

## **Canadians aren't clamouring for a GST increase - but they do want Ottawa to invest in their community infrastructure**

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Last week, as political parties were busy drawing up battle plans for the March 4 federal budget, a new [public opinion survey](#) by the Federation of Canadian Municipalities [created a buzz](#) in Ottawa. But as often happens, what Canadians had to say in the survey didn't fully register in the nation's capital.

The survey, conducted for FCM by the Strategic Counsel, asked more than 2,000 Canadians about their views on taxes, the federal deficit and investments in local infrastructure.

In Ottawa, the focus has been on one finding in particular: that most Canadians would support a GST increase provided the money was put into fixing local infrastructure, including roads, water systems and public transit.

This doesn't mean Canadians are clamouring for a tax increase. It tells us more about what Canadians value than what they think about federal tax policy. It tells us that Canadians care about their communities and they want the federal government investing in the things they rely on in their day-to-day lives.

This is a key finding as the federal government sets out to eliminate its budget deficit. Virtually all Canadians say they want the government to maintain or increase long-term infrastructure investments as stimulus spending winds down and the country emerges from the recession.

Sixty-nine per cent believe federal infrastructure investments are among the most important areas to protect against budget cuts, second only to health care. Four out of five Canadians believe the country's future prosperity will be at risk if it does not continue to upgrade its infrastructure

When it comes to the budget deficit, Canadians are concerned – but not in a panic. More than 70 per cent expect it will take the federal government a decade or longer to eliminate its budget shortfall. Canadians believe the deficit and ageing infrastructure are the top two threats to the national economy, pointing to support for an economic plan that addresses both.

Canadians don't want to pay more taxes than they need to, but they feel strongly enough about investing in their communities that they would support an increase dedicated to that purpose. They want the federal government to control spending and balance its books, but they don't want to pay for the deficit with cuts to local

infrastructure investments. Canadians are saying they care about their country and their communities, and they want the federal government to protect both.

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