STUDENT BUDGET CONSULTATION

Review of Results
20 March 2017
Executive summary

Between November 30th 2016 and March 8th 2017, CIVIX engaged high school students across Canada in the 2017 Student Budget Consultation. Over 8,500 students, teachers and citizens participated in the survey, and it was ultimately used in dozens of classes in every province and territory across Canada. Over 5,700 completed responses are included in the following report.

The Student Budget Consultation provides youth with an opportunity to learn about the government’s revenues and expenditures, discuss important political issues and suggested policies, and offer their insights on the priorities of the upcoming federal budget. This report will be shared with national media and the Department of Finance.

The results of the 2017 Student Budget Consultation provide a snapshot into the perceptions and priorities of the next generation Canadian workforce. Students favour a balanced approach to the budget: they want a reduction in income inequality, coupled with investments in education, environmental protection and affordable housing. With these priorities in mind, students also want to see a commitment to debt reduction. On a personal level, students are confident in their employment prospects and remain heavily focused on the individual and societal value of education and training after high school.
Methodology

Between November 30th 2016 and March 8th 2017, CIVIX engaged high school students across Canada in the 2017 Student Budget Consultation survey.

Data were collected through both online and paper copies of the survey. Including both students and others interested in the initiative, the survey was started 8,760 times. A total of 5,767 responses were collected and analyzed from students in all provinces and territories of Canada.

Incomplete responses have been included, so sample sizes will vary from question to question. The most recent Canadian census data has been used to weigh the data to reflect the actual population distribution by province and territory of Canadians between the ages of 10 and 18.
Key Insights

Canadian youth see negative economic trends, but are confident in their own abilities
• Canadian youth believe that social mobility and raising a family will be more difficult for them than it was for their parents, but are confident in their individual ability to find and maintain a job they are interested in.
• Students in Atlantic Canada were most likely to feel that their generation was going to have more difficulties than their parents.
• The majority of students still fundamentally believe, though more difficult, that social mobility is possible in Canadian society today.

Education is a top priority, both for themselves and for Canadian society
• Students are overwhelmingly interested in work that requires some form of postsecondary training and many intend to use the money generated from summer work to save for post-secondary education.
• Students also see education, specifically the financial accessibility and overall spending on education, as the government’s most important means of helping Canadian families and reduce youth unemployment.
• Only in Quebec was education not seen as the most important means to reduce youth unemployment.
Environmental protection is a key priority, but not a local one
• Students listed environmental conservation most often as an area where government spending should be increased. However, students clearly do not see environmental initiatives as having a significant impact on their local areas, as very few noted clean energy initiatives as a core spending priority for their communities.
• Students were also ambivalent as to whether Canada should impose a carbon tax, students may also be making a distinction between climate change solutions and environmental protection.

Students want a commitment to reduce the debt
• Students from all backgrounds across Canada believe that debt reduction should be a key priority. Most students believe that all available efforts should be made to balance the budget.

Students are in favor of progressive taxation and reducing inequality
• Most students believe that income inequality is a problem in Canada today and a majority support raising taxes on corporations and wealthier individuals. Students are much more likely to agree than to disagree that those who are better off have a particular responsibility to help those in need.
Section 1:

Taking the temperature: What students think of their employment prospects
Generally speaking, Canadian students draw a distinction between larger generational and societal trends and their individual prospects in the labour market.

Most students believe that there is a youth unemployment problem in Canada, but also believe it will be easy for them to get a summer job. Similarly, most students believe that it will be more difficult for them to climb the social ladder or raise a family than it was for their parents, but are confident they themselves will find a job that interests them in Canada and that they will be employed in a single job for more than ten years.

Overall, it appears that students believe they will face headwinds when starting their careers, but have confidence that they will overcome these broader trends.
Section 1.1:
Perceptions of societal trends
Youth Unemployment

Two thirds of students believe there is currently a youth unemployment problem in Canada.

Do you believe there is a youth unemployment problem in Canada?
Trends in social mobility

When comparing their generation to that of their parents’, just under half of students agreed that social mobility will be more difficult for them. Just 1-in-5 students disagreed with the following statement.

Compared to my parents’ generation, it is more difficult for people of my generation to climb the social ladder.
Trends in social mobility

While students from all provinces show a lack of optimism regarding social mobility, there are some pronounced provincial differences: students in Atlantic Canada and Ontario are more likely to agree with this statement than those in Alberta or Quebec.

Compared to my parents’ generation, it is more difficult for people of my generation to climb the social ladder.
Trends in overall affordability

Students’ pessimism is not limited to social mobility. They also feel that raising a family will be more difficult for them than it was for their parents: students agreed with the following statement at three times the rate of those who disagreed.

Compared to my parents’ generation, it will be more difficult financially for my generation to raise a family.
Trends in overall affordability

There are pronounced regional differences on this issue, where students in Atlantic Canada and Ontario are more likely to hold the following view compared to students in other provinces.

Compared to my parents’ generation, it will be more difficult financially for my generation to raise a family.
General attitudes to social mobility

Despite concerns about the generational trends in social mobility, there is a strong consensus among students that social mobility is still possible in Canada today.

No matter what circumstances you are born into, if you work hard enough you can be as successful as anyone else.
General attitudes to social mobility

Though students generally agree with this statement, there is a considerable variation from province-to-province. Students in the Prairies are more likely to agree strongly with this statement than their counterparts in other parts of the country.

No matter what circumstances you are born into, if you work hard enough you can be as successful as anyone else.
Section 1.2:

Perceptions of their own prospects
Confidence in finding a career

The vast majority of Canadian students are somewhat confident they will find a job in Canada that interests them, and a third of them are very confident.

When you finish your schooling, how confident are you that you will find a job that interests you within Canada?

- Not at all confident: 10%
- Not very confident: 54%
- Somewhat confident: 33%
Length of employment

Despite discussion surrounding the growing prevalence of non-traditional career paths, Canadian students are confident that they will have the same job for ten years or longer. This belief is held consistently across all the demographic groups examined in this report.

Throughout the course of your professional career, how likely is it that you will stay in the same job for ten years or more?
Confidence finding a summer job

In addition to having confidence regarding their long-term career prospects, students are also generally confident that they will be able to obtain a summer job.

How easy do you think it will be for you to get a summer job next year?

- Very easy: 31%
- Somewhat easy: 39%
- Somewhat difficult: 24%
- Very difficult: 6%
Confidence finding a summer job

Though a majority of students living in urban areas are confident that they can get a summer job, this rate is slightly lower than those living in rural or suburban areas.

How easy do you think it will be for you to get a summer job next year?
Section 2:

Jobs and skills training
Students overwhelmingly want to work in sectors that require some form of post-secondary education or skills training. Unsurprisingly, the reduction of student debt is most often seen as the best step that the government could take to reduce youth unemployment and help Canadian families.

It is clear that students view the support of formal education and skills training as the most important supports offered by the federal government.
Sectors of work

Students most often mentioned health and social services as a sector in which they are considering a career. Of those who selected “other”, engineering and arts and entertainment professions were among the top mentioned professions.

In what sectors are you considering a career?
Alleviating youth unemployment

The reduction of student debt was often cited as the most important action the government could take to ease youth unemployment. Improving awareness of and access to high-quality employment were also considered important goals for students.

What is the most important step the government could take to deal with youth unemployment?
Alleviating youth unemployment

Students in rural, urban and suburban areas were notably consistent in their focus on reducing post-secondary education debt.

What is the most important step the government could take to deal with youth unemployment?
Alleviating youth unemployment

Students in Quebec were the only students in Canada for which reducing student debt was not an important priority. These students instead found it more important that the government focus on increasing access and awareness of high quality jobs.

What is the most important step the government could take to deal with youth unemployment?
Supporting families

Similar to youth unemployment, improving the affordability of post-secondary education was again seen as the most important step that a government could take to help families. A quarter of students stated that a reduction in personal income tax would be the most important.

What is the most important step the government could take to help families?

- Making PSE more affordable & accessible: 44%
- Lowering personal income taxes: 25%
- More tax credits for children’s activities: 11%
- Supporting access to affordable daycare: 9%
- Don’t know: 7%
- Capping fees charged by banks & telecom companies: 4%
Supporting families

Students in Quebec and Manitoba were somewhat unique in that under a third of those students noted the affordability of post-secondary education as the most important step. Students in Quebec were just as likely to view lower taxes as important.

What is the most important step the government could take to help families?
Section 3:

Strategic investments
When thinking of national priorities, Canadian students view spending on environmental conservation and education as most important. In terms of local priorities, students want greater spending on affordable housing. Interestingly, students clearly view environmental issues as a national priority, while relatively few felt that spending on clean energy could benefit their local area.

The prioritization on spending is tempered by a clear focus on keeping the debt to a minimum, if not eliminating it entirely. While it may not register as the highest priority amongst most students, most students agree that a reduction of the government’s debt is vital.
Section 3.1: Spending priorities
Infrastructure spending

Canadian students most often stated that environmental spending should be increased, while education spending was also mentioned by a majority of students.

In the next federal budget should the government increase or decrease spending in the following areas?
Local priorities

Moving beyond general spending, students noted affordable housing as the most important investment priority for their local area.

Which infrastructure investments can best help meet the priorities in your local area?
Local priorities

Students with a disability were more likely to mention spending on high-speed internet than their counterparts, though affordable housing was still selected more often.

Which infrastructure investments can best help meet the priorities in your local area?
Local priorities

There is remarkable consistency among students who live in urban, suburban and rural areas, though rural students focused slightly more on infrastructure spending than their urban and suburban colleagues.

Which infrastructure investments can best help meet the priorities in your local area?
Local priorities

Students in Quebec are the least likely to see affordable housing as the greatest potential improvement to their local area; instead they focused on major infrastructure spending, such as roads and bridges. Students in all other provinces noted affordable housing most often.

Which infrastructure investments can best help meet the priorities in your local area?
Section 3.2: The debt
Reducing the debt

There is an overwhelming consensus among students that reducing the debt should be prioritized. There is consensus on this item across all demographics.

The government should place a high priority on lowering the debt as much as possible.
Debt repayment

Over half of students believe that the debt should be prioritized in current policy, instead of repaying a greater amount in the future. Comparatively, only 1-in-5 students disagree that the debt should be prioritized.

The government does not have to place a high priority on lowering the debt because we will be able to pay it back over time.
Balancing the budget

Half of students agreed that the deficit should be eliminated, at any cost, compared to fewer than 1-in-5 who disagreed.

Canada’s budget should be balanced no matter what.
Prioritizing the debt

While students are clearly committed to seeing their government reduce the debt, there is a divide on whether debt should be the highest priority.

The government does not have to place a high priority on lowering the debt because other priorities are more important at the moment.
Section 4:

Inclusive Growth
The term inclusive growth largely focuses on increasing the rate of social mobility and avoiding large gaps in income across society. As noted earlier in the report, students feel that social mobility will be more difficult for them than it was for their parents.

In the following section we will focus on three other factors related to inclusive growth and the budget overall: income inequality, taxation and economic growth. A majority of students feel that income inequality is too high in Canada. With this in mind, it is understandable that students are in favour of higher tax rates for wealthy individuals and corporations.

However, students are divided on whether low taxation is the most effective means of creating jobs. Given the strong emphasis placed on education, this is perhaps unsurprising. That said, students are similarly divided as to whether a society with higher taxes and more services is preferable to one with lower taxes and fewer services.
Section 4.1

Inequality
Income inequality

There is consensus among students that income inequality in Canada is too large.

The gap between those with high incomes and those with low incomes is too large.
Income inequality

Students who are visible minorities are slightly more likely to strongly agree that income inequality in Canada is too large.

The gap between those with high incomes and those with low incomes is too large.
Responsibility

Canadian students also expressed strong support for the idea that those who are more fortunate had a greater obligation than others to help those in need.

Wealthy people have a greater obligation than everyone else to help those who are in need.
Responsibility

There was consensus on this item amongst most demographic groups, though students who are visible minorities were slightly more likely to support this point.

Wealthy people have a greater obligation than everyone else to help those who are in need.
Section 4.2

Taxation
Corporate taxation

Roughly half of students believe that corporate taxes should be increased, compared to just over 1-in-10 who wanted a reduction in corporate taxation.

How much tax should corporations pay?

- Much less: 9%
- Somewhat less: 35%
- About the same as now: 39%
- Somewhat more: 14%
- Much more: 0%

Source: CIVIX Student Budget Consultation
Corporate taxation

Similar to items on inequality, there is broad consensus on corporate taxation amongst most demographic groups, though students who are visible minorities were marginally more supportive of this item.

How much tax should corporations pay?
Top tax rate

Similar to corporate tax rates, a majority of Canadian students think the tax rate for the wealthy should be increased, nearly 1-in-5 students believe this rate should be much higher.

How much should wealthier people pay in taxes?

- Much less: 6%
- Somewhat less: 28%
- About the same as now: 44%
- Somewhat more: 19%
- Much more: 10%

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Top tax rate

Similar to other items in this section, there is a general consensus on this topic from students in all provinces.

How much should wealthier people pay in taxes?
Carbon tax
Canada’s students are either split or undecided about whether or not Canada should impose a carbon tax.

The Canadian government should put a price on carbon.
In light of a consensus on raising taxes for corporations and the wealthy, it is interesting to see that Canadian students are largely split on whether tax reduction is the best means to create more employment.

The most effective way to create jobs in Canada is to lower taxes.
Job creation

Students across the country are split on this issue.

The most effective way to create jobs in Canada is to lower taxes.
Spending versus taxation

The split among Canadian students regarding taxation is emphasized further when students are presented with the choice of more taxes and services, or fewer of both. They are effectively split down the middle.

Which of the following options do you prefer?
Spending versus taxation

Students who are visible minorities and those living in urban areas are somewhat more in favour of having both higher taxes and more services.

Which of the following options do you prefer?
Section 5

Demographic Profile (before weighting)
What is your sex?

- Female: 48%
- Male: 50%
- Other: 2%

Do you self-identify as Indigenous (First Nation, Métis or Inuit)?

- No: 94%
- Yes: 6%
Are you a member of a visible minority group?

- No: 82%
- Yes: 18%

Are you a person with a disability?

- No: 95%
- Yes: 5%
Which best describes the area in which you live?

Please select the province or territory in which you live.