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Report on **Business** **ECONOMY**

Economists decry census move



More than 75 per cent of group surveyed do not believe it's good policy to replace mandatory long-form census with a voluntary household survey

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More than three-quarters of economists – from municipal planners to academics and industry advisers – oppose the federal government's proposed changes to the national census, a survey released exclusively to The Globe and Mail shows.

The Canadian Association for Business Economics poll found that 76 per cent of 252 respondents surveyed last week say they do not believe it is good policy to replace the mandatory long-form census with a voluntary national household survey.

The survey comes as a growing number of groups are speaking out against the proposed change, saying it will degrade the quality of information on everything from city planning to school sizes and immigrant income levels. On Thursday, the Canadian Bar Association, which represents about 37,000 lawyers in the country, called on the government to keep the mandatory long form.

"There is no substitute for the census. It is the foundation of our household information set," said Paul Jacobson, vice-president of the economics association. The switch means "we're spending more money for less quality – that's the part a lot of us find offensive."

The economists' survey showed 192 economists think it's bad policy to ditch the census while 14 agree it's good policy. Four were not willing to answer, 30 didn't know and 12 did not answer. It also found eight in ten economists say the new survey will result in a loss of comparability with previous censuses, meaning they won't be able to analyze changes over time. The association will release details of the survey next month.

WHAT ECONOMISTS SAY ABOUT THE CENSUS

Surveys about censuses during the height of summer may not seem a barnburner topic. But Paul Jacobson, of the Canadian Association for Business Economics, said more than a dozen economists asked to become members of the group last week so they could take part in an opinion poll about the government's decision to scrap the mandatory long-form census. The survey found that more than 75 per cent of respondents disagree with the move.

Economists use census results to track changes in Canadian life, right down to the neighbourhood level. The census also serves as the backbone upon which almost all other household surveys, including the labour force survey, are weighted. In interviews, four economists from across the country offer their views on the proposed census changes, and how it would affect their work.



For The Globe and Mail

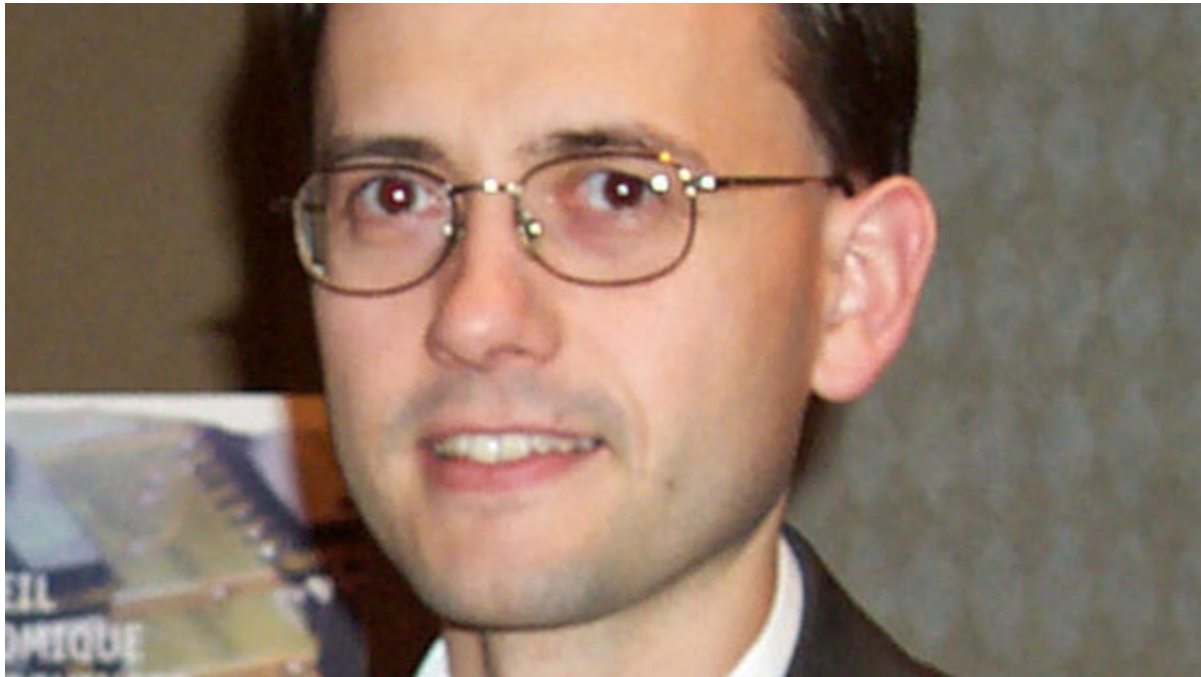
Roger Martin

Roger Martin, dean of Rotman School of Management, University of Toronto

Key Point: Productivity and Canada's ability to compete globally will suffer.

If we're really going to benefit from the information age and be a player in the information age, guess what? We have to have information, and use information. I think you want to give Canadians a chance to have their economy be a sophisticated economy that uses information to its best in the information age.

The question is, are we embracing the information age or are we going backward and saying – at a time when information is getting more valuable, more useful, you can squeeze more out of it – are we reverting to a charming earlier era when we didn't use information for hardly anything, and had a less productive economy. That's the issue ...




David Chaundy

David Chaundy, senior economist at Atlantic Provinces Economic Council, Halifax

Key Point: Smaller provinces will suffer.

We're focused on the four Atlantic provinces so we're always looking at data for some of the smallest provinces in Canada. The concern around going to a voluntary survey is if the response rate is small, the sample size will be small, and therefore the reliability and our ability to use it could be severely compromised.

On the industry side, we wouldn't be able to provide industries or businesses with some of the analysis that they utilize on the human resources  planning and looking at the viability of production plants and strategies to attract people into that industry. We wouldn't be able to analyze the impacts of immigrant policies and how well they're working. So policy is compromised. We'll see certain indicators – like why is this population growing or declining – but we won't be able to dig in the same way on why this is happening. It sends us backward.



John Rose

John Rose, chief economist, City of Edmonton

Key Point: We need to know if we're beating Calgary.

Any degradation in the quality of information at a precise geographic level of detail is going to impede our ability to plan for growth. So it's a very difficult problem for all municipalities. If we don't have reliable census information, we will have to do a lot of research ourselves, and it's going to be an expensive undertaking. When you sum up the costs across each community that needs to do this, it's going to cost taxpayers a whole lot more than a census.

What concerns me is the ability to compare information on an apples-to-apples basis between communities to evaluate how we're doing. How is Edmonton different than Calgary? How is Calgary different from Winnipeg? If each community has to supplement the census information, that broad-based common data set disintegrates. You suddenly find it's difficult to know not just what's going on in your own community, but to understand how you're performing relative to others. What problems do we share or what are unique?

Without that national basis, how can we possibly compare ourselves to other communities and then go back to our citizens and say we're doing a good, bad or indifferent job in planning for growth?



Niels Veldhuis

Niels Veldhuis, director of fiscal studies, Fraser Institute, Vancouver

Key Point: Why all the fuss?

Certainly you can get information from other sources, and you can get it from voluntary sources. I'm confident if there's demand for the data, someone will go out and get the data.

Our school survey will not be affected. The data we present from the census on incomes ... does not factor into the actual rankings. And incomes – that information is available through other means such as ... tax returns and that's much more reliable than census data.

This is absolutely the right move because currently Canadians are being forced to disclose very detailed private information, and the government has no business forcing Canadians to disclose that. And we can collect the data through voluntary means. Absolutely you have to expend more resources [in a voluntary survey] but that increased cost should fall on the end user [such as businesses and school boards that want the data].