

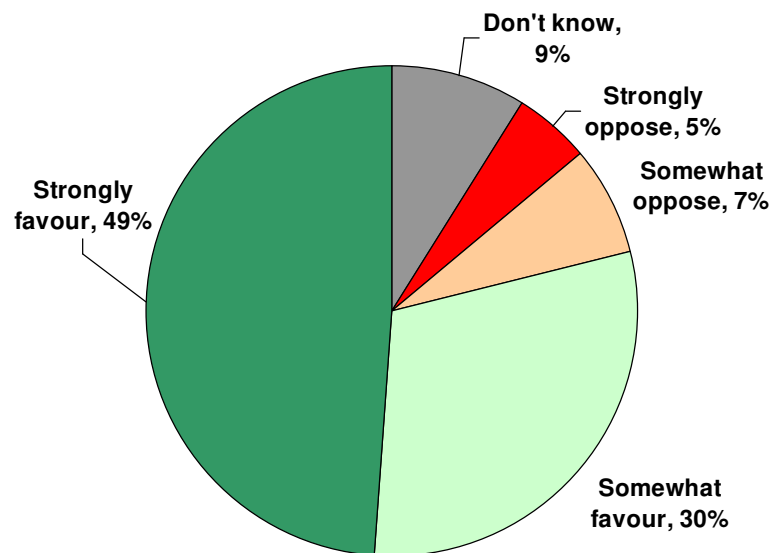
Marshall Plan Research
Canadian Attitudes Towards Income Trust Reform
February 11, 2010

Methodology:

- Results for this research are based on questions included in the Environics Omnibus survey. A total of 1,000 interviews were conducted by telephone with a random sample of Canadians aged 18 years and older.
- A sample of 1,000 produces results considered accurate to within +/- 3.1 percentage points, 19 times out of 20.
- Interviews were conducted between February 4-9, 2010.

Retaining Canadian Ownership of Income Trusts

Q1. Income trusts are profit sharing investments in Canadian businesses that are popular with average Canadians saving for retirement. They are held by both pension funds and individual investors. In recent years, a number of these trusts have been taken over by foreign owners with the result that three times more tax revenues are now being lost than what the government's policy was intended to address. Would you...the government taking action to keep the remaining income trusts in Canadian ownership in order to ensure that further tax revenues are not lost?



Findings:

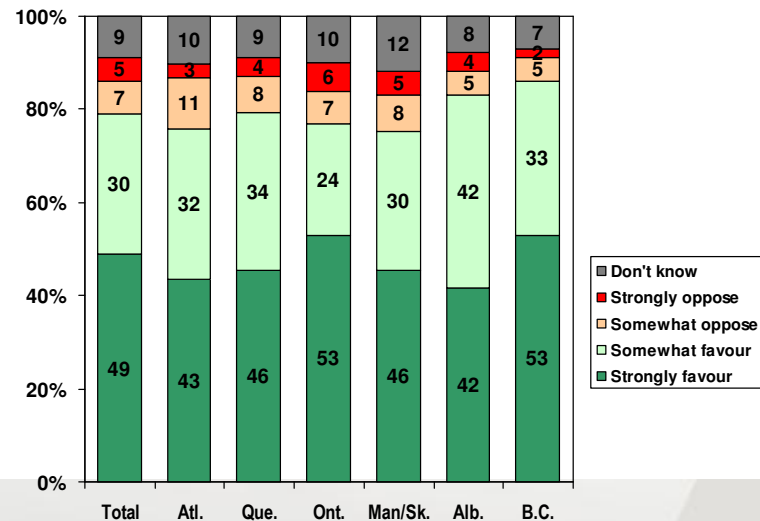
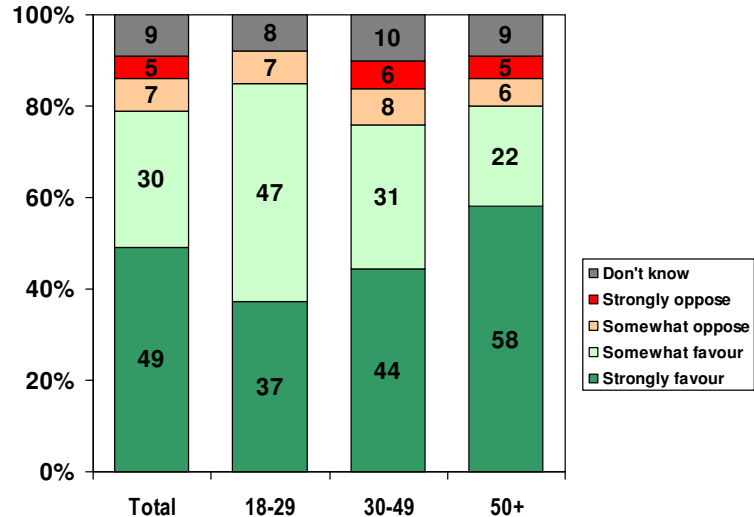
- Support for taking action to retain Canadian ownership of remaining income trusts is very strong, with four-fifths (79%) favouring the government taking action. Fully half (49%) strongly favour the government taking action, while 30 percent somewhat favour the government taking action.
- Only 12 percent strongly oppose (5%) or somewhat oppose (7%) the government taking action to retain Canadian ownership of income trusts.
- Nine percent are unfamiliar with income trusts or the issues to be able to offer an opinion.

Key Differences:

- Men and women are equally likely to favour the government taking action to retain Canadian ownership of remaining trusts (79% vs. 80%).
- Similarly, findings do not differ significantly across income groups, with 83 percent of those with household incomes of less than \$25,000, and 79 percent of those with incomes over \$100,000 favouring the government taking action.
- *continued...*

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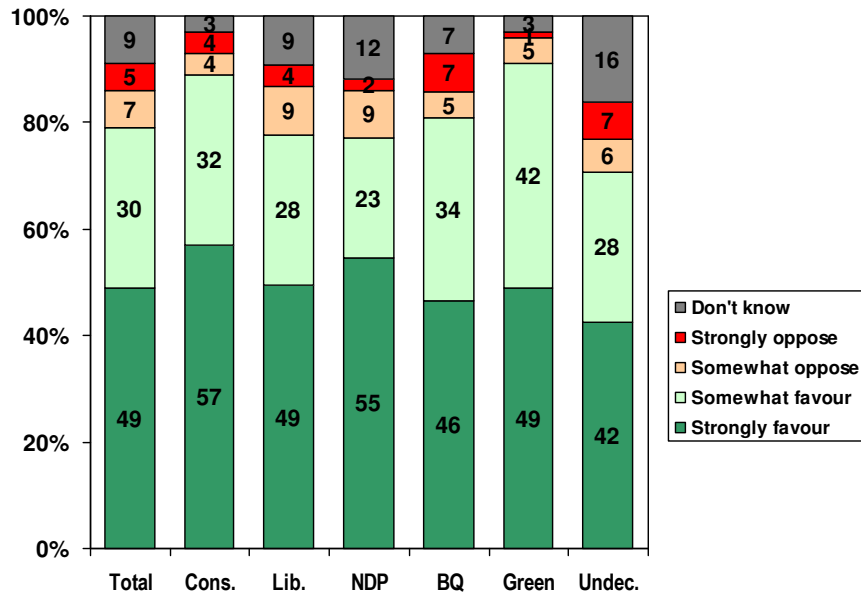


Key Differences (continued):

- Strong desire for the government to take action to ensure the remaining income trusts remain under Canadian ownership is correlated with age. While 37 percent of those aged 18-29 strongly favour the government taking action, fully 58 percent of those aged 50+ strongly favour action.
- Related, 59 percent of those who describe themselves as retired strongly favour the government taking action as well.
- Concern for keeping remaining income trusts within Canadian ownership spans all regions of the country. Those in British Columbia are more likely than those in Ontario to favour the government taking action (86% vs. 75%).
- *continued...*

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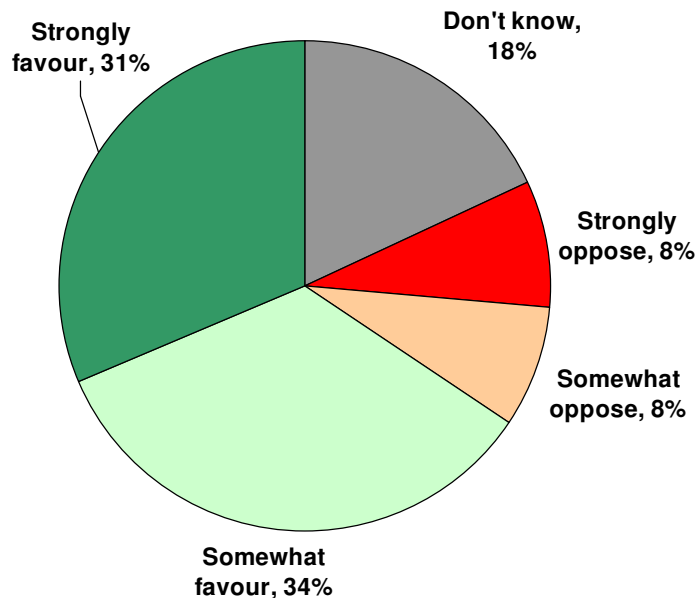


Key Differences (continued):

- Support for the government taking action to keep remaining income trusts within Canadian ownership cuts across party lines with strong majorities of supporters of each party favouring the government taking action.
- Conservative supporters (89%) and Green Party supporters (92%) are more likely to favour the government taking action to retain Canadian ownership of remaining income trusts than supports of the Liberals (78%) or NDP (77%). Supporters of the Conservative (3%) and Green (3%) parties are less likely to be undecided on this issue.

Support for the Marshall Plan

Q2. Arguing that it was losing tax revenues from income distributions paid out by income trusts, in 2011 the Federal Government plans to impose a 31.5 percent tax on the income from income trusts held by Canadians in their RRSPs. This tax is not being applied to pension funds, which will put the 75 percent of Canadians who do not have a pension at a disadvantage compared to those who do. A new savings plan called the Marshall Plan has been proposed that would eliminate the 31.5 percent tax and replace it with a tax on the annual income paid out from them. The government would preserve \$6 billion in annual tax revenue, Canadians would not face double taxation on their holdings, and would be placed on a more level playing field with the pensions. Would you ... the creation of this type of plan?



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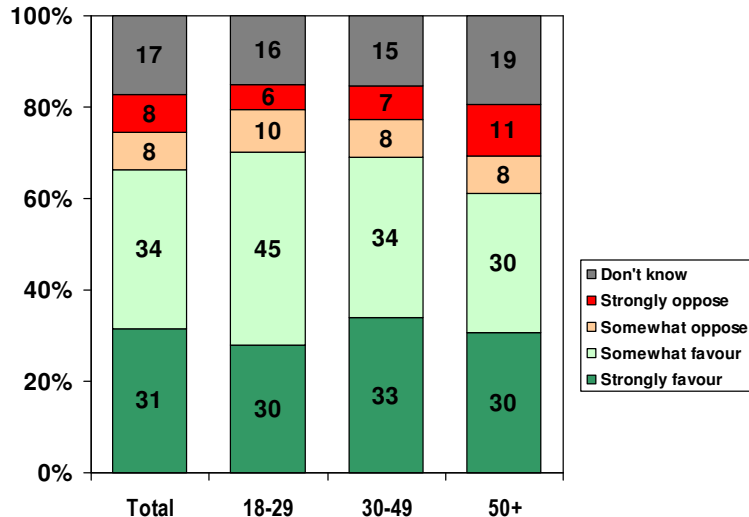
- Two thirds (66%) of Canadians strongly favour (31%) or somewhat favour (34%) the creation of a plan like the Marshall Plan. Only 17 percent are either strongly opposed (8%) or somewhat opposed (8%).
- A significant 18 percent are unsure or unable to provide an answer.

Key Differences:

- Men and women show similar levels of support for a plan like the Marshall plan (69% vs. 63%), although women are more likely to say they do not know (20% vs. 15% of men).
- While a majority of those earning household incomes below \$25,000 support the plan (62%), those earning more than \$100,000 are even more likely to (71%).
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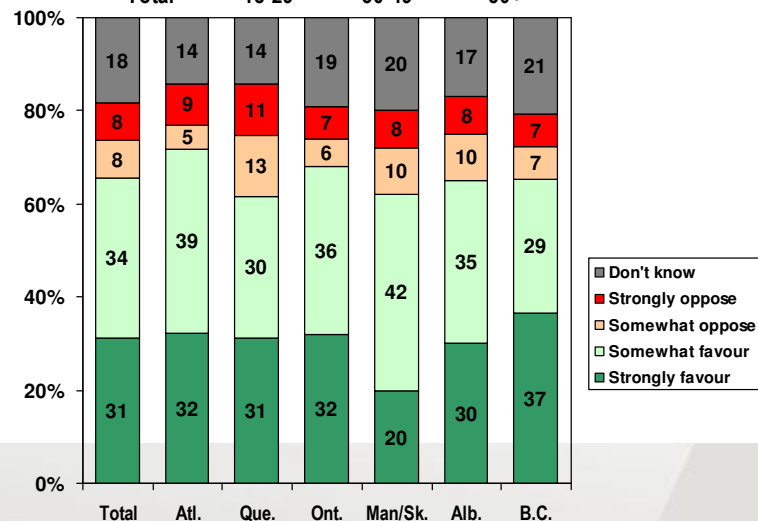
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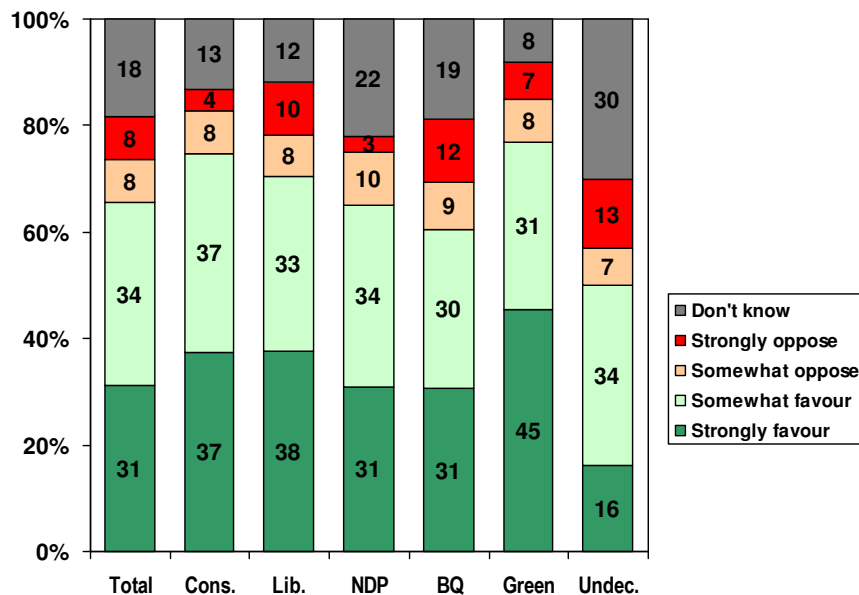
Key Differences (continued):

- While majorities of all age groups favour the creation of a program like the Marshall Plan, those aged 50+ are more likely to be unsure (18%) than those who are younger (15%).
- Majorities support the creation of a plan like the Marshall Plan in all regions of Canada, with no significant differences by region.
- *continued...*



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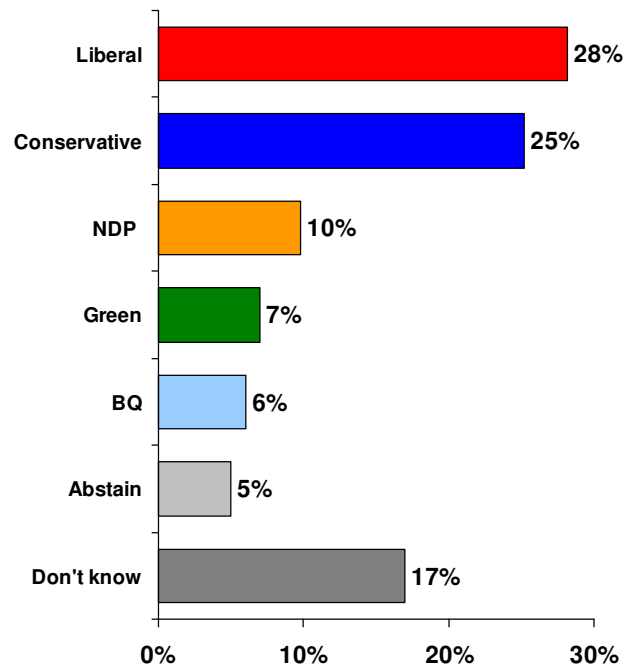
Key Differences (continued):

- Support for the creation of a program like the Marshall Plan cuts across all party lines, with a majority of all decided voters favouring it.
- Fully 75 percent of Conservative supporters, 76 percent of Green Party supporters, and 70 percent of Liberal supporters favour the creation of this type of plan.
- Undecided voters are less likely to favour the creation of a program like the Marshall Plan (50%) and are significantly more likely to be unsure about it (30%).

Voting Intentions

Q3. If a Canadian Federal election were held today, which one of the following parties would you vote for (base: eligible voters, n=949)

IF UNDECIDED: Perhaps you have not yet made up your mind; is there nevertheless a party you might be inclined to support?



Summary Findings:

- Twenty-eight percent of eligible voters indicate that if an election were held today, they would vote for the Liberals. A quarter (25%) would vote for the Conservatives, while 10 percent would vote for the NDP.
- Fully 17 percent are undecided and do not know who they would vote for, while 5 percent say they would abstain from voting.

Key Differences:

- Men are more likely than women to vote for the Conservatives (29% vs. 22%).
- Those 18-29 are more likely to vote for the Liberals than for the Conservatives (39% vs. 15%).
- Regionally, Quebeckers are divided between voting for the BQ (27%) and the Liberals (27%). In Alberta, 49 percent would vote for the Conservatives.



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