



The Strategic Counsel

Gregg, Kelly, Sullivan & Woolstencroft:
The Strategic Counsel

www.thestrategiccounsel.com

21 St. Clair Avenue East
Suite 1100
Toronto, Ontario
M4T 1L9
Tel 416 975-4465
Fax 416 975-1883

60 George Street
Suite 205
Ottawa, Ontario
K1N 1J4
Tel 613 236-0296
Fax 613 236-1290



A Report To The Federation of Canadian Municipalities

Cities, Communities and the Federal Budget Deficit

January 2010

Introduction and Methodology

- ◆ *The Strategic Counsel* is pleased to present the findings from a survey of 2,168 adult Canadians (aged 18 and above). The survey was national in scope with surveys collected from all regions of the country, and was proportionate to the adult Canadian population, according to key demographic groups (namely; age group, gender and region). After excluding those who are undecided, the sample size comes to 2,164 Canadians. A sample of this size has a margin of error of +/- 2.11%, 19 times out of 20.

- ◆ This survey sample was arrived at by making use of a dual-mode methodology, where the online method was used to cover adult Canadians who are online and the telephone to cover offline adult Canadians. The sample was drawn from a comprehensive probability based research panel where the original method of recruitment is telephone dual-frame RDD landline and cellular telephone. With this method of original recruitment to the panel the fundamentals of random probability based sampling is employed. The coverage bias is mitigated by contacting the full spectrum of the adult Canadian population (i.e., on-offline and land-cell telephone type homes) in the recruit, ensuring that everyone had an equal and known probability of being invited to join the panel. This methodology provides a stable and grounded architecture to create the pool from which subsequent survey samples can be drawn.

Introduction and Methodology

- ◆ Drawing the sample from the panel also used random probability based sampling. First, the target population was determined (i.e., adult Canadian) and a population analysis using Census 2006 data was conducted. Second, a random sample from the panel frame was drawn (taking into account composite weighting features that balance the sample according to a propensity to respond). Third, the survey went to field, where multiple contacts were attempted in order to bolster response rates. Due to the method of recruitment to this panel (RDD land-cellular telephone) basic geographic data is known for all members of the panel, and because everyone recruited completes a live telephone call with a trained recruiter, a more detailed demographic picture is also known. As such, in using this panel, *The Strategic Counsel* did not need to employ quota cells (first past the post, by group, gets into the survey, then shut the survey down), instead we were able to administer a carefully arrived at sample with known, and reliable, demographics and employ a proper reminder (emails and call-backs) schedule to realize this national random sample of adult Canadians.
- ◆ Once the data collection was complete, results were analyzed and rim-weighting was applied to the data (according to Census proportions) in order to remain proportionate and reflective of the actual adult Canadian population.
- ◆ This survey is built upon a 2008 survey also conducted for FCM.
- ◆ NOTE: Proportions do not always add up to 100% due to rounding.

Executive Summary

Canadians believe the federal government should work toward a balanced budget over the medium to long-term, while continuing to improve ageing roads, bridges, public transit, and water systems. Canadians feel that deficit reduction, while a priority, is not a good reason to put infrastructure funding for their cities and communities on hold.

96% of Canadians want the Government of Canada to maintain or increase its funding for local infrastructure.

Alongside health care, Canadians view community infrastructure as the most important area to protect from federal spending cuts.

Top Federal Spending Priorities	Total 2008 %	Total 2010 %
Spending money for health care	76	75
Assisting communities to build and repair infrastructure such as roads, bridges, drinking water systems, sewage treatment, and public transit	69	69
Supporting new initiatives to fight smog and climate change	46	38
Giving financial assistance to post-secondary education	37	39
Spending on equipment for our armed forces	20	25
Providing grants and other assistance to Canadian companies to compete internationally	15	22
Assisting aboriginal people	12	16
Spending on border and public security	9	16

**See slides 14 and 15 for details

Executive Summary

Canadians are more supportive of tax increases when they are tied to tangible benefits in their communities. While 32% support increasing the GST to eliminate the Federal deficit; 70% would support a GST increase to fund local infrastructure.

Canadians consider municipal infrastructure investments as being essential to their quality of life. In fact, Canadians believe that these investments will do more to improve their quality of life than tax cuts.

Canadians also see the state of their local infrastructure as an economic issue. Canadians believe ageing infrastructure is as big a problem for the national economy as the federal budget deficit itself. Most Canadians believe the country is falling behind on infrastructure investments and that this is a threat to their future prosperity.

In the near-term, most Canadians believe that the Federal Government's Economic Action Plan will help address the \$123 billion municipal infrastructure deficit and improve local infrastructure throughout the country. They want the Federal Government to continue playing an active role in supporting their communities.

Executive Summary

Compared to 2008, Canadians are far more likely to pay attention to municipal affairs – and they want greater Federal involvement in the local issues that affect them on a daily basis. In fact, three-quarters say that the Federal government should be doing more to improve the quality of life in their local communities over the next five years. Most Canadians also say that the money for upgrading infrastructure should come from the Federal Government rather than higher property taxes.

It is clear that the Federal Government can capitalize on goodwill and improve perceptions through cost sharing and other innovative ways of fostering partnership. Canadians are in favour of allowing municipalities greater revenue-generating abilities in addition to raising property taxes. Virtually all Canadians agree that the Federal Government should split expenses with municipalities when making regulations that force municipalities to spend more money.

Key Conclusions

1 Canadians regard the Federal deficit as a significant priority requiring medium to long-term management.

Virtually all Canadians are aware of the Federal budget deficit (82%).

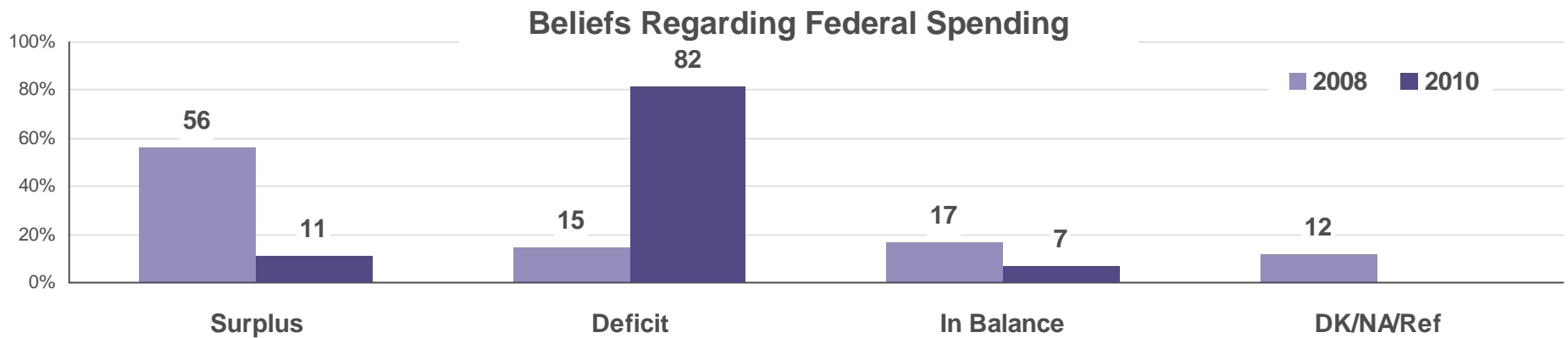
Canadians take a medium to long term view when it comes to eliminating the deficit. 71% of Canadians expect it to take at least ten years for the Federal Government to eliminate its deficit.

Canadians also take the deficit seriously. In fact, they regard the Federal budget deficit and ageing infrastructure as the two most prominent threats to the national economy.

- Just over one-third say that the Federal budget deficit (39%) is one of the top two threats to the national economy.
- A similar proportion (37%) say the same thing about the ageing of roads, bridges, and water and sewage systems.

The vast majority of Canadians believe that there is a Federal Deficit.

- This belief is highest in Ontario (86%) and lowest in Manitoba/Saskatchewan (76%)
- The belief is also stronger among those living in cities with populations between 500,000 and 999,999 people (87%) and lowest among those living in communities with fewer than 10,000 people (78%).



	Community Size 2010					Region 2010					
	<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+	Atlantic	QC	ON	MB/SK	AB	BC
n=	368	616	522	351	306	209	468	771	205	229	282
	%	%	%	%	%	%	%	%	%	%	%
Surplus	15	11	10	8	11	14	14	8	11	12	10
Balanced budget	8	7	7	5	7	5	8	6	12	5	8
Deficit	78	81	83	87	82	81	78	86	76	83	83

Q.3 To the best of your knowledge, is the federal government currently generating a surplus, in that it collects more money in taxes than it spends on programs, or is it in a deficit situation, in that it is spending more than it collects, or is federal spending and tax revenue in balance?

Base: All respondents (n=2164)

Alongside the Deficit, Canadians regard Ageing Infrastructure as the most important issue facing Canada's National Economy.

- Ageing Infrastructure is an issue in communities of all sizes.

<i>Top Risks to Canada's National Economy</i>	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2164	368	616	522	351	304
	%	%	%	%	%	%
Federal budget deficits	39	40	43	39	40	29
Ageing infrastructure such as roads, bridges, and water and sewer systems	37	40	38	35	37	38
Unfair or inadequate trade agreements with other countries	30	31	32	29	29	25
A shortage of investments in research and development	23	18	20	24	29	24
Current tax rates	16	22	14	17	15	15
Lack of financial assistance to universities and colleges	16	15	14	12	18	22
Harmonizing the GST and provincial sales taxes	12	12	14	12	10	11
Inadequate local public transit service	10	6	8	12	6	17
Traffic gridlock and long commute times	9	7	8	11	6	10
A lack of government funding support for Canadian companies	8	8	8	9	9	7

Q.10 During the next five years, which **TWO** of the following issues poses the greatest risk to Canada's national economy?
Base: All respondents

Alongside the Deficit, Canadians regard Ageing Infrastructure as the most important issue facing Canada's National Economy.

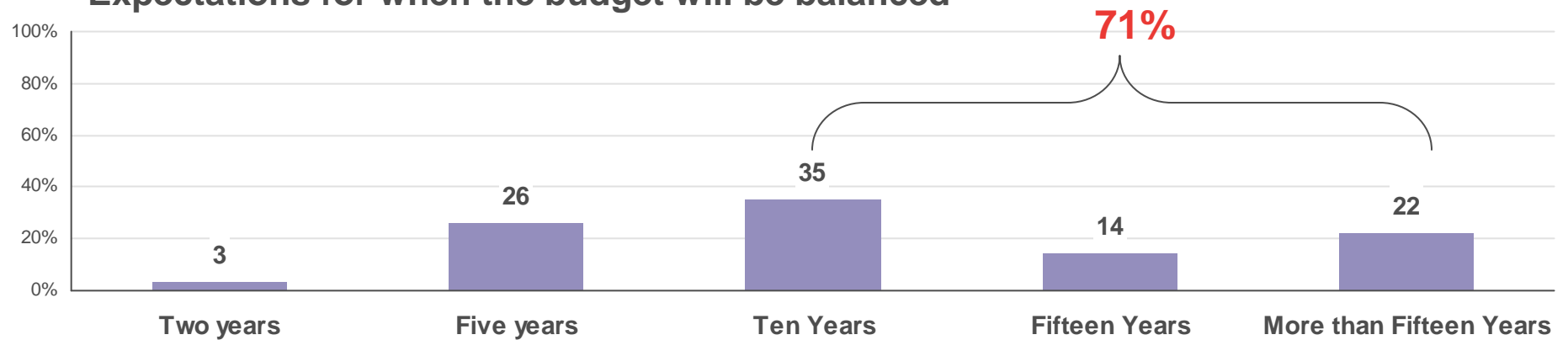
- Ageing Infrastructure is most prominent as an issue in the Atlantic region, Quebec and Manitoba/Saskatchewan. It is least prominent in BC, Alberta and Ontario.

<i>Top Risks to Canada's National Economy</i>	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	770	205	229	282
	%	%	%	%	%	%	%
Federal budget deficits	39	43	41	36	37	47	39
Ageing infrastructure such as roads, bridges, and water and sewer systems	37	44	46	34	43	34	28
Unfair or inadequate trade agreements with other countries	30	26	26	30	43	36	25
A shortage of investments in research and development	23	18	21	26	21	23	22
Current tax rates	16	23	15	16	18	16	16
Lack of financial assistance to universities and colleges	16	17	17	14	14	18	15
Harmonizing the GST and provincial sales taxes	12	5	6	14	12	5	26
Inadequate local public transit service	10	12	10	11	4	4	12
Traffic gridlock and long commute times	9	5	10	10	2	6	10
A lack of government funding support for Canadian companies	8	8	8	10	8	10	5

Q.10 During the next five years, which **TWO** of the following issues poses the greatest risk to Canada's national economy?
Base: All respondents

About 50% believe the budget will be balanced in 10-15 years, another 22% expect it won't happen for more than 15 years.

Expectations for when the budget will be balanced



	Community Size 2010					Region 2010					
	<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+	Atlantic	QC	ON	MB/SK	AB	BC
n=	368	616	522	351	306	209	468	771	205	229	282
	%	%	%	%	%	%	%	%	%	%	%
Two years	5	3	4	3	2	2	5	2	4	2	5
Five years	25	24	26	30	26	18	29	25	28	25	24
Ten years	29	41	34	32	36	38	37	34	35	37	32
Fifteen years	13	11	14	16	16	16	16	13	16	10	10
More than fifteen years	29	21	23	19	19	24	20	21	23	19	32

Q. 30. And when would you expect the Federal Government would be able to reduce the deficit of \$56 billion and achieve a balanced budget
Base: All respondents (n=2164)

Key Conclusions

2 While fighting the deficit is important, Canadians believe investing in local infrastructure is an immediate and ongoing priority.

While Canadians believe that the budget should be managed over time, they hold infrastructure as a spending priority worthy of immediate action. In fact, Canadians regard Infrastructure (69%) as being on par with health care (75%) as the most important priority for spending as the deficit is dealt with.


While 32% support increasing the GST to eliminate the Federal deficit, 70% would support a GST increase to fund local infrastructure.

Canadians believe that the country's future prosperity will be at risk if we do not continue to improve and upgrade our infrastructure (83%).

Canadians see improving commuter transit (61%) and local transit services (54%) as the clear spending priorities when it comes to transportation. These are higher priorities than the high speed train service (34%).



Most think that we will risk our future prosperity should we fail to continue improving and upgrading our infrastructure.

	Total 2010	NET Agree 2010 %	NET Agree 2008 %
n=	2164		
We are risking our future economic prosperity if we don't continue to invest in upgrading and improving community infrastructure.		83	n/a

0% 20% 40% 60% 80% 100%
 ■ Strongly Agree ■ Somewhat Agree ⚡ Neither
 ■ Somewhat disagree ■ Strongly Disagree

% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
We are risking our future economic prosperity if we don't continue to invest in upgrading and improving community infrastructure.	n/a	83	80	82	84	84	88

% Strongly/Somewhat Agree	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	771	205	229	282
	%		%	%	%	%	%	%
We are risking our future economic prosperity if we don't continue to invest in upgrading and improving community infrastructure.	n/a	83	90	75	86	85	84	85

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents

Health care and community infrastructure are the clear priorities for public spending.

Priority for public funding

TOTAL Mentions	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	467	771	205	229	282
	%	%	%	%	%	%	%	%
Spending money for health care	76	75	79	69	76	78	78	76
Assisting communities to build and repair infrastructure such as roads, bridges, drinking water systems, sewage treatment, and public transit	69	69	73	67	69	81	71	68
Supporting new initiatives to fight smog and climate change	46	38	40	44	38	28	30	40
Giving financial assistance to post-secondary education	37	39	45	39	37	39	44	38
Spending on equipment for our armed forces	20	25	22	21	26	28	29	26
Providing grants and other assistance to Canadian companies to compete internationally	15	22	16	28	22	19	18	18
Assisting aboriginal people	12	16	15	16	17	21	13	16
Spending on border and public security	9	16	10	16	15	16	17	17
DK/NA/Ref	2	-	-	-	-	-	-	-

Q.6 (2010) If the Federal Government considers reducing its spending on public services, which one of the following areas do you think is most important to protect from spending cuts?

Q.6 (2008) If the federal government were to direct some of this money to enhance public services, in which one of the following areas would you most like to see this money directed?

Q.7 (2010) And in which of these areas would be your second most important area where spending should not be cut?

Q.7 (2008) And in which of these areas would be your second choice for directing federal government money? Is it...?

Q.8 (2010) Which of these areas would be your third most important area where spending should not be cut?

Q.8 (2008) Which of these areas would be your third choice for directing federal government money? Is it...?

Base: All respondents

Health care and community infrastructure are the clear priorities for public spending. (cont'd)

Priority for public funding

TOTAL Mentions	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%	%	%	%	%	%	%
Spending money for health care	76	75	74	73	76	79	73
Assisting communities to build and repair infrastructure such as roads, bridges, drinking water systems, sewage treatment, and public transit	69	69	66	67	69	74	72
Supporting new initiatives to fight smog and climate change	46	38	36	41	34	38	44
Giving financial assistance to post-secondary education	37	39	43	35	42	38	41
Spending on equipment for our armed forces	20	25	29	26	25	25	19
Providing grants and other assistance to Canadian companies to compete internationally	15	22	21	26	22	16	20
Assisting aboriginal people	12	16	15	18	17	15	16
Spending on border and public security	9	16	15	16	16	16	15
DK/NA/Ref	2	-	-	-	-	-	-

Q.6 (2010) If the Federal Government considers reducing its spending on public services, which one of the following areas do you think is most important to protect from spending cuts?

Q.6 (2008) If the federal government were to direct some of this money to enhance public services, in which one of the following areas would you most like to see this money directed?

Q.7 (2010) And in which of these areas would be your second most important area where spending should not be cut?

Q.7 (2008) And in which of these areas would be your second choice for directing federal government money? Is it...?

Q.8 (2010) Which of these areas would be your third most important area where spending should not be cut?

Q.8 (2008) Which of these areas would be your third choice for directing federal government money? Is it...?

Base: All respondents

One-third of Canadians would support GST increases to fight the deficit.

- Larger communities are more likely than smaller communities to tolerate raising the GST.
- Quebec (54%) and Alberta (55%) are the most likely to support cutting current government programs and services .













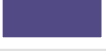
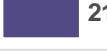

<i>Preferred Option for dealing with the Deficit.</i>	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
	2164	368	616	522	351	304
	%	%	%	%	%	%
Increasing the GST	32	26	29	35	36	37
Raising personal income taxes	18	15	17	16	22	24
NET Raising Taxes	50	41	46	51	58	61
Cutting spending to government programs and services	50	59	54	50	42	49
Don't know	0	0	0	0	0	0

	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	770	205	229	282
	%	%	%	%	%	%	%
Increasing the GST	32	37	30	35	40	31	23
Raising personal income taxes	18	19	16	18	12	14	28
NET Raising Taxes	50	56	46	53	52	45	51
Cutting spending to government programs and services	50	44	54	47	49	55	48
Don't know	0	0	0	0	0	0	0

Q. 5 The Federal Government could pursue a number of options in order to cut the deficit. Which of the following deficit cutting options do you prefer the most?
Base: All respondents

More than two-thirds support increasing the GST to 6% and using funds to invest in local infrastructure.

















Support for re-increasing GST to 6% and using funds to invest in local infrastructure

	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
			%	%	%	%	%
Total Support	 64%	 70%	67	67	72	70	79
Strongly support	 34%	 43%	40	39	44	43	52
Somewhat support	 30%	 28%	28	28	28	27	26
Neither support nor oppose	 7%	 8%	10	8	9	6	6
Somewhat oppose	 10%	 7%	9	7	6	6	6
Strongly oppose	 17%	 14%	14	17	13	17	10
Total Oppose	 27%	 21%	23	24	19	23	15
DK/NA/Ref	 2%	0%	0	0	0	0	0

Q.28 Would you support or oppose an increase in the GST from 5% back to 6% if all of the funds from this increase in the GST were used to invest in local infrastructure such as roads, sewage, water systems, public transit and recreational facilities? Would you strongly support, somewhat support, neither support nor oppose, somewhat oppose, or strongly oppose this change?
Base: All respondents

More than two-thirds support increasing the GST to 6% and using funds to invest in local infrastructure.

Support for re-increasing GST to 6% and using funds to invest in local infrastructure

	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	771	205	229	282
			%	%	%	%	%	%
Total Support	 64%	 70%	74	71	73	72	59	68
Strongly support	 34%	 43%	47	41	46	38	37	40
Somewhat support	 30%	 28%	27	30	27	33	23	27
Neither support nor oppose	 7%	 8%	8	10	7	9	9	8
Somewhat oppose	 10%	 7%	7	6	6	9	7	7
Strongly oppose	 17%	 14%	11	13	13	10	24	17
Total Oppose	 27%	 21%	18	19	20	18	31	25
DK/NA/Ref	 2%	 0%	-	-	-	-	-	-

Q.28 Would you support or oppose an increase in the GST from 5% back to 6% if all of the funds from this increase in the GST were used to invest in local infrastructure such as roads, sewage, water systems, public transit and recreational facilities? Would you strongly support, somewhat support, neither support nor oppose, somewhat oppose, or strongly oppose this change?
Base: All respondents

Commuter transit and local public transit services are top spending priorities when it comes to transportation.

<i>Priorities for Transportation Spending</i>	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
	2164	368	616	522	351	306
	%	%	%	%	%	%
Better commuter transit services to get people to and from work	61	46	61	63	67	71
Local public transit services to help people get around their community	54	46	47	51	58	64
A new high speed train service between Canada's major cities	34	31	33	33	38	36
Improving long-distance bus services between communities	17	33	18	14	10	9
Improving general rail passenger services	24	30	30	22	17	16
Improved air transportation services	10	15	11	8	9	4

	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	771	205	229	282
	%	%	%	%	%	%	%
Better commuter transit services to get people to and from work	61	48	66	62	45	63	63
Local public transit services to help people get around their community	54	58	53	53	54	49	61
A new high speed train service between Canada's major cities	34	22	34	37	23	42	30
Improving long-distance bus services between communities	17	23	17	15	30	15	14
Improving general rail passenger services	24	28	25	25	23	15	24
Improved air transportation services	10	21	5	7	25	15	7

Q. 19. Which of the following would be your two highest priorities for transportation service investments?
Base: All respondents

Canadians believe that improving local infrastructure would have a greater impact on their quality of life than tax cuts.

Top Government Actions Affecting Quality of Life	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2164	368	616	522	351	304
	%	%	%	%	%	%
Reducing taxes	45	51	48	47	45	30
Improving local infrastructure such as roads, bridges, drinking water systems and sewage treatment system	57	64	57	55	57	50
Improving local public transit service	30	16	20	32	38	54
Increasing financial assistance to universities and colleges	24	19	24	26	26	24
Harmonizing the GST and provincial sales taxes	10	13	10	10	3	10
Providing grants to companies to improve their competitiveness	7	7	9	7	4	6
Undertaking research and development	17	14	21	14	20	15
Improving trade agreements with other countries	11	15	12	8	9	10

Q.9 During the next five years, which **TWO** of the following government actions would have the most positive impact on your quality of life and the quality of life of your family?
Base: All respondents

Canadians believe that improving local infrastructure would have a greater impact on their quality of life than tax cuts.

<i>Top Government Actions Affecting Quality of Life</i>	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	770	205	229	282
	%	%	%	%	%	%	%
Reducing taxes	45	49	39	44	50	53	48
Improving local infrastructure such as roads, bridges, drinking water systems and sewage treatment system	57	61	52	57	60	62	57
Improving local public transit service	30	26	29	34	20	19	34
Increasing financial assistance to universities and colleges	24	25	22	24	27	26	24
Harmonizing the GST and provincial sales taxes	10	12	20	7	8	4	3
Providing grants to companies to improve their competitiveness	7	4	9	8	3	6	5
Undertaking research and development	17	13	20	15	18	19	18
Improving trade agreements with other countries	11	9	10	10	14	11	12

Q. 9 During the next five years, which **TWO** of the following government actions would have the most positive impact on your quality of life and the quality of life of your family?
Base: All respondents

Key Conclusions

3 Most think that the Federal government should continue to actively fund local Infrastructure.

Most Canadians view infrastructure in their own community as being in a “good” state (66%), but they think that in general communities are falling behind in their Infrastructure investments (60%).

More than three-quarters believe that there is a significant Infrastructure deficit in that the \$123 billion cost estimate for upgrading Infrastructure is “somewhat” to “very credible” (77%). And most say there is a need to invest in maintaining roads and other infrastructure in their community (85%).

A majority of Canadians feel the Federal Government must increase funding for municipal infrastructure (53%). A large majority feel the Government must at least maintain current funding levels (95%).







In fact, most Canadians believe that additional money required to upgrade local infrastructure should be provided from federal/provincial transfers (70%), rather than higher property taxes (9%) or municipal spending cuts (21%).



For more information see [Detailed Findings 4](#)

The majority view their infrastructure as being in a ‘Good’ state.







State of Community Infrastructure

	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2164	368	616	522	351	306
		%	%	%	%	%
Total Excellent/Good	 66%	65	73	65	68	51
Excellent	 4%	4	4	4	5	3
Good	 62%	61	69	61	63	48
Poor	 30%	30	24	31	30	44
Very poor	 4%	5	3	4	2	6
Total Poor	 34%	35	27	35	32	50
DK/NA/Ref	0%	0	0	0	0	0

Q. 12. To the best of your knowledge, how would you describe the state of the infrastructure in your community? Is it excellent, good, poor or very poor?
Base: All respondents

The majority view their infrastructure as being in a ‘Good’ state.







State of Community Infrastructure

	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	771	205	229	282
		%	%	%	%	%	%
Total Excellent/Good	 66%	56	61	66	60	79	71
Excellent	 4%	1	4	4	1	8	4
Good	 62%	55	57	62	59	71	67
Poor	 30%	37	35	31	34	19	25
Very poor	 4%	6	4	4	6	2	4
Total Poor	 34%	43	39	35	40	21	29
DK/NA/Ref	0%	0	0	0	0	0	0

Q. 12. To the best of your knowledge, how would you describe the state of the infrastructure in your community? Is it excellent, good, poor or very poor?
Base: All respondents

However, they continue to regard infrastructure investments as falling behind.

Investment in infrastructure up to date or falling behind?

	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%	%	%	%	%	%	%
Up to date	 38%	 26%	32	32	24	24	14
Falling behind	 56%	 60%	53	54	61	60	78
DK/NA/Ref	 5%	 14%	14	14	15	16	8














	Region 2010					
	Atlantic	QC	ON	MB/SK	AB	BC
n=	209	468	771	205	229	282
	%	%	%	%	%	%
Up to date	31	21	25	27	32	32
Falling behind	54	67	62	56	54	53
DK/NA/Ref	15	12	13	17	15	15

Q. 13 And again to the best of your knowledge, have municipalities invested the required money to keep their infrastructure, like roads, bridges, sewage, treatment and the supply and delivery of clean water up to date and serviceable or have they been falling behind in terms of what they should be investing?

Base: All respondents

The \$123 billion cost estimate to update infrastructure is considered “somewhat” to “very” credible.

Credibility of cost estimate of \$123 Billion to update infrastructure

	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
			%	%	%	%	%
Total Credible	 72%	 77%	71	76	78	82	80
Very credible	 21%	 20%	21	18	19	20	23
Somewhat credible	 51%	 57%	50	58	59	62	57
Not too credible	 12%	 18%	21	19	18	16	15
Not at all credible	 5%	 5%	8	5	3	3	5
Total Not Credible	 16%	 23%	29	24	21	19	20
DK/NA/Ref	 12%	0%	0	0	0	0	0














Q.16 How credible is the cost estimate of \$123 billion to update the infrastructure of communities across Canada -- is it very credible, somewhat credible, not too credible or not at all credible?

Base: All respondents

Note: A new preamble to the question was used in 2010

The \$123 billion cost estimate to update infrastructure is considered “somewhat” to “very” credible. (cont’d)

Credibility of cost estimate of \$123 Billion to update infrastructure


	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	771	205	229	282
			%	%	%	%	%	%
Total Credible	 72%	 77%	82	69	81	81	74	76
Very credible	 21%	 20%	28	14	22	19	20	19
Somewhat credible	 51%	 57%	54	55	59	62	54	57
Not too credible	 12%	 18%	15	24	14	15	21	20
Not at all credible	 5%	 5%	3	6	4	3	5	4
Total Not Credible	 16%	 23%	18	30	18	18	26	24
DK/NA/Ref	 12%	0%	0	0	0	0	0	0

Q.16 How credible is the cost estimate of \$123 billion to update the infrastructure of communities across Canada -- is it very credible, somewhat credible, not too credible or not at all credible?

Base: All respondents

Note: A new preamble to the question was used in 2010

There is substantial appetite for improvements to local infrastructure.

	Total 2010	NET Agree 2010 %	NET Agree 2008 %
n=	2164		
There is a need to invest in maintaining roads and other infrastructure in my community		85	90



% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
There is a need to invest in maintaining roads and other infrastructure in my community	90	85	87	82	86	86	89

% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
There is a need to invest in maintaining roads and other infrastructure in my community	90	85	87	82	86	86	89

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents

Canadians (96%) indicate that the Federal Government must increase or maintain funding for municipal infrastructure.

<i>Whether the Federal Government should Increase or Decrease Funding for Municipal Infrastructure over the next 5 years</i>	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
	2164	368	616	522	351	306
	%	%	%	%	%	%
Decrease funding for municipal infrastructure	4	3	4	5	4	3
Increase funding for municipal infrastructure	53	52	49	54	56	57
Maintain funding for municipal infrastructure	43	45	47	41	40	40
Don't know	0	0	0	0	0	0

	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	771	205	229	282
	%	%	%	%	%	%	%
Decrease funding for municipal infrastructure	4	4	5	3	2	6	4
Increase funding for municipal infrastructure	53	64	39	58	60	48	58
Maintain funding for municipal infrastructure	43	32	56	39	38	46	38
Don't know	0	0	0	0	0	0	0

Q. 15. During the next 5 years do you think the Federal Government should decrease, maintain, or increase funds for municipal infrastructure such as roads, bridges, public transit, and water and sewer systems?

Base: All respondents

Most believe that financial transfers from Federal/Provincial governments should be the primary source of Infrastructure funding.

Where should money come from for updating infrastructure?	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
Higher property taxes	5	9	5	10	10	12	7
Reducing spending on other municipal services	7	21	21	23	20	21	16
Financial transfers from federal/provincial governments	82	70	74	68	70	67	77
DK/NA/Ref	5	0	0	0	0	0	0

	Region 2010					
	Atlantic	QC	ON	MB/SK	AB	BC
n=	209	468	771	205	229	282
	%	%	%	%	%	%
Higher property taxes	6	8	9	11	10	9
Reducing spending on other municipal services	18	27	20	18	22	14
Financial transfers from federal/provincial governments	75	65	71	72	68	77
DK/NA/Ref	0	0	0	0	0	0

Q.14 Do you think that the money to pay for updating municipal infrastructure, should come from higher property taxes, reducing spending on other municipal services such as garbage collection, policing, library or recreation services, or from financial transfers from federal/provincial governments?

Base: All respondents

Key Conclusions

4 Canadians clearly think the Economic Action Plan will improve infrastructure; one-third have seen benefits in their community.

Canadians believe that the Federal Economic Action Plan should be used primarily to improve local infrastructure (46%), rather than for cutting taxes (16%), extending EI (15%) or providing a home renovation tax credit (11%).






Three-quarters believe that the Economic Action Plan will make a difference in improving Canada's local Infrastructure (76%).

So far, one-third of Canadians (35%) have observed the benefits of the Economic Action Plan in their own city or community.

Canadians believe that the Economic Action Plan should be used primarily to improve local infrastructure.

- This belief is most prominent in communities with 500,000 – 999,999 (58%).

Priority area for stimulus spending

	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2164	368	616	522	351	306
		%	%	%	%	%
A home renovation tax credit	 11%	15	12	10	7	10
The extension of Employment Insurance benefits	 15%	16	14	16	15	15
Improving local infrastructure	 46%	41	43	44	58	49
Cutting taxes	 16%	17	17	18	12	13
Providing grants to help industry weather the economic downturn	 12%	11	15	11	9	13






Q. 17. In 2010, the Federal Government released an Economic Action plan designed to create jobs and fight the recession by spending stimulus funds over a two year time frame. Which of the following should be the priority area for stimulus spending?

Base: All respondents

Canadians believe that the Economic Action Plan should be used primarily to improve local infrastructure.

- Quebecers (29%) are significantly less likely than Canadians from other provinces to believe that improving local infrastructure should be the priority for stimulus spending. Residents of Manitoba/Saskatchewan (57%), Atlantic Canadians (56%) and British Columbians (54%) are the most likely to think that improving local infrastructure should be the priority.







Priority area for stimulus spending

	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	771	205	229	282
		%	%	%	%	%	%
A home renovation tax credit	 11%	10	19	8	8	11	6
The extension of Employment Insurance benefits	 15%	11	16	16	13	15	17
Improving local infrastructure	 46%	56	29	51	57	49	54
Cutting taxes	 16%	14	20	13	17	15	16
Providing grants to help industry weather the economic downturn	 12%	10	17	12	5	11	7

Q. 17. In 2010, the Federal Government released an Economic Action plan designed to create jobs and fight the recession by spending stimulus funds over a two year time frame. Which of the following should be the priority area for stimulus spending?

Base: All respondents







Three-quarters believe that economic stimulus investments will make a difference regarding local infrastructure improvements.

<i>Perceived Impact of the Economic Action Plan on Community Infrastructure</i>	Total 2010	Community Size 2010				
		<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2164	368	616	522	351	306
		%	%	%	%	%
Total Significant/Somewhat	 76%	74	77	76	78	77
Significant difference	 16%	16	17	16	14	19
Somewhat of a difference	 60%	58	60	60	64	58
Not too much difference	 20%	18	19	21	19	21
Insignificant difference	 4%	8	4	3	3	2
Total Not too much/Insignificant	 24%	26	23	24	22	23

Q. 18. The Federal Government's economic action plan includes a economic stimulus investments to repair and improve community infrastructure. Do you believe that these investments will make a significant difference, somewhat of a difference, not too much difference, or an insignificant difference with respect to making necessary repairs and improvements to community infrastructure?

Base: All respondents

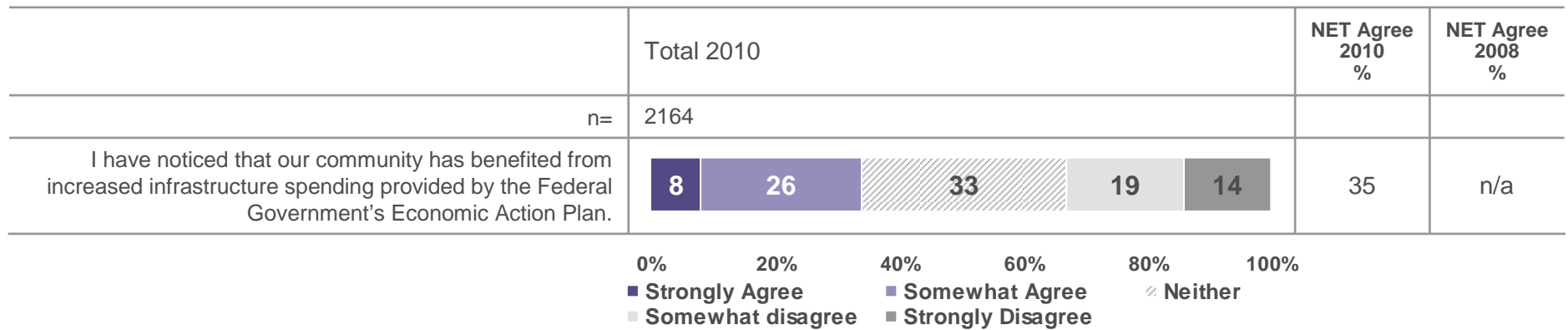
Three-quarters believe that economic stimulus investments will make a difference regarding local infrastructure improvements.

Perceived Impact of the Economic Action Plan on Community Infrastructure	Total 2010	Region 2010					
		Atlantic	QC	ON	MB/SK	AB	BC
n=	2164	209	468	771	205	229	282
		%	%	%	%	%	%
Total Significant/Somewhat	 76%	81	73	77	80	78	74
Significant difference	 16%	18	15	18	18	14	14
Somewhat of a difference	 60%	63	58	59	62	64	60
Not too much difference	 20%	16	22	20	16	20	20
Insignificant difference	 4%	3	5	3	3	1	7
Total Not too much/Insignificant	 24%	19	27	23	19	21	27

Q. 18. The Federal Government's economic action plan includes a economic stimulus investments to repair and improve community infrastructure. Do you believe that these investments will make a significant difference, somewhat of a difference, not too much difference, or an insignificant difference with respect to making necessary repairs and improvements to community infrastructure?

Base: All respondents

One-third say that they have noticed the benefits of the Economic Action Plan in their communities.



% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
I have noticed that our community has benefited from increased infrastructure spending provided by the Federal Government's Economic Action Plan.	n/a	35	38	38	36	34	22

% Strongly/Somewhat Agree	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	771	205	229	282
	%		%	%	%	%	%	%
I have noticed that our community has benefited from increased infrastructure spending provided by the Federal Government's Economic Action Plan.	n/a	35	32	31	37	36	34	35

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents

Key Conclusions

5 Canadians want greater Federal involvement in local issues which are increasingly visible and prominent.

Four-in-five Canadians, across communities of all sizes, say they follow municipal issues (82%) – up 13% since 2008 (69%). This view is notably hard, with 28% saying they pay a lot of attention to municipal issues in 2010.

A majority of Canadians believe they get better value from the services provided by their local government (52%) than from those provided by the Federal Government. Three-quarters say that the Federal Government should be doing more to improve the quality of life in their community during the next five years (75%).

Three-quarters of Canadians (75%) also believe that municipalities need access to revenue tools beyond the property tax.













Most also agree that the Federal Government should do more generally to improve life in their community (68%).



For more information see [Detailed Findings 6](#)

Compared to 2008, Canadians are more likely to pay attention to Municipal affairs.

Amount of Attention Paid to Municipal Affairs













	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	304
	%	%	%	%	%	%	%
Total Pay Attention	 69%	 82%	81	80	82	84	83
A lot of attention	 18%	 28%	26	28	23	31	33
Some attention	 51%	 54%	55	52	59	53	50
Not too much attention	 23%	 16%	15	17	15	15	16
No attention at all	 7%	 3%	4	3	3	1	1
Total Do Not Pay Attention	 31%	 19%	19	20	18	16	17
DK/NA/Ref	0%	0%	0	0	0	0	0

Q.2 Overall, how much attention do you pay to local municipal affairs, that is the actions of your municipal government? Do you pay a lot of attention, some attention, not too much attention or no attention at all?

Base: All respondents

Compared to 2008, Canadians are more likely to pay attention to Municipal affairs.

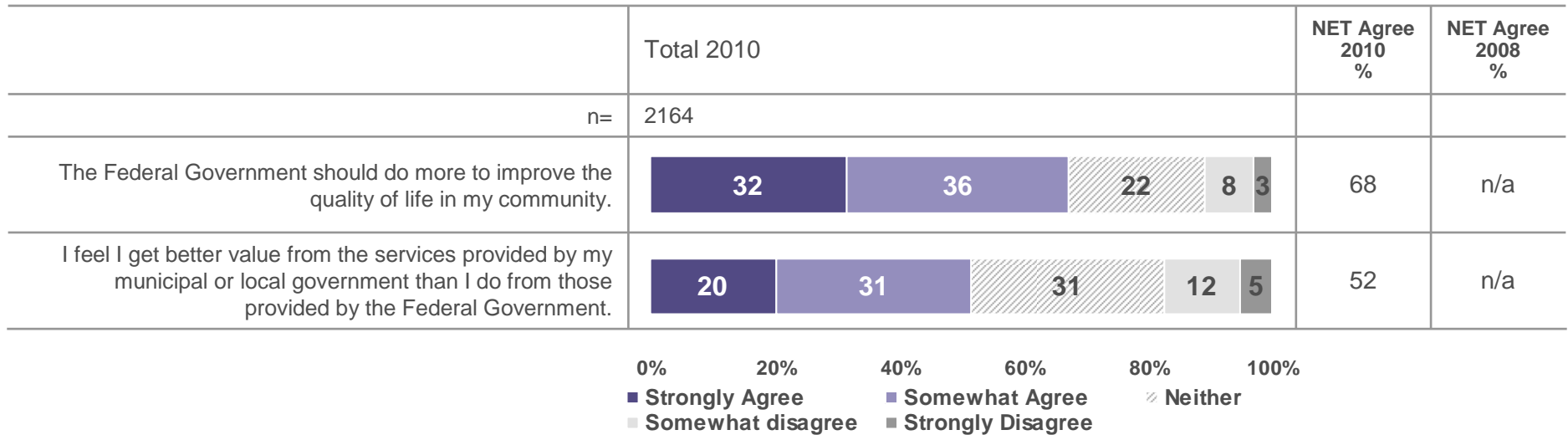
Amount of Attention Paid to Municipal Affairs

	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	770	205	229	282
	%	%	%	%	%	%	%	%
Total Pay Attention	 69%	 82%	80	76	84	76	87	83
A lot of attention	 18%	 28%	27	26	29	26	31	26
Some attention	 51%	 54%	53	50	55	50	56	57
Not too much attention	 23%	 16%	15	21	14	22	11	15
No attention at all	 7%	 3%	5	4	2	1	2	2
Total Do Not Pay Attention	 31%	 19%	20	25	16	23	13	17
DK/NA/Ref	0%	0%	0	0	0	0	0	0

Q.2 Overall, how much attention do you pay to local municipal affairs, that is the actions of your municipal government? Do you pay a lot of attention, some attention, not too much attention or no attention at all?

Base: All respondents

Canadians want the Federal Government to be more involved in their local community.



Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents

Canadians want the Federal Government to be more involved in their local community.

% <i>Strongly/Somewhat Agree</i>	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
The Federal Government should do more to improve the quality of life in my community.	n/a	68	72	62	69	60	79
I feel I get better value from the services provided by my municipal or local government than I do from those provided by the Federal Government.	n/a	52	57	54	52	44	50

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents


Canadians want the Federal Government to be more involved in their local community.

% <i>Strongly/Somewhat Agree</i>	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	771	205	229	282
	%		%	%	%	%	%	%
The Federal Government should do more to improve the quality of life in my community.	n/a	68	76	70	66	71	56	71
I feel I get better value from the services provided by my municipal or local government than I do from those provided by the Federal Government.	n/a	52	51	53	49	51	50	59

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents

Canadians feel that Municipal Governments need to have greater taxation powers beyond the ability to raise property taxes.

	Total 2010	NET Agree 2010 %	NET Agree 2008 %
n=	2164		
Municipal governments need to have greater access to other means of generating revenues in addition to property taxes.		75	80



% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
Municipal governments need to have greater access to other means of generating revenues in addition to property taxes.	80	75	76	77	74	71	78

% Strongly/Somewhat Agree	Total 2008	Total 2010	Region 2010					
			Atlantic	QC	ON	MB/SK	AB	BC
n=	2000	2164	209	468	771	205	229	282
	%		%	%	%	%	%	%
Municipal governments need to have greater access to other means of generating revenues in addition to property taxes.	80	75	85	70	77	79	67	79

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base: All respondents

However, they also feel that the Government should pay equally when they make regulations forcing municipalities to spend.

	Total 2010	NET Agree 2010 %	NET Agree 2008 %
n=	2164		
When the Federal Government makes regulations that forces municipal governments to spend more money, the Federal Government should pay an equal share		87	n/a



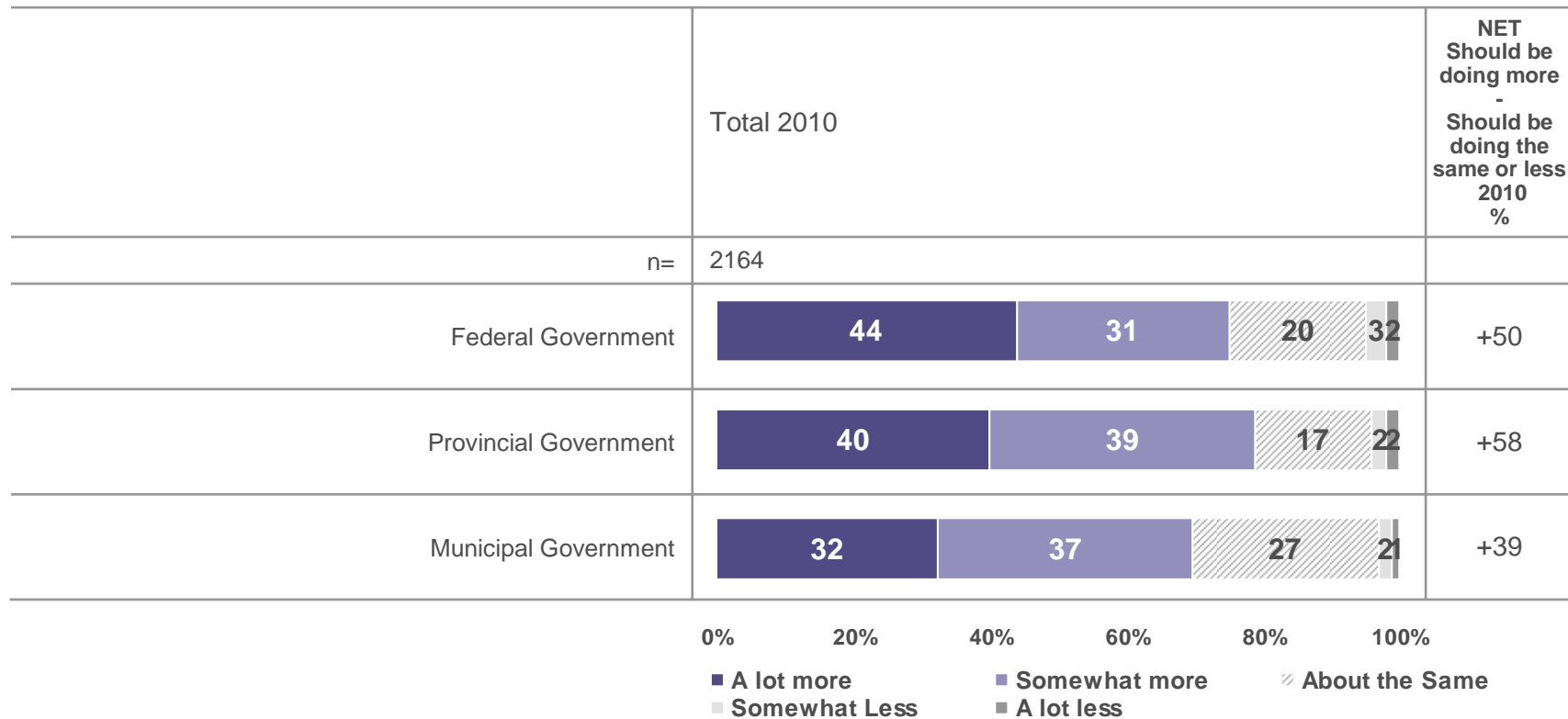
% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
When the Federal Government makes regulations that forces municipal governments to spend more money, the Federal Government should pay an equal share	n/a	87	87	85	87	88	87

% Strongly/Somewhat Agree	Total 2008	Total 2010	Community Size 2010				
			<10,000	10,000 - 99,999	100,000 - 499,999	500,000 - 999,999	1M+
n=	2000	2164	368	616	522	351	306
	%		%	%	%	%	%
When the Federal Government makes regulations that forces municipal governments to spend more money, the Federal Government should pay an equal share	n/a	87	87	85	87	88	87

Q.20-26 Now I'd like to read you a series of statements and have you tell me whether you agree or disagree with each. You can do this by telling me if you strongly agree, somewhat agree, neither agree nor disagree, somewhat disagree or strongly disagree?

Base:

Three-quarters think the Federal government should be doing more to improve the quality of life in their community.



Q. 11. Please indicate whether you think the following governments should be doing more, less or the same amount to improve the quality of life in your community over the next five years?
Base: All respondents