



Flash Poll: 2023 Federal Budget



April 2023



Introduction



- › This report summarizes the results of a flash poll on the 2023 federal budget, asking business leaders for their feedback on the budget.
- › The poll ran for three days from March 31 to April 2 and generated 604 responses.
- › As a probability-based sample, it is valid to calculate the margin of error for the poll. With a sample of 604 cases, the results presented in this report are accurate to within +/- 4.0% at a 95% confidence interval.
- › The survey data has been weighted by region and organizational size using the most recent Statistics Canada data.



Key Findings



- › Canadian businesses are unimpressed with the 2023 federal budget. Just 1 in 6 rate it favourably.
- › The main issue is the level of spending – two-thirds of business leaders say they should have been cutting costs rather than increasing spending.
- › In terms of individual measures that were announced, the most popular by a wide margin is reducing merchant fees. Conversely, increasing the Air Travel Security Charge is almost equally unpopular.
- › There is majority support from businesses for increasing the GST credit and the TFHSA.
- › Most other measures announced were polarizing – particularly investments in green tech and renewables.

Only a small minority of 1 in 6 Canadian managers and executives give the budget a passing grade

A plurality rate the budget negatively, although this varies significantly by region.

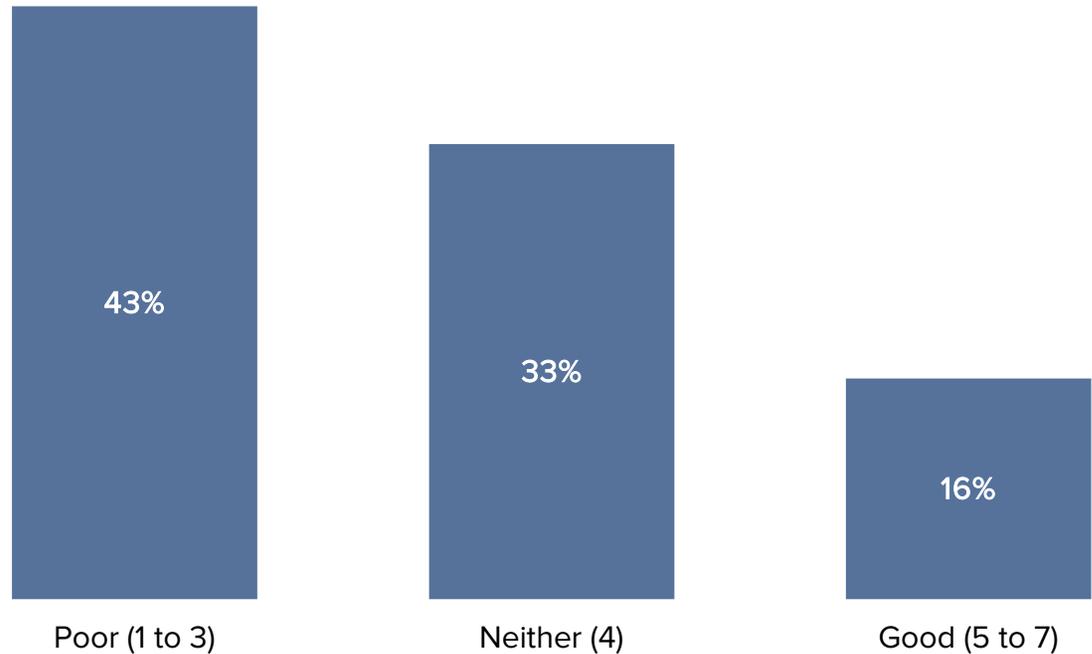
- > A majority of Alberta business leaders give the budget a thumbs down, while just over a quarter of those from Quebec do likewise.
- > In no region do we find even a quarter rating the budget positively.

There are also notable differences across industry sector.

- > Primary industries, manufacturing, real estate, and finance all have a majority in the negative column.



Overall, based on what you have read or heard, how do you rate the 2023 federal budget in terms of how it affects your company?



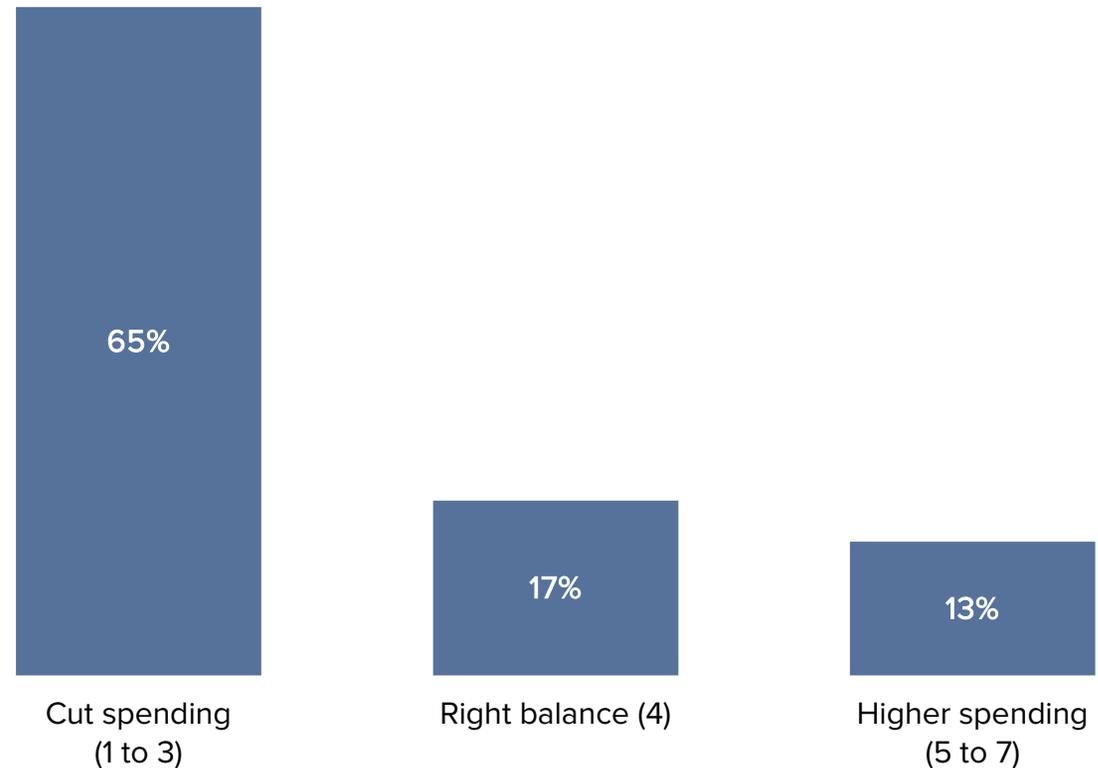
Two-thirds of Canadian business leaders say the federal government should have cut spending.

Relatively small groups think they hit the right balance or should have had higher spending.

- > Retail is the only sector with fewer than a majority calling for spending cuts.
- > Interestingly, managers and executives from the public sector also call for spending cuts in large numbers (60 per cent).



In your opinion, should the federal government have announced higher spending, overall spending cuts, or did they hit the right balance?



Budget Measures I

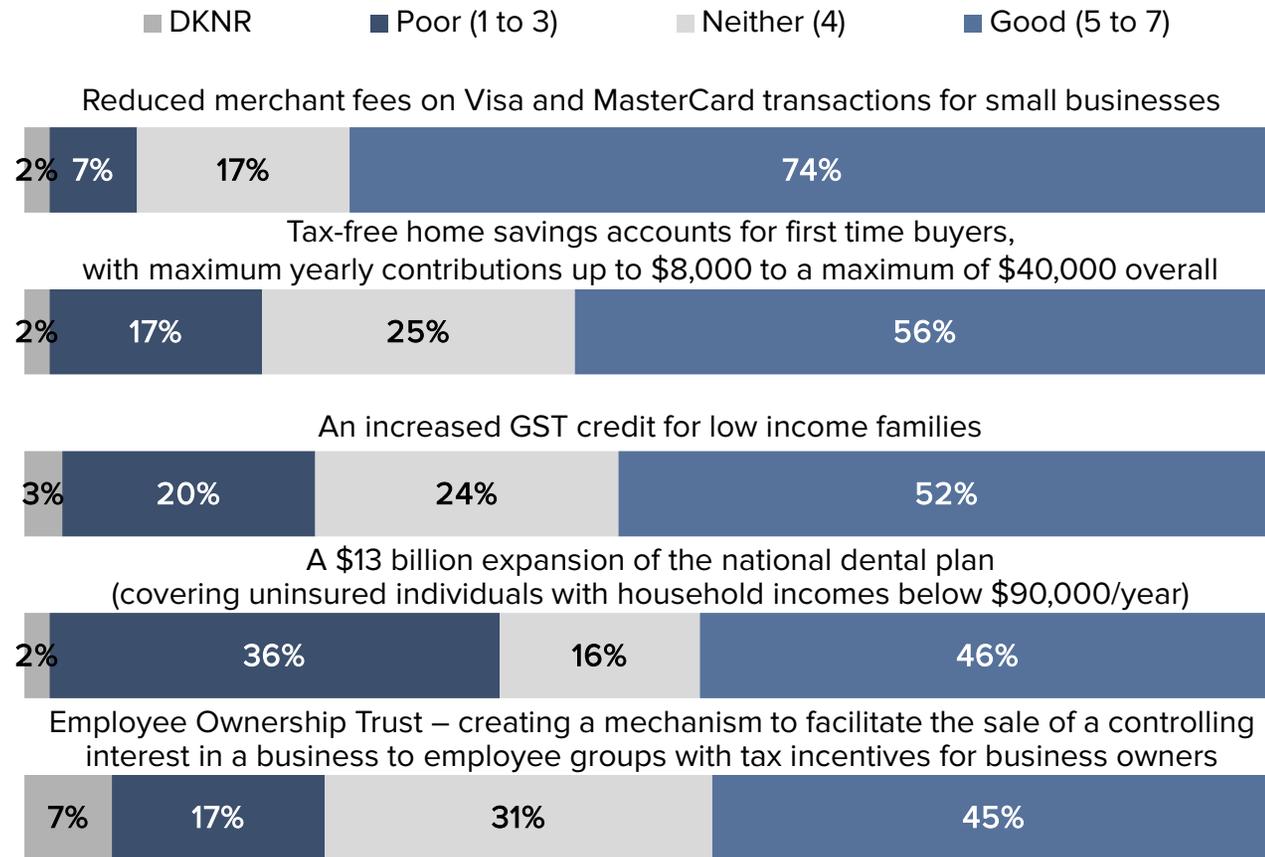
Reduced merchant fees for small businesses is, by a sizable margin, the most appealing measure announced with the budget.

Majorities also favour the TFHSA and increased GST credit for low income families.

There is solid support for Employee Ownership Trusts and expanding the national dental plan, albeit the latter also facing sizable opposition.



There were a number of measures announced with the federal budget earlier this week that impact Canadian businesses. How do you rate each of the following measures in terms of how they may impact the Canadian economy?



Budget Measures II

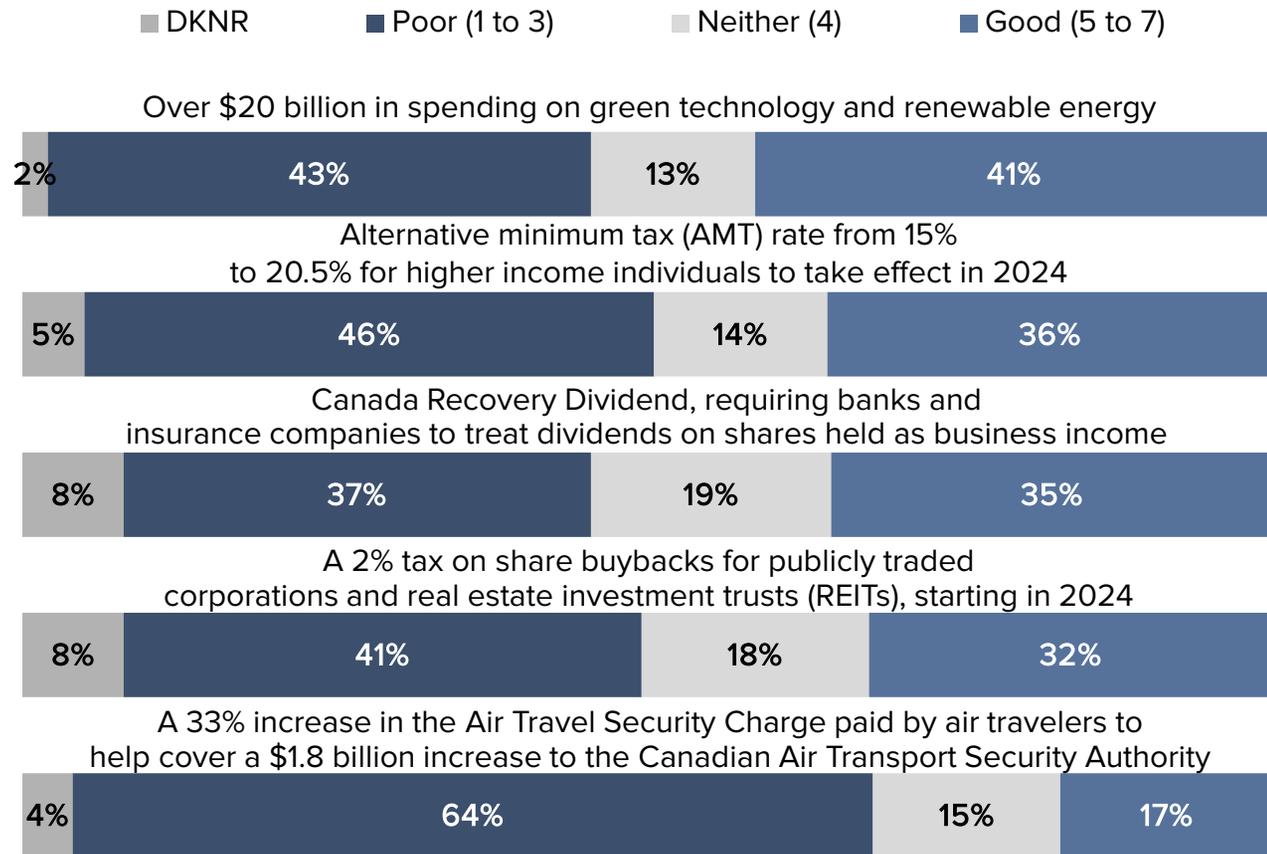
Business leaders are polarized on a number of measures:

- > Investment in green tech and renewables
- > Alternative Minimum Tax increase
- > Forcing FIs to treat share dividends as income
- > Taxing share buybacks

Almost two-thirds are opposed to increasing the Air Travel Security Charge – by far the least popular measure taken.



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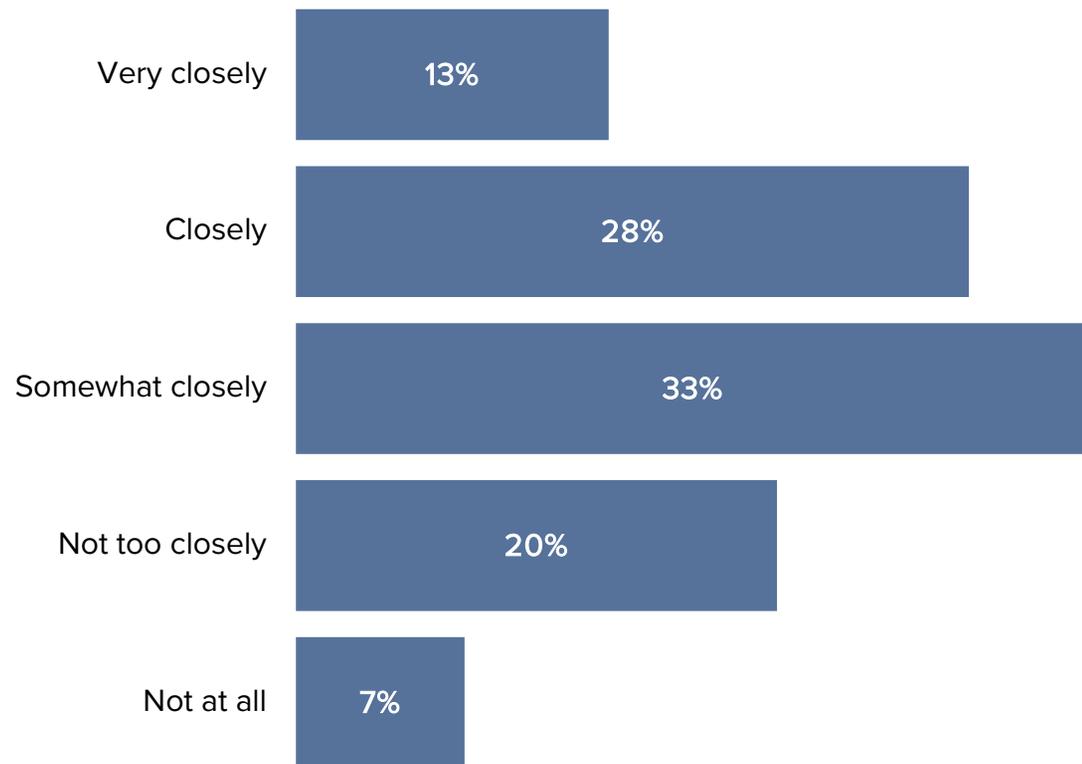
Interest in the federal budget was moderate

Fewer than one half of business leaders followed the budget closely.

- > This result is consistent regionally and across business types.



How closely have you followed news about the 2023 federal budget?





Real answers from real people