 27 per cent of those who are concerned.

## IMMIGRATION


Attitudes towards international trade are also linked to attitudes towards immigration. Those who are more open to immigration are also more open to trade. Over half of Ontarians (52 per cent) who think Canada should accept more immigrants also rank negotiating new international trade agreements as a high priority, compared with 37 per cent for those who say Canada should accept fewer immigrants.

Conversely, those who are more supportive of trade and globalization are also more supportive of immigration. Those who support new trade deals or more rapid globalization, for instance, are more likely to agree that Canada should accept more immigrants from parts of the world experiencing major conflicts, and more likely to disagree that immigration is causing too many changes in Canadian society, or that Canada should prohibit people from Islamic countries from immigrating to Canada.

These findings point to the importance of measuring attitudes to trade and globalization, not only to help contextualize trade policy, but also to provide insight on wider political and social issues. Other studies have linked the rise of protectionism in some Western democracies with both economic considerations and the perceived social and cultural consequences of greater economic integration.<sup>16</sup> For example, in a 2017 study of voting preferences in the Netherlands, van der Waal and de Koster found that support for protectionist politicians was highly associated with ethnocentric attitudes.<sup>17</sup> In this context, attitudes towards trade and

16 Yotam Margalit, "Lost in Globalization: International Economic Integration and the Sources of Popular Discontent," *International Studies Quarterly* 56 (2012).

17 Jeroen Van der Waal, and Willem de Koster, "Populism and Support for Protectionism: The Relevance of Opposition to Trade Openness for Leftist and Rightist Populist Voting in The Netherlands," *Political Studies* (2017).



globalization can be understood as not only a policy preference, but also as one of a number of social values that are worth tracking in a diverse and pluralistic society such as Canada.

## Quebec and Ontario

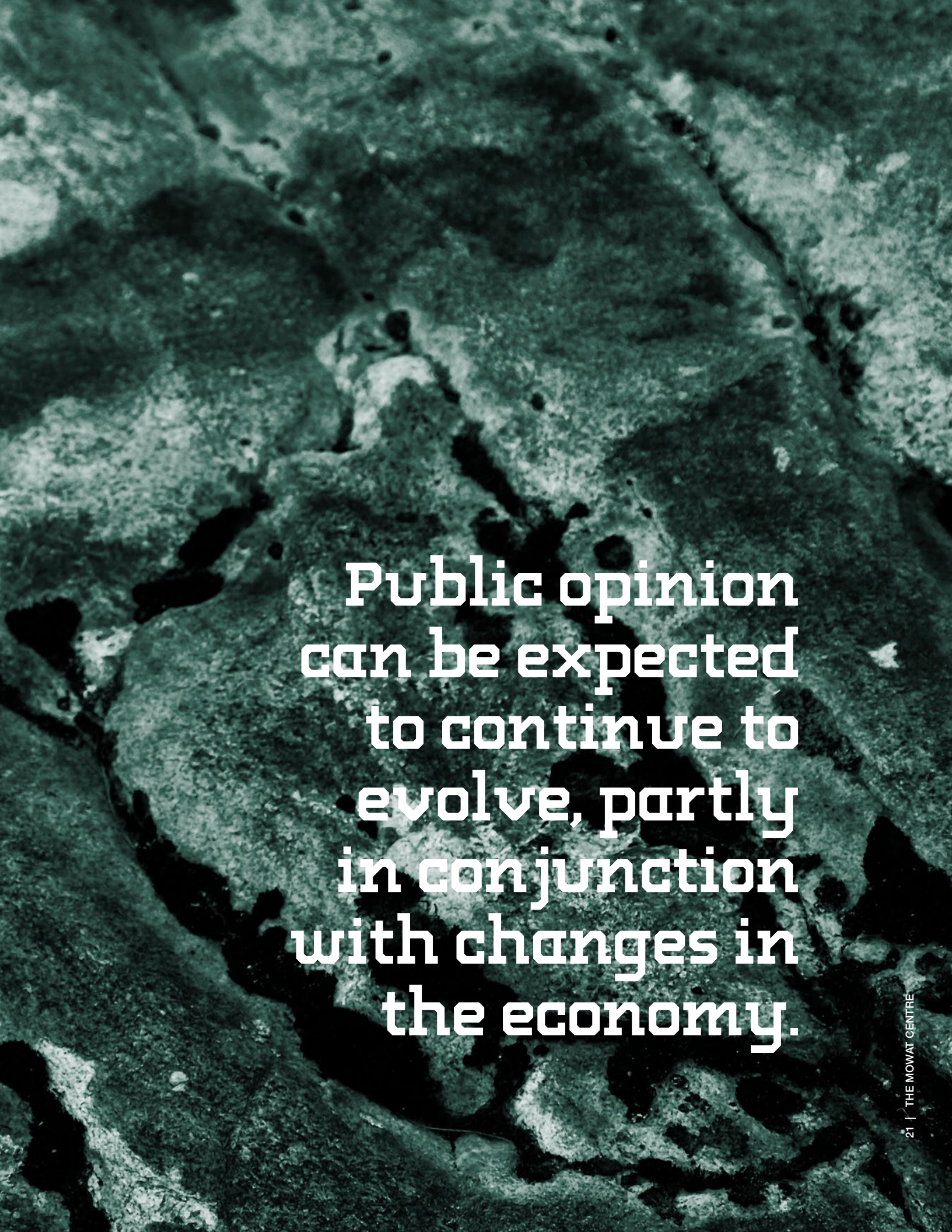
In addition to Ontario, the *Portraits 2017* survey was also administered in Quebec. While this report focuses on public opinion in Ontario, a comparison between the two provinces indicates that the public in both provinces share similar attitudes towards international trade. Like Ontarians, the majority of Quebecers support Canada encouraging more rapid globalization (56 per cent) and negotiating new international trade agreements (78 per cent).

The pattern of change over time in the attitudes of the residents of both provinces is also similar. Support for negotiating new trade agreements has increased in Quebec from 72 per cent in 2001 to 78 per cent in 2017. Similarly, compared to 41 per cent of Quebecers in 2001, 56 per cent now support Canada encouraging more rapid globalization.

Respondents in the two provinces have remarkably similar views on the benefits of free trade. For instance, two in three people in each province say that their province has benefited from international trade agreements. There are no significant differences between opinions in the two provinces on the distribution of the benefits of trade between business owners and workers, or between Canada and the US.

As is the case with Ontarians, an important proportion of Quebecers see international trade as a shared responsibility between the federal and provincial governments, and this proportion is greater than previously reported (though this could be because of a change in question wording, as discussed above). The proportion of Quebecers holding this view, however, is much higher compared with Ontario: 48 per cent in the 2017 survey for Quebec, compared with 33 per cent for Ontario.





**Public opinion  
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# 4 CONCLUSION

This report set out to explore how the attitudes of Ontarians relating to trade and globalization have evolved since the turn of this century and particularly in the wake of the recent economic recession, on the one hand, and the unexpected turn of political events in countries close to Canada such as the US and the UK, on the other.

In the first instance, the results of the *Portraits 2017* survey offer reassurance to Canada's governments as they work to preserve NAFTA, implement CETA and ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP): four in five Ontarians support the negotiation of new international trade agreements, and seven in ten say that these agreements benefit Canada.

At the same time, there are some cautionary notes. While support for globalization among Ontarians has risen slightly between 2001 and 2017, so too has opposition, as the concept has become more familiar and the proportion with no opinion has fallen (although Ontarians continue to be more than twice as likely to support more rapid globalization as to oppose it). And while overall support for negotiating international trade agreements has grown, the proportion of Ontarians who say that these agreements harm their local community has doubled, from 11 per cent in 2001 to 23 per cent in 2017.

While it is not accurate to say that Ontarians are divided on the issues of trade and globalization – since a healthy majority is consistently in favour – it is perhaps fair to say that opinions have become slightly more polarized, since there are signs of growth in both support and opposition.

Policy-makers should also take note that opposition to trade and globalization is higher among those who say the economy is getting worse, and those who expect young Canadians will be worse off than their parents. It is also notable that support is now higher among older Ontarians than among younger ones. There remains a small but growing minority of the public that is withholding their approval for international trade agreements, in view of their doubts that these agreements are delivering on their promise to provide greater economic opportunity. Public opinion can be expected to continue to evolve, partly in conjunction with changes in the economy.

Finally, while Ontarians generally think that the country and the province benefit from international trade agreements, the fact that they are more likely to see the US than Canada (or both countries)

benefiting from Canada-US trade and are growing more wary of Canada's ties to its southern neighbour provide some interesting context for policy-makers as they engage in talks to reshape NAFTA. Very few Ontarians agree with the current US administration that Canada benefits more than the US from the trading relationship between the two countries, and improving relations between the two countries is less of a priority for the public now than it used to be. These public attitudes could affect the government's room to manoeuvre in the NAFTA renegotiation process currently underway.



# Appendix A: Methodology

*Portraits 2017* is a public opinion survey undertaken by Mission Research on behalf of the Mowat Centre. Survey data were collected between November 1 and November 14, 2017 from within randomly-selected, representative samples of residents of Ontario (n=2,000) and Quebec (n=1,000) aged 18 and older.

Sample frames were drawn from opt-in market research panels and hence cannot be technically characterized as random probability samples. Still, as a guideline, appropriate margins of error for traditional samples of the sizes of the Ontario and the Quebec samples are +/- 2.2% and +/-3.1% respectively, 19 times out of 20. For the overall sample (n=3,000) the corresponding margin of error is +/- 1.8%, with a 5% error rate. All data are weighted according to the most recent Census figures for age, gender and region;<sup>18</sup> in turn, findings from the survey are representative of the adult population aged 18 and older in both Ontario and Quebec.

To address the question of whether attitudes have changed over time, the survey drew extensively from previous studies. In particular, the survey questionnaire drew from the studies conducted between 1998 and 2006 by the Centre for Research and Information on Canada (CRIC), including most notably the study on “trade, globalization and Canadian values” conducted in 2001.<sup>19</sup> A second source for questions was the Focus Canada surveys, which originated as a syndicated research program conducted by Environics Research over the course of three decades (1976 – 2009), and now continues as a project of the not-for-profit Environics Institute for Survey Research. In comparing data between the earlier surveys and the current one, readers should note the evolution in survey mode (from telephone to Internet), which in turn often required small adjustments to question wording and format. Readers should also note that the Ontario sample for other national surveys is typically much smaller than the sample of 2,000 Ontarians surveyed in *Portraits 2017*.

To provide additional context, the authors also conducted an extensive review of other recent surveys. Results from these surveys are noted at several points in this report in order to illustrate how the views of Ontarians are similar to or different from the views of other Canadians and of citizens in other countries.

18 The sample in Quebec is also representative in terms of language spoken at home.

19 The CRIC surveys used for comparison in this report include: the 2001 survey on trade, globalization and Canadian values (Ontario n=316); Portraits of Canada 2001 (Ontario n=403), 2002 (Ontario n=404) and 2003 (Ontario n=403); and the 2004 national issues survey (Ontario n=456). Note that the results for earlier years presented in this report are for Ontario only, allowing for comparison to the results from *Portraits 2017*. Thus the 2001 results reported here may differ slightly from the national results reported in Mendelsohn, Wolfe, and Parkin, 2002.

# Appendix B: Map of Ontario Regions

