

**Mississauga Terror Arrests:
Significant Fallout for Canada's Security Against Attack and
Immigration Policy; Marginal Impact on Can-Am Relations;
Harper Scores Again**

**BDO Dunwoody CEO/Business Leader Poll
by COMPAS in the Financial Post
for Publication June 12, 2006**



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1.0 Introduction

The internationally reported arrests of 17 Mississauga terrorism suspects signifies Canada's increased vulnerability to attack and requires some important changes in immigration policy, according to the COMPAS panel of CEOs and business leaders. Canada-American relations will not ultimately be damaged with some risk of worsened trade relations counter-balanced by improvements in diplomatic relations and security coordination. Prime Minister Stephen Harper once again earns stellar grades for his handling of the events of the past week.

Despite U.S. media stories highlighting Canada as a terrorist haven, panelists seem not unduly concerned about the trade impacts. They are more concerned than ever about the prospects of a seriously disruptive terrorist attack on our economy and they express some strong views about some aspects of immigration.

By overwhelming margins, members of the panel want a reduction in immigration from countries known as hotspots for terrorism along with closer integration with U.S. border control processes to form a shared perimeter. They are divided about reducing immigration from Muslim countries as a whole. They oppose adopting domestic U.S. security procedures and are resolutely opposed to reducing immigration in general.

These are the key findings from the current web-survey of the COMPAS panel of CEOs and business leaders undertaken for the *Financial Post* under sponsorship of BDO Dunwoody LLP.



2.0 Some Harm to Exports and Tourist Visits Along with Improved Diplomatic Relations and Security Collaboration—Another High Score for Harper

Small pluralities anticipate more difficulties for trade exports and Canada's tourism industry as a result of the much reported events, as shown in table 2A. A small plurality also foresees a negative impact on trade irritants. Those who see negative trade fallout rest their predictions on widespread U.S. media coverage of the Mississauga event and growing American sensitivity about anti-Americanism in Canada, accentuated by anti-American statements made by Canadian officials during the Chretien and Martin periods.

Many panelists nonetheless do not believe that our economy will be impacted. As the CEO of a major western company put it, "What Canada has done in the recent terrorist issue is simply doing our job, and the U.S. will likely view it that way ...It's even likely that it will reinforce American opinion that Canada continues to be a significant threat to terrorists being able to enter the U.S."

Panelists are more likely to see benefits rather than costs emerging from the events of recent days. Majorities foresee improved diplomatic relations and security collaboration, as shown in table 2A.

Prime Minister Harper earns another high score for his performance during the crisis—a 74% performance score, as shown in table 2B.



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*Table 2A: (Q3) On 7 point scales where 7 means become much worse and 1, much better, how is the much reported story about Mississauga terrorists likely to impact on border controls and ...
[RANDOMIZATION]*

	Mean	7	6	5	4	3	2	1	DK
The flow of American tourists into Canada	4.4	6	8	29	39	10	2	3	3
The flow of Canadian exports across the boarder	4.3	6	6	24	43	10	6	2	3
Trade irritants	4.2	2	10	21	38	15	7	2	6
Access by Canadian companies to U.S. government contracts	4.1	3	6	21	45	10	7	3	5
The flow of Canadian tourists into the United States	4.0	2	9	13	49	14	5	4	4
Access by Canadian companies to U.S. business contracts	4.0	2	3	17	55	10	6	4	2
Canada-U.S. diplomatic relations	3.2	2	8	9	22	18	25	13	2
Canada-U.S. anti-terrorism collaboration	2.9	3	7	9	8	17	33	20	2

Table 2B: (Q4) Please score the Harper government's current handling of Canada-U.S. relations on a 100 point scale where 100 is the best job performance score and zero, the worst score.

Mean	DNK
74	6



3.0. Heightened Probability of Terrorist Attacks on Canada

Panelists see terrorists are targeting Canada in greater earnest. The probability of a seriously disruptive attack, now 30% within 12 months, is the highest probability ever given by the panel, as shown in table 3. Panelists meanwhile are not increasing their estimates of the probability of a serious attack on the United States.

The COMPAS questionnaire asked panelists for their estimates of a serious attack. Some panelists believe that Canada may experience one or more less serious attacks. A British Columbia CEO volunteered that the COMPAS question did not allow for a true measure of panelists' heightened sense of apprehension because the Canadian economy is resilient and might not be affected by some of the kinds of attacks that terrorists might plausibly carry out. He emphasized that a question about a "serious attack" instead of a "seriously disruptive attack" would have elicited higher probability scores. Volunteered another CEO: "I cannot imagine a more important issue."

Table 3: (Q1&2) As you know, there's been much reporting in the media across North America about terrorist threats after the Mississauga arrests. What is your guesstimate of the probability of an attack within 12 months. Please choose a number between 0%, which means no attack will take place, and 100%, which means there will definitely be an attack within 12 months.

	Average probability in percent
An attack within 12 months that could disrupt the U.S. economy more seriously than did the attack on the World Trade Centre	
June 5, 2006	30 ¹
August 9, 2004	39

¹ Tracker table does not have DNK information. DNK is 3% for U.S. in this week's poll.



September 4, 2003	27
September 6, 2002	27
November 2, 2001	39
An attack on Canada that could seriously disrupt our economy	
June 5, 2006	27 ²
August 9, 2004	23
September 4, 2003	15
September 6, 2002	12
November 2, 2001	20

4.0. Intense Concern about Immigration and Acculturation

By overwhelming margins, members of the panel want a reduction in immigration from countries known as hotspots for terrorism (80% vs. 20%), as shown in table 4. They also call for closer integration with U.S. border control processes to form a shared perimeter (82% vs. 16%). CEOs and business leaders are divided about reducing immigration from Muslim countries as a whole (50% vs. 48%). They oppose adopting domestic U.S. security procedures and are resolutely opposed to reducing immigration in general.

Table 4 lists the raw scores provided by respondents as well as two supplemental analytic columns. One analytic column sums up support for a given option (definitely plus probably). The other is a gap score, subtracting “definitely not” from definitely yes. The gap score is useful for gauging the comparative strength of those with passionate positions.

² DNK is 0% for Canada.



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When the gap score is considered, one positions stand out very much, a powerful desire to reduce immigration from countries known as hotspots for terrorism.

Table 4: (Q5) As a means of keeping the Canada-U.S. border as open as possible, should Canada...

	Definitely	Probably	Probably Not	Definitely Not	[Definitely plus Probably]	[Definitely minus Definitely Not]	DNK
Reduce immigration from countries known as hotspots for terrorism	44	36	15	5	80	39	0
Integrate with U.S. border control processes to form a shared perimeter	33	49	8	8	82	25	2
Reduce immigration for Muslims	22	28	25	23	50	-1	2
Adopt U.S. security procedures for the domestic environment	15	43	27	14	58	1	2
Reduce the overall rate of immigration	10	16	38	35	26	-25	1

In their volunteered responses, panelists express intense concern about immigration policy and Canada's efforts to integrate and assimilate immigrants:

The public at large, the politically correct and previous Liberal governments have largely ignored or excused terrorist fundraising and recruiting. This cannot continue as it has already caused many deaths in other countries and is now well on the way to have the same effect here. (CEO of a firm in the technology sector)

The "Canadian Mosaic" is a failed experiment... Until we get back to the basics as to who, how and why our nation was founded and legislatively embody this in our immigration



policies all I can say is that "We ain't seen nothin' yet" The last seven days have shown the folly of our so called liberal (naive) values. What more will it take? (CEO of a firm in the energy sector in Ontario)

We need to be vigilant about those who do not follow our laws. If immigrants fail repeatedly to do so, they should be expelled. And we need to insure they fit into our systems: What about the thousands of immigrants the government has lost track of? While many may be law-abiding, this is where the threat could come from. (CEO of a services firm in Ontario)

As with all other threats to our way of life, these terror programs must be attacked in every way possible. If we need to start at the source, through immigration selectivity, so be it. If certain civil liberties are to be compromised, so be it. My concern is that the legal process in Canada will let those arrested out on bail or, at trial, receive sentences inappropriate to the attempts made on our country (if found guilty). Unless strong action is taken and enforced, the backlash towards certain religious factions may be far greater than would be expected in a tolerant society such as ours. Other actions around the world clearly indicates a developing wave of intolerance (such as is now developing in The Netherlands, a more tolerant society than Canada), that will negatively impact support and understanding for their problems. Unfortunately, this will get worse, before it gets better. (CEO of a firm in the transportation sector in Ontario)

A sure fire method of weeding out the good immigrants from the bad ones is to ask each individual if they can say "God bless Israel." (CEO of a manufacturing firm on the prairies)

How did these people get into our country. It is time for us [native-born] Canadians to take this country back, since our government has given it to nothing but immigrants. It is very sad that a retired [native-born] Canadian gets less monthly



pension than an immigrant gets on welfare, or government assistance when coming to our country, that has not contributed one cent to live here and gets all of our benefits free. Very sad and shame on the government for not taking care of our own [native-born] Canadians. (CEO of an Ontario transportation company)

5.0 Canadian Access to U.S. Markets Remains Priority

As shown in table 6, the panel continues to assign a very high priority to sustaining access to American markets, as shown in table 5.

Table 5: (Q6) How much of a priority concern should Canadian access to U.S. markets be for government? Please use a 7-point scale where 7 means the issue is very serious and deserves high priority concern by government and 1, the opposite.

	Mean	7	6	5	4	3	2	1	DNK
June 2006	6.2	47	29	16	5	1	0	1	2
March 2005	6.3	60	23	10	3	1	2	1	1
April 2004	6.2	52	28	11	5	1	1	0	2
April 2002	6.2	53	22	11	6	2	1	1	5

3.0 Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted June 7-9. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.



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Because of the small population of CEOs and business leaders from which the sample was drawn, the study can be considered more accurate than comparably sized general public studies. In studies of the general public, surveys of 132 are deemed accurate to within approximately 8.6 percentage points 19 times out of 20. The principal and co-investigator on this study are Conrad Winn, Ph.D and Tamara Gottlieb.

