



Albertans' Opinions About Oil and Gas Resource Royalties

Alberta Public Opinion Study - Fall 2010

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Christopher Vokey

Dr. Faron Ellis

Citizen Society Research Lab







Lethbridge College
3000 College Drive South
Lethbridge AB T1K 1L6

faron.ellis@lethbridgecollege.ca

www.lethbridgecollege.ca/go/csrl

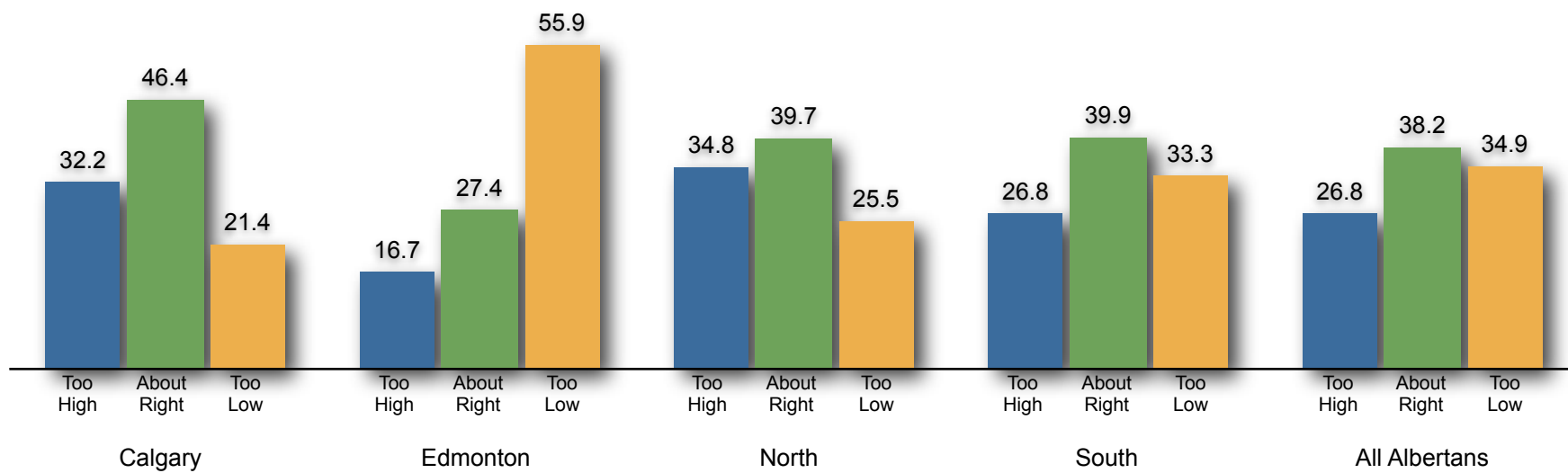


Methodology

-  **Population** The province of Alberta has a total population of 3,720,946 residents (July 1, 2010) approximately 77% of which are 18 years of age or older for an adult population of approximately 2,856,000.
-  **Sample** Data were collected by Lethbridge College and Athabasca University students enrolled in STS270 - Social Science Research Methods and PSC150 - Local Government in the fall of 2010. Students interviewed 1,067 adult Alberta residents by telephone from October 2nd to 3rd 2010 under the supervision of Canadian Studies faculty members Faron Ellis PhD and Marda Schindeler MA. Telephone numbers were selected from a sample drawn from InfoCanada directories. We sincerely thank all participants who took time out of their day to respond to our inquiries. Further results from this study and results from past studies can be accessed by visiting the CSRL web pages at: www.lethbridgecollege.ca/go/csrl
-  **Representativeness** Analysis of the demographic data indicates that, within acceptable limits, the sample accurately represents the demographic distribution of the adult population within the province of Alberta. The sample has been statistically weighted where necessary to even better reflect the demographic distribution of the population (gender and age).
-  **Confidence** The weighted sample yields a margin of error of + 3.0 percentage points, 19 times out of 20. The margin of error increases when analyzing sub-samples of the data (Calgary + 5.1 percentage points, Edmonton and immediate area + 5.3 percentage points, North + 7.2 percentage points, South + 7.6 percentage points, 19 times out of 20).
-  **IB Commons Call Centre** Students conducted interviews using the facilities of the Lethbridge College IB Commons Call Centre and applications developed by the Open Source Learning Lab (OSLL). We thanks James Manis PhD and OSLL for their efforts in working with us to establish and maintain the IB Commons Call Centre.
-  **Sponsorship** These data are part of a larger study on the opinions and attitudes of Alberta residents conducted by the Citizen Society Research Lab at Lethbridge College. This question was generated by Lethbridge College student and faculty interests.

Albertans' opinions on oil and gas resource royalty rates

- Clearly, Albertans are divided over royalty rates. Furthermore, almost one in five (18.5%) Albertans do not know how to judge the current royalty regime. This isn't unexpected given the multiple changes to the royalty regime over the last three years.
- Of the Albertans who stated an opinion, nearly two in five (38.2%) think royalty rates are at about the right levels, while over one-third (34.9%) think they are too low. Slightly over one-quarter (26.8%) think royalty rates are too high.
- Extreme opinions are not the norm. For example, three times as many Albertans think that royalty rates are only somewhat too high (16.8%) as opposed to far too high (5.1%). Similarly twice as many think that royalty rates are somewhat too low (18.1%) compared to the 10.2% who think they're far too low. (See Appendix)
- On a regional basis, Edmonton stands out from the rest of the province in that it is the only region where a majority (55.9%) of residents believe royalty rates are too low. Compared to Calgary (4.1%), Edmonton (20.8%) has five times as many residents who think royalty rates are far too low. In all other regions of the province, opinion is much more divided. Southern Albertans lean slightly towards the too low position (33.3% vs. the 26.8% who think they're too high). More Calgarians (32.2%) and Northern Albertans (34.8%) believe royalty rates are too high than those in each region who believe rates are too low (21.4% and 25.5% respectively).



Region of Province (%) *	Calgary	Edmonton	North	South	All Albertans
Too High	26.8	13.4	26.6	22.8	21.9
About right	38.6	22.0	30.4	34.0	31.1
Too Low	17.8	44.9	19.6	28.4	28.5
Don't Know	16.7	19.6	23.4	14.8	18.5

Region of Province (%) *	Calgary	Edmonton	North	South	All Albertans
Too High	32.2	16.7	34.8	26.8	26.8
About Right	46.4	27.4	39.7	39.9	38.2
Too Low	21.4	55.9	25.5	33.3	34.9

Notes: Due to rounding, proportions may not total exactly 100%; * sig < 0.05

Albertans' Opinions on Royalty Rates by Demographic Characteristics (%)

Some interesting differences of opinion are measured between various demographic groups. For example, although women (25.9%) are much more undecided than are men (11.2%), of those who expressed an opinion, men are significantly more likely to think rates are too low than are women (27.9%). Men (40.5%) are twice as likely to think rates are too low than think they are too high (18.8%). Women are much more evenly split, with only one-quarter (27.9%) thinking they are too low compared to those who think they are too high (36.8%).

Interestingly, income level does not impact opinion in any significant manner.

Gender (%) *	Male	Female
Too high	18.8	36.8
About right	40.7	35.2
Too low	40.5	27.9

Household Income (%)	Under \$50k	\$50k - \$100k	\$100k - \$150k	Over \$150k
Too high	29.8	28.7	24.0	25.6
About right	38.0	36.7	32.4	48.0
Too low	32.2	34.5	43.6	26.4

Notes: Due to rounding, proportions may not total exactly 100%; * sig < 0.05

- Education significantly impacts opinion with university grads distinguishing themselves from other education groups by being most likely to think rates are too low. In fact, twice as many university grads believe royalty rates are too low than those who believe they are too high. All other education groups are much more evenly divided.
- Age has a significant impact on opinion with younger Albertans more likely to think royalty rates are too high (30.1%) compared to only 17.8% of seniors who think similarly.
- Albertans' perspectives about their future economic prospects has a significant impact on opinion. Those who believe their personal economic situation will improve over the next year are more likely to believe rates are too high (31.8%) and less likely to believe they are too low (30.7%) than those who think their economic situation will stay the same or worsen.

Education (%) *	High School or Less	College-Tech-Trade	Some Post Secondary	University Grad
Too high	33.7	28.8	30.4	20.7
About right	36.7	42.0	39.2	36.8
Too low	29.6	29.3	30.4	42.6

Age (%) *	18 - 29	30 - 44	45 - 64	65 and older
Too high	40.1	28.9	23.0	17.8
About right	32.2	33.9	41.5	43.6
Too low	27.6	37.2	35.5	38.6

Economic Situation (%) *	Improve	Stay the Same	Worsen	Don't Know
Too high	31.8	23.4	27.9	15.4
About right	37.5	38.8	36.8	76.9
Too low	30.7	37.8	35.3	7.7

Notes: Due to rounding, proportions may not total exactly 100%; * sig < 0.05



Clear partisan differences in opinion on royalty rates exist with Progressive Conservative and Wildrose Alliance supporters more evenly divided on the issue than are Liberal (47.9%) and NDP (56.3%) supporters who are much more likely to think rates are too low.

Provincial Vote Intention (%)	Progressive Conservative	Wildrose Alliance	Liberal	NDP	Undecided
Too high	24.5	30.6	18.6	23.4	32.8
About right	47.2	42.4	33.6	20.3	41.6
Too low	28.4	27.1	47.9	56.3	25.6

Notes: Due to rounding, proportions may not total exactly 100%; * sig < 0.05

Demographics

Area of Province (%)		Gender (%)		Income (%)		Education (%)	
Calgary	34.8	Male	50.2	Under \$50k	24.2	H-School/less	21.0
Edmonton	32.1	Female	49.8	\$50k - \$100k	37.4	Some P-Sec.	17.4
North	17.4			\$100k - \$150k	23.0	Col-Tech-Grad	25.1
South	15.7			Over \$150k	15.4	University Grad	36.5

Economic Situation (%)		Provincial Vote (%)	
Improve	34.8	PC	29.6
Stay the Same	32.1	Wildrose Alliance	19.7
Worsen	17.4	Liberal	17.0
		NDP	8.9
		Undecided	18.0

Question

The Alberta government generates revenue from royalties that it charges oil and gas companies operating in Alberta. From what you know about the Alberta oil and gas royalty regime, please tell me which of the following best represents your opinion.

- Royalties are far too high
- Royalties are somewhat too high
- Royalties are at about the right levels now
- Royalties are somewhat too low
- Royalties are far too low

Appendix

Region of Province (%)	Calgary	Edmonton	North	South	All Albertans
Far too high	6.9	4.1	8.5	6.6	6.2
Somewhat too high	25.4	12.6	26.2	20.4	20.7
About right	46.5	27.4	39.7	40.1	38.3
Somewhat too low	16.2	30.0	16.3	26.3	22.2
Far too low	5.0	25.9	9.2	6.6	12.6

Region of Province (%)	Calgary	Edmonton	North	South	All Albertans
Far too high	5.8	3.3	6.5	5.6	5.1
Somewhat too high	21.2	10.1	20.1	17.4	16.8
About right	38.7	22.0	30.4	34.2	31.2
Somewhat too low	13.5	24.1	12.5	22.4	18.1
Far too low	4.1	20.8	7.1	5.6	10.2
Don't know	16.8	19.6	23.4	14.9	18.6

Gender (%)	Male	Female
Too high	16.7	27.3
About right	36.2	26.1
Too low	36.0	20.7
Don't know	11.2	25.9

Notes: Due to rounding, proportions may not total exactly 100%

Household Income (%)	Under \$50k	\$50k - \$100k	\$100k - \$150k	Over \$150k
Too high	23.4	23.2	20.4	22.7
About right	29.8	29.7	27.5	42.6
Too low	25.2	27.9	37.0	23.4
Don't know	21.6	19.1	15.2	11.3

Education (%)	High School or Less	College-Tech-Trade	Some Post Secondary	University Grad
Too high	25.8	22.8	24.7	17.9
About right	28.1	33.2	31.9	31.8
Too low	22.6	23.2	24.7	36.8
Don't know	23.5	20.8	18.7	13.4

Age (%)	18 - 29	30 - 44	45 - 64	65 and older
Too high	30.0	24.4	19.2	14.0
About right	24.1	28.7	34.7	34.1
Too low	20.7	31.4	29.7	30.2
Don't know	25.1	15.5	16.4	21.7

Economic Situation (%)	Improve	Stay the Same	Worsen
Too high	26.3	18.8	23.8
About right	31.0	31.1	31.3
Too low	25.4	30.2	30.0
Don't know	17.3	19.9	15.0

Notes: Due to rounding, proportions may not total exactly 100%

Provincial Vote Intention (%)	Progressive Conservative	Wildrose Alliance	Liberal	NDP	Undecided
Too high	19.7	27.2	16.0	17.6	23.8
About right	38.0	37.7	29.0	15.3	30.2
Too low	22.9	24.1	41.4	42.4	18.6
Don't know	19.4	11.0	13.6	24.7	27.3

Notes: Due to rounding, proportions may not total exactly 100%