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Public Opinion on Social Spending, 1980-2005

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This chapter considers the relationship between social spending and public opinion in Canada between 1980 and 2005. We ask whether the gradual move to the right in Canadian politics and the concomitant decrease in public spending are justified on the grounds that politicians and policy makers have given Canadians what they want. Have Canadians really become more conservative in their views of social spending? Or have patterns in public opinion followed trends in the economy?

We begin by arguing that public opinion tracked quite closely with changes in the economy, in particular the unemployment rate, median income, and income inequality. We then explore the relationship between individual economic conditions and attitudes towards the government's responsibility to provide for citizens. To shed light on how political conditions might also matter, we compare attitudes in Canada and the United States. We conclude that the gradual erosion of the Canadian welfare state reflects politicians' attempts to influence, rather than accommodate, public opinion. We find no evidence that Canadians have become increasingly conservative in their views of social spending; instead, both spending and support for spending follow the business cycle.

Social Context and Public Opinion

Before discussing our findings in greater detail, it is helpful to discuss relevant research on public opinion, on social spending, and on welfare states

more generally. With this in mind, this section has three objectives. We start by putting Canadian public opinion into a larger context. Next, we discuss the ways in which *national context* might influence public opinion. We then explore how people's attitudes might be shaped by their *own* economic conditions.

Public Opinion on Social Spending in Canada

Esping-Andersen's (1990) widely used typology identifies three types of welfare state regimes: social democratic, conservative, and liberal. Social democratic regimes (e.g., the Scandinavian countries) are characterized by extensive, generous, and universal social spending programs; liberal regimes (e.g., Australia, Canada, the United States) tend to have only limited social spending; conservative regimes (e.g., Germany, the Netherlands) fall somewhere between the two. Canada is typically considered a liberal social welfare regime characterized by fairly limited social spending (Esping-Andersen 1990; Myles 1998; Svallfors 1997). Despite this label, Canada is clearly more statist than the United States (Grabb and Curtis 2005), which is often deemed the best example of a liberal welfare state. The two countries have many differences in social expenditures (both in type and extent), most notably with respect to health care, where Canada's universal health care system stands in stark contrast to the privatized health care system of the US.

Although empirical research has yielded mixed results (e.g., Jaeger 2006, 2009; Svallfors 2008; Matthews and Erickson 2008), many suggest that differences in welfare state regimes reflect public demand (Esping-Andersen 1990; Korpi and Palme 1998). This argument would expect, then, that Canadians are less supportive of social spending than are citizens of countries with less liberal market economies. Moreover, although systematic research on the topic is scarce, anecdotal evidence suggests that Canadians highlight themselves as "kinder" than Americans when it comes to redistribution policies. The empirical evidence that does exist suggests that a large majority of Canadians feel that the government should be responsible for reducing poverty through social programs and redistribution policies (Blekesaune and Quadagno 2003; Matthews and Erickson 2008). There is also some evidence that Canadians have relatively egalitarian views, given Canada's level of social spending (Svallfors 2008). But other research suggests that different types of social spending receive different levels of support. For example, Reutter, Harrison, and Neufeld (2002) demonstrate that spending on childcare programs receives far greater support than does

spending on welfare. Studies specifically comparing Canada and the US further suggest that Canadian public opinion is no more generous than is American public opinion. For example, Adams (1990) argues there is very little difference between Canadians and Americans in attitudes towards policies regarding the redistribution of social spending. Others posit that differences in public opinion within the two countries are almost as great as are the differences between them (Grabb and Curtis 2005).

Contextual Effects on Public Opinion

Opinions about what should be considered an acceptable level of inequality vary across time, social groups, and cultures (Noll and Roberts 2003; Osberg and Smeeding 2006). For example, research suggests that national differences in acceptance of inequality are negatively related to economic development, welfare state involvement (Kelley and Evans 1993; Weakliem, Andersen, and Heath 2005), and a Soviet-communist past (Kelley and Zagorski 2005; Fisher and Heath 2006). Public opinion on social spending differs in a similar manner (Kenworthy and McCall 2008). Gallie (1983, 268) argues that, when analyzing differences in public support for social expenditures, it is important to consider “the profound institutional differences that can exist between capitalist societies at a broadly similar level of economic development.”

Other research looks specifically at the role of welfare states. In this regard, social spending both reflects public desires and influences it. The argument for the role of the welfare states is straightforward: political regimes are characterized by distinct “historical and institutional compromises between state, market, and family” (Jaeger 2006, 157) that profoundly shape public support for redistribution. Most studies find only limited evidence of such a relationship, but this could be due to methodological limitations (see Jaeger 2006 for a detailed discussion). Svallfors (1997) is an exception (see also Papadakis [1993]), finding that social democratic countries are characterized by strong public support for welfare-state intervention and income equality. Countries with more liberal economies, meanwhile, tend to have very little public support for government redistribution and income distribution.

The idea that public opinion is influenced by political and economic context is given credence by the fact that support for redistribution policies fluctuates within countries. Using individual-level survey data collected in Finland between 1975 and 1993, Shivo and Uusitalo (1995) demonstrate that public opinion tends to be more favourable towards redistribution in

times of economic recession. Svallfors (1991, 1995) shows similar findings for Sweden. Moreover, while Soroka and Wlezien (2004, 533) emphasize the role of policy, they suggest that Canadian public opinion responds to the structuring role of institutions, noting: "As in the US and the UK, the Canadian public appears to respond thermostatically to changes in social spending, and Canadian policymakers appear to respond to public preferences. The underlying details are not the same, however, and the pattern of results across the three countries is suggestive about the structuring role of institutions."

Individual Economic Conditions

If economic conditions influence aggregate public opinion, it follows that they also affect the attitudes of individuals. In this regard, the "economic-utilitarian" hypothesis provides a possible explanation. This rational choice argument holds that people are motivated by self-interest and, thus, support social spending if they feel they might potentially benefit from it (Kaltenthaler and Ceccoli 2008; Jaeger 2006; Schneider and Jacoby 2007). It follows, then, that those with lower incomes or from lower social classes will tend to be most favourable towards social spending. Kaltenthaler and Ceccoli (2008) find support for this hypothesis when they consider welfare state policy in seven West European countries – Finland, France, Germany, Spain, Sweden, Switzerland, and the United Kingdom. They propose two explanations for the relationship. First, individuals of higher socio-economic status tend to rely less on the welfare state than do the poor. Second, welfare state provisions redistribute wealth from individuals with higher incomes to those with lower incomes, meaning that those with higher incomes stand to lose more if welfare expenditures increase.

Others suggest that political values or political party preferences have an important influence on attitudes. Of course, values and party preferences are not completely disconnected from economic conditions, but this argument focuses largely on the notion that attitudes towards redistribution result from adhering to the political principles and values of the welfare state institutions one experiences (Van Oorschot 2002; Jaeger 2006). Using panel data to support his claims, Jaeger (2006) demonstrates that Canadian attitudes towards the welfare state are influenced by both political ideology and self-interest.

Still other research suggests that how one's economic position affects one's attitude depends on the type of political regime. In this regard, Korpi and Palme (1998, 2003) argue that targeting benefits at the poor rather than

offering universal transfers is less likely to reduce poverty and inequality, thus resulting in a “paradox of redistribution.” The rationale for the paradox of redistribution is based on the reaction of public opinion, especially that of the middle classes, to social spending policies. As an example, consider unemployment benefits. If one provides benefits to all regardless of personal economic situation, and if one gives everyone a level of benefits that allows them to remain reasonably close to the standard of living they enjoyed while working, then support for spending will come from all social classes. In a similar vein, Iversen and Soskice (2006) suggest that redistribution is most likely in proportional representation electoral systems because political parties that espouse redistribution policies have a better chance of having candidates elected under these systems.

An Analysis of Public Opinion on Social Spending in Canada, 1980-2005

Simple Trends in Public Opinion and Social Spending

The goal of the present chapter is to determine whether public Canadian opinion was shaped by economic and political conditions during the period from 1980 to 2005. Using aggregate data from yearly opinion polls conducted by Environics, we explore simple trends in public opinion on social spending in three areas: (1) general welfare spending, (2) social services for the poor, and (3) child daycare. The questionnaire item was identical for all three issues and in all years under study. The wording is as follows:

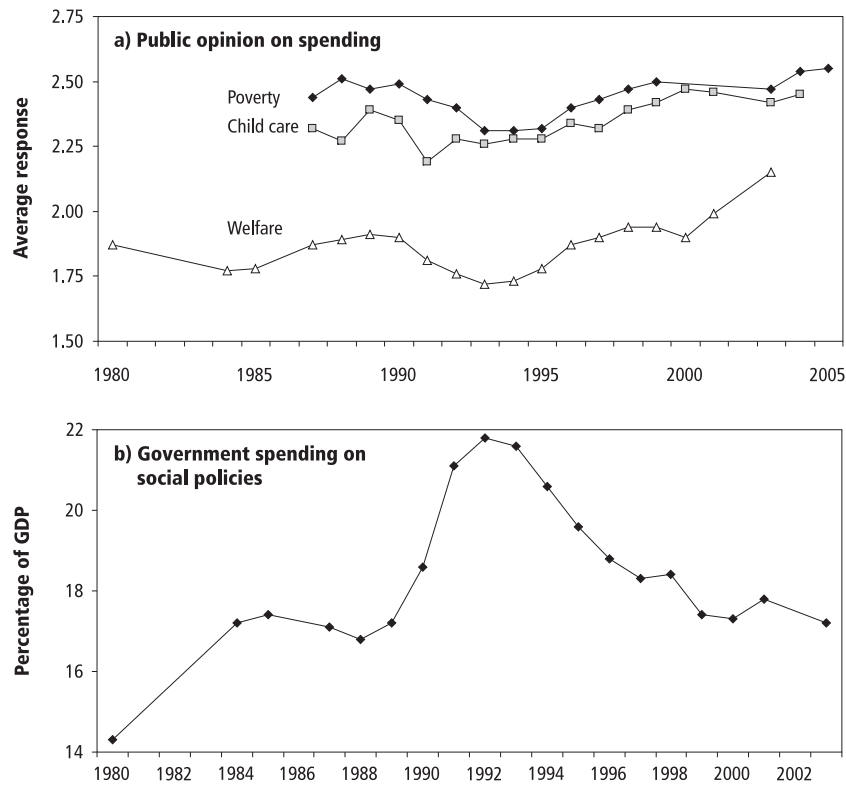
Keeping in mind that increasing services could increase taxes, do you think the federal government is spending too much, just the right amount, or should be spending more on each of the following: welfare, social services for the poor, child day care.¹

In total, eighteen polls were conducted on general welfare, from 1980 to 2001; fifteen polls were conducted on social services for the poor, from 1988 to 2005; and sixteen polls were conducted on child daycare, from 1988 to 2004.

Before proceeding to a more rigorous analysis of correlates of public opinion, it is useful to graphically explore whether the trends in public opinion match trends in government social spending. Figure 6.1(a) displays average public opinion (scored 1 for “too much,” 2 for “just right,” and 3 for “not enough”) regarding social spending on welfare, poverty, and childcare in Canada from 1980 to 2004. One is immediately struck by the lack of a

FIGURE 6.1

(a) Canadian public opinion on social spending; (b) social expenditures as a percentage of GDP, 1980-2005



secular trend in public opinion on any of the three social spending issues. Simply put, there is no indication that the Canadian public became less supportive of social spending over time. Although public opinion fluctuated, each issue displays a cyclical pattern attuned to the business cycle, falling when the economy performs poorly and rising when it does well. There are two distinct business cycles, one peaking in the late 1980s and the other in the late 1990s, with a big dip in the early 1990s.

Figure 6.1(b) displays government spending on social policies (as a percentage of GDP). Consistent with findings from other research on social spending in Canada (Picot, Morissette, and Myles 2002), we see a rising trend in spending from the early 1980s until 1994, with a following sharp decline until spending reaches approximately the same level as in the 1980s.

Other research indicates that this decline stemmed from paring back benefits for the unemployed and single parents (Battle, Mendelson, and Torjman 2005; Banting 2006; Osberg 2007). Although these benefits are primarily a provincial responsibility, the replacement of the Canada Assistance Program with the Canada Health and Social Transfer suggests that the federal government played a role in the decline (e.g., see Johnston, Chapter 8, this volume; Frenette, Green, and Milligan 2009). In short, preliminary evidence suggests that 1994 was a turning point for social spending in Canada.

The two panels of Figure 6.1 demonstrate that the trends in public opinion on social spending mirror the trend in social expenditures. For example, the early 1990s are characterized by a precipitous decline in support for spending until 1994, after which support rises sharply until reaching – and even slightly surpassing – the level of the late 1980s and early 1990s. In other words, there is some evidence that the preference for spending among the Canadian population increased during times of declining spending. At the very least, these data fail to support the argument that the decline in social expenditures reflects Canadians' preferences. Still, this finding is not inconsistent with Wlezien's (1995) idea of a responsive public: "when policy increases (decreases), the preference for more policy decreases (increases)" (Soroka and Wlezien 2004).

Contextual Factors Associated with Spending and Public Opinion

Having shown that trends in public opinion are cyclical in nature, our next goal is to test the extent to which particular economic conditions and political contexts might account for these fluctuations. To this end, we explore three sets of research questions.

The first set pertains to the role of political context. Specifically, is there a relationship between public opinion and political context? In particular, did public opinion move in tandem with the political regime (i.e., Liberal versus Conservative federal governments) and the level of social expenditures?

The second set of questions considers the role of the economy. Did support for spending correspond to changes in median income, income inequality, and unemployment? If there is a relationship between public opinion and income inequality, we posit the following: (1) people with higher incomes feel morally obligated to help eradicate inequality or to keep it in under control to limit some of the ills of inequality (e.g., crime, a lack of social cohesion); (2) those with lower incomes favour income social spending for instrumental reasons, particularly because they stand to benefit. We have two competing arguments regarding a possible relationship between

public opinion and median income: (1) as median income increases, the public becomes more affluent generally and is more willing to spend on social programs; or (2) preferences for spending decrease as median income rises because less social spending is needed. We also have two competing hypotheses regarding the role of unemployment, both of which relate to the business cycle: (1) the public is most in favour of social spending when the economy is doing well (i.e., when unemployment is low) because there is more money to spread around; or (2) the public responds to growing needs (i.e., a growth in the number of people who need assistance) by favouring increases in spending when the economy is performing badly (i.e., unemployment is high).

Finally, we also assess how one's personal economic situation affects one's opinion of the welfare state. To this end, we compare the relationship between income and attitudes towards the government's responsibility to provide for its citizens in Canada and the US. The comparison of these two countries also allows insight into the role of political context. We expect to find a stronger relationship between income and public opinion in Canada on the grounds that the Canadian working class has greater awareness of the issues because of the New Democratic Party, which, unlike any US party, emphasizes the importance of social spending for working-class families (Andersen and Fox 2001; Johnston, Chapter 8, this volume).

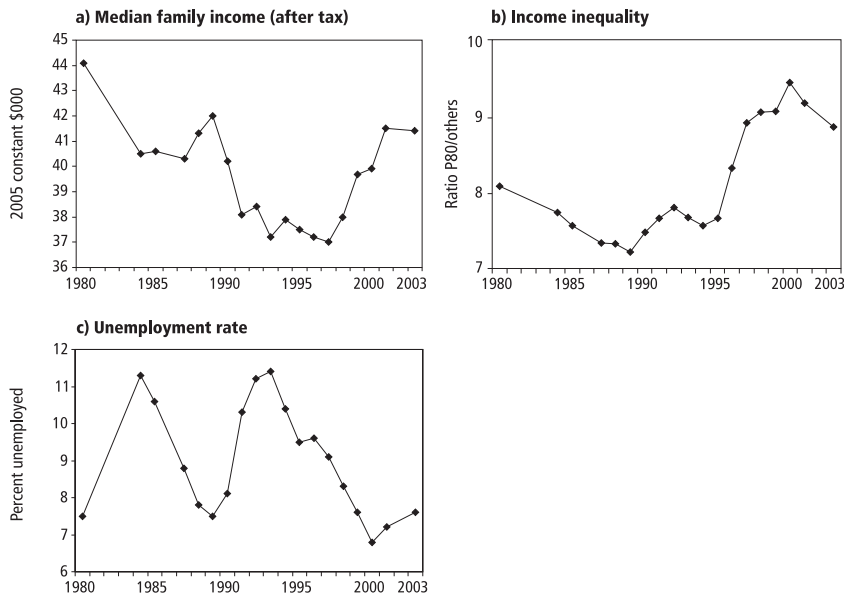
Aggregate Public Opinion on Redistribution

Using data from Human Resources and Skills Development Canada (2010), we examine the extent to which changes in the average median family income, level of income inequality, the unemployment rate, and amount of social expenditures relative to GDP can account for variations in public opinion over time. We also explore whether political regime (Liberal versus Conservative federal governments) affected public opinion. Table 6.A1 (located in the appendix at the end of this chapter) provides a detailed description of the polling data and the contextual variables employed in the analysis.

Figure 6.2 displays trends in some important economic indicators during the same 1980 to 2004 period. Particularly interesting are the increases in both median income and income inequality in the mid-1990s. With respect to median incomes, it is striking how the rising trend occurs after a gradual decline that began in 1980. On the other hand, the level of income inequality remained relatively stable until around 1995. Although the trend in unemployment rate bears little resemblance to the trends in public expenditure

FIGURE 6.2

Trends in (a) median family income, (b) income inequality, and (c) the unemployment rate, 1980-2005

"Ratio P80/resp" like charts
6.3-6.5?

and support for social spending before 1990, it looks remarkably similar to these trends thereafter. Finally, although not shown in Figure 6.2, the marked change in the patterns corresponds to the period of Liberal government from 1993 on.

The correlation coefficients shown in Table 6.A2 provide more evidence of a relationship between public opinion and the context variables. Consistent with the information shown in Figure 6.1, public opinion on social spending is negatively correlated with actual social expenditures. In other words, as expenditures went *down*, public preferences for spending went *up*. Also important are the very strong negative correlations between the unemployment rate and all three public opinion measures. Median income and income inequality are related to public opinion in the expected direction, though the correlations are not always statistically significant. There is no clear relationship between governing party and public opinion, however. Moreover, although the Liberals tended to spend less than the Conservatives, the difference in spending between the two parties is not statistically

significant. Taken together, these findings suggest that people are influenced by their personal economic conditions. Nevertheless, the strong correlations between many of the context variables and the fact that these are only bivariate correlations suggest that some of these relationships may be spurious. We thus wait to discuss these relationships in further detail until after carrying out more sophisticated analyses below.

Multinomial Log-Linear Models Predicting Public Opinion

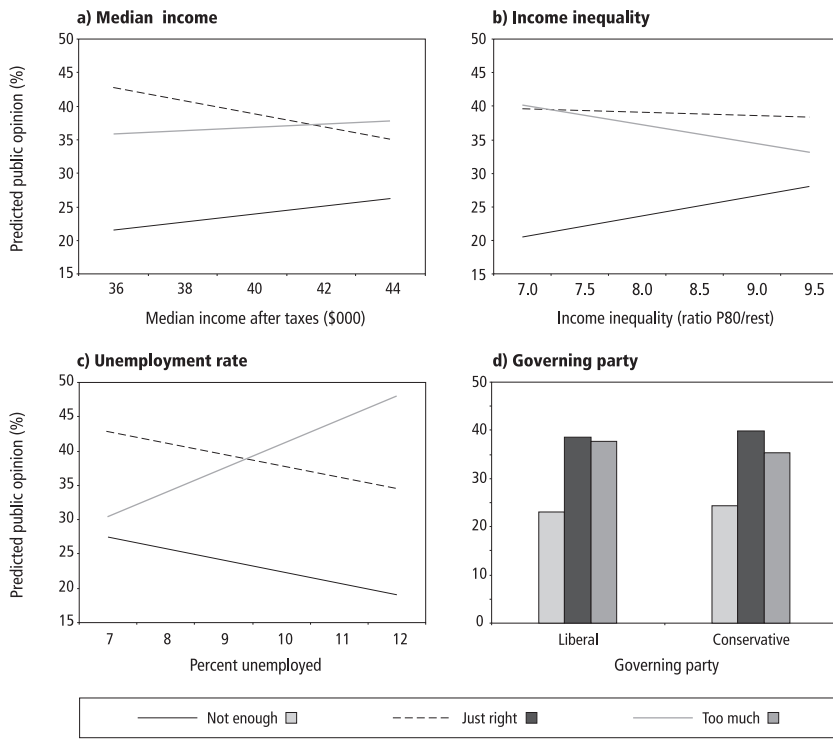
We now turn to more rigorous tests of the relationships between the national context variables and public opinion. Although we do not discount the possibility that public opinion influences – either directly or indirectly – many of the context variables, we proceed on the assumption that the contextual variables influence public opinion. Given that each public opinion dependent variable has three response categories, we employ multinomial log-linear models to carry out our tests. These models assess the partial effects of the context variables on the number of respondents who fall into each category. In other words, the models allow us to estimate the effects of one context variable controlling for values of the others. Although we fit several models, the best fitting model for all three dependent variables includes both the political and economic context variables. Likelihood ratio tests for the terms in the various models and measures of fit are shown in Table 6.A1. From this point forward, we put most emphasis on the best fitting model.

To better comprehend the effects of each of the three context variables, we calculate predicted percentages for each category of the dependent variable rather than displaying the coefficient estimates (Fox and Andersen 2006). The resulting effect displays appear in Figures 6.3-6.5. We concentrate on Figure 6.3, which displays the relationship between public opinion and general welfare spending. Starting with panel (a), we see that the lines representing the three response categories converge at high levels of median income, suggesting that, as median family income rises, public opinion becomes more favourable to redistribution. Most striking is the large increase in the percentage of people who feel that too much is being spent on welfare as incomes decline. Just as important, unemployment rate has a strong effect: as unemployment increases, the public is less in favour of social spending. In other words, we find more support for the business cycle thesis.

The relationship between income inequality and public opinion on spending is very similar. That is, as income inequality rises, the Canadian public

FIGURE 6.3

Predicted public opinion regarding social spending on welfare by median income, income inequality, unemployment rate, and governing party

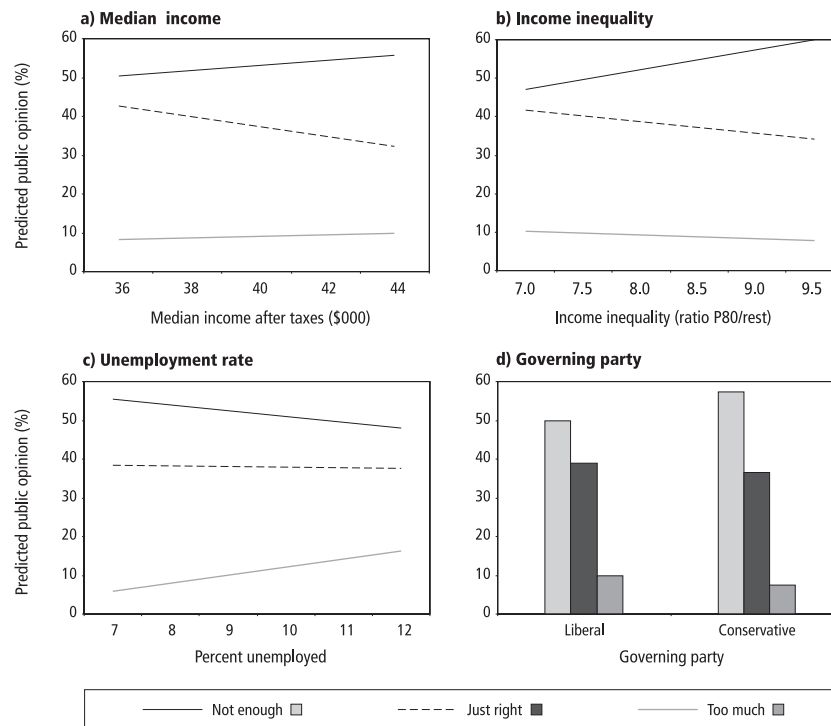


Note: Predicted values are derived from the final multinomial log-linear model.

appears to feel that more spending is needed. Still, interpretation of this result is complicated by the fact that the increase in inequality was almost entirely driven by growth in incomes at the very top. Moreover, it is likely that the general Canadian public is less aware of changes in income inequality than they are of the business cycle as captured by the unemployment rate and median income. We can speculate, then, that the effect of income inequality on public opinion largely reflects changes in the opinions of those with higher incomes. That is, it is possible that these people became more generous in their views on social spending as their own incomes rose drastically. The data we have here, however, do not allow us to test this conjecture.

FIGURE 6.4

Predicted public opinion regarding social spending on poverty by median income, income inequality, unemployment rate, and governing party



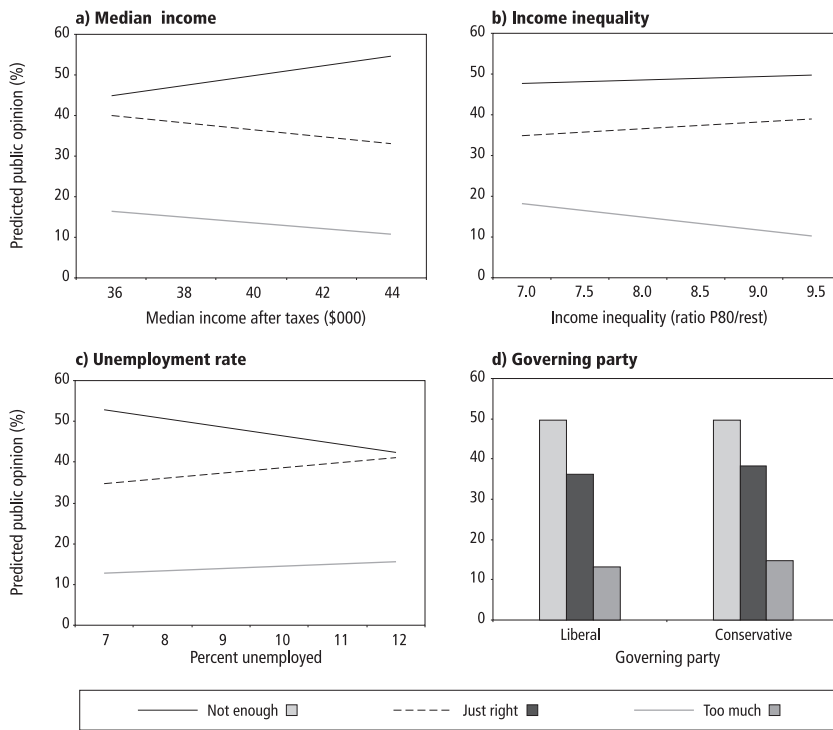
Note: Predicted values are derived from the final multinomial log-linear model.

Finally, it is important to note that political context appears to have had little impact on trends in public opinion during the period under investigation. After controlling for economic conditions, the relationship between actual government spending on social programs and public opinion regarding that spending is weak (and statistically insignificant) (see Table 6.A2). Moreover, although the relationship between public opinion and governing party is statistically significant, it is substantively weak (see Figure 6.3[d]).

By and large, the contextual variables have a similar influence on public opinion towards spending on the poor and childcare. A possible exception is the role of the unemployment rate. In contrast to the negative relationship between unemployment rate and public opinion on general welfare spending, there is no apparent relationship between unemployment and

FIGURE 6.5

Predicted public opinion regarding social spending on child care by median income, income inequality, unemployment rate, and governing party



Note: Predicted values are derived from the final multinomial log-linear model.

public opinion on spending on childcare or poverty. These results are consistent with other research that suggests people perceive spending on welfare in a slightly different light than they do other social issues (Jacoby 1994). People tend to see welfare recipients in a more negative light than they see recipients of other social spending programs (MacLeod, Montero, and Speer 1999; Will 1993). Possibly, the public is more willing to support welfare recipients, who are more likely to be considered responsible for their own plight than are the poor or children, when there is plenty of money to go around. On the other hand, the public responds to the worsening conditions of children and the poor – which is reflected by higher unemployment – by favouring increased spending to help them. We must be careful not to over-interpret these results, however, especially

because of the relatively few data points for public opinion on childcare and poverty.

Individual-Level Conditions and Attitudes

The previous analyses demonstrate a clear link between national-level economic conditions and aggregate public opinion on redistribution. The next stage of analysis concerns the relationship between individual-level economic conditions and attitudes towards income inequality and redistribution. Our goal is to assess how individual-level economic conditions are related to attitudes towards government spending in Canada, but we also consider whether Canadians are more favourable towards government intervention than Americans and whether income has different effects in the two countries.

For this analysis, we utilize individual-level survey data from the World Values Survey (WVS) collected in 1990 and 2000 (Inglehart et al. 2001). Our dependent variable asks respondents about the role of the welfare state. Respondents were presented with the following two extremes:

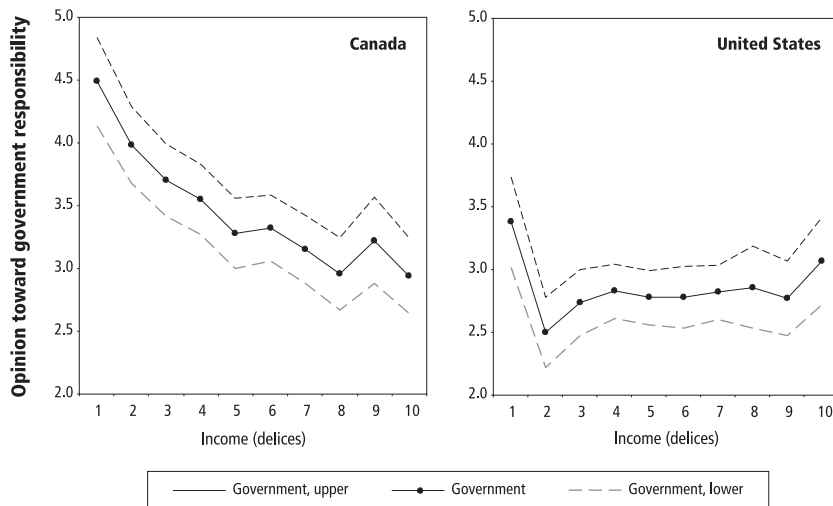
- People should take more responsibility to provide for themselves (coded 1);
- The government should take more responsibility to ensure that everyone is provided for (coded 10).

The main explanatory variable, income, is measured in deciles. We include controls for age, gender, religion, marital and family status, and education. We fit separate models for Canada and the US but test for an interaction between country and income on the pooled data. Estimates are found using ordinary least squares (OLS) regression.

An analysis of variance for the regression fitted to the pooled data suggests a significant interaction between country and income ($p = .002$). To better understand the income effect, we explore the models fitted separately to the data for each country. The model summaries are shown in Table 6.A3. Rather than discuss the coefficients, we calculate fitted values across the ten categories of income for both Canada and the US and plot them in the effect displays shown in Figure 6.6. These fitted values are calculated with all other explanatory variables set to typical values (e.g., the sample proportion for each category). In other words, the lines in Figure 6.6 represent the average attitude score at particular values of income, controlling for other important predictors. The points and the solid lines represent the

FIGURE 6.6

Effect of income on attitudes towards government responsibility to provide for its citizens, Canada and the United States



fitted values; the dashed lines represent the 95 percent confidence envelopes for the fitted values.

Figure 6.6 shows that attitudes have a different relationship with income in Canada and the US. In Canada, people with lower than median incomes tend to be supportive of government redistribution; they become less so as income rises until it reaches the approximate median income, at which point income has no further effect. In the US, on the other hand, income has far less influence on attitudes. Consistent with previous research (see, for example, Epstein 2004), we find a large difference in opinions between the very highest and the very lowest deciles. Aside from those at very low incomes, all other income groups tend to be most similar to the richest group. It is noteworthy that, while there is no significant difference in attitudes between Canadians and Americans with high incomes, Canadians with lower incomes are much more favourable towards government intervention than are Americans with lower incomes. We suspect that this reflects the greater politicization of the Canadian working class. Whereas the US lacks a working-class party, Canada has the NDP, thus making issues of government intervention and redistribution more salient in this country.

Conclusion

This chapter explores the relationship between economic and political conditions and public opinion towards social spending in Canada. Our analysis suggests that changes in public opinion reflect cyclical changes in economic conditions. In other words, we find no evidence that Canadians are generally becoming more conservative in their preferences for social spending. Our findings also contrast with popular (mis)conceptions that the decline in social spending since the mid-1990s reflected public opinion on the issue. In fact, there is little evidence that public opinion on spending was related to actual levels of spending. Still, our finding that Canadians are more accepting than are Americans of the government's responsibility for its citizens and the fact that this distinction is more often seen at lower income levels suggest that the Canadian working class is more aware than is its American counterpart of the benefits it may reap from redistribution policies.

Our conclusion that public opinion follows the business cycle is supported by the trends in median income and unemployment, two measures widely considered to reflect the health of the economy. The relationship between median income and public opinion suggests that the public is most supportive of social spending when there is more money to spread around. Put otherwise, a rise in median income typically implies a rise in the overall standard of living, resulting in public opinion more likely to favour social spending. We are not suggesting that most people are aware of the median income at any given point in time; rather, enough people are aware of the general economic conditions influencing the country for aggregate public opinion to reflect these trends.

An interesting finding is that the unemployment rate (i.e., the business cycle) has a different impact on the public opinion of welfare policies than it does on the public opinion of policies for the poor or childcare. More specifically, when the economy is performing poorly, people are less likely to support increases in social spending on welfare benefits and more likely to support spending on childcare and the poor. Consistent with other research on attitudes towards welfare recipients (MacLeod, Montero, and Speer 1999; Will 1993), these findings suggest that some people see welfare recipients as responsible for their plight and therefore as less deserving of assistance than others. Unfortunately, limitations in the data do not allow us to pursue this question.

We propose a different story for the mechanisms underlying the relationship between income inequality and public opinion on spending. In this

case, people appear to want to remedy rising inequality through increased spending. We posit two possible reasons for the increasing desire to eradicate inequality as it rises, both based on the premise that people become more aware of inequality and its effects as it becomes larger. First, people of higher incomes may feel increasingly obligated, on moral grounds, to help those in poor economic conditions as the level of inequality becomes more apparent. Second, as inequality increases, those at the bottom of the income distribution may become more aware of their own position and thus become increasingly likely to support social spending on the grounds that it might help them or people like them.

Finally, our analysis of the individual-level data for Canada and the US suggests that politics matters. Canadians with low incomes are much more likely than are Canadians with high incomes to believe that the government should ensure that everyone is provided for. We find little evidence of a relationship between income and attitudes in the US, however. We argue that income plays a lesser role in the US because there is no true working-class party that champions income-related issues. We suspect that working-class Canadians have a greater awareness of economic issues because of the presence of the NDP, which, although it has had little success in federal elections, puts issues of inequality on the political agenda. We should point out that our findings contrast with some recent research suggesting that poorer Americans are more likely to favour welfare spending (Soroka and Wlezien 2008), making it possible that, on this issue, Canadians and Americans are similar. Nevertheless, our findings show very clearly that, in terms of general government intervention to ensure the general welfare of citizens, Canadians tend to be more favourable than Americans, especially Canadians with lower incomes. Nevertheless, the difference is at lower incomes rather than at higher incomes, leading us to conclude that Canadians are not “kinder” or more “generous” than Americans but, rather, more informed and more instrumental.

TABLE 6.A1

Values of predictors and dependent variables by year, 1980-2005

| | 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988 | 1989 | 1990 | 1991 | 1992 |
|--------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Median income | 44.1 | 43 | 41.7 | 40.1 | 40.5 | 40.6 | 40.4 | 40.3 | 41.3 | 42 | 40.2 | 38.1 | 38.4 |
| Income inequality | 8.09 | 7.48 | 7.60 | 8.04 | 7.75 | 7.56 | 7.48 | 7.34 | 7.32 | 7.22 | 7.48 | 7.67 | 7.81 |
| Unemployment rate | 7.5 | 7.6 | 11 | 12 | 11.3 | 10.6 | 9.7 | 8.8 | 7.8 | 7.5 | 8.1 | 10.3 | 11.2 |
| Social expenditures | 14.3 | 14.7 | 17.2 | 17.4 | 17.2 | 17.4 | 17.4 | 17.1 | 16.8 | 17.2 | 18.6 | 21.1 | 21.8 |
| <i>Public opinion measures</i> | | | | | | | | | | | | | |
| Spending on welfare (%) | 36 | - | - | - | 42 | 43 | - | - | 33 | 35 | 33 | 41 | 44 |
| | 41 | - | - | - | 39 | 36 | - | - | 42 | 39 | 44 | 37 | 36 |
| | 23 | - | - | - | 19 | 21 | - | - | 24 | 26 | 23 | 22 | 20 |
| Average score | 1.92 | - | - | - | 1.74 | 1.71 | - | - | 1.98 | 1.95 | 2.01 | 1.77 | 1.68 |
| Spending on poor (%) | - | - | - | - | - | - | - | - | 6 | 8 | 7 | 10 | 11 |
| | - | - | - | - | - | - | - | - | 37 | 34 | 37 | 40 | 38 |
| | - | - | - | - | - | - | - | - | 57 | 57 | 56 | 51 | 51 |
| Average score | - | - | - | - | - | - | - | - | 2.82 | 2.73 | 2.79 | 2.73 | 2.67 |
| Spending on child care (%) | - | - | - | - | - | - | - | - | 18 | 16 | 14 | 22 | 16 |
| | - | - | - | - | - | - | - | - | 40 | 29 | 37 | 37 | 40 |
| | - | - | - | - | - | - | - | - | 43 | 55 | 49 | 41 | 44 |
| Average score | - | - | - | - | - | - | - | - | 2.49 | 2.52 | 2.58 | 2.34 | 2.52 |

Years 1993-2005 ▶

| | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 |
|--------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Median income | 37.2 | 37.9 | 37.5 | 37.2 | 37 | 38 | 39.7 | 39.9 | 41.5 | 41.5 | 41.4 | 41.7 | 42.7 |
| Income inequality | 7.68 | 7.57 | 7.67 | 8.34 | 8.94 | 9.08 | 9.09 | 9.47 | 9.20 | 8.99 | 8.89 | 9.20 | 9.37 |
| Unemployment rate | 11.4 | 10.4 | 9.5 | 9.6 | 9.1 | 8.3 | 7.6 | 6.8 | 7.2 | 7.7 | 7.6 | 7.2 | 6.8 |
| Social expenditures | 21.6 | 20.6 | 19.6 | 18.8 | 18.3 | 18.4 | 17.4 | 17.3 | 17.8 | 17.1 | 17.2 | 16.6 | 16.5 |
| Public opinion measures | | | | | | | | | | | | | |
| Spending on welfare (%) | | | | | | | | | | | | | |
| "Too much" | 47 | 44 | 41 | 36 | 36 | 32 | 31 | 34 | 29 | - | 29 | - | - |
| "Just right" | 37 | 36 | 40 | 41 | 38 | 42 | 41 | 42 | 43 | - | 30 | - | - |
| "Not enough" | 17 | 19 | 19 | 23 | 26 | 26 | 27 | 24 | 28 | - | 42 | - | - |
| Average score | 1.62 | 1.65 | 1.77 | 1.92 | 1.92 | 2.04 | 2.04 | 1.98 | 2.13 | - | 2.16 | - | - |
| Spending on poor (%) | | | | | | | | | | | | | |
| "Too much" | 14 | 13 | 12 | 11 | 10 | 7 | 6 | - | - | - | 8 | 8 | 7 |
| "Just right" | 41 | 43 | 44 | 41 | 37 | 39 | 38 | - | - | - | 37 | 33 | 31 |
| "Not enough" | 45 | 44 | 44 | 49 | 53 | 54 | 56 | - | - | - | 55 | 60 | 62 |
| Average score | 2.58 | 2.61 | 2.64 | 2.7 | 2.7 | 2.79 | 2.82 | - | - | - | 2.76 | 2.79 | 2.79 |
| Spending on child care (%) | | | | | | | | | | | | | |
| "Too much" | 19 | 17 | 17 | 13 | 14 | 11 | 11 | 9 | 8 | - | 10 | 10 | - |
| "Just right" | 36 | 38 | 38 | 40 | 40 | 39 | 36 | 35 | 38 | - | 35 | 35 | - |
| "Not enough" | 45 | 45 | 45 | 47 | 46 | 50 | 53 | 56 | 54 | - | 54 | 55 | - |
| Average score | 2.43 | 2.49 | 2.49 | 2.61 | 2.58 | 2.67 | 2.67 | 2.73 | 2.76 | - | 2.67 | 2.7 | - |

TABLE 6.A2

Likelihood ratio tests for terms and measures of fit for multinomial log-linear models fitted to public opinion data

| | | Spending issue | | |
|-------------------------------------|-------------------|----------------|----------|------------|
| | | Welfare | Poor | Child care |
| Model 0: Intercept only | | | | |
| <i>Measures of fit</i> | Residual deviance | 1238 | 1520 | 1218 |
| | AIC | 1711 | 1922 | 1634 |
| Model 1: Political climate | | | | |
| Social expenditures | | 166.4*** | 162.5*** | 123.8*** |
| Liberal government | | 17.0*** | 58.8*** | 60.9*** |
| <i>Measures of fit</i> | Residual deviance | 899 | 898 | 767.2 |
| | AIC | 1383 | 1312 | 1195 |
| | Pseudo- R^2 | .68 | .89 | .89 |
| Model 2: Economic conditions | | | | |
| Median income | | 3.2*** | 24.1*** | 8.4* |
| Income inequality | | 19.8*** | 75.8*** | 85.0*** |
| Unemployment rate | | 129.5*** | 9.9** | 7.7* |
| <i>Measures of fit</i> | Residual deviance | 504 | 408 | 362 |
| | AIC | 994 | 827 | 796 |
| | Pseudo- R^2 | .82 | .95 | .95 |
| Model 3: Final model | | | | |
| Social expenditures | | 4.0 | 0.0 | 2.9 |
| Liberal government | | 13.9*** | 25.1*** | 12.1** |
| Median income | | 6.8* | 9.5** | 16.8*** |
| Income inequality | | 30.1*** | 77.7*** | 42.0*** |
| Unemployment rate | | 118.6*** | 3.6 | 6.0* |
| <i>Measures of fit</i> | Residual deviance | 418 | 270 | 308 |
| | AIC | 921 | 701 | 753 |
| | Pseudo- R^2 | .85 | .97 | .96 |
| Number of respondents | | 34,020 | 28,386 | 29,140 |
| Number of polls | | 18 | 15 | 16 |

* $p < .05$; ** $p < .01$; *** $p < .001$

Note: All tests for model terms have two degrees of freedom.

TABLE 6.A3

OLS regressions predicting public opinion towards government responsibility in Canada and the US,
World Values Survey, 1990 and 2000

| | Canada | | US | |
|---------------------------|-----------|----------------|-----------|----------------|
| | Estimate | Standard error | Estimate | Standard error |
| Intercept | 154.99*** | 20.45 | 157.68*** | 22.79 |
| Year (2000 = 1) | -0.075*** | 0.010 | -0.076*** | 0.011 |
| Men | 0.079 | 0.096 | 0.249** | 0.086 |
| Age | 0.014*** | 0.004 | 0.010*** | 0.003 |
| Marital status | | | | |
| Married | 0.253 | 0.151 | 0.478*** | 0.133 |
| Other | 0.297 | 0.157 | 0.020 | 0.149 |
| Single | 0 | – | 0 | – |
| Children | 0.003 | 0.035 | 0.015 | 0.029 |
| Religion | | | | |
| Practising Catholic | -0.019 | 0.143 | 0.139 | 0.137 |
| Non-practising Catholic | 0.048 | 0.135 | 0.201 | 0.177 |
| Practising Protestant | -0.143 | 0.154 | 0.284* | 0.118 |
| Non-practising Protestant | 0.117 | 0.159 | 0.071 | 0.149 |
| Other | -0.408 | 0.276 | -0.119 | 0.193 |
| None | 0 | – | 0 | – |
| Education | -0.011 | 0.009 | 0.006 | 0.008 |
| Income (deciles) | | | | |
| 1st | 0 | – | 0 | – |
| 2nd | -0.507* | 0.229 | -0.881*** | 0.225 |
| 3rd | -0.786*** | 0.228 | -0.640** | 0.221 |
| 4th | -0.938*** | 0.226 | -0.551** | 0.211 |
| 5th | -1.205*** | 0.229 | -0.599** | 0.212 |
| 6th | -1.163*** | 0.228 | -0.597** | 0.223 |
| 7th | -1.337*** | 0.230 | -0.561** | 0.216 |
| 8th | -1.529*** | 0.238 | -0.520* | 0.251 |
| 9th | -1.265*** | 0.254 | -0.603* | 0.243 |
| 10th | -1.543*** | 0.242 | -0.311 | 0.260 |
| R^2 | 0.067 | | 0.045 | |
| N | 3,070 | | 3,753 | |

* $p < 0.05$
** $p < 0.01$
*** $p < 0.001$

NOTE

- 1 A bit awkward for our argument is the fact that the question asks respondents about federal government spending when these issues fall under provincial jurisdiction. We suspect, however, that most people are unaware that these issues come under provincial jurisdiction.

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