

**2008 FEDERAL ELECTION ANALYSIS:
Picking-Up the Pieces**

October 17, 2008

Election 2008 Highlights

PARTY	# OF SEATS POST ELECTION '08	# OF SEATS AT DISSOLUTION	POPULAR VOTE	% OF POPULAR VOTE
Conservative	143	127	5,205,334	37.6
Liberals	76	95	3,629,990	26.2
Bloc Québécois	50	48	1,279,565	10.0
NDP	37	30	2,517,075	18.2
Independents	2	3	89,524	0.7
Green Party	0	1	940,747	6.8
TOTAL	308	308*	13,832,972	100

*There were 4 vacancies at dissolution.

- ❑ Despite significant challenges in Québec and Newfoundland, the **Conservatives** gained 16 seats - -- still 12 seats shy of a majority (155).
- ❑ **Liberals** were down 19 seats, registering the lowest levels of popular vote for the Party since Confederation.
- ❑ The **NDP** built on its base gaining an additional 7 seats, with breakthroughs in Newfoundland and Northern Ontario.
- ❑ Despite public opinion polls showing support for the **Greens** hovering at 10% throughout most of the campaign, the Party received only 6.8% of the popular vote (no seats) and its leader failed to win a seat.
- ❑ Overall, voter turnout was the lowest since Confederation, with only 59 % of eligible voters participating.

FOR THE CONSERVATIVES

The Conservatives Go Suburban

The 2008 Election saw the Conservatives continue to broaden their national political base both geographically and demographically. While the hoped for Parliamentary majority eluded Stephen Harper, the Election was a major step forward. A coloured electoral map is startling -- Conservative blue stretching from sea to sea while Liberal red clings to the Atlantic shore and huddles tightly around Toronto and Montreal. The Party that likes to call itself the 'natural governing Party' is neither

FOR THE LIBERALS

Everyone is Upset -- Maybe Not Everyone

Canadians may well ask why we had to go through this to end up in the same place.

Tories will be upset (none more than Stephen Harper) at the Election result. He has to be upset with his failure to obtain a majority -- it was in his grasp. Harper has no one to blame but himself. That a Prime Minister who governed as a measured centrist (and that's how you win elections) would throw tainted

governing nor looking so naturally Canadian.

Demographically, the 2008 Election saw the suburbanization of the Conservative Party. The Party that is often characterized by media pundits as 'Alberta based' now has a Caucus that is as suburban as it is rural, with Alberta's 27 MPs partnered with Ontario's battalion of 51 MPs. Alberta may have been where the Conservative Party was born and nurtured but it's in the Ontario area codes of 905 and 519 where it is growing to adulthood. Ontario MPs who had squeezed out the narrowest of margins in 2006 returned with overwhelming margins in areas such as St. Catharines and Parry Sound. In Oshawa, where job losses, a union base and a popular NDP leader led many to predict a Conservative loss, the local incumbent held on.

The Conservative suburban strength was not limited to Ontario but was evident in British Columbia and the greater Vancouver area where the Tories picked up seats and votes.

Indeed, the notion that Conservative can't succeed in Canada's cities is looking like another "urban myth". Conservatives were elected in Calgary, Edmonton, Regina, London, Hamilton, Winnipeg and Kitchener -- to name a few Canadian cities -- albeit these cities are not where the media pundits reside.

However, Conservatives could not extend their reach into Toronto and Montreal though Conservatives did close the gaps significantly in a number of ridings. While part of the story may lie with policy and tone, a closer look at each city would suggest other factors. In Montreal its part of the larger failure to engage Québécois; in Toronto Liberal gerrymandering of riding boundaries in the 1990s explains why some long-time bellwether ridings no longer 'ring' Tory.

Polling done during the Campaign pointed to a shift in the ethnic communities: Liberals could no longer take the ethnic vote for granted as visible minorities

meat to his core on the eve of an election

(cuts to cultural programs and a youth criminal justice package) was incomprehensible. It cost him.

An election is a cruel beast. To win you have to get on the right side of history or as someone famously said be "history's co-author". Stephen Harper didn't have that good fortune. While quick to blame the electoral outcome on the economic meltdown, it was Mr. Harper's inept response that sank him. Saying a downturn was a good opportunity to purchase shares would have been bad on its own, but sometimes a statement crystallizes the voters' view of someone. The pre-existing sense of Stephen Harper as detached and cold was the backdrop which amplified the damage of that statement.

And Québec -- oh Québec, which has confounded and disappointed so many politicians -- how could Stephen Harper have so miscalculated how his policies would play in Québec?

For the Tories, however, if you can't have a majority you might as well have the next best thing; a strong minority and a fractured opposition. No two opposition parties will be able to bring down the Government and the prospect of three doing so is remote. Stephen Harper is free then to govern as if he had a majority, and he will do so just as he did for the last two years. Conciliation and compromise, it's just not in his DNA. We predict a youth justice package and culture cuts will be back as part of the Tories' neo-con agenda.

That said, the economic measures the Tories will need to implement to address the economic downturn will require the cooperation of at least one opposition party and that will need to be the Liberals. Liberals

told pollsters they were as likely to support the Conservatives as the Liberals. This shift could be seen in ridings where the Liberals won by smaller margins and in ridings like Richmond, BC where a Conservative upset an incumbent Liberal. Canada's ethnic communities appear ready to shake off the Liberal choke hold on their votes.

The big disappointment for the Conservatives was in Québec. Over the past year, polling numbers showed the steady decline of support for separatism and the re-emergence of the old 'bleu' base. Conservatives saw a chance to stake their claim at the federal level notwithstanding the fact that the Prime Minister was an Albertan competing with two native sons. Such was not to be the result, as the Bloc successfully turned a number of relatively minor policy gaffes into a fight between the Québec native-son carrying the torch for a unique culture against the infidels. The Conservative Campaign was unable to fight back and so, lost the chance for expanding their Québec base and the national Majority that was so tantalizingly close at the outset of the Campaign.

Looking Forward

Over the years Stephen Harper has shown a remarkable ability to learn and adapt to political realities. While there are always core issues and principles that guide his approach to politics, it's his ability to adapt that should make the coming years so interesting to watch. Already, on the first day following the Election, Prime Minister Harper borrowed from Stéphane Dion's idea and laid out a multi-point plan for dealing with the economic crisis. On matters of governance he said that he is prepared to appoint Senators if the Senate stands in the way of elected MPs. Both of these reflect a change in tactics without sacrificing the ultimate objective.

In terms of a Cabinet, the mixture of new faces, retiring MPs and the global economic crisis should make the process of Cabinet building interesting. In 2006, the Prime Minister faced the challenge of building a Cabinet and running a government

are somewhat gleeful that it will be Tories who will put Canada back into a deficit. 'Tory times are hard times.'

Liberals are decidedly unhappy. They had a poor campaign and a dismal outcome, losing seats and votes in critical bedrock ridings. Some vote gains in Québec will not make up for that or save Stéphane Dion if he chooses to stay on. The Campaign was rescued by an economic meltdown and quick show of empathy by Dion -- but too late to save him -- a poor campaign, a poor message and a failure to connect -- he takes the blame and the fall.

Leadership

While Stephen Harper's leadership is secure, that of Stéphane Dion is not. Should he decide to stay on (and he should not), he will not survive a leadership review which Party rules require after each election. Dion should appoint former economist John McCallum or former Finance Minister Ralph Goodale as Interim Leader to confront Harper on economic and fiscal issues. Once again, Liberals will be preoccupied with leadership with a large and impressive field vying for the top job making the 76 elected MPs seem like fewer still. Money is tight and the journey will be long and the reward remote.

A leadership race will give to Liberals the cover they need to not vote against the Government for the time being. The good news is Liberals will never have to campaign again on the Green Shift. The better news is that the Liberal brand remains resilient if somewhat battered. A question to ask is how the Liberals could bleed so many votes to the left and to the right. That fact means that a disparate group of Canadians were prepared to call the Liberal Party home (at least for a time). It is critical for the next Liberal leader to understand what brought these Canadians to the Liberal Party (values?, issues?,

where none of his Caucus had any federal Ministerial experience. In 2008, he has a Caucus with Cabinet and sub-Cabinet experience and a Caucus with a wider range of expertise and experience representing a wider swath of the Canadian mosaic.

The Liberal preoccupation with replacing Mr. Dion, the dramatically larger Conservative Caucus, the self-interest of the two smaller parties and the global economic crisis should mean that any threats to force another election will be few and far between for at least two years with the likelihood being that this Government's lifespan will be significantly longer.

Paul Brown

personality?, history?) and what drove them away. Only then can the process of reconnecting with Canadians begin.

For the moment, Canadians have two politically tone deaf politicians in Stephen Harper and Stéphane Dion, who will now have to see if they can work together. We heard often on Election night that "the people have spoken". Indeed they have, but did the politicians hear them? Canadians said "Deal with things – find a way to work together and don't come knocking again at our doors anytime soon".

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Campbell Strategies provides a broad range of government relations services covering all levels of government. Our unique experience enables us to effectively bridge the gap between the public and private sectors and assist our clients to communicate effectively in the political environment.

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