

**British Columbians cautiously optimistic about provincial economy;
concerned about personal and future prosperity**

***Business Council of BC releases first in a series of public opinion research reports:
views on the economy and private & public sector institutions-***

November 30, 2012 (Vancouver, BC) – The Business Council of British Columbia released today results from a recent Ipsos Reid survey which revealed that, despite relatively strong optimism about the provincial and national economy, British Columbians are concerned about future prosperity. These results are part of a comprehensive public opinion research initiative measuring British Columbians' views across a range of public policy related matters. This research forms part of the *BC Agenda for Shared Prosperity* initiative (www.bcagenda.ca) currently being undertaken by the BC Chamber of Commerce and the Business Council of British Columbia.

Highlights of the research include:

- While only 12% of British Columbians surveyed rate the global economy as “good”, approximately 6 in 10 are positive about the Canadian and British Columbia economies and that of their local communities.
- A majority of people (70%) believe they benefit when the BC economy does well. However, 83% believe it will be more difficult to achieve greater economic success than their parents.

“British Columbians’ concern for their future well-being is a pivotal discussion point in the BC Agenda for Shared Prosperity,” said Greg D’Avignon, President and CEO, Business Council of British Columbia. “The survey data shows the public is anxious about the ability to get ahead, despite the perception the provincial economy is strong. The BC Agenda for Shared Prosperity is exploring this issue by looking at how to grow the economic pie and develop a stronger sense of connection between British Columbians and the potential benefits stemming from future economic development opportunities.”

The research also examined the public’s level of trust in institutions such as business, non-governmental institutions and government organizations. The research found that British Columbians are generally more trusting of academics and NGOs than they are of either the public or private sectors.

- While businesses received relatively high marks for being competitive in the global marketplace, creating jobs, and for contributing positively to the province, there remains ongoing fallout from the financial crisis as seen in relatively low levels of trust with business, labour, and the media.
- 62% of British Columbians believe that, on balance, large businesses make a positive contribution to the province, while 83% believe it is very important or somewhat important for the province to attract, retain and develop large business.

- Governments of all levels fared poorly in the survey, however a majority (60%) of people say that the institutions and systems are the problem, not individual politicians.

“While there is a recognition that British Columbians benefit when the BC economy does well and that business makes a positive contribution to the province, the results suggest the public is seeking renewal and a stronger sense of connection to the economy and their political institutions,” said John Winter, President and CEO of the BC Chamber of Commerce “One of the objectives of the *BC Agenda for Shared Prosperity* is to increase the relevancy and awareness of businesses as employers, taxpayers and contributors to our collective prosperity in communities across the province.”

Despite real concerns, the results reveal a strong level of optimism for one’s personal circumstance with 74% being “hopeful” when thinking about their own future.

“And therein lies the opportunity to move forward” stated D’Avignon, “to take the sense of general optimism and build a positive vision for the future, one that leverages our strengths and is not afraid to address some of the real concerns identified in the survey.”

The research findings will be released over the next week and form part of the ongoing *BC Agenda for Shared Prosperity* initiative. The next release, scheduled for December 3, takes an in-depth look at British Columbians’ views on a wide range of specific policy matters.

The online survey was completed by 803 British Columbians between August 14 and 22. The margin of error for the entire sample is $\pm 3.5\%$, 19 times out of 20. The entire survey will be released in early December.

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Backgrounder: [Perceptions about the economy and the public/private sectors attached.](#)

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BACKGROUND

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Backgrounder: Perceptions about the economy and the public/private sectors

Introduction and Overview – Economic uncertainty and institutional challenges

As part of the BC Agenda for Shared prosperity initiative, in August the Business Council commissioned an Ipsos Reid poll to measure British Columbians' views on a wide variety of topics including: perceptions of prosperity, opinions about the economy, government, public policy issues and the state of their own households¹.

This is the first of three reports, focusing specifically on British Columbians' views on the economy and on our public and private sector institutions.

Overall, British Columbians are cautiously optimistic and feel that the economies of the province and country are in better shape than those in most other areas of the world. This is borne out by the fact that BC has out performed all but two provincial jurisdictions (Alberta and Saskatchewan since 2005) in real GDP growth. However, British Columbians also have concerns about their own household finances and the ability to see improving circumstances moving forward, particularly for BC's next generation.

While there is a cautious sense of optimism in economic terms, it is clear that many British Columbians are concerned with government institutions and processes, and are skeptical of business, labour, the media and other entities that have traditionally been central to discussions about collective and personal prosperity.

Taken together, the picture is one of a province where citizens see both opportunity and threats to their collective and individual prosperity coming out of a lengthy period of economic turmoil and heading into a future that remains, in many respects, uncertain.

The economy – Better in BC and Canada than out

While British Columbians have dismal views of the global economy, they're far more confident about the performance of both BC and Canada.

¹ The online survey was completed by 803 British Columbians between August 14 and 22. The respondents were selected to reflect the region, gender and age composition of the province. The margin of error for the entire sample is ± 3.5 percent, 19 times out of 20.

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Right now, how would you rate the condition of each of the following?		
	GOOD	POOR
The overall global economy	12%	80%
The Canadian economy	61%	37%
The overall BC economy	57%	37%
The economy in your local community	61%	33%

British Columbians also believe their local communities are performing better than the world economy, with Metro Vancouver residents being the most confident and those living in the North and Island regions being moderately less optimistic.

Right now, how would you rate the condition of the economy in your local community?		
	GOOD	POOR
Metro Vancouver	65%	28%
Southern Interior	60%	35%
North	55%	44%
Island	53%	43%

Personal prosperity – Steady yet uncertain

Even though British Columbians are optimistic about the BC economy generally, there are worries about the situation closer to home and going forward into the future. Most British Columbians consider their own personal prosperity to be stable, but they’re more likely to say things are getting worse rather than better, indicating that many households are feeling affordability pressures.

Generally speaking, do you feel your standard of living is increasing, decreasing or staying about the same?		
Increasing	Staying about the same	Decreasing
14%	52%	32%

To better understand these standard of living concerns, it's worth taking a look at the differences between different BC regions and age groups.

Personal prosperity – The rural-urban split

Metro Vancouver residents consider themselves to be in a good, but precarious, financial position. While they’re the most likely to say their financial situation is good, they’re also the most worried about losing their jobs and the least optimistic about being able to find a new one. In contrast, those in the

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North have more people rating their personal financial situations as poor than good, but they're the most optimistic about their local job market. Residents of the Island and Southern Interior regions fall between these two extremes.

Right now, how would you rate the condition of your personal financial situation		
	GOOD	POOR
Metro Vancouver	60%	35%
Island	59%	37%
Southern Interior	56%	40%
North	47%	50%

Thinking about the job situation where you live today, would you say that it is now a good time or a bad time to find a quality job?		
	GOOD	POOR
North	39%	53%
Southern Interior	31%	59%
Island	25%	68%
Metro Vancouver	23%	63%

Personal prosperity – The economic challenge for the next generation

British Columbians generally consider themselves to be doing better than their parents financially, but upon closer inspection, there is an age division within this view. Those in the over-55 group overwhelmingly consider themselves to be better off while the younger cohorts see themselves falling behind the previous generation.

How does your standard of living compare to your parents when they were the same age as you are now?			
Age	BETTER	SAME	WORSE
18-34	29%	31%	34%
35-54	37%	19%	43%
55+	58%	23%	18%

When looking more specifically at the next generation, all British Columbians widely share the view that it's tougher for young people to get ahead (of their parents) today than a generation ago.

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Overall, how easy or difficult do you think it is for young people in BC to get a better job and achieve greater economic success than their parents?	
EASY	DIFFICULT
14%	83%

Personal prosperity – The economy and its perceived impacts

Overall, British Columbians believe that provincial economic success translates into more prosperity for themselves personally.

I benefit when the BC economy does well	
AGREE	DISAGREE
70%	22%

However, there are widespread concerns that most of the benefits of a growing economy are going disproportionately to the rich and some are concerned that hard work is not necessarily being rewarded.

Today in BC, it's true that the rich just get richer while the poor get poorer	
AGREE	DISAGREE
84%	13%

People in BC can get ahead by working hard	
AGREE	DISAGREE
65%	34%

Who do British Columbians trust?

When considering perceptions of our institutions and processes, it's important to get a sense of what elements of society people consider to be working well. One way to do so is to ask people how much they trust different institutions.

The results show a strong trend: British Columbians are generally more trusting of academic and civil society groups than they are of either the public or private sectors. The business community, unions and the media are generally in the mid to lower end of the list while governments and the political parties are the least trusted.

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To what degree do you trust each of the following organizations/institutions in BC?		
	"A fair amount" or "A great deal"	"None" or "Not much"
Colleges and universities	80%	19%
Academic experts	72%	28%
Charitable or humanitarian organizations	66%	34%
Environmental organizations	61%	39%
Municipal governments	51%	49%
Labour unions	41%	59%
The media	36%	64%
Large companies	36%	63%
The provincial government	30%	71%
CEOs	20%	80%
Senior government officials	19%	81%
Political parties	11%	90%

Perceptions of Government: A challenging time for government...but institutions, not individuals to blame

British Columbians are deeply concerned about (no specific level of government) government performance in a wide range of areas, suggesting deep-seated challenges for all levels of government in BC, particularly through changing times.

In general, do you feel that governments today are doing a good job or a poor job in terms of each of the following?		
	POOR	GOOD
Being accountable for the decisions they make	83%	10%
Doing what they say they'll do	83%	10%
Ensuring the public receives good value for their tax dollars in terms of service	76%	16%
Representing the interests of all citizens and not a particular group in society	73%	21%
Ensuring the public has an opportunity to voice its opinion on major issues of the day	69%	24%

While governments don't get high marks in terms of trust and performance, British Columbians recognize that the failings of government are not necessarily the fault of elected leaders but rather of imperfect systems. This suggests a strong desire for institutional reform moving forward.

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Some people say that the problems we have with our political system lie with the individuals who are elected to office. Others say that the problems are more related to the institutions of government and how the system works. What do you think?		
Individuals	Institutions and processes	No opinion
28%	60%	12%

Perceptions of Business – Important economically, but mixed results on meeting broader expectations

While British Columbians generally have a strong belief that business is an important part of a prosperous society, many also feel that the business community is not performing well in some areas.

British Columbians generally feel that the business community is doing a good job in terms of core business activities, such as being competitive and creating jobs. However, a small majority are more concerned when it comes to ensuring other aspects of corporate involvement in society are functioning well - particularly in terms of taxes and protecting the environment.

Overall, do you think large businesses in BC are doing a good job, or not in each of the following areas?			
	Generally Doing a Good Job	Generally not Doing a Good Job	No opinion
Being competitive in the global marketplace	56%	21%	23%
Creating jobs	53%	32%	14%
Meeting their stakeholders' expectations	51%	12%	37%
Treating employees fairly	45%	34%	21%
Being innovative	45%	28%	27%
Contributing time and money to support their local communities	39%	39%	22%
Acting in a socially responsible manner	37%	39%	24%
Protecting the environment	25%	52%	23%
Paying enough taxes	25%	52%	23%

Perceptions of Business – Part of a prosperous society

The survey responses show that British Columbians are satisfied with many of the activities of the business community, but not all. Despite showing a desire for improvement in some areas, British Columbians widely recognize the important role the business community plays in creating a prosperous society and by extension, the jobs and revenue that will sustain communities and our provincial way of life. There is a strong feeling that the business community has a positive effect on society and that further business growth is important for the province.

On balance, what contribution do you think large businesses make to British Columbia?		
Positive	Neither positive or negative	Negative
62%	22%	10%

How important is it to the provincial economy that BC is able to attract, retain and develop large businesses?				
Very important	Somewhat important	Not too important	Not at all important	No opinion
40%	43%	6%	1%	10%

Conclusion

British Columbians generally feel that they live in a prosperous part of the world – especially compared to other regions. But the data also suggests a disconnect and complacency given the huge global economic changes occurring and the future of prosperity for old world economies like Canada and BC. Our ability to effectively connect to these realities and opportunities with the new emerging economies in Asian and South Asia will determine our local prosperity for decades to come.

However, in the face of this generational shift and the significant implications for our future, most British Columbians say their standard of living is largely stable, with an undercurrent of concern. According to this survey, there are more British Columbians believing that they will be falling behind instead of getting ahead, and there’s a widespread view that youth today will face a declining standard of living relative to their parents over their lifetime. This seems to indicate a lack of confidence or ability to seize our own destiny and prosperity in the face of change.

British Columbians feel that a strong, growing economy will make them better off in the end, but they are concerned that the rewards of success aren’t being shared by all of society. There is a majority concerned with the distribution of the economic pie going forward. These concerns are also reflected, to a degree, in the public’s skepticism and lack of trust in key institutions.

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While British Columbians feel the private sector is an important part of a growing economy and that businesses are performing their core activities well, they are less satisfied with the extent to which businesses are meeting other goals. These institutional concerns run deepest when looking at government – an area of concern for all levels of government, regardless of political affiliation.

And yet despite some concerns, both for their private family well-being and their government and business institutions, British Columbians have a broadly shared sense of optimism. There is a strong belief in BC that the economy has performed better than most - that it is growing and that things will get better than they are today.

When asked whether they were generally more hopeful or fearful about the future, British Columbians consistently expressed hope rather than fear.

All things considered, when you think about your own future, are you generally more hopeful or more fearful?	
HOPEFUL	FEARFUL
74%	25%

And therein lies the positive opportunity to move forward – to take this sense of general optimism and build a positive vision for the future that we can shape and seize; one that builds on our strengths and is not afraid to address some of the real concerns identified in this part of the survey.

This need to address concerns and build on BC’s positive opportunities moving into the future is an important part of the BC Agenda for Shared Prosperity.

In the next release, we will take an in depth look at British Columbians views across a wide range of more specific policy matters. It is within these views that we can start to better look at the more tangible side of building the *BC Agenda for Shared Prosperity*.

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