

# 2008 ELECTION UPDATE



IN THIS ISSUE

- Shape of the 40<sup>th</sup> Parliament •
- The Second Conservative Mandate •
- A Look at the Opposition •

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## The 40<sup>th</sup> Parliament: A Stronger Conservative Minority

Yesterday's federal election saw a similar result to the January 2006 election, with the return of a Conservative minority government. Where the 2006 election was themed on accountability and the lingering effects of the Sponsorship Scandal, the 2008 election lacked substance and focus. In fact, it was not until the final weeks of the campaign that the economy emerged as an issue that galvanized all parties.

Last night's results – 143 seats for the Conservatives, 76 for the Liberals, 50 for the Bloc Québécois and 37 for the NDP – indicate that Canadians are not yet comfortable enough with Stephen Harper to deliver him a majority. And because there was no overarching policy themes in the Conservative campaign, Canadians should expect “more of the same” in terms of Conservative priorities with deviations driven by external events like the global financial crisis. For example, the global economic crisis will likely push Canada's fiscal framework to the brink and the ‘no deficit’ promise may be a casualty of circumstances.

### Shape of the 40<sup>th</sup> Parliament

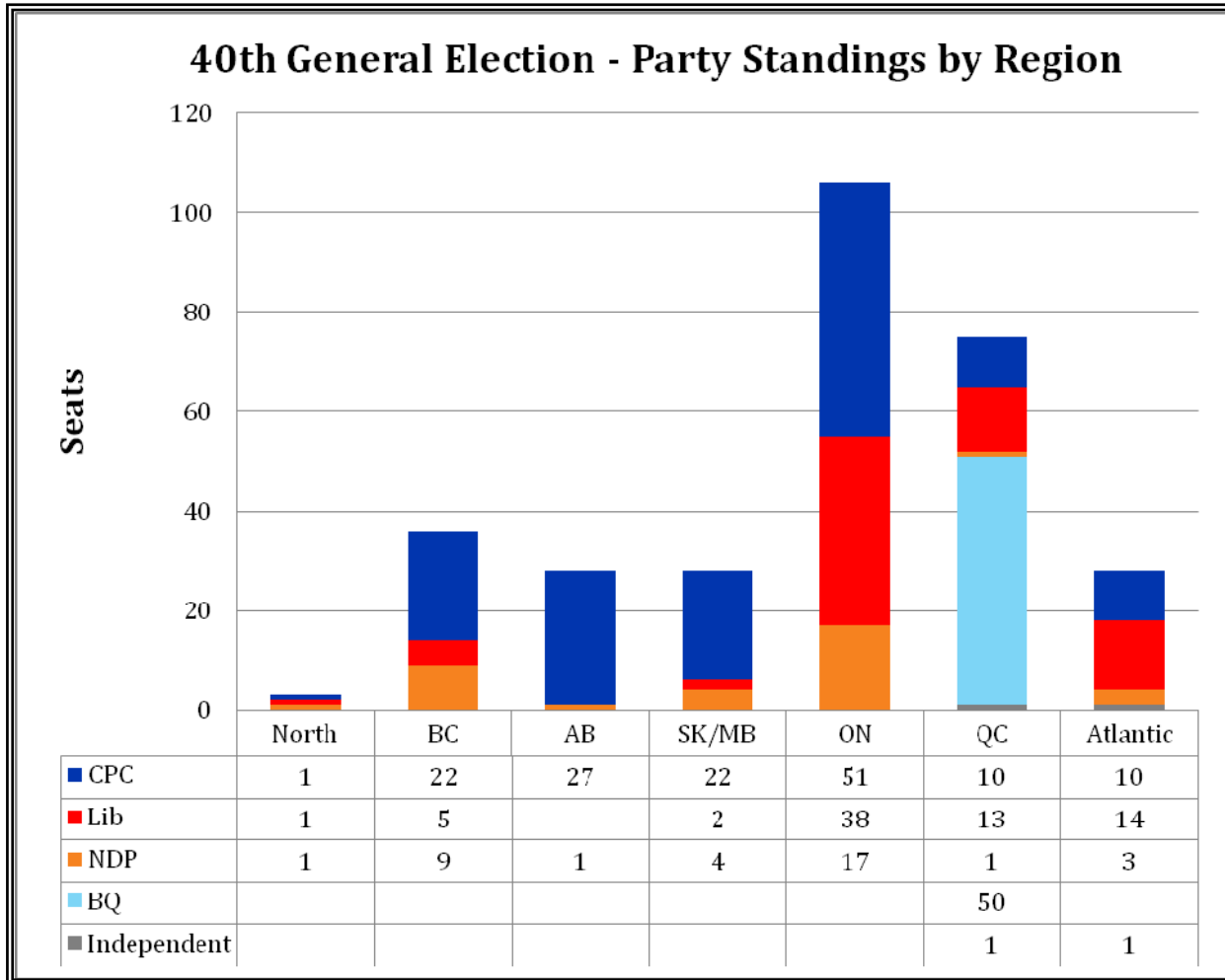
	Seats	Popular Vote	Analysis
	143	37.6%	<ul style="list-style-type: none"> <li>• Strengthened minority</li> <li>• Positive gains in Ontario</li> <li>• Need address Québec</li> </ul>
	76	26.2%	<ul style="list-style-type: none"> <li>• Failed renewal</li> <li>• Lowest ever popular vote/only party to lose seats</li> <li>• Ground up rebuild required</li> </ul>
	37	18.2%	<ul style="list-style-type: none"> <li>• Modest but strategically important seat gains</li> <li>• Will try to displace Liberals as principal opposition to government in Parliament</li> </ul>
	50	10.0%	<ul style="list-style-type: none"> <li>• Maintained support</li> <li>• Reinvigorated position as defenders of Québec's interests</li> </ul>
Independent	2	0.7%	<ul style="list-style-type: none"> <li>• Nova Scotia (Bill Casey) and Québec (André Arthur)</li> </ul>
	0	6.8%	<ul style="list-style-type: none"> <li>• Increased popular vote</li> <li>• No MPs elected</li> </ul>

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Turning to why the election was called, the Conservatives saw an opportunity to pick up support bleeding from the Bloc in Québec and from the Liberals outside Québec. On the latter, the Conservatives proved right, but in Québec, the Party was unable to execute a strategy to secure the nationalist vote, a problem exacerbated by the cultural and justice issues of the campaign.

The challenge for the Conservatives going forward will be how to solve the Québec dilemma. This election proves that without more support in Québec, the Tories are unlikely to form a majority government. At the same time, they have not been able to solve this problem over the course of three election campaigns. The Bloc Québécois have also become a conundrum. Going into the campaign, the Bloc were perceived to be irrelevant and past the expiry date of the separatist raison d'être. But last

night's result suggests the Bloc may be a structural phenomenon in Québec, rather than a cyclical presence in the political system.

Looking forward, Stephen Harper's second term in office will be challenged by relations with the provinces. Québec Premier Jean Charest has already brought this forward, calling on Harper to attend Monday's meeting of the Council of the Federation to discuss the impact of the world financial crisis. Québec will continue to play a large role in federal/provincial relations, increasingly calling for decentralization measures. Ontario, on the other hand, looks to have come out on the losing end of the federal /provincial equation in this election. Conservative support in Ontario grew to 39.2% from 35.1% in 2006 and Premier Dalton McGuinty's message that Ottawa treats Ontario unfairly failed to gain traction with voters.

Whether this relationship will change in the near future is unknown, but the anticipated effects of a global economic crisis will hit Ontario's manufacturing sectors hard and with belt tightening in Ottawa, Ontario's calls for more money will likely fall on deaf ears.

From a party perspective, this election will open the door for debates and reflection within all parties. Conservatives will be looking at how to break into two key areas: Québec and Canada's three largest cities. Liberals will have to determine what steps are next for them. Can renewal (people, policies, organization, finances) – a failure so far – happen with Stéphane Dion or must a new leader be part of the mix? The NDP will be assessing how to build on a gain of seven seats and their breakthroughs in Newfoundland, Québec and Alberta in order to ultimately overtake the Liberals.

On the federal front, we can expect Parliament to quickly reconvene for a fall session. As no two opposition parties can defeat the Conservatives, it would require the Liberals, Bloc and NDP to join together to defeat the government. In his speech last night, Dion promised that the Liberals “will do our part, responsibly, to make sure that this Parliament works.” With the NDP expected to oppose the government's agenda and the Bloc only interested in issues directly affecting Québec, it will be interesting to see if Dion's Liberals maintain this approach and whether Harper changes his leadership style to make this Parliament work.

### What's Next?

With the economic crisis looming worldwide, Prime Minister Harper would have a difficult time stalling on the appointment of a new Cabinet. As a result, it is widely expected that Harper's new Cabinet Ministers will be chosen very shortly, even as early as next week. There are several international summits that Canada intends to participate in, such as the La Francophonie Summit later this week, the Asia-Pacific Economic Cooperation Summit in November, the United

Nations Climate Change Conference in early December and an emergency G8 Leaders' meeting that has not yet been scheduled but will revolve around the global economic crisis. While some of these forums will be attended by Harper himself, there are several that will demand the attention of a newly-appointed or re-appointed Minister.

In his first press conference after the election, Prime Minister Harper outlined a six-step economic plan that included summoning Parliament to meet in the fall and tabling an economic update before the end of November.

### A Second Mandate: How will the Conservatives Govern?

Although they did not achieve a majority, there is little doubt that the Conservatives will be happy with their performance at the polls on October 14. Not only did they gain sixteen seats across the country, but they also made significant gains in the province of Ontario. In that province alone, Harper's Conservatives won 51 seats, while the Liberals and NDP won 38 and 17, respectively. This was a devastating blow to the Liberals who held 54 seats in the province going into the election.

Regional representation in Cabinet has always been an issue for Prime Minister Harper as it has left veteran politicians feeling overlooked in the past. With the election of Gail Shea in PEI (the first PEI Conservative since 1984), a number of new female MPs and increased Ontario representation, both female and Ontario representation in Cabinet should be strengthened. Québec representation will be thin and Newfoundland will be a blank. It is expected that the new Cabinet will see many current Ministers change portfolios, and depending on the size of the Cabinet, some may well have to make room for new faces.

The 40<sup>th</sup> Parliament will have 143 seats for the Conservatives, 76 for the Liberals, 50 for the Bloc Québécois and 37 for the NDP. If all three of the opposition parties come together they will have 163 votes – 20 more than the Conservatives and enough to defeat the government in a confidence

vote. However, the 39<sup>th</sup> Parliament proved that at least one of the opposition parties would often vote with the Conservatives if they found the policies to meet their expectations. It is anticipated that the same will happen again, although it waits to be seen whether the election has solved the problems of Parliamentary dysfunction faced in the last Parliament.

**The Opposition Parties: Liberals**

The next few weeks and months will be difficult for Stéphane Dion, to say the least. Facing a significant dive in their seat count (down to 76 from 95 at

dissolution) and with popular support for their party at its lowest since Confederation, the Liberals now find themselves in a tenuous position. The Grits suffered strong losses in their traditional stronghold, Ontario (sinking to 38 seats) and clear across the country, losing 4 seats in British Columbia, 3 in New Brunswick and 1 in Nova Scotia. As a result, the party lost several long-time loyalists including Liberal Whip Karen Redman, Sue Barnes, Raymond Chan and Susan Kadis.

While the Liberals suffered significant losses in yesterday’s election, the party has also gained a handful of new high-profile MPs who will be

**27 Incumbent MPs Defeated – New MPs to the House of Commons**

Defeated Incumbent	Riding	New MP
Fabian Manning (CPC)	Avalon, NL	Scott Andrews (Lib)
Robert Thibault (Lib)	West Nova, NS	Greg Kerr (CPC)
Charles Hubbard (Lib)	Miramichi, NB	Tilly O’Neill-Gordon (CPC)
Paul Zed (Lib)	St. John, NB	Rodney Weston (CPC)
Luc Harvey (CPC)	Louis-Hébert, QC	Pascal-Pierre Paillé (BQ)
Vivian Barbot (BQ)	Papineau, QC	Justin Trudeau (Lib)
Louise Thibeault (Ind)	Rimouski-Neigette—Temiscouata—Les Basques, QC	Claude Guimond (BQ)
Brent St. Denis (Lib)	Algoma—Manitoulin—Kapusking, ON	Carol Hughes (NDP)
Lloyd St. Amand (Lib)	Brant, ON	Phil McColeman (CPC)
Garth Turner (Lib)	Halton, ON	Lisa Raitt (CPC)
Karen Redman (Lib)	Kitchener Centre, ON	Stephen Woodworth (CPC)
Sue Barnes (Lib)	London West, ON	Ed Holder (CPC)
Omar Alghabra (Lib)	Mississauga—Erindale, ON	Bob Dechert (CPC)
Wajid Khan (CPC)	Mississauga—Streetsville, ON	Bonnie Crombie (Lib)
Lui Temelkovksi (Lib)	Oak Ridges—Markham, ON	Paul Calandra (CPC)
Bonnie Brown (Lib)	Oakville, ON	Terence Young (CPC)
Peggy Nash (NDP)	Parkdale—High Park, ON	Gerard Kennedy (Lib)
Diane Marleau (Lib)	Sudbury, ON	Glenn Thibault (NDP)
Susan Kadis (Lib)	Thornhill, ON	Peter Kent (CPC)
John Maloney (Lib)	Welland, ON	Malcolm Allen (NDP)
Tina Keeper (Lib)	Churchill, MB	Niki Ashton (NDP)
Raymond Simard (Lib)	Saint Boniface, MB	Shelly Glover (CPC)
Rahim Jaffer (CPC)	Edmonton—Strathcona, AB	Linda Duncan (NDP)
Don Bell (Lib)	North Vancouver, BC	Andrew Saxton (CPC)
Raymond Chan (Lib)	Richmond, BC	Alice Wong (CPC)
Catherine Bell (NDP)	Vancouver Island North, BC	John Duncan (CPC)
Blair Wilson (Green)	West Vancouver—Sunshine Coast—Sea to Sky Country, BC	John Weston (CPC)

interesting to watch when the House returns. Political scion Justin Trudeau, former astronaut and Carleton University Chancellor Marc Garneau and longtime Ontario Liberal Gerard Kennedy are all fresh new faces on the federal scene and it is expected they will each take on active roles within the Liberal Caucus during the next Parliament.

With talk already stirring about an upcoming Liberal leadership convention and with suggestions that heavyweights like John Manley may consider a run for party leader, many changes will be taking place within the party in the short term. For now though, the Liberals will be focused on their election post-mortem, looking closely at the decisions (especially those emanating from the top, made by Dion and his advisors) which led to their historic defeat last night.

### **The Opposition Parties: Bloc Québécois**

Gilles Duceppe can breathe a big sigh of relief after watching last night's results. In the remaining weeks of the election, his pleas to support the Bloc in order to stop Stephen Harper began to resonate with voters and it reflected at the polls. In fact, the Bloc is now so confident in its success (and reaffirmed relevancy) that the sovereignty issue, hidden throughout the campaign, was rehashed last night. Bloc activists greeted Duceppe in Montreal chanting 'Le Québec – un pays' and Duceppe affirmed the party's commitment to the separatist cause.

There were, however, a few disappointments for the party, including their failure to protect the Montréal riding of Papineau where Justin Trudeau upset Bloc incumbent Vivian Barbot. Another sticking point was the success of the Conservatives to hold onto all but one of their seats in and around Québec City. With 50 seats in the House of Commons the Bloc preserves its caucus from the last elections almost intact. With no emphasis on the sovereignty issue and no signs that separatism has regained popularity in Québec, the Bloc Québécois will likely return to Parliament pushing the same issues from the 39<sup>th</sup> Parliament, including

more federal funds for Québec, environmental initiatives and consumer protection initiatives.

### **The Opposition Parties: NDP**

The NDP fought a solid campaign and avoided losses from strategic voting seen in the past when NDP supporters shift their vote to the Liberals on election day. Now with seven new seats, the NDP has made inroads at the expense of the Conservatives, winning seats in Newfoundland and in Alberta (defeating Edmonton MP Rahim Jaffer). Jack Layton's personal profile was elevated in the past month and his strategy of 'Running for Prime Minister' paid off to a certain extent.

Even with 37 seats, the NDP is still the smallest party in Parliament but a weakened Liberal Party will allow the NDP to demonstrate their strength through Parliamentary activism (such as, private member's bills) and by voting against the government in non-confidence motions. A prolonged crisis in the manufacturing sector and the global financial concern are issues the NDP will champion in Parliament and the issue of unjustified (in their view) tax reductions for corporations will continue to be a theme in NDP messaging.

### **What About the Greens?**

Elizabeth May lead the Green Party through its most successful election to date, increasing their share of the popular vote and becoming a full contender in the election campaign. However, the failure of the Green Party elect an MP can be seen as a disappointment for the party. In Parliament, the environmental issues the Greens champion will be taken up by Liberals, Bloc and NDP. Overall, climate change and the environment will continue to play a role in Parliamentary debate, however, the potential economic crisis, timid support for the Green shift carbon tax, and a colder than usual summer in Canada have all dampen the enthusiasm for another round of fighting to implement the Kyoto protocol.

## Introducing New Members of Parliament

63 new MPs were elected yesterday, adding to the benches of all the parties. Notable among the new names are:

### *Conservatives*

**Dona Cadman** (Surrey North) – Widow of former Conservative MP Chuck Cadman

**Gail Shea** (Egmont) – Former PEI Minister

**Keith Ashfield** (Fredericton) – Former New Brunswick Minister of Natural Resources & Energy

**Rodney Weston** (Saint John) – Former New Brunswick Minister of Agriculture, Fisheries & Aquaculture

**Peter Kent** (Thornhill) – Broadcast Journalist

**Bob Dechert** (Mississauga—Erindale) – Lawyer

**Lisa Raitt** (Halton) – Former CEO, Toronto Port Authority

**Terence Young** (Oakville) – Former MPP, founder of Drug Safety Canada

**Alice Wong** (Richmond) – Businesswoman

**Leona Aglukkaq** (Nunavut) – Former Nunavut Cabinet Minister

### *Liberals*

**Justin Trudeau** (Papineau) – Son of former PM Pierre Trudeau

**Marc Garneau** (Westmount-Ville Marie) – Carleton University Chancellor and former astronaut

**Gerard Kennedy** (Parkdale—High Park) – Past Liberal Leadership Candidate and Former Ontario Education Minister

**Rob Oliphant** (Don Valley West) – United Church Minister, political staffer in David Peterson government

**Kirsty Duncan** (Etobicoke North) – Medical geographer and University of Toronto professor

### *NDP*

**Megan Leslie** (Halifax) – Dalhousie University law professor

**Carol Hughes** (Algoma—Manitoulin—Kapusking) – Canadian Labour Congress representative

**Claude Gravelle** (Nickel Belt) – Retired machinist and union organizer

**Niki Ashton** (Churchill) – Daughter of Manitoba NDP Cabinet Minister Steve Ashton

**Jim Maloway** (Elmwood—Transcona) – Former MB MLA

**Linda Duncan** (Edmonton—Strathcona) – Environmental Lawyer

### *Bloc Québécois*

**Roger Pomerleau** (Drummond) – Carpenter, Former BQ MP (1993-97)

**Jean Dorion** (Longueuil—Pierre-Boucher) – Sociologist

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