

2006 Census

**BDO Dunwoody Weekly CEO/Business Leader Poll
by COMPAS in the *Financial Post*
for Publication March 19, 2007**



**COMPAS Inc.
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1.0. Introduction

Canada's business leaders say that the nation's strong population growth is good for the country, according to the most recent survey of COMPAS' special panel for The Financial Post under sponsorship of BDO Dunwoody. Depending on the details, Canada could benefit from even stronger population growth. Recently released census data put Canada's population growth at 5.4%, the highest among G8 countries in 2001-2006. Most of the growth took place in the suburbs surrounding Toronto and Calgary. According to Canada's CEOs and business leaders the country is benefiting from the strong population growth and there are some slight suggestions that we could benefit from somewhat higher population growth and a slightly decreased immigration rate.

Overall, business leader support the robust population increases in Alberta and Ontario, saying they are good for Canada's economy and have neutral affects on Canadian society and national unity. The only downsides, as they see it, are the slightly negative impacts on infrastructure and the environment.

These are the principal findings from the weekly business web-survey conducted by COMPAS for the Financial Post under sponsorship of BDO Dunwoody LLP.

2.0. Strong Population Growth is Good – Slight Suggestions it could be Stronger

Recent census data puts Canada's population growth rate is 5.4%, the highest among G8 countries and higher than second place U.S.A, with 5%. According to Canada's business leaders the pace of growth is benefiting from the growth, with some small suggestions that we could benefit from more. Respondents in COMPAS' weekly business panel were asked to score the population growth rate and immigration rate using a 7 point scale, where 7



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means too high and 1, too low. The population growth rate received a mean score of 3.7, slightly below the mid point of 4, as shown in table 1.

Business leaders would like a domestic solution to increasing population growth. Canada's immigration rate received a mean score of 4.5, slightly above the midpoint, suggesting the immigration rate is slightly too high.

*Table 1: (Q1) Canada's growth rate of 5.4% was the highest among the G8 in 2001-2006, mainly because of immigration. The U.S., where birth rates are high, placed second in population growth with 5%. On a 7 point scale where 7 means too high and 1, too low, how would you assess Canada's current:
[RANDOMIZE]*

	Mean	7	6	5	4	3	2	1	DNK
Population growth rate	3.7	2	5	20	36	16	15	6	1
Immigration rate	4.5	12	15	15	33	15	6	3	1

The following comments illustrate the opinions of some respondents on population growth and immigration in their own words:

Population growth by immigration is not, in itself, a bad thing. When it outweighs growth due to births vs deaths, there is concern about sustainability

With the baby boomers going into retirement, we need rapid population growth, particularly in skilled trades and the professions - otherwise we will not be able to sustain ourselves. But, we need to get smart about immigration - like Australia, we need to figure the kind of skilled people we need to overcome our looming skills shortages & then go out and pro-actively recruit them. Once here, we need to aggressively remove artificial barriers to employing them where we need them. If we don't soon address this on a priority basis, somewhere on/about 2013, we will have some businesses, perhaps even entire sectors close down, because we cannot find enough suitably skilled people to do



the work. This will become the major business issue of at least the next decade or two.

Immigration is much heavier to all western countries than it should be. It is more than the individual countries can absorb and a strain on integration. It is also taking the best people. Without immigration, Canada would be facing the same decline and aging of its population as is taking place in Europe. Immigrants bring skills, solid schooling and work ethics and want to improve their lot in life. They are willing to work towards those goals. Their education will deepen the talent pool on which Canada can draw in the future. It will also increase the tax base, so essential to cover the increasing costs of providing services. Canada will enjoy the same benefits that the US did in the late 1800 and early 1900 and which created their society. In addition, immigrants bring their ethnic cultures with them, allowing the rest of Canada to experience that and increase tolerance for all. The fact that lots immigrants will move into the high population centers is a fact of life. Smaller centers cannot provide the opportunities that larger centers do. To attract people to outlying areas, provincial and federal governments must create programs that make it attractive. This includes jobs and access to most of what is available in the larger centers, from their origin where they are required. We need less urban growth and more new towns.

2.0. Very Slight Concern over Impact on Infrastructure and Environment from Ontario and Alberta Suburban Growth

Business leaders are slightly concerned about the pressures of the population growth on Alberta's and Ontario's suburbs. The areas surrounding



Toronto and Calgary saw the greatest increases in population. On balance, respondents are slightly concerned about the pressures of this growth on infrastructure and the environment. As shown in table 2, respondents assign a mean score of 3.8, just below the mean of 4, to the question of whether the pattern of growth in Calgary and Toronto suburbs is good.

One respondent, intimately familiar with the population boom, offered:

I have the pleasure of living in Milton, Ontario - the community with 71.4% growth from 2001-2006! And we will continue to grow for the foreseeable future if the Places to Grow document is realized. The province has designated the area around Milton/Halton as the major growth area. It is only fair that the province comes to the table with funding support to assist with the staggering infrastructure costs. Also it is imperative that all support services i.e. hospitals be fast tracked to service the needs of the residents.

Table 2: (Q4) Much of the growth was in suburbs around Calgary and Toronto. Weighing the economic benefits on the one hand and the infrastructure and environmental costs on the other, how good is this pattern of suburban growth? Please use a 7 point scale where 7 means very good and 1, very poor.

Mean	7	6	5	4	3	2	1	DNK
3.8	5	9	21	18	21	16	8	3

3.0. Alberta's and Ontario's Growth – Good for Canada's Economy, Neutral Affects on Society and National Unity

Respondents were asked to score the affect of Alberta's and Ontario's population growth on a 7 point scale where 7 means very good and 1 the opposite, in respect of their respective affects on the economy, society and



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national unity. The population growth in Alberta is seen as producing more good for the country's economy, receiving a mean score of 5.6, as shown in table 3.1, as opposed to Ontario's, which received a mean score of 5.0 (see table 3.2).

Both provinces' population growth were seen as having a slightly better than neutral affect on Canada's society and national unity. However, there were some outlying opinions among panelist which included:

Canadian unity would be better supported by population growth outside of Ontario. This is unlikely to happen, because growth occurs where there is economic opportunity, however it would be better for the country if Ontario was not the dominant party in confederation.

Table 3.1: (Q2) Alberta's population growth rate was 10.6%. On 7 point scale where 7 means very good and 1, very poor, how good was this growth rate for:[RANDOMIZE]

	Mean	7	6	5	4	3	2	1	DNK
Canada's economy	5.6	21	38	28	6	2	3	1	1
Canadian society	4.6	10	18	29	18	10	10	4	2
National unity	4.4	10	11	25	21	18	6	5	3

Table 3.2: (Q3) Ontario's population growth rate was 6.6%. On 7 point scale where 7 means very good and 1, very poor, how good was this growth rate for:[RANDOMIZE]

	Mean	7	6	5	4	3	2	1	DNK
Canada's economy	5.0	11	24	33	25	3	2	1	1
Canadian society	4.5	6	14	30	33	8	3	3	2
National unity	4.4	6	13	21	41	11	2	4	2



4.0. Methodology

The COMPAS web-survey of CEOs and leaders of small, medium, and large corporations was conducted March 14 -16, 2007. Respondents constitute an essentially hand-picked panel with a higher numerical representation of small and medium-sized firms.

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 126 are deemed accurate to within approximate 8.8 percentage points 19 times out of 20. The principal and co-investigator on this study are Conrad Winn, Ph.D. and Tamara Gottlieb.

