
**THE YOUNG AND THE RESTLESS IN CANADA:
FRUSTRATED EXPECTATIONS IN THE 1990S**

by

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- * The opinions expressed in this report are those of the authors and do not necessarily reflect those of the Department of Canadian Heritage



Table of Contents

| | |
|---|----|
| Executive Summary | 3 |
| Introduction | 8 |
| Theoretical Perspectives | 9 |
| Research Objectives | 14 |
| Methodology | 15 |
| Findings | 19 |
| Canadian value shifts between 1981 and 1990 | 19 |
| Civic participation and post-materialism | 19 |
| Happiness and control | 21 |
| Satisfaction and contentment | 22 |
| An in-depth look at 1990 and 1992 values | 26 |
| Happiness and control | 26 |
| Satisfaction and contentment | 28 |
| Post-materialism | 29 |
| Civic participation | 32 |
| Success in the workplace | 34 |
| Why work? | 36 |
| Social justice and the social contract | 39 |
| Personal morality and the social contract | 45 |
| Conclusions / Implications | 51 |
| Bibliography | 55 |

Executive Summary

This study is an attempt to determine, through an examination of three large international values surveys -- the World Values Surveys of 1981 and 1990 and the International Social Survey of 1992 -- whether feelings of discontent and exclusion are growing in Canada. We believe that we have detected an emerging “culture of discontent” within Canada, one in which young people in particular, but also many lower and middle-income Canadians, have become more “restless” and less satisfied with their lives.

This paper is the first in a series of planned monographs on evolving Canadian values. It focuses on the socio-economic context -- specifically the impact that financial pressures in the 1980s had on the core values of Canadians. The study team chose to use ‘segmentation modelling’: a relatively new statistical technique designed to determine if any segments within the population differed significantly on values related to personal satisfaction, work and success, the social contract and post-materialism.

Our survey of the Canadian data from the three values surveys mentioned above has supported our thesis that a rift may be emerging between the “young and restless” and the “mature and secure”. Sometimes the “young and restless” are the same people, but at other times the “restless” may not necessarily be young. They may be living in specific regions of the country (especially in the West and in rural areas) or belong to lower and middle-income groups.

There is much evidence to suggest that Canadians -- particularly middle-income Canadians -- felt growing unease during the 1980s about their economic prospects. Disposable income for middle and high-income families fell steadily throughout the decade, although the incomes of the bottom third remained relatively stable due to transfer payments from governments. At the same time, Canadians were saving less and less of their declining incomes and eating into their financial reserves to maintain their standard of living.

Happiness, satisfaction and feelings of control

Canadians’ sense of happiness fell sharply between 1981 and 1990. Overall, in 1981, 96% of the population was either very or quite happy. By 1990, this had declined to 78%. In 1981, only 4% of the population said it was not very happy or not at all happy. By 1990, this had gone up to 21% of the population. In 1981, happiness increased as income increased. By the end of the decade, however, the differentiation by household income had reversed. Those in the middle and upper household income categories became much more unhappy over the decade, while those in the lower income group registered an increase in happiness.

Francophones were significantly happier than anglophones in 1990, with over 95% saying that they were very or quite happy, as compared to only 74% of anglophones. The 1990 findings also revealed a tendency toward increased unhappiness as one moved west in Canada. Over 94% of Quebecers said that they were either very or quite happy, as compared to only 75% of the residents of the Atlantic, Ontario and Prairies (Manitoba-Saskatchewan) regions and only 70% of those from the West (British Columbia-Alberta). This may have been related to economic well-being, since during this decade, growth in real personal disposable income per capita in the Prairie provinces and British Columbia averaged well below 1% annually, in comparison to Ontario and Quebec, where personal incomes grew by over 1% annually (and in the Atlantic provinces over 2%).

Overall, feelings of control increased over the decade. However, by 1990 the increase was contingent upon education, employment status and gender. Employment status emerged as a

strong factor contributing to the anxiety of Canadians in 1990. Segmentation analysis of the merged dataset for the two years indicated that 63% of those who were employed in 1990 felt a lot of control over how their life turned out, as compared to 54% of those who indicated that they were unemployed. Feelings of control decreased among the unemployed, particularly among men who may have been feeling most vulnerable as the workplace restructuring that began in the 1980s accelerated over the decade.

Those who were employed in 1981 were also more likely to say that they were satisfied with their lives than those who were unemployed (69% as compared to 62%). By 1990, the basis for life satisfaction had shifted to household income. As income increased, life satisfaction increased, with 74% of those with household incomes over \$50,000 saying that they were satisfied as opposed to only 58% of those with household incomes below \$25,000.

Household income emerged as the top predictor of financial satisfaction in 1990, followed by age. There was a clear and significant correlation of financial satisfaction with household income that cuts across all age groups. As well, across all household income groups, the young tended to be less satisfied with their financial situations than the old.

While overall levels of contentment with life, home and finances appeared to remain stable over the decade, this stability masked an increasing gulf between the “young and the restless”, on one hand, and the “mature and the secure” on the other. A pervasive discontent appears to have taken hold among those in the former category, even during the affluent 1980s. This discontent had no focus, but showed up as a perceived lack of control over life outcomes, and a dissatisfaction with personal finances which spilled over into the personal sphere. Home life in lower income households and, in particular, among the younger members of those households, became less fulfilling.

Post-materialism and civic participation

In 1990, education proved to be a decisive factor shaping values on authority. Almost 85% of those with lower levels of education believed greater respect for authority would be a good thing, as compared to only 56% of those with higher educations. People over 55 in 1981 and (a decade later) over 65 in 1990 were much more inclined to favour order over participation, lending credence to the theory that these values are linked to generation rather than stage of life.

The work ethic appeared to be alive and well in most of Canada in 1990, particularly in the rural regions of the country. Combined with the responses to questions about a simpler, more natural lifestyle, francophones and Quebecers (most of whom are likely the same people) stand out as being much more interested in a more natural lifestyle and a decreased emphasis on work than anglophones or residents of the other regions. At the same time, there appears to be a significant number of older Quebecers, as well as a large contingent of people from rural areas, who continue to have a strong commitment to work as an important value,

Gender also appears to play a role in influencing postmaterialist values. Materialist orientations, such as the value placed on money, possessions and technological development, are more evident in men than in women. Youth and higher education, as might have been predicted, are linked to less deferential attitudes to authority, with the linkage particularly strong among those with medium levels of education. However, in the Atlantic provinces, those with higher educations appear to have more conservative values with regard to authority relations.

Canadians in 1990 were more favourable to giving people more say in government decisions than they were in 1981. This sentiment was particularly strong in the Western region, where over 49% of respondents said that giving people more say was an important national goal. It was least strong in the Quebec region, where it was the choice of less than 34.5%. As well, anglophones were much more supportive of this goal than francophones by a 45% to 34% margin.

Success

In 1992, 37% of Canadians either disagreed or strongly disagreed that they had a good chance of improving their standard of living, as compared to 34% who either agreed or strongly agreed and 29% who were neutral. The most significant differences in optimism about future prospects were between rural and urban respondents. Those who were most hopeful, at 39%, lived in cities, while those who were least hopeful, at 16%, lived in rural areas or villages and small towns.

In 1992, when asked to indicate whether, as compared to their father at the same age, they were better or worse off in their income or standard of living, the majority of people (66%) felt that they were worse off or much worse off. About one-third felt that they were doing equally well. Only a tiny percentage (just over 2%) thought that they were doing better. Fully 73% of those earning less than \$15,000 and 71% of those earning between \$15,000 and \$44,000 annually felt less prosperous than their father. As well, significant percentages of those earning more than \$45,000 believed that they were worse off than their father.

Work

Canadians in 1992 were strong believers in the work ethic and not inclined to believe that factors such as race, religion or family connections should dictate success in life. Anglophones tended to value hard work somewhat higher than francophones as a prerequisite for success, with 84% of anglophones ranking hard work as either essential or very important, as compared to 61% of francophones.

Canadians overall were more likely to cite post-materialist reasons for working than materialist motivations, such as necessity or more money. However, almost 32% of those under 35 years of age said that they only worked out of necessity and would not work if they did not have to. Only 25% of those over 35 cited this as a reason.

Almost 23% of Quebecers identified work as the most important thing in their lives, as compared to 7.7% of those in the Atlantic. Most of this high percentage was due to Quebecers over the age of 45, almost 33% of whom chose this reason, in contrast to 17% of the Quebec population under the age 45. Language also showed up as a differentiator among those saying that they enjoyed their work, but did not let it interfere with the rest of their life. Almost 54% of francophones mentioned this as a reason for working, as compared to 47% of anglophones.

Education was the most significant factor dictating overall responses with regard to work as an opportunity for personal development. Over 56% of those with higher educations scored high or very high on these factors, as compared to only 41% of those with low or medium educations. People in the Atlantic region and those with lower incomes give more importance to jobs that provide a higher level of comfort and security, while those with higher educations see jobs as a vehicle of personal development. In general, those with higher incomes rank job perks as less important, perhaps because they already enjoy them.

Despite an overall trend toward a more post-materialist attitude toward work, Canadians have not delinked success from hard work, nor are those at lower education and income levels prepared to abandon dreams of a “good job” as a route toward both material and psychic rewards.

The social contract

In 1990, 61% of Canadians valued freedom over equality. Household income was the only significant variable that had an impact on the preference of the respondent. Only 54% of those with household incomes under \$25,000 chose freedom over equality, as compared to 64% of those with household incomes over \$25,000. Lower income groups, the young and people in the regions east of Ontario were less likely to choose freedom over equality, to believe that competition is good and to support individual self-reliance as a societal value. Younger Canadians tended to be weaker supporters of competition than older Canadians.

There was widespread support for the egalitarian idea that all should enjoy the fruits of prosperity, as opposed to the notion that wealth accumulation is a zero-sum game. Francophones were stronger believers in the idea that wealth can grow to include everyone, as were residents of the Atlantic and Quebec regions, who were far more inclined to believe that wealth can grow than residents of Ontario, the Prairies and the West.

In 1990, Canadians continued to be strong supporters of social action. About 88% either strongly agree or agree that action is needed on inequality, but they preferred that this action take the form of providing incentives for individual effort. However, residents of the Atlantic and Quebec regions were greater believers in income redistribution than residents of Ontario, the Prairies and the West.

Canadians overall are clearly more in favour of individuals providing for themselves than for more government support for individuals. However, there was a significant age difference in these results. Younger Canadians were much more inclined to believe that governments should take more responsibility for ensuring that everyone is provided for, with those in the 18-34 age group with incomes below \$25,000 the strongest supporters of this belief. Younger Canadians between the ages of 18 and 44 were also more favourable toward the unemployed having the freedom to refuse a job, as compared to those over 45. Younger people living in households with incomes of less than \$25,000 were significantly more supportive of freedom to refuse a job than either their compatriots in the middle income group or the high income group.

In general, these results appear to signal a weakening of commitment to the principles of the social contract among older and higher income Canadians. This erosion may be tied to their perceptions that younger and lower income Canadians are not truly in need, a viewpoint undoubtedly reinforced by the weaker commitments by these groups to self-reliance and to forced labourforce participation.

Personal morality

Despite widespread concern about declines in personal well-being, we could find little evidence of a decline in moral standards. Canadians did become more accepting of moral flexibility during the 1980s, but altruism levels appeared to rise, as Canadians became less willing to lie or “cheat the system” in various petty ways. In 1990, where the respondent lived seemed to have the most impact on his or her moral stance, with attitudes generally becoming more liberal as one moved westwards in Canada.

In 1981, individuals between 18 and 34 were more likely to think that cheating might sometimes be justified than individuals over the age of 35. This pattern held in 1990 when, if anything, those in the 18 to 24 year-old age group were even more likely to state that cheating on taxes and benefits might be justified. In 1990, gender was also a significant factor in determining who would cheat on taxes and benefits with men slightly more willing than women to consider such behaviour. Francophone youth appeared to be more willing than anglophone youth to engage in what might be termed “fun-seeking” or irresponsible behaviour. Young men, in particular, appeared somewhat less inclined to respect societal norms than the rest of the population.

While the data from 1981 and 1990 showed few significant shifts with regard to system-subversive values, it is worth noting that these surveys preceded the collapse of the cod fisheries, extensive cutbacks to the unemployment insurance and welfare systems and the introduction of new taxes, such as the GST and various income surtaxes. Anecdotal reports about the growth of the underground economy over the past decade or so suggest that many lower and middle income Canadians are by-passing the formal economy in order to improve their personal financial situation. Policy makers should therefore not feel sanguine about levels of institutional respect until further surveys, using identical variables, have been administered.

Overall conclusions

In general, in the early 1990s younger Canadians and those with lower incomes or who were unemployed appeared to be out-of-step with the values and beliefs held by the mainstream. In some cases, this effect was mediated by education or by language group or by place of residence. But, more often than not, when asked a variety of questions intended to elicit their levels of optimism and hope, this sub-group of the population was more unhappy, less satisfied and less optimistic about the future than either older Canadians or those more affluent.

Canadians became less happy and satisfied over the decade of the 1980s, despite sustained economic growth following the 1981 recession up until about 1989. A growing cleavage between the “haves” and “have nots” emerged, and to a lesser extent between younger and older Canadians. Money and material well-being became less important to the “haves”, but to those in the “have not” category, they remained central concerns. Almost everybody felt less affluent, but those in the middle and upper income brackets, perhaps in reaction to a feeling that their personal prosperity was at risk, became less receptive to the idea that government should play a role in income redistribution.

Since the 1990 World Values Survey and the 1992 International Social Survey, Canadians’ personal savings rates have continued to decline and consumer bankruptcies have continued to climb. Assuming that these trends have contributed at least partially to the values of both the “young and restless” and the “mature and secure”, further polarization may have occurred since 1992 and may continue to 2005.

When governments are viewed as ineffective and uncaring, revolution does not always occur, but lower levels of citizen satisfaction and participation can result. Without widespread buy-in, institutional legitimacy and social cohesion can become problems, and governments that rely upon democratic processes cannot afford to ignore segments of their population that register persistent or growing levels of discontent. The “young and the restless”, as described in this study, may signal an emerging problem of this nature.

It is ... a key part of European -- or perhaps OECD -- values never to lose sight of the truly international (that is to say universal) nature of the project for the next decade. We are talking about prosperity for all, civil society everywhere, and political freedom wherever people live.

*Ralf Dahrendorf, Economic Opportunity
Civil Society and Political Liberty,
March 1995*

Introduction

This study is an attempt to determine, through an examination of three large international values surveys -- the World Values Surveys of 1981 and 1990 and the International Social Survey of 1992 -- whether feelings of discontent and exclusion are growing in Canada. We believe that we have detected an emerging “culture of discontent” within Canada, one in which young people in particular, but also many lower and middle-income Canadians, have become more “restless” and less satisfied with their lives.

Existing in parallel with this low-key, but persistent, anxiety is a phenomenon we have labelled “drop-outs from the top”. The values of collective responsibility and sharing have often been said to characterize Canadian society and to have formed the basis for Canadian public policy. However, our analysis suggests that increased insecurity and decreased optimism about the prospects for personal advancement may be eroding social solidarity among older and higher income Canadians.

Older and higher income Canadians tend to feel more in control of their lives, to value freedom over equality and to believe more in the values of competition and self-reliance than younger and lower income Canadians. They are more likely to work for self-fulfilment rather than necessity and to feel satisfied with their financial situation and home lives. Younger and lower income Canadians have not completely abandoned their belief that hard work will lead to success in life, but they are becoming increasingly sceptical that this will, in fact, occur.

Why should this matter to public policy makers? Recently certain commentators have speculated about the impact that increasing income inequalities may have on a country’s well-being.¹ Others have singled out the growth of post-materialist values as a primary cause of the “decline of deference” in Canadian society². While post-materialism may be a reality for some segments of the population, we believe that the failure of others to participate in the prosperity that fosters a post-materialist orientation may be leading to growing value cleavages between the “young and restless” and the “mature and secure” in Canada. This entails risks beyond the economic. Our findings suggest that we may be seeing the erosion of the sense of hope and social solidarity upon which civil society and political consensus within Canada have been founded.

¹ See, for example, Richard Wilkinson, *Unhealthy Societies: The Afflictions of Inequality*, Grant Schellenberg and David P. Ross, *Left Poor by the Market: A look at family poverty and earnings*, Canadian Council on Social Development, 1997; and Nancy Birdsall, David Ross and Richard Sabot, “Inequality and Growth Reconsidered: Lessons from East Asia”, *The World Bank Economic Review*, September 1995, 477-508.

² See especially Neil Nevitte, *The Decline of Deference*, 1996 and Michael Adams, *Sex in the Snow*, 1997.

Theoretical Perspectives

Values and public policy

Why have we studied values in the context of public policy? The question is one that can legitimately be asked by a reader new to the subject. Values are, after all, the product of personal upbringing. Public policies and programs are supposed to be developed on the basis of “objective” economic and social criteria. Therefore, shouldn’t an individual’s core values be his or her own business? Why should governments be interested in something so subjective?

Individual preferences may in fact be of limited interest to governments, but collective values, particularly **changes** in collective values, are attracting increasing attention from both scholars and public policy decision makers.

One of the most high profile attempts to determine Canadian values in a policy context was undertaken by the Canadian Policy Research Networks Inc. In 1995. The CPRN explored the “values that Canadians uphold with respect to health, education, and social supports” using information from about 50 different polls conducted between 1980 and 1995.³ Suzanne Peters, the author of the study, concluded that Canadian core values cluster around the following themes:

- C self-reliance
- C compassion leading to collective responsibility
- C investment in children as the future generation
- C democracy
- C freedom
- C equality
- C fiscal responsibility

While these values have remained relatively constant over time, she found that “Economic instability has generated concern, anger, ambivalence, and questions about affordability and appropriateness of the social safety net”.⁴

More recently, Professor Neil Nevitte of the University of Toronto, using the 1981 and 1990 World Values Surveys, has explored the hypothesis that Canadians, like most citizens of the developed world, are slowly shifting away from a preoccupation with **material goals** (such as money and physical security) toward **post-materialist values**, such as the need for belonging, self-esteem and a better quality of life.⁵ This theory, first proposed by Ronald Inglehart of the Institute for Social Research at the University of Michigan, holds that individual experiences during the formative years (the socialization process), reinforced by the sustained prosperity of advanced industrial states over the past thirty years, have produced several generations of citizens whose value orientations are leading them to become less deferent to traditional elites and to state authority. Nevitte has concluded that Canada’s recent experience, far from being unique, is typical of far-reaching changes taking place throughout the developed world:

³ Suzanne Peters, Exploring Canadian Values: A Synthesis Report, (Ottawa, 1995), p. v.

⁴ Exploring Canadian Values: A Synthesis Report, p. 5.

⁵ Neil Nevitte, The Decline of Deference - Canadian Value Change in Cross-national Perspective, (Peterborough, Ontario, 1996), p. 28.

Canada's recent experiences with fracturing parties, surging interest group activism, increasing public irritation with the status quo, declining satisfaction with the political classes, rising communal tensions, and increasingly abrasive relations on other social fronts all appear less isolated, and less idiosyncratic. And if the turmoil Canadians faced has much in common with the uncertainties experienced by citizens in other advanced industrial states, it may well be that the causes of the turmoil have more to do with the structures and rhythms of late industrialism than with the particular quirks of Canadians or the peculiarities of the Canadian institutional setting.⁶

In 1997, Michael Adams, President of the Environics Research Group Inc., published a provocative book on the evolution of Canadian values, using data derived from the 3SC Social Values Monitor, which has tracked the social values of Canadians annually since 1983. Adams' thesis was that "a new social fabric of communities is now being woven on the basis of values rather than on the basis of ethnic or demographic identities".⁷ Along the lines of the theory advanced by Nevitte and Inglehart, he observed that "an increase in available income, leisure time and communication media have conspired to present people with an unprecedented selection of ideas, fashions, images and role models from which to construct and reconstruct their own identity".⁸ However, Adams has taken this idea a step further by developing a series of "values tribes" based on statistical cluster analysis techniques:

- C three tribes over the age of 50 -- the Rational Traditionalists, the Extroverted Traditionalists and the Cosmopolitan Modernists
- C four among baby-boomers (30 to 49 years of age) -- the Disengaged Darwinists, the Autonomous Rebels, the Anxious Communitarians and the Connected Enthusiasts
- C five among those 15 to 29 years old -- Aimless Dependents, Thrill-Seeking Materialists, Autonomous Post-Materialists, Social Hedonists and the New Aquarians.⁹

In examining these "tribes", Adams concludes that "although age is often a factor in determining social values, increasingly of greater interest are differences in values between individuals of *similar* ages and demographic characteristics".¹⁰ He has also broken new ground in pointing out the increased values fragmentation among successive generations and the shift among the Generation X tribes to what he terms "post-individualism", described as "a progression to communities of choice based on mutual interest, affinity and need, as well as greater flexibility of personality, and even of race and gender identity".¹¹

Values and inequality

During the fall and winter of 1996-97, a number of federal government departments cooperated to develop an interdepartmental *Social Cohesion Research Workplan* as part of an overall effort, spearheaded by the Policy Research Committee, to improve the government's longer-term research capacity. One of the major issues identified was the need to understand the direction and intensity of changes in Canadian values as a result of economic pressures, technological change, social trends and globalization over the past decade or

⁶ The Decline of Deference - Canadian Value Change in Cross-national Perspective, p. 10.

⁷ Michael Adams, Sex in the Snow - Canadian Social Values at the End of the Millennium, (Toronto, 1997), p. 34.

⁸ Sex in the Snow - Canadian Social Values at the End of the Millennium, p. 37.

⁹ Sex in the Snow - Canadian Social Values at the End of the Millennium, pp. 53-56.

¹⁰ Sex in the Snow - Canadian Social Values at the End of the Millennium, p. 57.

¹¹ Sex in the Snow - Canadian Social Values at the End of the Millennium, p. 35.

fifteen years. This investigation of Canadian values, if it was felt, would provide clues as to the state of social cohesion within Canada and the possible future directions that Canadian society might take in the coming decade. Particular attention was to be focused on value “fault-lines” which were perceived to be opening along regional, gender, age, and income lines.

This paper is the first in a series of planned monographs on evolving Canadian values. It takes as a starting point the ideas set forth by Peters, Nevitte, Inglehart and Adams, but focuses more explicitly on the socio-economic context -- specifically the impact that financial pressures of the past decade-and-a-half may be having on the core values of Canadians. That context was summarized in a “challenge paper” prepared for the Policy Research Committee in September 1996:

An analysis of current research on socio-economic aspects of Canadian life today and on trends for the future suggests that the primary obstacle standing in the way of a new national dream is the perception among many Canadians that Canada is no longer a land of opportunity -- a society where they can realize their aspirations and be treated with dignity and fairness. Unhappily, much of the research done by federal departments over the past few years tends to confirm the existence of a growing class of “les exclus”. It would appear that these trends will continue, at least over the medium-term.¹²

Before outlining the research questions that this paper seeks to answer, it will be useful to set the stage with an exploration of the inter-relationship between values and economic cycles. Most evidence appears to support the view that post-material values are becoming dominant in advanced economies, but Nevitte has observed a “wobble” in the ratio of material to post-material values such that “people will tend to become *less* post-materialist in times of economic insecurity”, although “post-materialist orientations bounce back” once the economic downturn is over.¹³ Daniel Yankelovich, a prominent American pollster and social scientist has expanded this observation to develop a theoretical construct he calls “the affluence affect”. Briefly defined, the affluence effect is the impact that people’s *perceptions* of their own and their nation’s affluence have on their values. In Yankelovich’s opinion:

Except at the extremes of the economic spectrum among the very rich and the very poor, value changes are mediated by people’s interpretations of their own economic condition and its future prospects, interpretations that lag behind objective economic reality as an economist might describe it.¹⁴

According to Yankelovich, the affluence effect evolves in three stages, as described below, with the industrial democracies at different points within the three stages.

Stage 1 of the Affluence Effect

- C Affluence is new and incomes are rising.
- C People suspect that their economic well-being may not be new and fear it will not last.
- C Values remain conservative and traditional.
- C U.S. remained at this stage until the late 1960s.

¹² Canadian Identity, Culture and Values: Building a Cohesive Society, Challenge Paper prepared for the ADMs’ Policy Research Committee, September 13, 1996, p. 22.

¹³ The Decline of Deference -- Canadian Value Change in Cross-national Perspective, pp. 45-47.

¹⁴ Daniel Yankelovich, “How Changes in the Economy are Reshaping American Values” in Values and Public Policy (eds. Henry J. Aaron, Thomas E. Mann and Timothy Taylor), (Washington, 1994), p. 17.

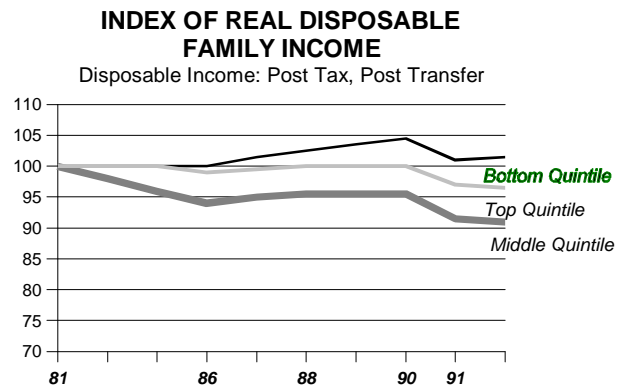
Stage 2 of the Affluence Effect

- C People assume that affluence is a permanent condition and that the nation can now spend freely without worrying about tomorrow.
- C People expand their life choices and choose careers and lifestyles according to their individual desires rather than the expectations of others.
- C Levels of individualism rise, as does the tendency to “live for today” and to take more risks in personal life.
- C U.S. remained at this stage until about 1990.

Stage 3 of the Affluence Effect

- C People realize that affluence cannot be taken for granted and begin to feel cornered and disoriented.
- C Apprehension grows that opportunities for jobs, income growth, home ownership, higher education and retirement are at risk.
- C People begin to worry about tomorrow.
- C U.S. has been at this stage since about 1990.¹⁵

Figure 1



Middle-income Canadians have seen the biggest decline in disposable income over the past decade and a half.

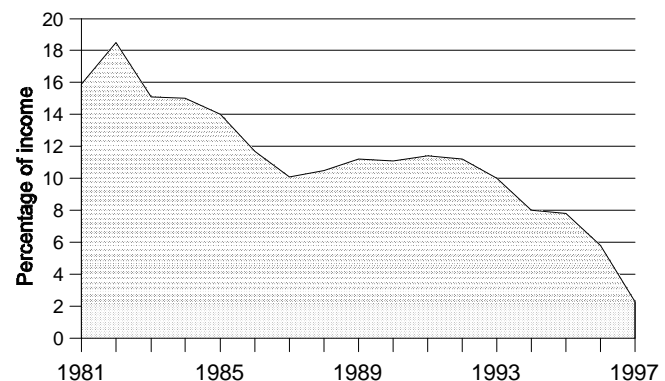
Source: Statistics Canada

Using this typography, it is probably safe to say that Canada emerged from Stage 1 at roughly the same time as the United States, but may have started heading into Stage 3 somewhat earlier, probably at about the time of the 1988 federal election and the intense debates about the Free Trade Agreement with the U.S.

Certainly, there is much evidence to suggest that Canadians -- particularly middle-income Canadians -- felt growing unease during the 1980s about their economic prospects. As Figure 1 indicates, disposable income for middle and high-income families fell steadily throughout the decade, although the incomes of the bottom third remained relatively stable due to transfer payments from governments.

Figure 2

PERSONAL SAVINGS RATES OF CANADIANS 1981-1997



SOURCE: Statistics Canada, *Canadian Economic Observer/Historical Statistical Supplement 1996-7* and *Canadian Economic Observer/Statistical Summary*, February 1998

At the same time, as Figure 2 shows, Canadians were saving less and less of their declining incomes and eating into their financial reserves to maintain their standard of living. From about 1985 onwards, the number of consumer bankruptcies also soared and, as Figure 3 indicates, this trend has continued into the 1990s.

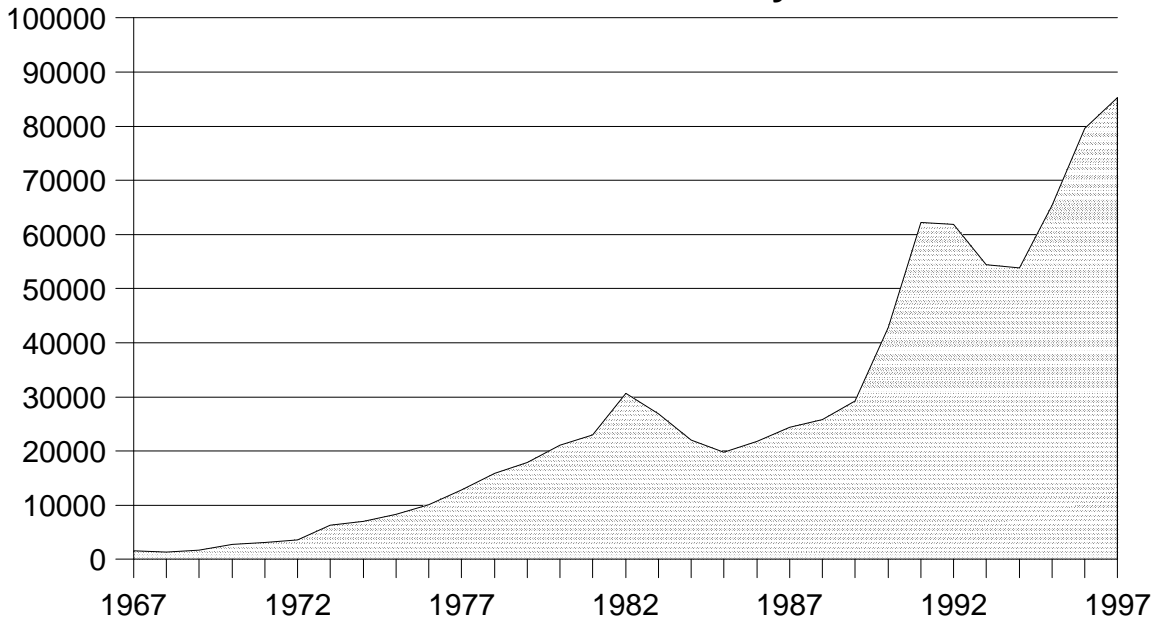
¹⁵ “How Changes in the Economy are Reshaping American Values”, pp.17-19.



These trends undoubtedly had an impact on the economic fortunes of Canadians during the 1980s. But did it also affect their levels of personal satisfaction, their sense of hope for the future, their personal ambitions and outlooks on work, and their compassion for others? This paper explores these issues, looks at the correlations and draws some conclusions about what they might mean.

Figure 3

NUMBER OF CONSUMER BANKRUPTCIES 1967 - 1997: Variances by Year



Source: Annual Statistical Summary of the Office of the Superintendent of Bankruptcy

Research Objectives

It is important to remember, as Daniel Yankelovich contends, that people never return to their older patterns, but “struggle to adapt their new values to more traditional ones and to changing circumstances”.¹⁶ But, if this is true, is it also correct to conclude, as Michael Adams does in Sex in the Snow, that demographic differences are becoming less important as determinants of values? If the march toward post-materialism has by-passed some Canadians, can this be totally unrelated to demographics or to other variables such as economic status?

Anecdotal evidence gathered by the federal government’s Social Cohesion Research Network suggests values are evolving at a different rate among various segments of the Canadian population. Particular concern has been expressed about widening cleavages between rich, middle-income and poor, between younger and older Canadians and between regions of the country. We know that there are “haves” and “have-nots” in Canada, but are there particular groups of Canadians that are more at risk of becoming or remaining “have-nots”? Equally important for decision makers, are demographic changes or persistent threats to material well-being having an impact on Canadian values, the “glue” that has sustained our political and social union over the past 130 years? What are the future prospects for this “glue” -- is it becoming unstuck?

With these questions in mind, this paper attempts to dig deeper into the question of value cleavages between sub-groups of the Canadian population and to determine if Stage 3 of the affluence effect is having an impact on traditional Canadian values such as sharing and compassion. The specific research objectives are to:

- 1) use three large international databases to trace the evolution of a number of Canadian values related to personal satisfaction and achievement between the beginning of the 1980s and the beginning of the 1990s;
- 2) “unpack” these data (to the extent possible) to determine if there are particular age, income, regional or other fault-lines emerging in Canadian society;
- 3) draw any conclusions suggested by the data regarding the evolution of Canadian values, particularly as these concern personal satisfaction, personal ambitions, commitment to the social contract and altruism toward others.

We have used the 1981 and 1990 World Values Surveys and the 1992 International Social Survey as the basis of our analysis because they are among the very few international, publicly accessible and consistent survey instruments tracking societal values over time. Several commercial polling firms also field values surveys, but the raw data tends to be inaccessible because of proprietary restrictions. Because of changes in the questions asked or in the coding used, it is often difficult to benchmark changes over time or to make international comparisons between large surveys of this nature. Both the World Values Survey and the International Social Survey strive for consistency and reliability, making them the preferred instruments for longitudinal and international comparative studies of value changes.

¹⁶ “How Changes in the Economy are Reshaping American Values”, p. 28.

Methodology

Databases

In attempting to address the research questions posed above, the study team has been fortunate to have access to three large international values databases. For each database, the Canadian subset was isolated and manipulated for the purposes of analysis.

C the 1981 and 1990 World Values Surveys (WVS):

- administered roughly the same questionnaire in both years (there were a number of additional questions posed and demographic variables added in 1990)
- sample size in 1981 - 1,254
- sample size in 1990 - 1,730

C the 1992 International Social Survey Program (ISSP):

- focused on attitudes toward social and economic inequality
- sample size - 1,004

Independent variables

Five independent variables common to all three surveys were used to make longitudinal comparisons of specific sub-groups of the population. These variables were:

- C household income
- C employment status
- C education level
- C age group
- C sex

The 1990 World Values Survey and the 1992 International Social Survey Program introduced additional independent variables that permitted more detailed analysis of the results in those two years. These additional variables were:

- C region
- C province
- C area (rural and urban residence)
- C language of questionnaire/mother tongue
- C immigrant or non-immigrant status
- C number of people in household

As a result of the inclusion of the last independent variable, the study team was able to construct a **Well-being index** for the 1990 WVS and the 1992 ISSP, an additional independent variable that measured per capita income per household. Since there are likely to be considerable differences in the material living standards of a family of four with, say, a household income of \$30,000 and a single person with the same household income, this variable is generally a more sensitive measure of economic well-being.

Dependent variables

Although the questionnaires used were not identical across all three surveys, there were a number of questions containing variables related to personal satisfaction and achievement that were either identical or similar. As a result, the study team isolated the following dependent variables to be tested:

- C happiness and life satisfaction
- C values important in personal life
- C important goals for Canada
- C reasons for working
- C determinants of success
- C values with regard to social justice and personal ambitions
- C personal morality and the social contract

The first test was to compare **identical** dependent variables across the two World Values Surveys using the first five independent variables outlined above that were common to both years. This yielded results showing both changes and similarities across years.

The second test was to “unpack” the most striking results by undertaking more detailed analysis of the 1990 WVS and the 1992 ISSP surveys using all of the independent variables outlined above to determine if there were particular sub-groups within the population that displayed values significantly different from the norm.

Analytical Tools

C CHAID Analysis

In order to explore the existence of ‘fault-lines’ and potential sub-groups in the sample populations, the study group chose to use ‘**segmentation modelling**’: a relatively new statistical technique designed to determine if any segments within the sample population differed significantly on dependent indicators with respect to selected independent predictors. Similar in principle to cluster analysis, the CHAID (Chi-squared Automatic Interaction Detector) procedure acts to divide a population into two or more distinct groups, based on the best (most statistically significant) independent predictor of the dependent variable.¹⁷ These groups are then divided into further segments, based on the most statistically significant predictor of that sub-group. This process continues until no more statistically significant predictors are found, or until another ‘stop-rule’ is reached. For this analysis, the study team established a stop-rule which ended the segmentation analysis when sub-group sizes fell below 50 cases.

CHAID results are displayed in the form of a tree diagram. In the interest of conceptual clarity for the statistically challenged, Figure 4 presents an example of a typical CHAID output. In this case, the study team wished to determine if any recognizable segments of the sample population differed significantly in their responses to the following question from the 1990 World Values Survey:

“How much freedom of choice and control do you feel you have over the way your life turns out?”

The question was measured on a 10-point scale, where a response of 1 indicated “none” and 10 indicated “a lot” with respect to a sense of personal control. The analysis employed the 5 common independent variables described above. The overall mean score on this question for the entire sample was 2.56 on the 10-point scale, indicating that most Canadians felt a low sense of control in 1990. The “n” provides the number of respondents contained in each segment.

¹⁷ Statistical significance for sub-group eligibility was set at $p < 0.05$.

The CHAID output reveals a number of sub-population segments. Segments or sub-groups produced by a CHAID analysis (indicated by the numbers, in this case 1 through 6) are mutually exclusive and exhaustive. This means that segments do not overlap; each individual responding to the survey is contained in exactly one segment.

In this analysis, level of education (*educgrp*) is found to be the most powerful and statistically significant predictor of personal sense of control, revealing a pattern of increased sense of control as education levels rise (2.42 for low education, 2.54 for medium education and 2.61 for the highest levels of education).

Within both the medium and higher level education sub-groups, further segmentations are found. For the medium-educated, distinctions are revealed between those of different income groups (*hhincgp*).

For those with higher levels of education, men are seen to possess a lower sense of control than women, a fact contingent upon their employment status (*empsta2*).

The analysis ended when no further statistically significant predictors were found.

CHAID outputs can also provide percentage scores for each value of the dependent variable (for categorical or ordinal variables), rather than mean scores (for interval level variables). Figure 5 illustrates a CHAID output of this kind. In this case, the dependent variable was nominal/ categorical, asking respondents to indicate their top preference to the following question:

*“On this card are listed some of the aims and goals of this country which different people would give top priority. Would you say which one of these you, yourself, consider the **most important?**”*

Possible responses were 1 - “Maintaining order in the nation”, 2 - “Giving people more say in government decisions”, 3 - “Fighting rising prices”, and 4 - “Protecting freedom of speech”. The breakdown is indicated in each box of the tree diagram. For example, for the overall population, 32% chose “Protecting freedom of speech” as the country’s top priority. Based on pattern of responses, the CHAID output reveals highly significant population segmentations for gender, with further breakdowns by level of education for women.

Figure 4

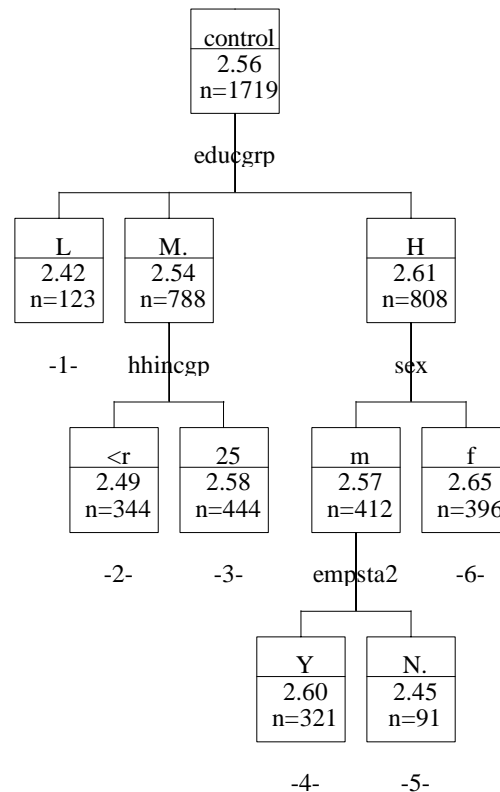
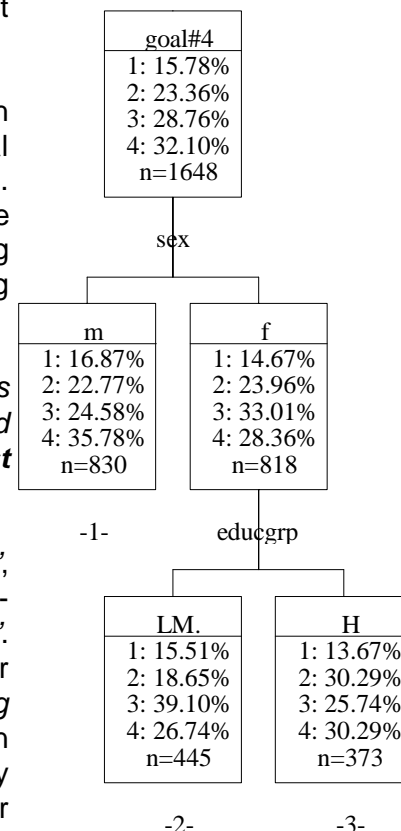


Figure 5



CHAID analyses using both mean scores and percentages were used throughout the study for both the World Values and ISSP surveys.

In inter-year comparisons, the year variable was used as an independent predictor. If year was seen to be a top predictor for a dependent variable, it could be concluded that significant changes in response patterns and population groupings had occurred over time.

Finally, CHAID results were also used to determine bivariate analyses used for tabular and graphic representations of the findings.

C Factor Analysis

Factor analysis was also an important analytical tool in the study. Factor analysis is a statistical procedure used to determine whether several variables are actually measuring the same underlying factor. While similar in principle to cluster and CHAID analysis in its ability to identify distinct groupings, factor analysis instead attempts to identify similarities in response patterns among *variables* (grouped as ‘factors’), rather than respondents. In certain sections of the surveys, respondents were asked to identify their preferred choices or actions according to a list of like-structured variables. For example, given a list of ‘anti-social’ behaviours, respondents were asked to rate on a 10 point scale whether the specified behaviour was something they would “always” or “never” do. Since these variables were each designed in the same way and for the same purpose, they were useful candidates for factor analysis. Several variables measuring anti-social behaviour were highly correlated. This grouping was then be labelled as a factor and interpreted for meaning.¹⁸

Using CHAID analysis, constructed factors composed of groups of variables were further analysed to reveal possible population segmentations.

In order to simplify the analysis and reveal segmentation characteristics, this combination of factor and CHAID analysis was conducted in two areas of the study. For the World Values Survey (1981 and 1990), factor analysis was used for a list of variables concerning ‘*willingness to engage in anti-social or deviant behaviour*’. For the ISSP (1992), factor analysis was performed on a list of variables concerning ‘*what is needed to get ahead in life*’. In each case, an initial overall factor analysis was performed in order to identify patterns among all of the variables in question, and make preliminary interpretations as to their meaning. Once these overall patterns were identified, further factor analyses were conducted focusing on the most powerful variables “driving” each factor. These isolated factors, usually composed of 2 or 3 highly significant variables, were then used as dependent variables in CHAID analysis in order to reveal possible population segmentations.¹⁹

¹⁸ For example, if the strongest variables composing a factor are “*drinking and driving*”, “*buying stolen goods*” and “*accepting bribes*”, the factor could be interpreted as “Willingness to Engage in Criminal Behaviour”.

¹⁹ For the sake of clarity and ease of use, these factor variables were also manually recoded into 5-category ordinal variables.

Findings

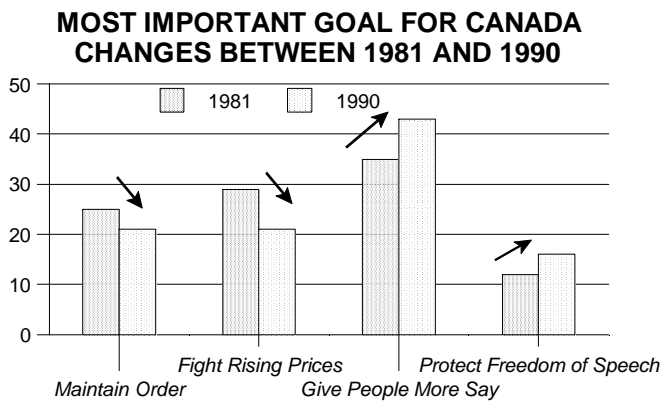
Canadian value shifts between 1981 and 1990

This section of the study compares the 1981 and 1990 World Values Surveys using the five independent variables -- household income, employment status, education level, age group and sex -- that were common to both years. This yielded results showing both changes and similarities across years. As indicated in the “Methodology” section, the questionnaires used in these two years were not identical, since questions were added in 1990. However, our analysis was able to isolate several variables related to personal satisfaction, post-materialism and civic participation that changed significantly during the period. The following section outlines those shifts.

Civic participation and post-materialism

The shift from materialist to post-materialist values has been documented by Neil Nevitte, who concluded that Canada was further along the post-materialist road than its neighbour to the south, at least in terms of attitudes toward authority. Indeed, when asked whether “greater respect for authority” would be a good thing, a bad thing or something to which the respondent was indifferent, he noted that “support for greater respect for authority is much higher in the United States than in Canada and the 1981-1990 decrease in Canada was sharper (about 11 per cent) than in the United States (about 8 per cent).”²⁰

Figure 6

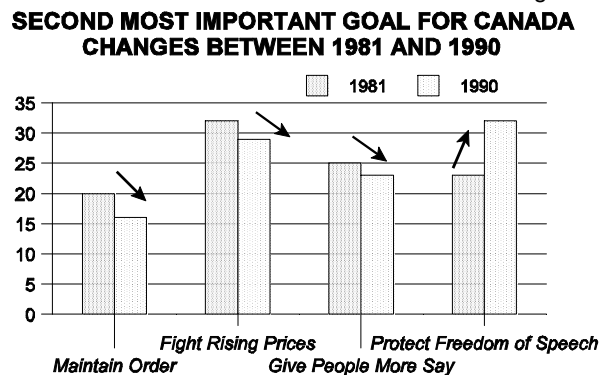


SOURCE: World Values Survey, 1981 and 1990

in the nation (a materialist value) moved down from 24% to 20% and for fighting rising prices from 28% to 21%. As Figure 6 shows, protecting freedom of speech, another significant indicator of a post-materialist value set, also became a more important goal for Canadians between 1981 and 1990.

The first priority of this study was to look closely at any areas where values had changed significantly between 1981 and 1990. One of those areas turned out to be the value placed by Canadians on civic participation. The World Values Survey posed several questions about the most important goal for the country over the next ten years. Between 1981 and 1990, support for giving people more say in government decisions (a post-materialist value) moved up significantly from 35% to 43%, while support for maintaining order

Figure 7



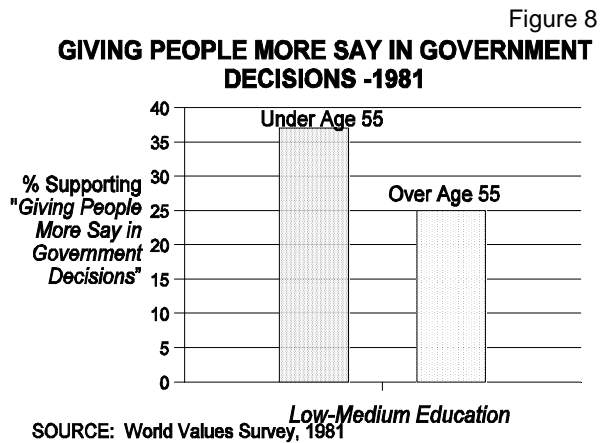
SOURCE: World Values Survey, 1981 and 1990

²⁰ The Decline of Deference, p. 37.

Respondents were given the chance to designate a “second most important” goal for Canada, and here too the increased support for participation over order was evident. As Figure 7 indicates, the top second choice of Canadians in 1981 was fighting rising prices, but in 1990 it was protecting freedom of speech. Support for maintaining order in the nation also fell as a second choice.

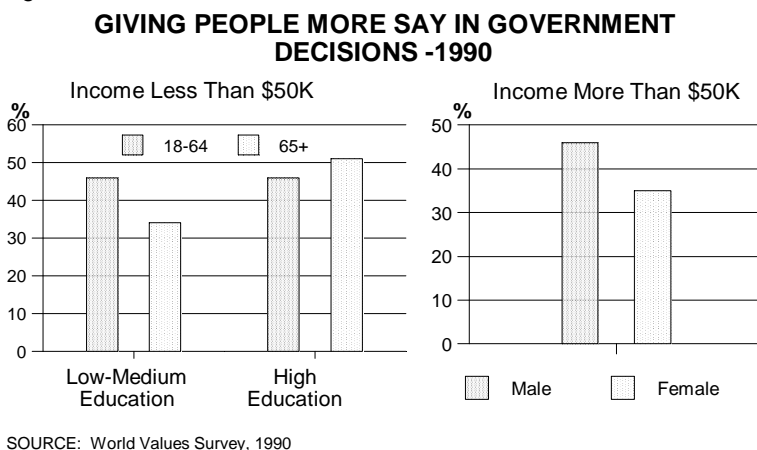
Looking at who was most supportive of giving people more say in government decisions provides some insight into why this shift took place and who these post-materialists were.

In 1981, more highly educated respondents were slightly more in favour of giving people more say in important government decisions than those with less education (36% as compared to 34%), but when segmentation analysis was performed on the less educated group, the values of those under 55 were shown to differ significantly from those over 55. As Figure 8 shows, only 25% of those over 55 were in favour of giving people more say, as compared to over 37% of those under 55. Those over 55 were much more in favour of maintaining order in the nation (34%).



By 1990, the “culture of discontent” among lower income groups became more obvious with the most significant predictor shifting from education to household income. People with household incomes of less than \$50,000 were more in favour of giving people a greater say in government decisions than those with incomes greater than \$50,000 (44% to 41%). As Figure 9 shows, women in the higher income group were much less favourable toward giving people a say in government decisions than men in the same income group (35% as compared to 46% of the men) and were particularly likely to believe that maintaining order in the nation should be Canada’s most important goal (26% as compared to 20% of the men).

Figure 9



As Figure 9 also shows, among those with household incomes below \$50,000, people with less than a high school education and under 65 years of age were very likely to feel that giving people more say in government decisions was an important goal (46%). Their post-materialist stance on this issue, however, was offset by the materialist orientation of the over 65s, only 33% of whom thought that this should be an important goal for Canada.

The “unpacking” of changes in goal ranking between 1981 and 1990 suggests that conclusions about postmaterialist value orientations and civic participation cannot be cleanly or unambiguously linked to standard demographic variables such as gender or education.

However, combinations of these variables produce an intriguing picture:

- C Education matters, but not as much as age, where post-materialist values are concerned. People over 55 in 1981 and (a decade later) over 65 in 1990 were much more inclined to favour order over participation, lending credence to the theory that these values are linked to generation rather than stage of life.
- C Household income is slightly positively correlated with post-materialist values, but can be negated if the respondent is a woman (with a high income) or a pre-boomer (with a low income).

A more in-depth analysis of these hypotheses is included in the section on “Civic participation” below, when the results of the 1990 World Values Survey are looked at on their own, using the expanded set of independent variables described in the “Methodology” section.

Happiness and control

According to the 1990 World Values Survey, Canada ranks 21st out of 39 countries in the happiness level of its population. Iceland and Sweden are numbers 1 and 2, while Belarus and Bulgaria are numbers 38 and 39. Canada falls just after South Korea and Turkey on the “happiness scale” and just before Argentina and Brazil. Our North American neighbours are both happier and unhappier than us: the United States ranked 13th while Mexico ranked 28th.

Figure 10

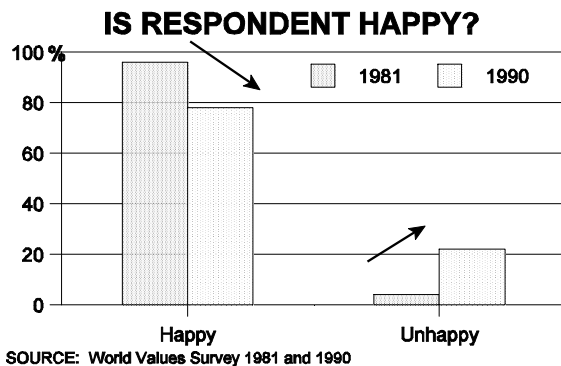
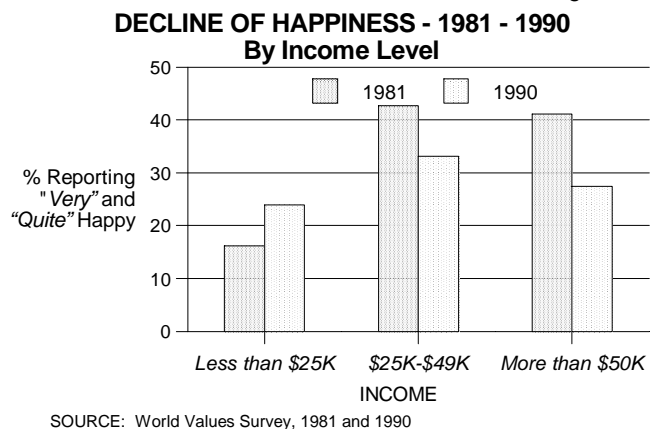


Figure 10 provides a graphic illustration of happiness levels in Canada in 1981 and 1990. The most interesting thing about this graphic is the general decline in happiness between those years. Overall, in 1981, 96% of the population was either very or quite happy. By 1990, this had declined to 78%. In 1981, only 4% of the population said it was not very happy or not at all happy. By 1990, this had gone up to 21% of the population.

Who became more unhappy over the decade? In 1981, happiness increased as income increased, with only 16.2% of low income respondents saying they were very happy as compared to 42.7% of those with incomes between \$25,000 and \$49,000, and 41% of those with incomes of \$50,000 or more. Conversely, those with household incomes of less than \$25,000 were slightly more unhappy than those with incomes over \$25,000 (9% as compared to 3%). By the end of the decade, however, the differentiation by household income had reversed. Those

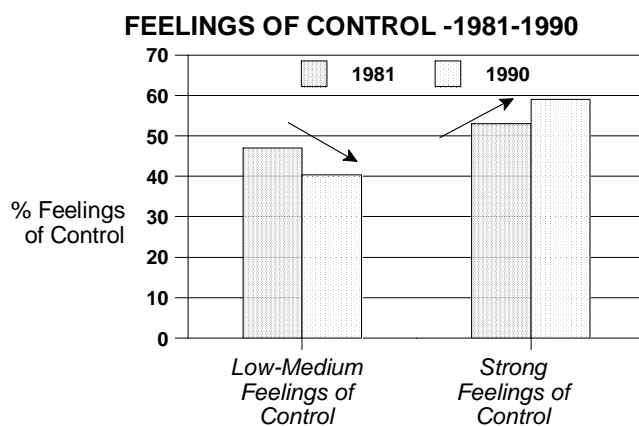
Figure 11



in the middle and upper household income categories became much more unhappy over the decade, while those in the lower income group registered an increase in happiness. Figure 11 shows the decline in happiness of the upper income groups between 1981 and 1990, a situation that seems counter-intuitive until one begins to probe beneath the surface to look at the various factors that contribute to happiness among the average Canadian.

The effects of inflation (for which we did not correct in this study) made a household of income of \$25,000 even less adequate in 1990 than it was in 1981. Yet happiness among this group increased. Why? It may perhaps be related to the trend in disposable income pictured in Figure 1. During the decade, the financial situation of the bottom income group remained relatively stable, while that of the middle and higher-income groups eroded. Could this have had some impact on happiness levels?

Figure 12



To begin to answer this question, these results need to be looked at in combination with the response to another question where there were significant differences between those years: “How much freedom of choice and control do you feel you have over the way your life turns out”. Figure 12 shows that feelings of being strongly in control did increase for some people over the decade. The question is, who were these people? Segmentation analysis of the merged dataset for the two years indicates that 63% of those who were employed felt a lot of control over how their life turned out, as compared to 54% of those who indicated that they were unemployed. Of those who

were unemployed, respondents with medium to higher educations felt significantly more control over their situations than those with less education (56%), although not as much as those who were employed. The unemployed with low educations registered the lowest feelings of control of all -- only 43%.

Overall, Canadians’ sense of happiness fell between 1981 and 1990. Respondents with lower incomes and who were unemployed appeared to figure prominently in this shift. Over the decade, the employment situation of men deteriorated, and this may perhaps have been one of the reasons why unhappiness increased among men with higher educations. Post-material values may have been increasing among Canadians during this period, but there appears to be a persistent sub-text underlying this shift, a sub-text written by the less prosperous for whom affluence and well-paying jobs remained elusive.

Satisfaction and contentment

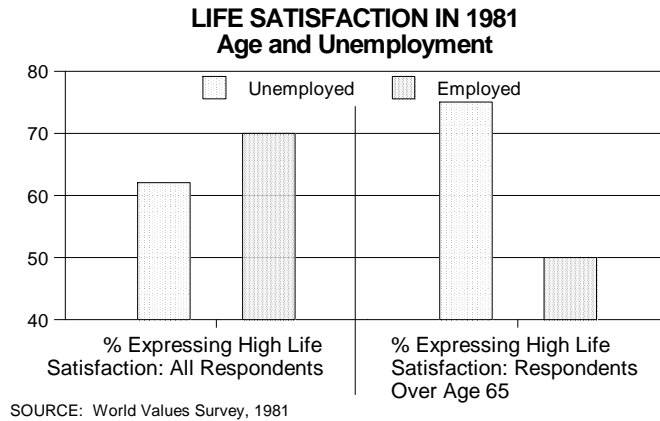
The analysis above focused on changes in happiness, control and confidence between 1981 and 1990. But looking at values where no significant changes were registered nevertheless reinforces the hypothesis that certain segments of the Canadian population were entering Stage 3 of the affluence effect over the decade.

Life satisfaction

Figure 13

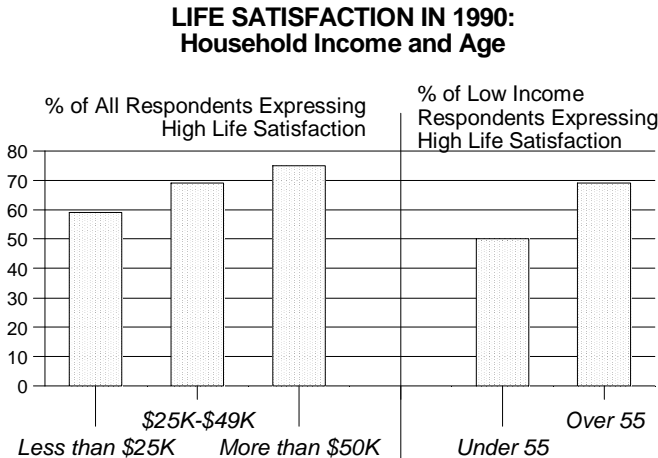
Overall levels of life satisfaction among Canadians remained relatively stable over the decade. The interesting story lies in the responses recorded by members of low income and employment sub-groups.

Figures 13 and 14 provide a limited comparison of the two years using only five independent variables - age, sex, gender, household income and employment status.



As Figure 13 shows, those who were employed in 1981 were more likely to say that they were satisfied with their lives than those who were unemployed (69% as compared to 62%). Since the category of “unemployed” also included students, housewives and the retired as well as those who were in the workforce but without jobs, it is enlightening to review the sub-groups making up the unemployed category. Those over 65 (and likely to be retired) were significantly more satisfied with their lives as compared to the overall population (76% as compared to 58%). Among the unemployed only 46% of men were satisfied with their lives, as compared to 64% of women, many of whom would presumably be housewives.

Figure 14



By 1990, the basis for life satisfaction had shifted to household income. Figure 14 shows that as income increased, life satisfaction increased, with 74% of those with household incomes over \$50,000 saying that they were satisfied as opposed to only 58% of those with household incomes below \$25,000. Age was a significant factor in life satisfaction among those with low income -- only 51% of those under the age of 55 said they were satisfied with their life as compared to 69% of low income respondents over the age of 55.

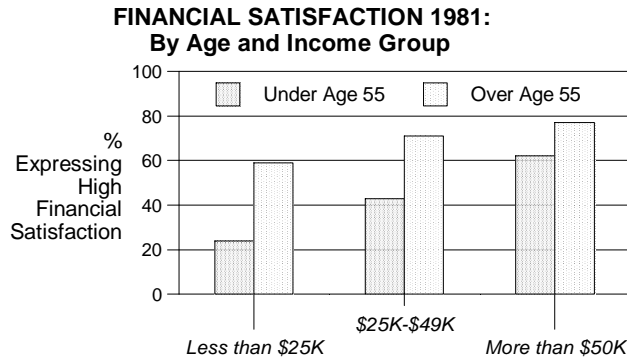
Satisfaction with financial situation

Once again, overall levels of financial satisfaction did not change much between 1981 and 1990, remaining steady at 53% in 1981 and 52% in 1990. However, for both years, household income emerged as a strong predictor of satisfaction, at least when the five-variable comparative analysis was performed.

In 1981, the pattern of financial satisfaction was similar to that for life satisfaction in 1990. Only 40% of those with household incomes below \$25,000 were satisfied; those with incomes

of between \$25,000 and \$50,000 were somewhat more satisfied at 50%, but those with household incomes above \$50,000 were the most satisfied of all at 64%. This in itself is not very surprising. As with life satisfaction, it is the analysis of sub-groups that provides the most interesting insights.

Figure 15

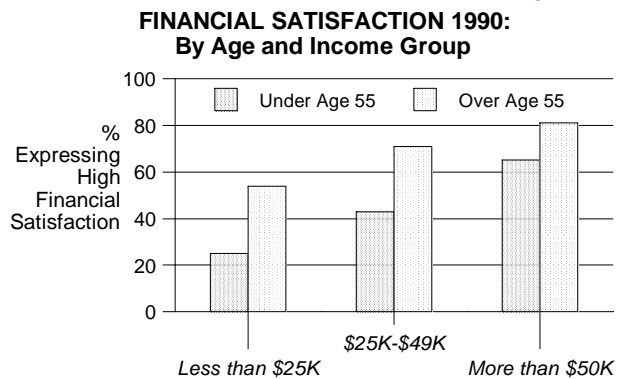


SOURCE: World Values Survey, 1981

The pattern in 1990 was similar. Financial satisfaction increased as age increased, as only 38% of those in the households with incomes under \$25,000 said that they were satisfied. This rose to 50% of those with household incomes of \$25,000 to \$49,999 and to 67% of those with household incomes above \$50,000. Age breakdowns were also similar to 1981 as illustrated in Figure 16. Only 25% of those under age 55 in low income households were satisfied, as compared to 54% of those over 55. As in 1981, financial satisfaction rose somewhat to 43% among the under 55s in middle income households, but was still much less than the 71% satisfaction level of the over 55s. In high income households, fully 81% of those over 55 were satisfied with their financial situation, but only 65% of those under 55 were as content.

Among those with the lowest household incomes, 59% of those over 55 years of age said that they were satisfied with their financial situation, as compared to only 42% of those under 55. As Figure 15 illustrates, this pattern was consistent within the other household income groups as well, with financial satisfaction at the \$25,000 to \$49,999 income level increasing to 71% among those over 55 but only to 43% among those under 55. In the high income group, those over 55 registered a 77% financial satisfaction rate, as compared to 62% for those under 55.

Figure 16

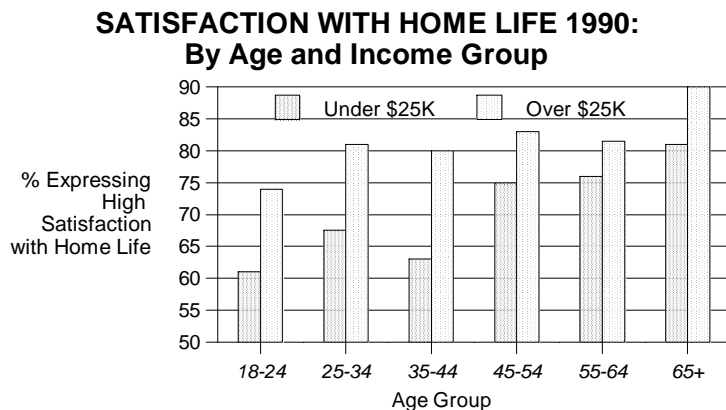


SOURCE: World Values Survey, 1990

Satisfaction with home life

Satisfaction with home life increased overall between 1981 and 1990 from 77% to 79%, which was not a significant shift. However, looking at the significant clusters within this overall result reinforces the message emerging from the other “satisfaction” measures. Respondents with household incomes under \$25,000 were significantly less satisfied with their

Figure 17



SOURCE: World Values Survey 1981, 1990



home lives than respondents with household incomes above \$25,000 (72% as compared to 80%). Once again, the age differences are striking. As Figure 17 illustrates, younger respondents (below age 45) in lower income households were much less satisfied with their home lives than those over 45. Among the higher income group, satisfaction with home life was more evenly distributed but still reached an astonishing 90% among those over age 65.

What conclusions can be drawn about the values of Canadians over the decade? First, it seems obvious that, like the Rolling Stones in the 1960s, poorer and younger Canadians “can’t get no satisfaction”, or at least not as much satisfaction as their richer and older neighbours.

While overall levels of contentment with life, home and finances appeared to remain stable over the decade, this stability masked an increasing gulf between the “young and the restless”, on one hand, and the “mature and secure” on the other. A pervasive discontent appears to have taken hold among those in the former category, even during the affluent 1980s. This discontent had no focus, but showed up as a perceived lack of control over life outcomes, and a dissatisfaction with personal finances which spilled over into the personal sphere. Home life in lower income households and, in particular, among the younger members of those households, became less fulfilling. In short, for younger and lower income Canadians, life became less good.

The following section of this paper will look more closely at why this was happening by focusing more closely on “stand-alone” results from the 1990 World Values Survey and the 1992 International Social Survey Program, which in that year examined inequality in Canadian society.

Findings

An in-depth look at 1990 and 1992 values

The previous section looked at how values had changed between 1981 and 1990. This section will look at those areas, as well as several areas where no significant changes were observed, in greater detail utilizing the full set of independent variables used in the 1990 World Values Survey (WVS) and the 1992 International Social Survey Program (ISSP) 1992. We wanted to see if a more powerful set of independent variables would tell us more about the areas of change than were evident using the five common to the 1981 and 1990 WVS. We also thought that, even if no significant change had occurred, we would be able to “unpack” the responses to the questions that were germane to the study to see if sub-groups in the population held differing values from the norm.

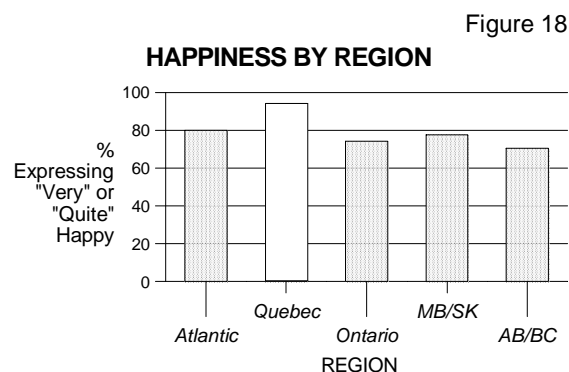
In addition to asking respondents for their age, sex, education, household income and employment status, the 1990 WVS and the 1992 ISSP also provided information on the respondents' region, province, rural or urban residence, language, immigrant or non-immigrant status and number of people in household. As indicated above, the inclusion of the province and household size variables permitted the construction of a “well-being index” (WBI), which looked at per capita income per household adjusted for provincial cost-of-living in 1990 and 1992. In the case of the 1990 World Values Survey, many of the questions on values were identical to the 1981 survey, facilitating the in-depth analysis. The 1992 ISSP asked a different set of questions, but several probed values related to personal success and social justice and were directly relevant to the line of inquiry of this study.

The resulting analysis below is somewhat akin to looking at a celestial body using a powerful telescope instead of a set of binoculars. We continued to observe the same body, but could now see details that were not visible before. While we did not expect to find any new phenomena using this technique, we did hope that a close-up look at the terrain would tell us more about what we thought we knew. As the findings below confirm, we were not disappointed.

Happiness and control

Quebecers were significantly happier than other Canadians in 1990. Over 94% of Quebecers said that they were either very or quite happy, as compared to only 75% of the residents of the Atlantic, Ontario and Prairies (Manitoba-Saskatchewan) regions and only 70% of those from the West (British Columbia-Alberta).

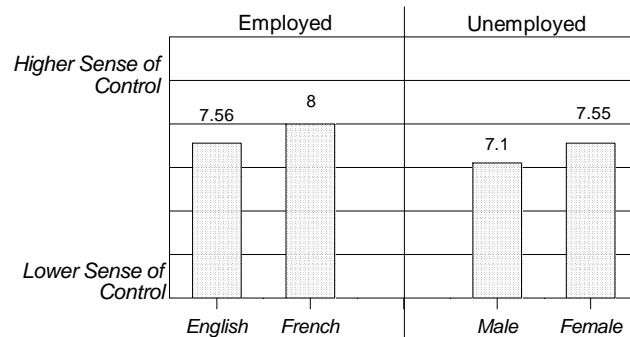
Within the Atlantic, Ontario and Prairies regions, farm and rural, non-farm residents were somewhat unhappier than their urban neighbours (70% as compared to 78%). In the West, it was those over 65 years of age who were most unhappy, with only 57% saying that they were either very or quite happy.



SOURCE: World Values Survey, 1990

Figure 19

FEELINGS OF CONTROL -1990: Employment Status, Language and Gender



SOURCE: World Values Survey, 1990

Francophones were also significantly happier than anglophones in 1990, with over 95% saying that they were very or quite happy, as compared to only 74% of anglophones. Among anglophones, women were slightly happier than men (76% as compared to 73%). Among francophones, those with household incomes above \$25,000 tended to be happier than those with household incomes below that level (97% as compared to 91%).

As with the 1981 and 1990 comparison of this value, it is useful to look at feelings of happiness in conjunction with feelings of control, simply because these two values are often complementary. In the year-to-year comparison, employment status was found to be a good predictor of whether the respondent felt in control of his or her life. This continued to be the case when the 1990 data were analyzed on their own.

Those who were unemployed felt somewhat less control over their lives than the employed. Among the employed, francophones felt somewhat more control than anglophones over their situation (8.0 as compared to 7.6 on a ten-point scale). Among the unemployed, males tended to feel less control than females over their situation (7.1 as compared to 7.6).

An analysis of these findings in conjunction with the results of the 1981-1990 comparison suggests a couple of inter-related tendencies were at work in Canada during the decade:

- C The 1990 findings revealed increased unhappiness as one moved west in Canada. This unhappiness may have been related to economic well-being, since during this decade, growth in real personal disposable income per capita in the Prairie provinces and British Columbia averaged well below 1% annually, in comparison to Ontario and Quebec, where personal incomes grew by over 1% annually (and in the Atlantic provinces over 2%).²¹ Cultural factors seem to have played a role as well, since respondents in Quebec expressed higher levels of happiness than their fellow Canadians.
- C Employment status was a strong factor contributing to the anxiety of Canadians in 1990. Feelings of control decreased among the unemployed, particularly among men who may have been feeling most vulnerable as the workplace restructuring that began in the 1980s accelerated over the decade.

²¹ "Megatrends" in Policy Research Committee, *Growth, Human Development, Social Cohesion*, Draft Interim Report (October 4, 1996), p. 58. The source is Statistics Canada figures for 1981 to 1989. It should be noted that subsequently, from 1989 to 1995, real personal disposal income in the Prairie provinces and B.C. fell by over 1% annually, exceeded only by the fall in Ontario which averaged over 2%.

Satisfaction and contentment

Life satisfaction

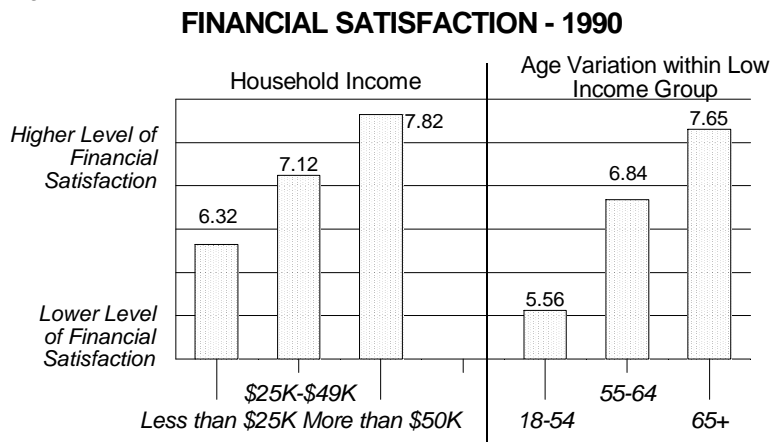
Dominant predictors of life satisfaction in the 1990 World Values Survey were household income, region and language. As shown in Figure 20, the lowest levels of satisfaction were found among those living in low income households (under \$25,000). Among the low income households, those over 55 years of age were significantly more satisfied with their lives than those under 55. Overall, those in the high income group recorded the highest levels of life satisfaction (8.1 on a scale of ten, as compared to 7.5 for the lowest income group).

Although francophones had somewhat higher life satisfaction ratings than anglophones, this was also correlated with household income in both language groups, with life satisfaction increasing as income increased. As Figure 21 shows, this pattern also held when the data were looked at from a regional perspective, with Quebecers indicating higher levels of life satisfaction than people in the rest of Canada.

Financial satisfaction

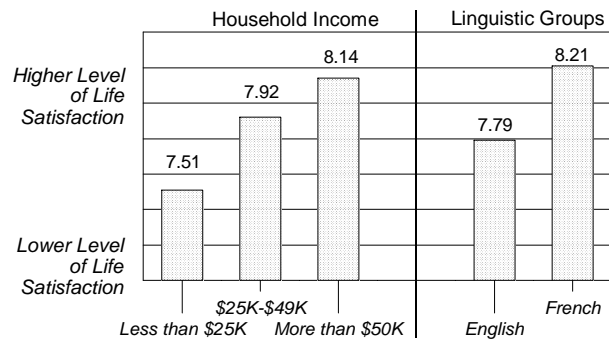
Household income also emerged as the top predictor of financial satisfaction in 1990, followed by age. There was a clear and significant correlation of financial satisfaction with household income that cuts across all age groups. On a scale of 10, among those with household

Figure 22



SOURCE: World Values Survey, 1990

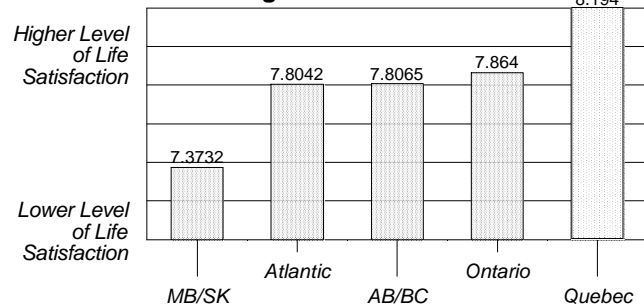
LIFE SATISFACTION IN 1990:



SOURCE: World Values Survey, 1990

Figure 20

LIFE SATISFACTION IN 1990:
Regional Variations



SOURCE: World Values Survey, 1990

Figure 21

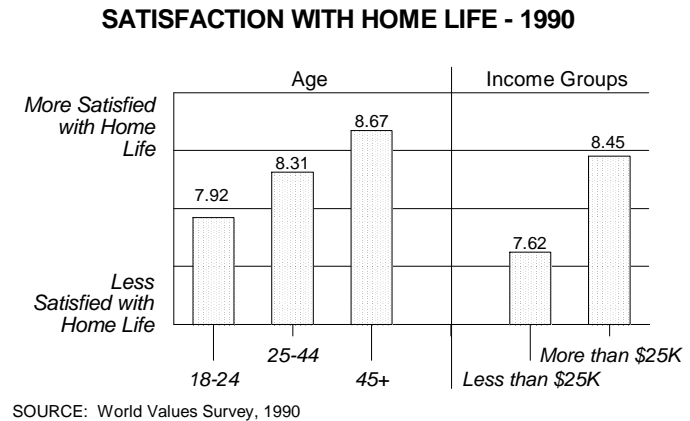
incomes below \$25,000, the rate of financial satisfaction was only 6.3 as compared to 7.1 in the \$25-50,000 group and 7.8 in the over \$50,000 household income group. As well, across all household income groups, the young tended to be less satisfied with their financial situations than the old. For example, as Figure 22 shows, in the lowest income group (under \$25,000), those of prime working age (18 to 55 years of age) had a median satisfaction level of only 5.6 as compared to 6.8 for those

55 to 64 and 7.7 for those over 65 years of age. Those registering the highest levels of financial satisfaction were over the age of 45 with household incomes of over \$50,000 with a median level of financial satisfaction of 8.4.

Satisfaction with home life

Figure 23

Age emerged as the top predictor of satisfaction with home life in 1990, with household income and language also having an impact. The pattern seen in the 1981-1990 comparison remained the same. Those between 18 and 24 years of age were significantly less satisfied with their home life than those over 25. There was also a positive correlation with household income: those 25 to 44 years of age with household incomes below \$25,000 were less satisfied with their home life than those with household incomes over \$25,000 (7.6 as compared to 8.5 on a scale of 10). Francophones tended to be somewhat more satisfied with their home life than anglophones, especially francophones with household incomes above \$25,000.



To sum up, young people and people with lower incomes were definitely “young and restless” in 1990, registering lower levels of life satisfaction, financial satisfaction and contentment with their home lives than either older Canadians or people with higher incomes. Was this related to the affluence effect? There can be no definitive answer to this question, since we also detected some differences in happiness and life satisfaction between anglophones and francophones and between Quebec and the rest of Canada. However, it is clear that even at the end of the affluent 1980s, there were serious signs of financial and general life dissatisfaction among the young and those who did not benefit from the overall prosperity of that decade. The following sub-sections of this chapter look at the relationship between happiness and life satisfaction and post-materialist values, civic participation, attitudes toward work and success, social justice and personal morality. The pattern that emerges reinforces the impression that the values of younger and less affluent Canadians are diverging from those of older and wealthier citizens in ways that may make it more difficult to maintain a national consensus on social justice issues .

Post-materialism

Table 1 outlines how Canadians felt in 1981 and 1990 about a number of changes that might occur in their lives in the near future. Much has been written over the past few years about the decline of the work ethic among certain segments of the Canadian population and the quest for a simpler, more meaningful life. A comparison of the two years did not reveal any significant changes in these values, although Canadians were somewhat more inclined in 1990 to view less emphasis on work as a good thing than they were in 1981.

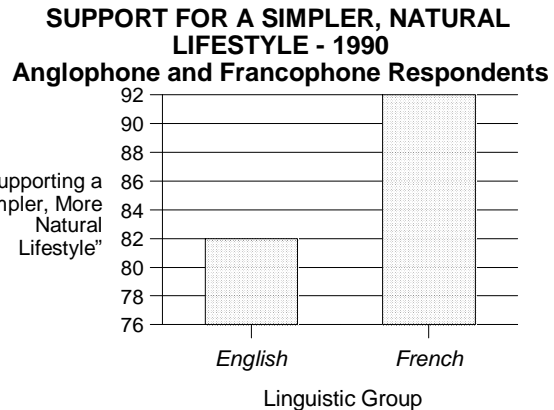
| Table 1 Changes that might take place in the near future 1981 and 1990 | | | | | | |
|---|-------------------|---------------|----------------|---------------|------------------|---------------|
| Change | Good thing | | Neither | | Bad thing | |
| | 1981 % | 1990 % | 1981 % | 1990 % | 1981 % | 1990 % |
| Simpler, more natural lifestyle | 83.5 | 84.3 | 12.9 | 13 | 3.6 | 2.7 |
| More emphasis on individual development | 83.2 | 84.4 | 12 | 11.9 | 4.7 | 3.3 |
| Greater respect for authority | 75.6 | 65.2 | 16.8 | 21.3 | 7.4 | 13.5 |
| Less emphasis on money | 65.3 | 61.8 | 21.9 | 25.1 | 12.8 | 13.1 |
| More emphasis on technology | 59.4 | 63.4 | 26.5 | 21.8 | 14.1 | 14.8 |
| Decrease in the importance of work | 25.8 | 30.8 | 14.5 | 16.3 | 59.6 | 52.8 |

Source: World Values Survey 1981, 1990

A simpler, more natural lifestyle

To the extent that valuing a simpler, more natural lifestyle is considered to be one of the hallmarks of a post-materialist value set, we wished to see who in Canada was most likely to think this a good thing. The 1990 dataset provided an opportunity to examine the population favouring a simpler lifestyle.

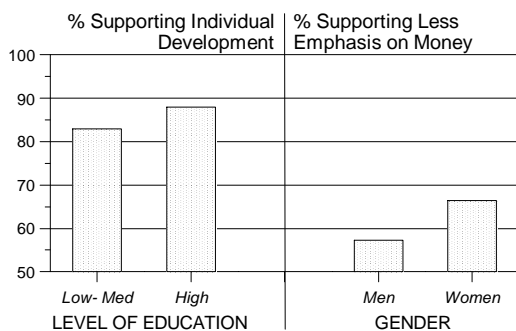
Figure 24



SOURCE: World Values Survey, 1990

Figure 25

SUPPORT FOR POSTMATERIALIST VALUES - 1990



SOURCE: World Values Survey, 1990

As Figure 24 indicates, language proved to be the most significant factor in determining who held this value. Francophones were considerably more in favour of a simpler, more natural lifestyle than anglophones (92% as compared to 82%). Among anglophones, males who were employed were among the least likely to think that a this would be a beneficial lifestyle change (only 77%).

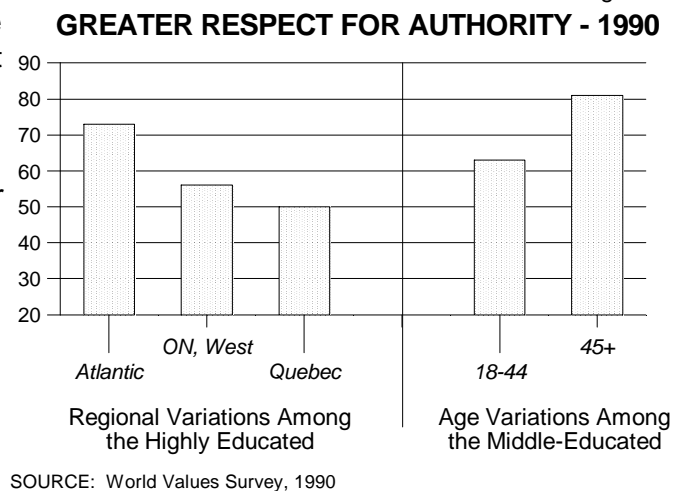
More emphasis on individual development, less emphasis on money and possessions and more emphasis on technological development

In 1990, postmaterialist attitudes to individualism, possessions and technological development appeared to depend in part on education, gender and area of residence. Not surprisingly, only 83% of those with low to medium education thought that more emphasis on individual development would be a good thing, as compared to 88% of those with higher educations. However, there was a definite gender split on the issue of money and possessions with fewer men than women prepared to consider less emphasis on money as a good thing (57% as compared to 66%). This was particularly true of men living in farm and rural areas (53%). In addition, men were far more likely than women to consider greater emphasis on technology to be a good thing (70% as compared to only 57% of women).

Greater respect for authority

In 1990, education proved to be a decisive factor shaping values on authority. Almost 85% of those with lower levels of education believed greater respect for authority would be a good thing, as compared to only 56% of those with higher educations. As Figure 26 shows, an interesting regional variation was evident among those with higher educations: over 73% of the most highly educated in the Atlantic region thought more respect for authority would be a good thing, as compared to only 50% in Quebec and 56% in the rest of Canada. On the other hand, age differences were the main differentiator among those with medium educations, with over 80% of those over 45 favouring more respect for authority as compared to only 63% of those under 45.

Figure 26

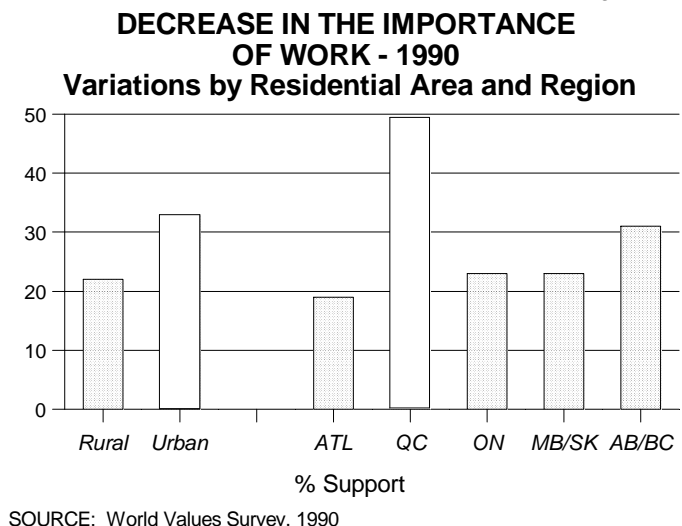


Decrease in the importance of work

A regional split in personal values was evident in responses to the question asked on whether a decrease in the importance of work would be a good thing, a bad thing or neither. As Figure 27 illustrates, there was also a strong divergence between rural and urban areas with regard to the value placed on work.

Those most likely to consider a decrease in the importance of work as a good thing lived in Quebec (49%). Those *least likely* to consider a decrease in the importance of work a good thing lived in the Atlantic,

Figure 27



Ontario and the Prairies (23%). Residents of the West (Alberta and British Columbia) fell somewhere in between, with about 31% considering a decrease in the importance of work a good thing. Conversely, 59% of those in the Atlantic, Ontario and the Prairies considered a decrease in the importance of work as a *bad thing*. This tendency was particularly strong among farm and rural, non-farm residents in the latter regions, where 69% considered a decrease in the importance of work as a bad thing and only 15% thought it might be good.

Within Quebec, there was a significant difference between the younger and older populations on this question. Only 39% of Quebecers over 45 favoured a decrease in the importance of work, compared to 56% of the Quebec population under the age of 45.

Overall, the work ethic appeared to be alive and well in most of Canada in 1990, particularly in the rural regions of the country. Combined with the responses to questions about a simpler, more natural lifestyle, francophones and Quebecers (most of whom are likely the same people) stand out as being much more interested in a more natural lifestyle and a decreased emphasis on work than anglophones or residents of the other regions. At the same time, there appears to be a significant number of older Quebecers, as well as a large contingent of people from rural areas, who continue to have a strong commitment to work as an important value,

Gender also appears to play a role in influencing postmaterialist values. Materialist orientations, such as the value placed on money, possessions and technological development, are more evident in men than in women. Youth and higher education, as might have been predicted, are linked to less deferential attitudes to authority, with the linkage particularly strong among those with medium levels of education. However, in the Atlantic provinces, those with higher educations appear to have more conservative values with regard to authority relations.

The findings on personal lifestyle developments suggest the existence of two communities of values in Canada. One tends to be younger, female, francophone and urban, and has begun to consider a life beyond work, technology and possessions. The other, which tends to be older, male, anglophone and rural, still believes in traditional values of hard work and respect for authority, tempered with continued support for material progress and accumulation of assets. Education and region appear to play a role in tempering these values, such that the value of work rises as one goes west and deference to authority declines as education increases, irrespective of age, gender, language and residential area.

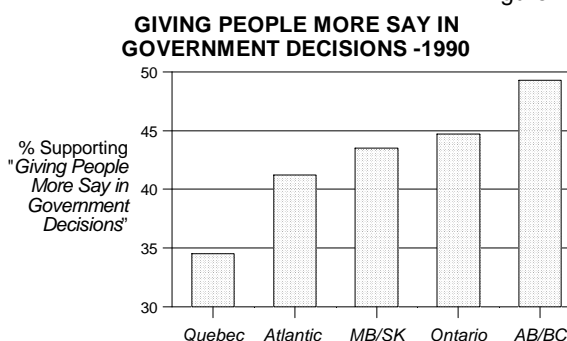
Civic participation

In both 1981 and 1990, the World Values Survey asked a number of questions to determine what people thought should be Canada's most important goals over the next ten years. Table 2 (on the next page) summarizes the responses to this question, which show a significant shift toward greater activism on the part of the Canadian population as a whole.

| Table 2 - Most important goals for Canada 1981 and 1990 | | | | |
|--|--------------------|------|---------------------------|------|
| Goal | Most important (%) | | Second most important (%) | |
| | 1981 | 1990 | 1981 | 1990 |
| Maintaining order in the nation | 25.1 | 20.1 | 18.7 | 14.9 |
| Giving people more say in government decisions | 34.6 | 43.1 | 23.3 | 23 |
| Fighting rising prices | 28.7 | 21.3 | 30.7 | 29.2 |
| Protecting freedom of speech | 11.6 | 15.2 | 23 | 32.9 |

In general, Canadians in 1990 were more favourable to giving people more say in government decisions than they were in 1981 (43% as compared to 35%). This sentiment was particularly strong in the Western region, where over 49% of respondents said that giving people more say was an important national goal. It was least strong in the Quebec region, where it was the choice of less than 34.5%. As well, anglophones were much more supportive of this goal than francophones by a 45% to 34% margin.

Figure 28



SOURCE: World Values Survey, 1990

Looking at the 1990 choice of the second most important goal for Canada, those who were least supportive of protecting freedom of speech were respondents with WBIs (per capita household incomes) of more than \$25,000. Only 27% of this group identified this as their choice for second most important goal, as compared to 35% of those with WBIs of less than \$25,000. Language differences were also evident, with 39% of francophones favouring protection of free speech as the second goal, as compared to only 30% of anglophones.

Overall, a good part of the increased support over the decade for greater participation in decision making and for protecting freedom of speech appears to have come from Western Canada and from lower income people. Anglophones tended to be more favourable to civic participation as a goal, while francophones took a slightly more rights-based approach to goal-setting, seeing protection of the fundamental right to free speech as an important part of democratic expression. Nevertheless, the most significant determinants of a post-materialist value orientation in this area appear to be regional and low income. This is somewhat counter-intuitive, since most literature on post-materialist values suggests that it is those with higher incomes and educations who are clamouring for more say. In Canada, at least, the “restless” were more likely to seek a voice than the “secure”, suggesting that greater participation may entail some discomfort for decision makers.

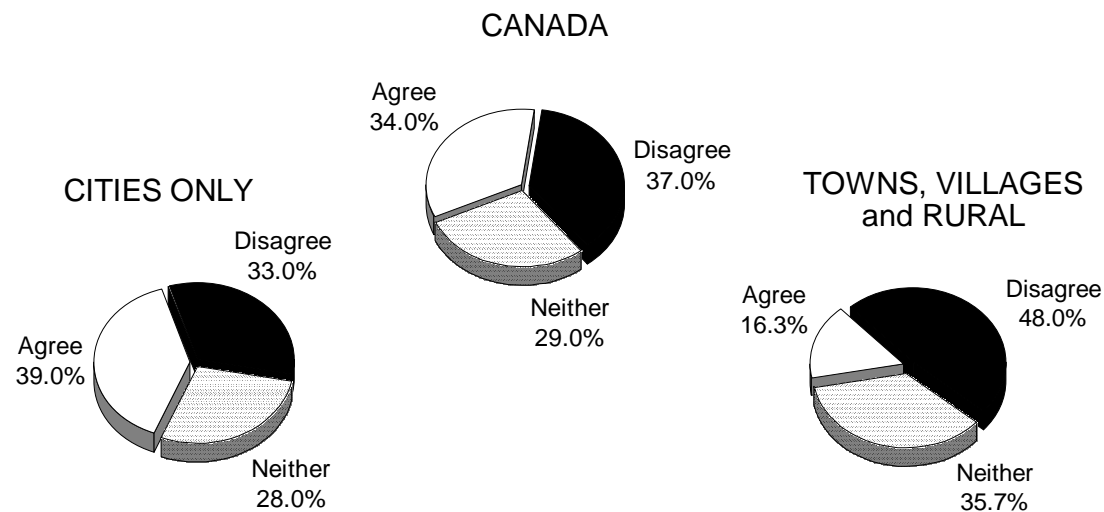
Success in the workplace

Levels of affluence

The International Social Survey Program (the ISSP) in 1992 asked a series of questions that attempted to determine how hopeful people felt about their chances of getting ahead in Canada and what they thought were the most important prerequisites for success in Canada today.

Figure 29

GOOD CHANCES FOR IMPROVEMENT -1992 Canada and Rural-Urban Responses



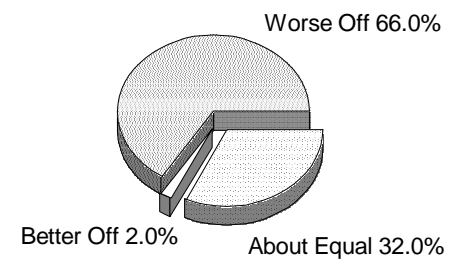
SOURCE: ISSP Survey, 1992

Figure 30

In 1992, as shown in Figure 29, 37% of Canadians either disagreed or strongly disagreed that they had a good chance of improving their standard of living, as compared to 34% who either agreed or strongly agreed and 29% who were neutral.

The most significant differences in optimism about future prospects were between rural and urban respondents. Those who were most hopeful, at 39%, lived in cities, while those who were least hopeful, at 16%, lived in rural areas or villages and small towns.

WORSE OFF THAN FATHER - 1992 Canada



SOURCE: ISSP Survey, 1992

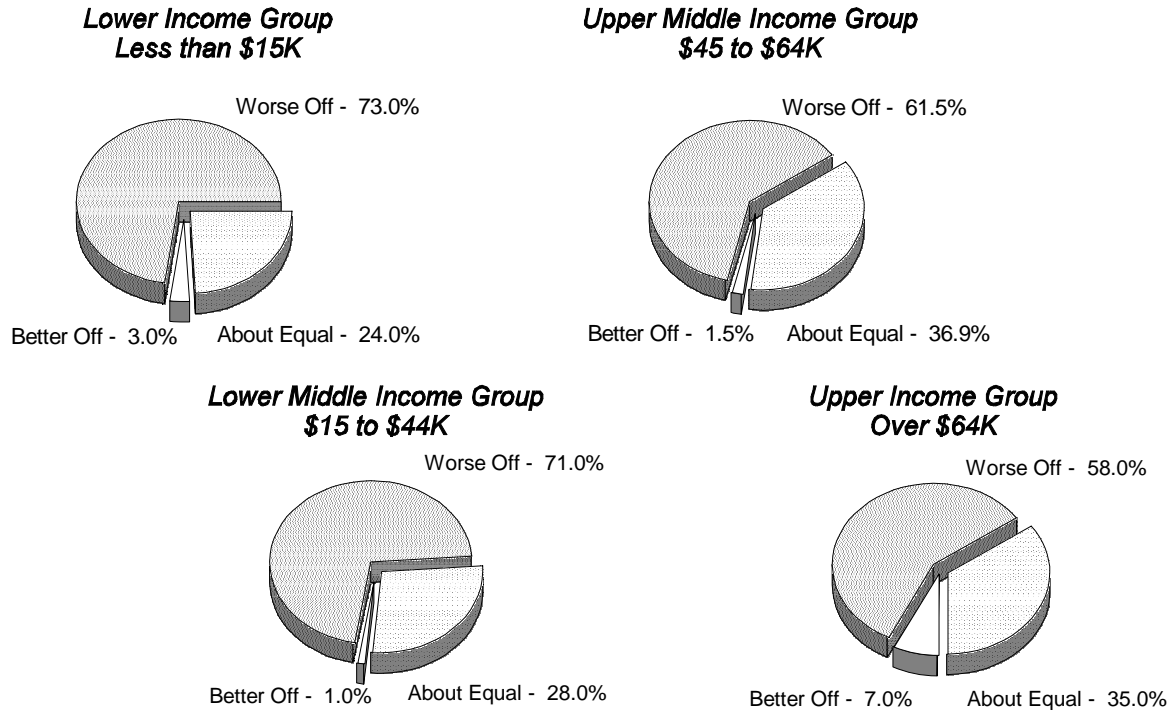
The ISSP also asked people to indicate whether, as compared to their father at the same age, they were better or worse off in their income or standard of living. As Figure 30 shows, the majority felt that they were worse off or much worse off. About one-third felt that they were doing equally well. Only a tiny percentage (just over 2%) thought that they were doing better.

Not surprisingly, those at the lower income levels were most likely to feel worse off. Figure 31 shows that 73% of those earning less than \$15,000 and 71% of those earning between

\$15,000 and \$44,000 annually felt that way. However, significant percentages of those earning more than \$45,000 also believed that they were worse off than their father.

Figure 31

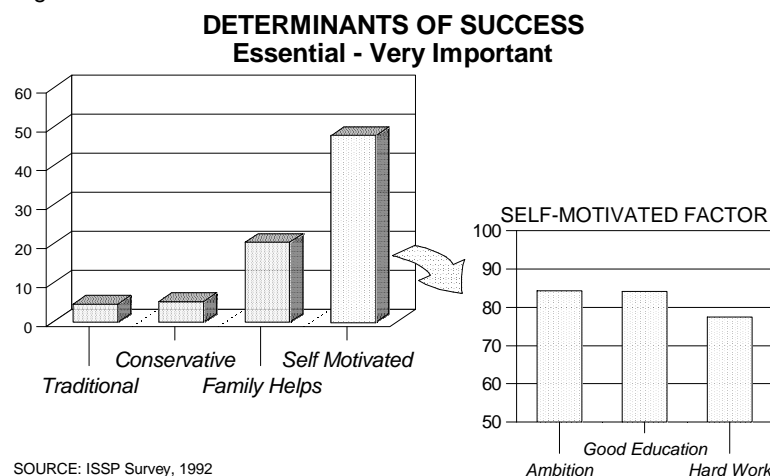
WORSE OFF THAN FATHER - 1992



SOURCE: ISSP Survey, 1992

These responses suggest that, by 1992, Canadians were already well into Stage 3 of the Affluence Effect. Certainly, as Yankelovitch predicted, apprehension about opportunities for jobs and income growth was high (consistent with a country at Stage 3). Although the ISSP has no comparative data for Canada during the early 1980s, in 1992 Canadians' level of optimism about the future appeared to be in steep decline, at least as far as material prospects were concerned. The pessimism was pervasive among all income groups, particularly among lower income groups, and appeared to be more intense in rural and small town Canada.

Figure 32



SOURCE: ISSP Survey, 1992

Prerequisites for getting ahead in life

The 1992 ISSP asked Canadians to rank a number of factors for importance in getting ahead. Factor analysis was performed to see if there were significant correlations between rankings. As it turned out, there were. Those believing that such factors as "political connections" and "knowing the right people" were important were designated

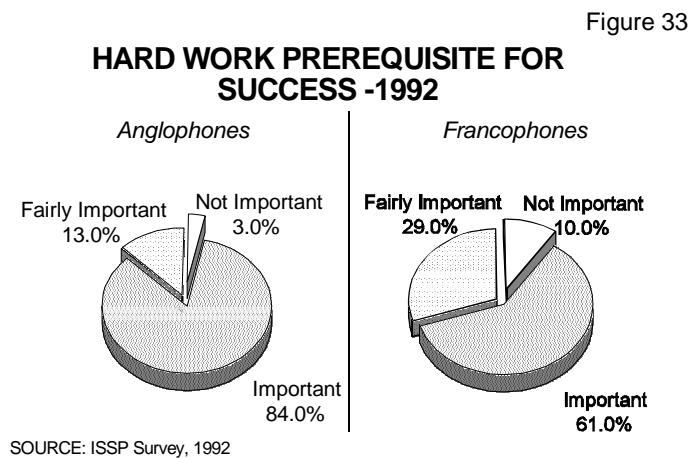
“Traditionals”. Those who thought that religion, region and race were important were designated “Conservatives”. Those who thought that educated parents and a wealthy family were most important were labelled “Family helps”. Finally, those who said that a good education, ambition and hard work were key factors were called the “Self-motivated”.

As Figure 32 indicates, Canadians are strong believers in the importance of self-motivation in getting ahead in life. Overall rankings of the importance of ambition, a good education and hard work, as the figure shows, were very high.

In general, anglophones tended to value hard work somewhat higher than francophones as a prerequisite for success, with 84% of anglophones ranking hard work as either essential or very important, as compared to 61% of francophones (see Figure 33). However, there were no other significant differences with regard to the three “self-motivation” factors. Canadians in 1992 were strong believers in the work ethic and not inclined to believe that factors such as race, religion or family connections should dictate success in life.

Why work?

The 1990 World Values Survey asked respondents to say why they worked. The percentages choosing each reason are recorded in Table 3. Canadians overall were more likely to cite post-materialist reasons for working than materialist motivations, such as necessity or more money. Although they valued work for its own sake, they nevertheless did not see it as an all-consuming concern and viewed their efforts in the workplace as only one way of achieving self-actualization and personal fulfillment.

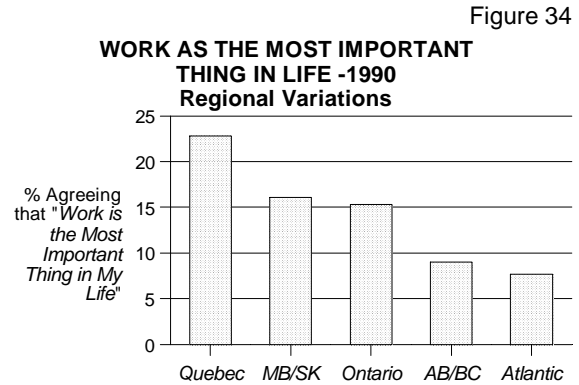


Those least likely to see work as a business transaction where effort is proportional to pay lived in the Atlantic and Quebec regions, where only 5% mentioned this as a motivator (as compared to 11% in Ontario, the Prairies and the West).

| Table 3 | |
|---|------|
| Reasons for working - 1990 Percentage Choosing Reason | |
| The more I get paid, the more work I do | 8.6 |
| Work is the most important thing in my life | 15.3 |
| Working for a living is a necessity; I would not work if I didn't have to | 27.2 |
| I always do the best I can, regardless of pay | 36.3 |
| I enjoy work but don't let it interfere with the rest of my life | 48.3 |

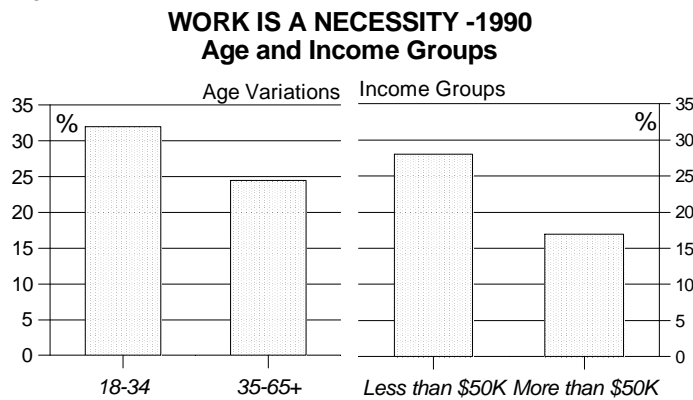
Source: World Values Survey, 1990

A regional split was also evident among those stating that work was the most important thing in their life. Figure 34 indicates that almost 23% of Quebecers identified work as the most important thing in their lives, as compared to 7.7% of those in the Atlantic. Most of this high percentage was due to Quebecers over the age of 45, almost 33% of whom chose this reason, in contrast to 17% of the Quebec population under the age 45.



SOURCE: World Values Survey, 1990

Figure 35



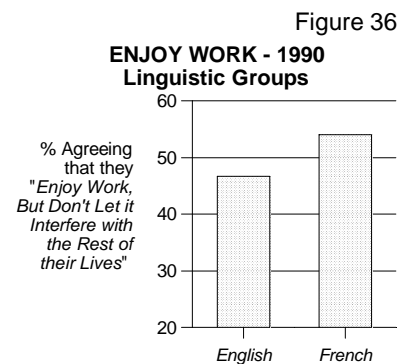
SOURCE: World Values Survey, 1990

Age was the most significant predictor of those who chose necessity as a reason for working. As Figure 35 shows, almost 32% of those under 35 years of age said that they only worked out of necessity and would not work if they did not have to. On the other hand, only 25% of those over 35 cited this as a reason.

Respondents over 35 years of age were, however, differentiated by income: only 17% of those with household incomes of more than \$50,000 cited necessity as a reason for working.

There was a slight regional difference between Ontario and the rest of Canada with regard to the motivation of doing one's best regardless of pay. Over 41% of Ontario residents said that this was an important reason for working, as compared to only 33% in the rest of Canada.

Finally, language showed up as a differentiator among those saying that they enjoyed their work, but did not let it interfere with the rest of their life. As Figure 36 indicates, almost 54% of francophones mentioned this as a reason for working, as compared to 47% of anglophones. Among the anglophone population, 50% of those who were employed cited this reason, but only 42% of those who were unemployed.

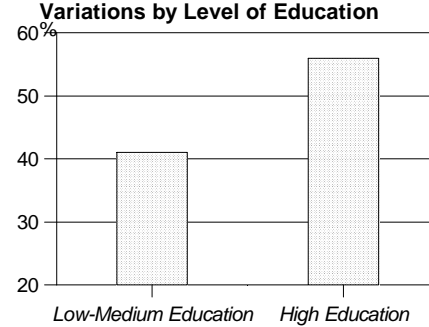


SOURCE: World Values Survey, 1990

The 1990 World Values Survey also asked respondents to identify from a list of attributes those things that they felt were important in a job. A factor analysis was performed on these responses, and respondents clearly divided into two categories -- those who valued a job which provided opportunities for personal development (such as permitting the respondent to achieve something or take responsibility for something) and those who valued a job which provided job "perks" (such as good hours and pay, job security and generous holidays).

Education was the most significant factor dictating overall responses with regard to work as an opportunity for personal development. Over 56% of those with higher educations scored high or very high on these factors, as compared to only 41% of those with low or medium educations (see Figure 37). However, among those with low or medium educations, respondents in the West / Prairies and the Atlantic regions valued personal development on the job much higher (50% and 44% respectively) than those in Ontario and Quebec (36%).

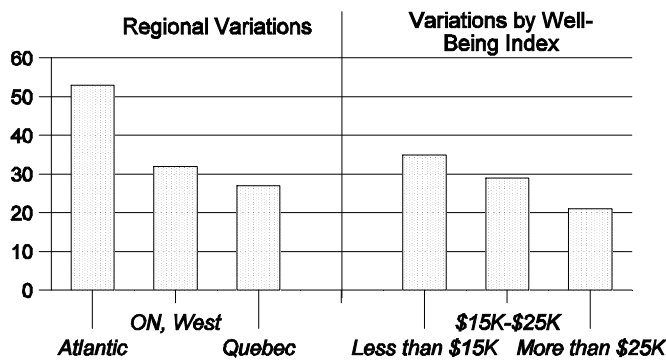
Figure 37
JOB AS AN OPPORTUNITY FOR PERSONAL DEVELOPMENT -1990
Variations by Level of Education



SOURCE: World Values Survey, 1990

Figure 38

IMPORTANCE OF JOB "PERKS" -1990



SOURCE: World Values Survey, 1990

Factor scores on job perks tended to differ first on region and then on WBI (per capita household income). Figure 38 shows that respondents in the Atlantic scored highest with regard to the desirability of a job with good perks (53%) as compared to 27% in Quebec and 32% in the rest of Canada. Looking at the WBI distribution of this sample, a clear income-related effect was present. The second half of Figure 38 shows that 35% of those with WBIs below \$15,000 said that perks were an important element of a job, as compared to only 29% of those

with WBIs in the \$15 to \$25,000 range, and 21% of those with per capita household incomes above \$25,000.

Overall, a number of points can be made about Canadians, success and work.

- C Canadians are not optimistic about their chances of achieving the same level of success that their fathers enjoyed at the same age, but they remain committed to the work ethic and to the idea that personal effort and motivation will lead to success.
- C Canadians value work, but for different reasons. Older Canadians tend to see work as an end in itself. Although many younger Canadians are working out of necessity, they are not as committed to it and would do other things if they had a choice.
- C People in the Atlantic region and those with lower incomes give more importance to jobs that provide a higher level of comfort and security, while those with higher educations see jobs as a vehicle of personal development. In general, those with higher incomes rank job perks as less important, perhaps because they already enjoy them.
- C Quebecers and francophones, who can be assumed to be roughly the same population, appear to be polarized along age lines on the topic of work. More francophones than anglophones cite work as enjoyable, but not as central to their existence. Many even display a certain skepticism about hard work as an important factor in success. On the

other hand, older Quebecers are more likely than other Canadians to say that work is the most important thing in their lives.

- C Despite an overall trend toward a more post-materialist attitude toward work, Canadians have not delinked success from hard work, nor are those at lower education and income levels prepared to abandon dreams of a “good job” as a route toward both material and psychic rewards. Indeed, for those with household incomes under \$45,000, there is clearly a high level of frustration that their standard of living and income are eroding in comparison to those of their parents.

Social justice and the social contract

In 1971, John Rawls wrote his seminal book on social justice entitled A Theory of Social Justice in which he attempted to develop a comprehensive political theory that reconciled the tenets of liberalism and individualism with those of communitarianism and Marxism. He did this by including within the bounds of the social contract two overarching principles:

- 1) *The equal liberty principle* - which gives priority to securing basic liberal freedoms -- freedom of thought, conscience, speech, assembly, universal suffrage, freedom from arbitrary arrest and seizure, the right to hold public office and the right to hold private property;
- 2) *The difference principle* - which states that social and economic inequalities are to be arranged so that they are both:
 - a) to the greatest benefit of the least advantaged and
 - b) attached to offices and positions open to all under conditions of fair equality of opportunity.²²

Rawls chose to situate social justice in a contractual context because, as he stated:

... principles of justice deal with conflicting claims upon the advantages won by social cooperation: they apply to the relations among several persons or groups. The word “contract” suggests this plurality as well as the condition that the appropriate division of advantages must be in accordance with principles acceptable to all parties. The condition of publicity for principles of justice is also connoted by the contract phraseology. Thus, if these principles are the outcome of an agreement, citizens have a knowledge of the principles that others follow.²³

Canadians are often assumed to have accepted a social contract very much in line with Rawls’ principles. This contract has been articulated in the *Charter of Rights and Freedoms*, as well as through a variety of social programs ranging from health insurance to the universal education system to the bundle of programs and services collectively referred to as the “social safety net”. This section of our study looks more closely at these assumptions and at the degree to which the values of various sub-groups in the population differ from the norm.

²² A detailed discussion of Rawlsian theory is beyond the scope of this paper, but the reader interested in an introduction to the topic is referred to: Amy Gutmann, “The Central Role of Rawls’s Theory”, Dissent (Summer 1989), pp. 338-342. Those who wish to explore his theory in depth should consult: John Rawls, A Theory of Justice, (Cambridge, 1973), esp. pp.60-83.

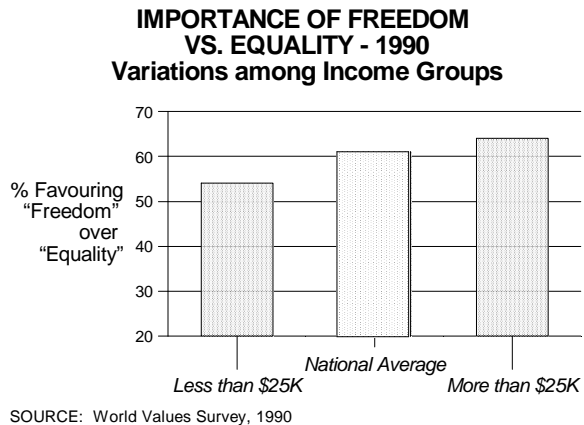
²³ A Theory of Justice, p. 16.

Freedom versus equality

The World Values Survey asked respondents to choose between freedom and equality, with freedom being defined as “everyone can live in freedom and develop without hindrance” and equality being defined as “nobody is underprivileged and social class differences are not strong”.

Figure 39

In 1990, most Canadian respondents chose freedom (almost 61%) as compared to equality (34%). About 6% chose neither. When CHAID analysis was performed, household income was the only significant variable that had an impact on the preference of the respondent. As Figure 39 indicates, only 54% of those with household incomes under \$25,000 chose freedom over equality, as compared to 64% of those with household incomes over \$25,000. Conversely, almost 40% of those in the lower income group thought equality was more important than freedom, as compared to 33% of the higher income group. This value divergence along income lines was confirmed by a number of other questions in the World Values Survey that explored attitudes toward inequality and income redistribution.



Attitudes to competition

In the World Values Survey, respondents were asked to rate on scale of one to ten their agreement with the following statements:

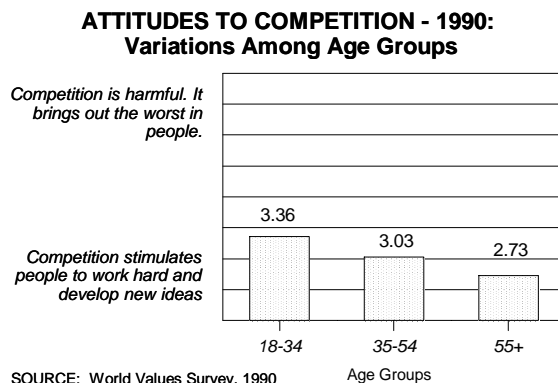
Competition is good. It stimulates people to work hard and develop new ideas.

Competition is harmful. It brings out the worst in people.

1.....5.....10

A score of one would indicate that the respondent agreed totally with the statement that competition is good. A score of ten would mean that he or she believed totally that competition is harmful. The mean score for all Canadians in 1990 was 3.10, indicating that most Canadians tended to lean toward the “competition is good” side of the scale. The only significant differences among Canadians were attributable to the age of the respondent. As Figure 40 shows, younger Canadians tended to be weaker supporters of competition with a mean score of 3.36 in the 18-34 age group, as compared to mean scores of 3.03 among Canadians 35 to 54 years old and a mean score of 2.73 among those over 55.

Figure 40



Attitudes to wealth

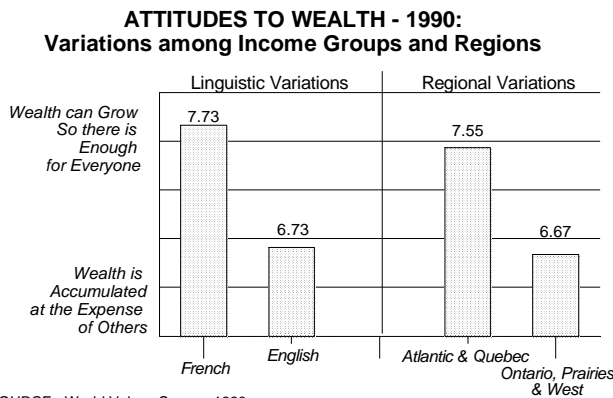
The World Values Survey also asked respondents to choose on a ten-point scale their level of agreement with two polar opposite statements on wealth.

People can only accumulate wealth at the expense of others.

Wealth can grow so there's enough for everyone.

1.....5.....10

Figure 41



SOURCE: World Values Survey, 1990

A score of one would signify total agreement with the statement on the left, while a score of ten would indicate total agreement with the statement on the right. The mean score for Canadians was 6.96, signifying more support for the egalitarian idea that all should enjoy the fruits of prosperity than for the notion that wealth accumulation is a zero-sum game. Overall, francophones were stronger believers in the idea that wealth can grow to include everyone, with a mean score of 7.73 as compared to only 6.73 for anglophones. As Figure 41 shows, there

were also significant regional differences: residents of the Atlantic and Quebec regions were far more inclined to believe that wealth can grow (7.55) than residents of Ontario, the Prairies and the West (6.67).

Attitudes to income redistribution

Another 1990 World Values Survey question explored attitudes to income redistribution by asking respondents to score their agreement on a scale of one to ten with the two following statements:

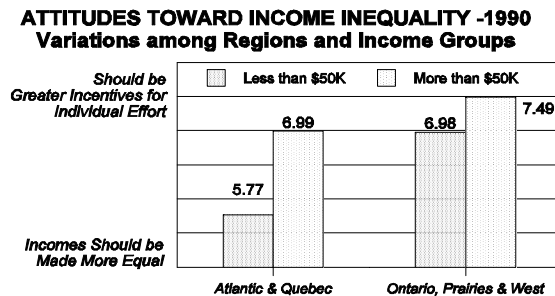
Incomes should be made more equal.

There should be greater incentives for individual effort.

1.....5.....10

Overall, Canadians had a mean score of 6.78 on this question, meaning that they tended to agree more with the statement on the right than the one on the left. Once again, however, regional differences were apparent. Residents of the Atlantic and Quebec regions were closer to the “incomes should be made more equal” side of the scale, at 6.10, than residents of Ontario, the Prairies and the West, at 7.13. As Figure 42 indicates, among Atlantic Canadians and Quebecers, there was

Figure 42



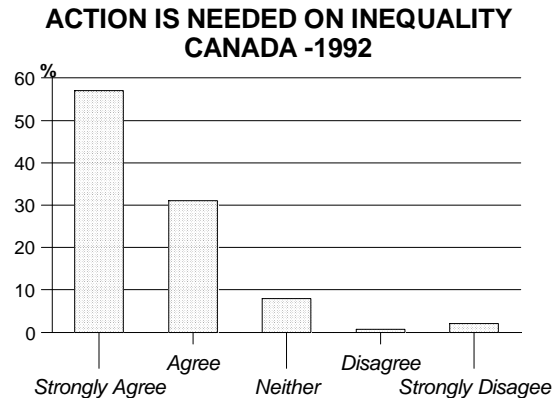
SOURCE: World Values Survey, 1990

a further differentiation on the basis of income. Those with household incomes of less than \$50,000 scored only 5.77 on the question, while those with household incomes of more than \$50,000 were much closer to the mean scores for Canada as a whole at 6.99. In Ontario, the Prairies and the West, those with incomes below \$50,000 were also close to the mean with a score of 6.98. Those with incomes over \$50,000 were the most inclined of all respondents to say that there should be greater incentives for individual effort, scoring 7.49.

Attitudes to inequality

The International Social Survey Program in 1992 also probed questions of inequality, specifically whether action is needed to reduce social inequality and whether the respondent agreed with the statement that inequality continues to exist because it benefits the rich and the powerful. These questions were intended to elicit the respondent’s agreement with Rawls’ second principle, which underpins the Canadian social contract, and to determine whether benefits were indeed being perceived as going to those most in need.

Figure 43

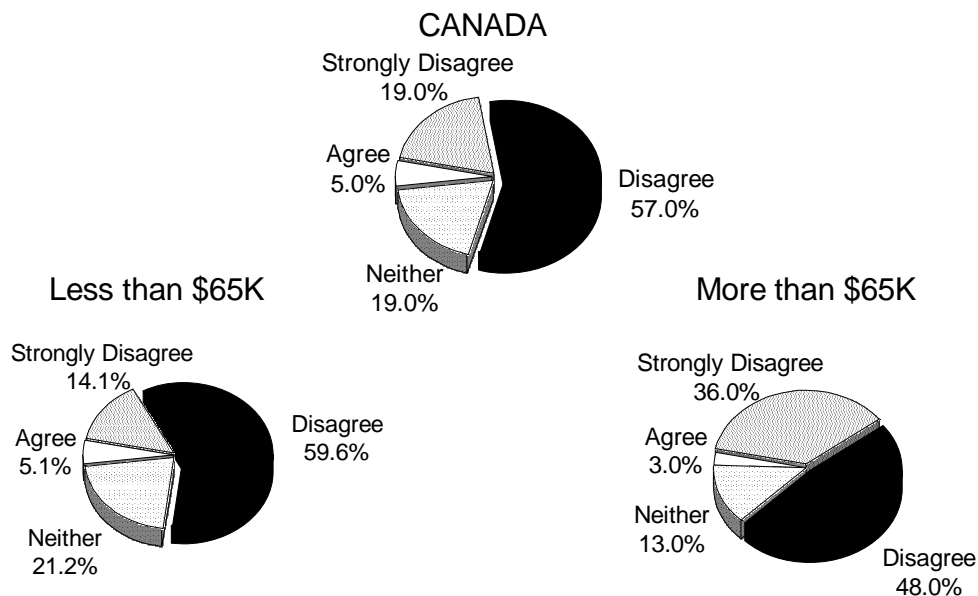


SOURCE: ISSP Survey, 1992

As Figure 43 indicates, Canadians continue to be strong supporters of the “difference principle”, inasmuch as 88% either strongly agree or agree that action is needed on inequality.

Figure 44

**INEQUALITY BENEFITS RICH -1992
By Income Groups**



SOURCE: ISSP Survey, 1992

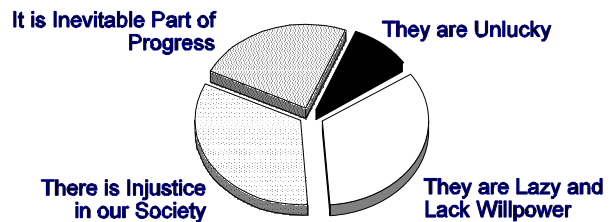
Nevertheless, those with household incomes under \$65,000 are less convinced than those with household incomes over that level that the rich are not benefiting from continuing social inequality. As Figure 44 shows, when asked whether they agreed or disagreed with the statement that “social inequality continues to exist because it benefits the rich”, 84% of those in the high income group either disagreed strongly or disagreed with the statement, as compared to 74% of the those in the lower income group. Although the overall commitment to addressing issues of inequality remains high, the latter result suggests a certain scepticism among those at lower income levels about the efficacy of current measures in targeting those most in need.

Personal responsibility versus government support

The World Values Survey in 1990 asked respondents to specify why they thought people lived in need. Figure 45 shows that Canadians were about evenly split on the question, with equal numbers identifying personal shortcomings and an unjust society as the principal cause of need. Francophones tended to believe that injustice was a bigger causative factor than anglophones (39% as compared to 30%), while anglophones were more inclined to identify laziness as the problem (33%, as compared to 25% of francophones). However, this tendency to give poor people benefit of the doubt clearly did not mean that most Canadians absolved them of personal responsibility for improving their economic situation.

WHY PEOPLE LIVE IN NEED CANADA -1990

Figure 45



Another question asked by the World Values Survey in 1990 concerned the level of personal responsibility individuals felt for supporting themselves. On a scale of one to ten, respondents were asked to indicate their agreement with the following statements:

Individuals should take more responsibility for providing for themselves.

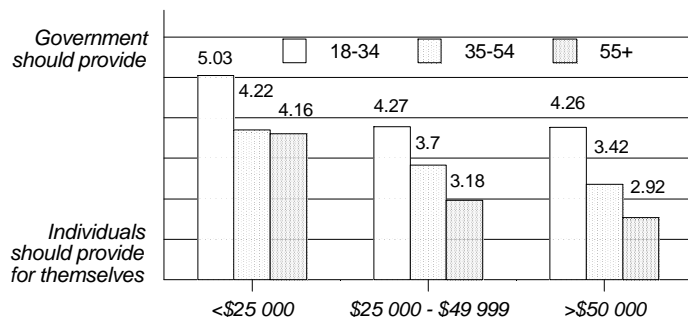
The government should take more responsibility to ensure that everyone is provided for.

1.....5.....10

A score of one signified total agreement with the statement on the left, while a score of ten meant total agreement with the statement on the right. Canadians overall scored 3.94 on this question, indicating that they are clearly more in favour of individuals providing for themselves than for more government support for individuals. However, there was a significant age difference in these results. As Figure 46 indicates, younger Canadians were much more inclined to believe that governments should take

INDIVIDUAL VS. GOVERNMENT RESPONSIBILITY - 1990
Variations Among Age and Income Groups

Figure 46



SOURCE: World Values Survey, 1990

more responsibility for ensuring that everyone is provided for, with those in the 18-34 age group with incomes below \$25,000 the strongest supporters of this belief. Within the over-35 age group, there was a significant difference between those with household incomes of less than \$25,000 and those with household incomes above that level. Lower income respondents over the age of 35 scored significantly higher with regard to government support, while older people with higher incomes were more committed to principles of self-reliance.

Freedom of choice for the unemployed

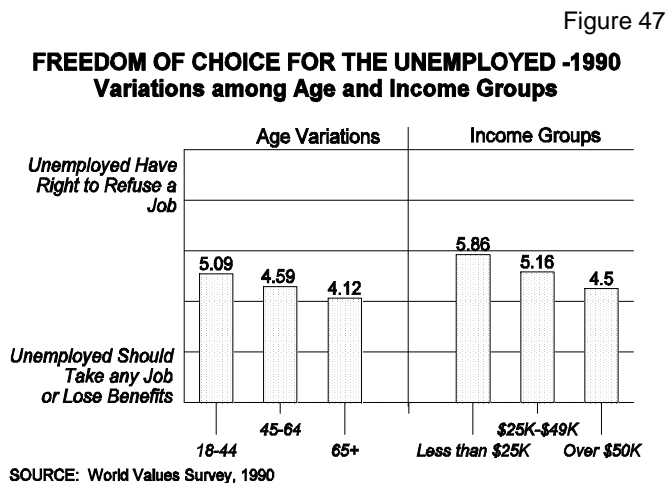
Another ten-point scale question on the World Values Survey concerned the freedom of choice of the unemployed. Respondents were asked to rate their agreement with the following two statements:

People who are unemployed should have to take any job available or lose their unemployment benefits.

People who are unemployed should have the right to refuse a job they do not want.

1.....5.....10

Overall, Canadians scored almost in the middle of the scale at 4.84, indicating that they were slightly more inclined to agree with the statement on the left, but on the whole were neutral on the subject. Age was the most significant determinant of how a respondent felt about the issue. As Figure 47 shows, younger Canadians between the ages of 18 and 44 were more favourable toward the unemployed having the freedom to refuse a job, scoring 5.09, as compared to 4.59 for those in the 45 to 64 year-old age group and only 4.12 in the over 65 age group.



The 18 to 44 year-old group was further divided by household income. Younger people living in households with incomes of less than \$25,000 were significantly more supportive of freedom to refuse a job at 5.86 than either their compatriots in the middle income group (5.16) or the high income group (4.50).

What can we conclude about this set of findings on social justice and the social contract?

- C In general, as the Canadian Policy Research Networks found in 1995, Canadians are strong supporters of competition, individual self-reliance and incentives for individual effort.
- C A majority of Canadians believe that wealth can grow so that everyone can prosper. Francophones are particularly strong believers in the potential to “grow the economy” for the benefit of all.
- C While Canadians tend to rank freedom as more desirable than equality when forced to choose, they have not abandoned their conviction that action is needed on inequality.

- C Nevertheless, some polarization exists within the Canadian population on the terms of the social contract. Lower income groups, the young and people in the regions east of Ontario are less likely to choose freedom over equality, to believe that competition is good and to support individual self-reliance as a societal value.
- C The age and income split was particularly evident on the questions concerning personal responsibility and freedom to choose a job. Older Canadians, especially those with higher incomes, still believe strongly that individuals should take responsibility for providing for themselves and should take any job to support themselves. Younger Canadians, particularly those in low income groups, are less committed to individual responsibility for support and do not think that their unemployment benefits should be tied to taking any available job.
- C In general, these results appear to signal a weakening of commitment to the principles of the social contract among older and higher income Canadians. This erosion may be tied to their perceptions that younger and lower income Canadians are not truly in need, a viewpoint undoubtedly reinforced by the weaker commitments by these groups to self-reliance and to forced labourforce participation.

Personal morality and the social contract

Rawls proposed three “laws” of moral psychology that he felt served to support the social contract:

First law: given that family institutions are just, and that the parents love the child and manifestly express their love by caring for his good, then the child, recognizing their evident love for him, comes to love them.

Second law: given that a person’s capacity for fellow feeling has been realized by acquiring attachments in accordance with the first law, and given that a social arrangement is just and publicly known by all to be just, then this person develops friendly feeling and trust toward others in the association as they with evident intention comply with their duties and obligations and live up to the ideals of their station.

Third law: given that a person’s capacity for fellow feeling has been realized by his forming attachments in accordance with the first two laws, and given that a society’s institutions are just and publicly known to be just, then this person acquires the corresponding sense of justice as he recognizes that he and those for whom he cares are beneficiaries of these arrangements.²⁴

Rawls later went on to say that:

... we acquire attachments to persons and institutions according to how we perceive our good to be affected by them. The basic idea is one of reciprocity, a tendency to answer in kind. Now this tendency is a deep psychological fact. Without it our nature would be very different and fruitful social cooperation fragile if not impossible. For surely a rational person is not indifferent to things

²⁴ [A Theory of Justice](#), pp. 490-91.

that significantly affect his good; and supposing that he develops some attitude toward them, he acquires either a new attachment or a new aversion. If we answered love with hate, or came to dislike those who acted fairly toward us, or were averse to activities that furthered our good, a community would soon dissolve.²⁵

Beyond the question of trust that was being addressed by Rawls in the above passages, is another question of relevance to investigators of social cohesion: to what extent are norms of behaviour reinforced by psychological attachments to family and societal institutions being eroded in Canada? Making the jump from legitimacy of institutions to behaviour of individuals is fraught with peril, but the research team felt, like Rawls, that the extent to which individuals were willing to countenance or even act on so-called “anti-social” impulses would be a good indication of the strength of the community and, by extension, of its commitment to the social contract.

In 1990, the World Values Survey asked respondents to rate on a ten point scale whether a given deviant action could never be justified (1), always justified (10) or fell somewhere in between. The list of actions surveyed was as follows:

- A. Claiming government benefits which you are not entitled to
- B. Avoiding a fare on public transport
- C. Cheating on tax if you have the chance
- D. Buying something you knew was stolen
- E. Taking and driving away a car belonging to someone else (joyriding)
- F. Taking the drug marijuana or hashish
- G. Keeping money that you have found
- H. Lying in your own interest
- I. Married men / women having an affair
- J. Sex under the legal age of consent
- K. Someone accepting a bribe in the course of their duties
- L. Homosexuality
- M. Prostitution
- N. Abortion
- O. Divorce
- P. Fighting with the police
- Q. Euthanasia (terminating the life of the incurably sick)
- R. Suicide
- S. Failing to report damage you've accidentally made to a parked vehicle
- T. Threatening workers who refuse to join a strike
- U. Killing in self-defence
- V. Political assassinations
- W. Throwing away litter in a public place
- X. Driving under the influence of alcohol

A factor analysis was performed to determine if there were correlations among groups of behaviours. It was found that such correlations existed, but only two groupings were consistently comparable over the 1981-1990 period. These were:

²⁵ A Theory of Justice, pp. 494-95.

Moral flexibility

Orientations such as homosexuality and attitudes toward such issues as prostitution, abortion, divorce, euthanasia and suicide

Cheaters

Behaviour such as claiming benefits to which one is not entitled to and cheating on taxes

Using an index based on the two highest factors in each of these groupings, (abortion and divorce in the case of “moral flexibility” and willingness to claim government benefits to which they were not entitled and to cheat on taxes in the case of “cheaters”) the study team performed a cluster analysis in the usual way and was able to pinpoint any significant differences among subgroups of the population.

First, it should be noted that the Canadian population as a whole in both 1981 and 1990 was a scrupulous lot. Mean scores in the two years (on a scale of ten) were as follows:

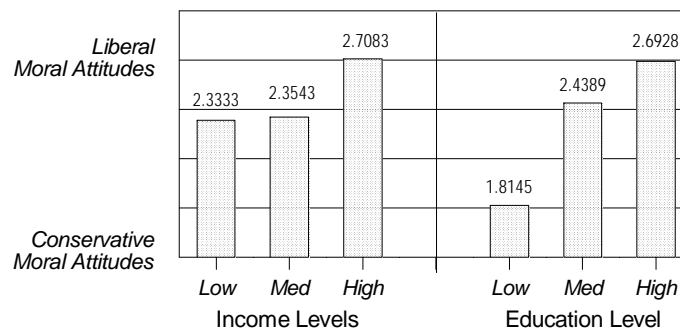
| Mean Scores on Deviancy Canada - 1981 and 1990 (Scale of 10) | | |
|--|-------|------|
| Category | Score | |
| | 1981 | 1990 |
| Moral flexibility | 2.45 | 2.85 |
| Cheaters | 1.5 | 1.37 |

Second, it appears that Canadians in both years were far more willing to countenance moral flexibility than behaviour which leaned toward the under-handed or criminal.

Third, Canadians appeared to become more accepting of moral flexibility during the 1980s. At the same time, altruism levels appeared to rise, as Canadians became less willing to lie or “cheat the system” in various petty ways.

Figure 48

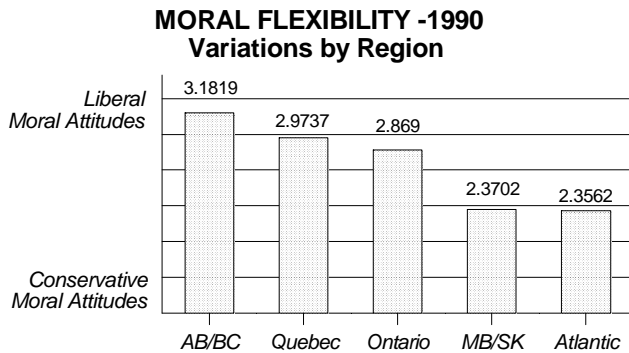
**MORAL FLEXIBILITY -1981
Variations by Education and Income Levels**



SOURCE: World Values Survey, 1981

As Figures 48 and 49 show, there was some difference between 1981 and 1990 in the significant factors governing moral attitudes. In 1981, education and income levels had a major effect on an individual's score on moral issues, with respondents in the higher income and education levels demonstrating more liberal moral attitudes. However, in 1990, where the respondent lived seemed to have the most impact on his or her moral stance, with attitudes generally becoming more liberal as one moved westwards in Canada. Respondents in the Prairies, however, were an exception, scoring closer to residents of Atlantic Canada on moral issues. This distribution appeared to suggest a rural-urban split, but sample sizes in rural areas were not large enough to either confirm or discount this hypothesis.

Figure 49

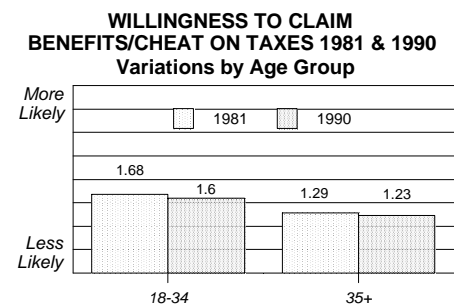


SOURCE: World Values Survey, 1990

Looking at the other area of comparison between 1981 and 1990 (those who were willing to “cheat” on taxes and benefits), age was the main predictor in both years. As Figure 50, shows, in 1981, individuals between 18 and 34 were more likely to think that cheating in these two areas might sometimes be justified than individuals over the age of 35. This pattern held in 1990 when, if anything, those in the 18 to 24 year-old age group were even more likely to state that cheating on taxes and benefits might be justified. While all scores were on the very low end of the scale, the differentiations by age were still statistically significant.

Looking

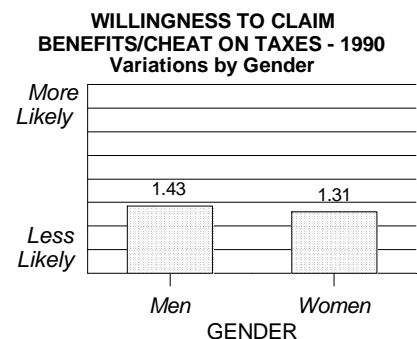
Figure 50



SOURCE: World Values Survey, 1981 and 1990

In 1990, gender was also a significant factor in determining who would cheat on taxes and benefits. As Figure 51 indicates, men were slightly more willing than women to consider such behaviour (with a mean score of 1.43, as compared to 1.31 for women).

Figure 51



SOURCE: World Values Survey, 1990

The study team decided to examine in more detail the 1990 responses to the question on various sorts of anti-social behaviour using the same factor analysis technique as was employed to compare 1981 and 1990 results. This analysis yielded two additional categories of behaviours that were contrary to societal norms:

Fun-seekers

Behaviours such as joyriding and engaging in underage sex

Selfish deviants

Behaviours such as throwing litter and drinking and driving

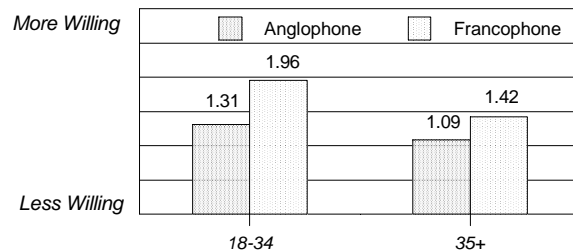
Mean scores were as follows:

| Mean scores on Deviancy - 1990 (Scale of 10) | |
|---|-------|
| Category | Score |
| Fun-seekers | 1.27 |
| Selfish deviants | 1.14 |

Figure 52

In 1990, language was the most significant predictor of individuals who would indulge in “fun-seeking” behaviour such as joyriding or engaging in underage sex, with a mean score of 1.64 for francophones and a mean score of 1.16 for anglophones. However, as Figure 52 shows, within both these groups, younger people were greater “funseekers” than their elders.

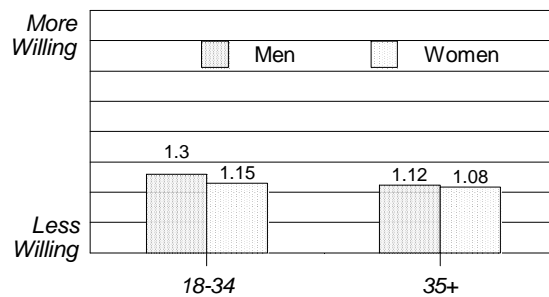
FUN-SEEKING BEHAVIOUR - 1990
Variations by Age and Linguistic Group



SOURCE: World Values Survey, 1990

Figure 53

SELFISH DEVIANTS - 1990
Variations by Age Group and Gender



SOURCE: World Values Survey, 1990

Selfish deviancy, on the other hand, was mainly a function of age in 1990. As Figure 53 shows, young people between the ages of 18 and 34 were more likely than those over 35 to consider engaging in behaviour such as throwing litter or driving while drunk (mean scores of 1.23 as compared to 1.08). Among both age groups, men were more willing to think that such behaviour could be justified than women.

Overall, a number of conclusions about personal morality and the social contract can be drawn from these findings.

- C The “moral fabric” of Canada did not seriously change over the decade. However, as Canadians became less tolerant of “cheating the system”, they became more flexible about personal moral matters, such as abortion and divorce. Those in the higher income and education brackets led the way with regard to more liberal moral attitudes, although pockets of conservatism still remained, particularly on the Prairies and in the Atlantic region.

-
- C Within this overall picture, on the other hand, youth were more willing to engage in morally deviant behaviour, such as cheating on taxes or benefits and driving while drunk.
 - C Francophone youth appeared to be more willing than anglophone youth to engage in what might be termed “fun-seeking” or irresponsible behaviour.
 - C Young men, in particular, appeared somewhat less inclined to respect societal norms than the rest of the population. While their numbers are relatively small, the values espoused by this group can cause social disruption by increasing levels of insecurity and mistrust among the rest of the population.

Conclusions / Implications

Conclusions

This paper set out to determine if there was any empirical evidence that Canadian values in the 1980s and early 1990s were changing in response to a decade of globalization, economic restructuring and erosion of real incomes -- a development described by Daniel Yankelovich as Stage 3 of the “affluence effect”. While acknowledging a broad shift over the decade toward post-materialist values in the overall population, this study “unpacked” three large values surveys -- the 1981 and 1990 World Values Surveys and the 1992 International Social Survey -- to see if the values of sub-groups in the population were responding to Stage 3 of the “affluence effect” by becoming less focused on self-actualization and more on material well-being.

Michael Adams referred to the emergence of “values tribes” within Canada, and the evidence in our study appears to suggest a value divergence between those we have only semi-facetiously referred to as the “young and the restless” and the rest of the Canadian population.

In general, in the early 1990s younger Canadians and those with lower incomes or who were unemployed appeared to be out-of-step with the values and beliefs held by the mainstream. In some cases, this effect was mediated by education or by language group or by place of residence. But, more often than not, **when asked a variety of questions intended to elicit their levels of optimism and hope, this sub-group of the population was more unhappy, less satisfied and less optimistic about the future than either older Canadians or those more affluent.**

Over the decade 1981 to 1990, both the young and those with lower incomes became stronger supporters of “giving people more say in government decisions”. This desire for greater political efficacy coincided with declining happiness, especially among middle and upper income Canadians, and lower feelings of control among the unemployed with low levels of education. Looking at levels of satisfaction with life, finances and home life confirmed this picture. **The young, the unemployed and those with low incomes were significantly less satisfied on all three counts than older, richer, employed Canadians.**

Taking advantage of a richer set of independent variables in the 1990 World Values Survey and 1992 International Social Survey datasets, we were able to look at the early 1990s in more detail. We found a slightly more nuanced portrait, but one that depicted the same type of landscape. Within certain sub-populations, such as women and younger people (especially younger Quebecers), there was a desire for a less materialistic lifestyle, less emphasis on work and less emphasis on money. This, however, was offset by a continued high commitment to the work ethic as a means of getting ahead, particularly among older Quebecers and people in rural Canada.

Most Canadians continued in the early 1990s to believe that hard work would lead to success, but at the same time there was decreasing optimism that such hard work would indeed contribute to improvements in one’s life. This was particularly evident among rural and small-town Canadians, only 16% of whom felt hopeful about their chances of getting ahead in Canada, as compared to 39% of those living in cities. **Overall, only a tiny fraction of Canadians (2%) thought they were better off than their fathers. Lower income Canadians were the least optimistic about their relative prosperity, but this feeling was also surprisingly strong among the middle-income group.**

The split between those viewing work as a means of personal development and those viewing it merely as a necessity was striking. Younger people and those with lower incomes tended to view work as a necessity, while older people and those with higher incomes and educations saw it as a route to various types of personal achievement. **Despite the trend toward a more post-materialist value profile among upper income, educated cohorts, there were still significant numbers of lower income Canadians, particularly in Atlantic Canada, who valued work for such materialist reasons as good pay, job security and generous holidays.**

We also wished to see whether the existence of these “values tribes” was affecting the social contract -- Canadians’ commitment to lessening the social and economic inequality of the least advantaged. To a certain degree, we found this to be occurring. Although overall commitment to addressing inequality was still high, lower and middle income groups were somewhat more sceptical than higher income groups that the rich were not benefiting from continuing inequalities.

Certainly, the evidence confirmed that those with higher incomes valued freedom more than equality, felt more strongly that there should be greater incentives provided for individual effort and believed that individuals should take more responsibility for providing for themselves. Despite the higher value they assigned to freedom of choice, upper income Canadians, especially older ones, were significantly more likely to say that the unemployed should take any job available or lose their unemployment benefits.

On the other hand, the young and those in lower income groups were less likely to think that competition was good and were more likely to believe that the government should take more responsibility for providing for people. Both the young and lower income people were more favourable toward the unemployed having the freedom to refuse a job that they did not want. Regional and linguistic cleavages were also evident with regard to the social contract, with francophones, Quebecers and Atlantic Canadians more inclined than other Canadians to believe that wealth can grow so that there is enough for everyone and that incomes should be made more equal.

Despite the growing despair about personal economic and lifestyle prospects and the striking differences between old / young, higher income / lower income Canadians with regard to freedom, equality and individual effort, we did not find much evidence to suggest an increase in behaviours intended to “cheat the system”. Canadians, in keeping with the shift toward postmaterialist values in their personal lives, became more flexible with regard to moral issues such as abortion and divorce, but they seemed less willing than ever to consider cheating on taxes or claiming benefits to which they were not entitled. Younger people and francophones were slightly more inclined to engage in fun-seeking or irresponsible behaviour, and men were more willing to drink and drive and to litter, but no especially large increase in criminal or institutionally subversive tendencies was evident.

Implications

This study was carried out in the context of the federal government’s Policy Research Initiative, an exercise intended to increase understanding of major socio-economic trends affecting Canada to the year 2005, particularly trends that are horizontal and cut across a number of economic, social and cultural policy areas. An understanding of Canadian values is one of those areas that is critical to policy making in all three areas, since values are the “glue”

sustaining the political and social union. Unfortunately, major data gaps exist, with few sustained and comparable surveys available for longitudinal research. The study team is acutely aware that it has been able to undertake only a limited comparison over slightly more than a decade. Nevertheless, even with this limited comparison, several implications are clear.

- C **Canadians became less happy and satisfied over the decade of the 1980s, despite sustained economic growth following the 1981 recession up until about 1989. A growing cleavage between the “haves” and “have nots” emerged, and to a lesser extent between younger and older Canadians.** Money and material well-being became less important to the “haves”, but to those in the “have not” category, they remained central concerns. Almost everybody felt less affluent, but those in the middle and upper income brackets, perhaps in reaction to a feeling that their personal prosperity was at risk, became less receptive to the idea that government should play a role in income redistribution.
- C **Since the 1990 World Values Survey and the 1992 International Social Survey, Canadians’ personal savings rates have continued to decline and consumer bankruptcies have continued to climb.²⁶ Assuming that these trends have contributed at least partially to the values of both the “young and restless” and the “mature and secure”, further polarization may have occurred since 1992 and may continue to 2005.** Such a situation, if confirmed by further research, poses a number of policy dilemmas for governments. Should governments focus policy initiatives on older, more affluent Canadians, who place a higher value on self-reliance and fulfilling work, but who appear to have been growing unhappier over the past decade? Or should they respond to the values of younger and less affluent Canadians, who think that government should take more responsibility for income equalization, tend to view work as a route to material well-being and have lower levels of satisfaction in many areas of their lives? While this is not a simple either/or choice, the relative weight assigned to these constituencies by policy makers will have a definite impact on the future shape of economic and social policies at all levels of government.
- C **While the data from 1981 and 1990 showed few significant shifts with regard to system-subversive values, it is worth noting that these surveys preceded the collapse of the cod fisheries, extensive cutbacks to the unemployment insurance and welfare systems and the introduction of new taxes, such as the GST and various income surtaxes.** Anecdotal reports about the growth of the underground economy over the past decade or so suggest that many lower and middle income Canadians are by-passing the formal economy in order to improve their personal financial situation. In some respects, although not in the way that governments might wish, this would be consistent with the high value that most Canadians continue to assign to individuals providing for themselves. Policy makers should therefore not feel sanguine about levels of institutional respect until further surveys, using identical variables, have been administered.

²⁶ In May 1998, Statistics Canada reported that the average earnings of men in 1995 were down 5% from the high recorded in 1981, although women’s average earnings increased 16% in the same 1980-1995 period. Between 1990 and 1995, average earnings declined for all age groups, but the largest decline, almost 20%, occurred in the 15 to 24 age group. Between 1970 and 1980, the average earnings of the 15-24 age group were around one-half of the overall national average. By 1995, they had declined to 31%. For further details, please see “1996 Census: Sources of income, earning and total income, and family income”, [The Daily](#), (Statistics Canada), May 12, 1998.

- C Lower transfer payments, both between governments and to citizens, have resulted from fiscal restraint measures over the past few years. Since the survey data covered in this study extends only to 1992, it has not reflected any changes that might have resulted from lower incomes among the poor, even lower savings rates among the middle class and higher bankruptcies across the board. However, even if we had the benefit of current survey data, it is possible that they would not show any drastic shifts since values, by their very nature, are deeply held convictions that are formed in one's early years and persist for long periods of time -- sometimes for life. Such a situation holds some truly long-term implications that go beyond the 2005 window established for the Policy Research Initiative. **To what extent will young people growing up today in less affluent households maintain the post-materialist values of their elders (i.e. people who grew up in the more affluent sixties, seventies and eighties)? Will they resemble "boomers" and "Generation Xers"? Or will they have more in common with their great grandparents whose formative years coincided with the Great Depression and World War II? How will they relate to their more affluent cohorts? Will their voices be heard in the boardrooms of the world, whether public or private? What are the consequences if they are ignored?** This study has no answers, but poses the questions since they are relevant to current policy debates about investments in both children and human capital for the knowledge-based economy and society.

While governments have no responsibility for ensuring that their citizens are happy or satisfied, the policies adopted by them certainly have an impact on citizens' feelings of prosperity and well-being, both of which are significant variables shaping personal values. This fact is confirmed by the simple fact that in 1990 the citizens of Finland and Sweden were far happier than those of Bulgaria and Belarus. Part of the frustration in the latter two countries was almost certainly attributable to the collapse of communism and the civil unrest that ensued around that time.

When governments are viewed as ineffective and uncaring, revolution does not always occur, but lower levels of citizen satisfaction and participation can result. **Without widespread buy-in, institutional legitimacy and social cohesion can become problems, and governments that rely upon democratic processes cannot afford to ignore segments of their population that register persistent or growing levels of discontent. The "young and the restless", as described in this study, may signal an emerging problem of this nature.** Another cycle of the World Values Survey is planned for 1999, and it will be interesting to see if the value trends documented in this study have persisted over the current decade as well.

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