

PRIVATE CLIENT BRIEFING NOTE
INSIGHTS ON ELECTION 2019

CANADIAN PRODUCE MARKETING ASSOCIATION
PUBLIC OPINION BRIEFING

By David Coletto, CEO

Throughout the weeks leading up to the Canadian election on October 21st and in the weeks following, I'll be providing regular briefings to the CPMA and its members on the state of public opinion as I see it and what it could mean for advocacy and government relations efforts after the election.

The data in this memo comes from regular polling that our firm does. The most recent data is from a national survey of 2,000 Canadian adults we conducted from August 2 to 6, 2019.

THE BIG 5: WHAT I THINK MATTERS MOST AT THIS POINT

1. **TOO CLOSE TO CALL:** The election is too close to call. Our latest ballot tracking has the Conservatives and Liberals basically tied with the NDP and Greens well back. But the Liberals seem to have regained the advantage thanks to leads in Ontario and Quebec.
2. **POCKETBOOK vs. CLIMATE CHANGE:** The cost of living and other pocketbook issues, health care, and climate change are the highest priorities areas with immigration, housing, and government finances potentially becoming more salient over the election.
3. **LIBERAL HEADWINDS SUBSIDE:** Some leading indicators suggest the headwinds the Liberals have faced for most of 2019 are subsiding, giving them an opportunity to reframe the election on terms that are more favourable to them.
4. **CAN THE CONSERVATIVES CAPITALIZE?:** The Conservatives still have an opportunity to capitalize on Liberal vulnerabilities but have struggled to expand their reach beyond their core voters.
5. **VOLATILITY:** The electorate remains highly volatile at this point with over a third of voters saying they could be persuaded to change their vote before now and when they cast their ballot.

THE PUBLIC MOOD TODAY

Remember that final week of the 2015 Canadian Election? The Blue Jays were in the playoffs, there was a sense that Canada's time to shine internationally had come, and the worst of the Great Recession was behind us. The Liberals held a big rally in Brampton, ON and used footage from that rally in a highly effective ad that showed up in people's living rooms and on their devices. Canadians were genuinely positive and in an offensive position.



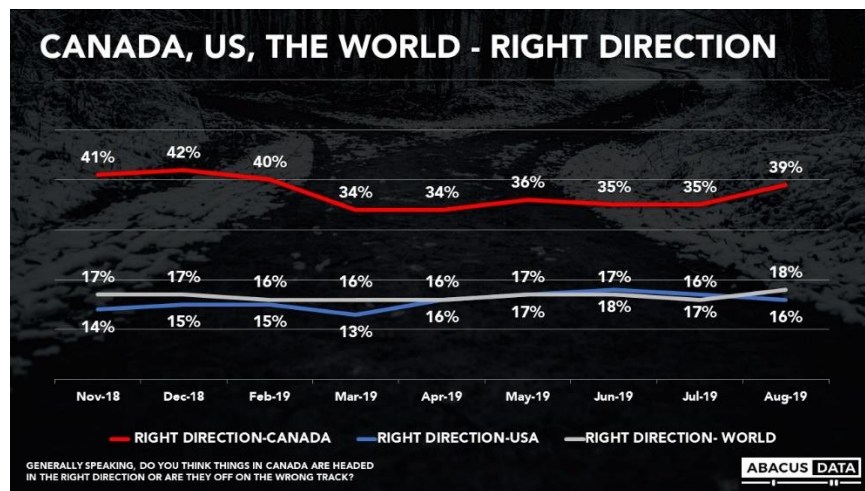
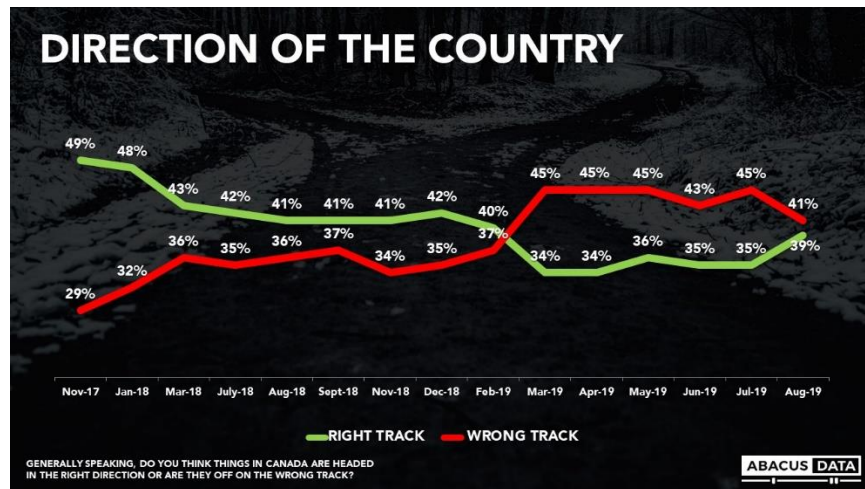
Four year later, Canadians find themselves in a different mood. Donald Trump is US President, climate change is threatening humanity, the economy, while doing well, feels vulnerable and uncertain, and many feel it is becoming harder to get ahead than in the recent past.

Our own government has disappointed many of its previous supporters and the SNC Lavalin controversy left a bad taste in people's mouths.

The result? Canadians are in a defensive posture.

Over most of 2019, far more Canadians told us that the country was headed off on the wrong track than those who felt it was headed in the right direction. This feel may be subsiding but remains a legacy of the SNC Lavalin affair.

The upside is that when we look around the world or down south, few of us think things are going well. There's some comfort that things could be worse.

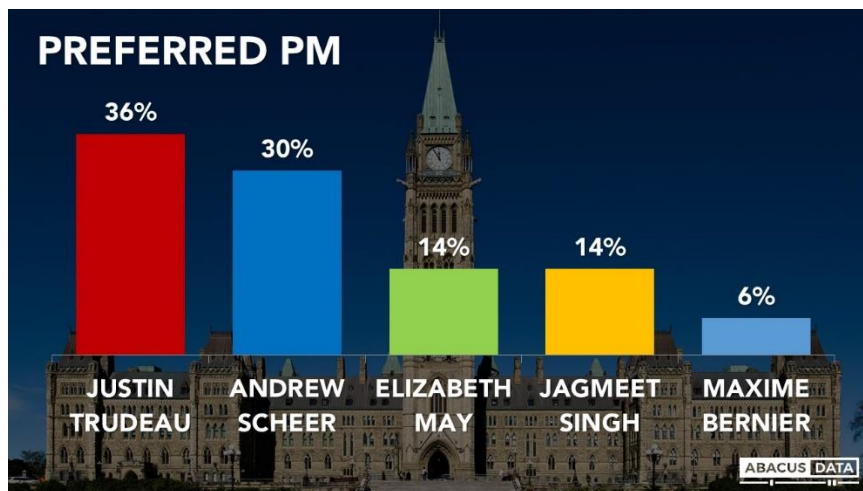
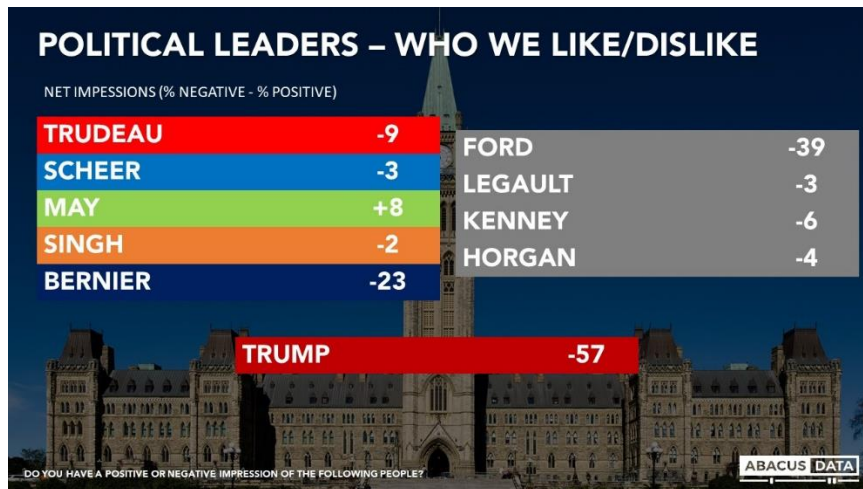


At the same time, we aren't feeling all that great about our political leaders. Except for Green Party leader Elizabeth May, more Canadians have negative views of Mr. Trudeau, Mr. Scheer, and Mr. Singh than have positive ones.

Almost no one likes Donald Trump and Ontario Premier Doug Ford remains highly unpopular not only in his home province but nationally as well.

Indifference about our choices may impact voter turnout. But a campaign can change all of that as the public's attention to politics increases and many see the opposition leaders in action for the first time.

What we do know is that Mr. Trudeau continues to lead Mr. Scheer on who people want to be Prime Minister after the election.

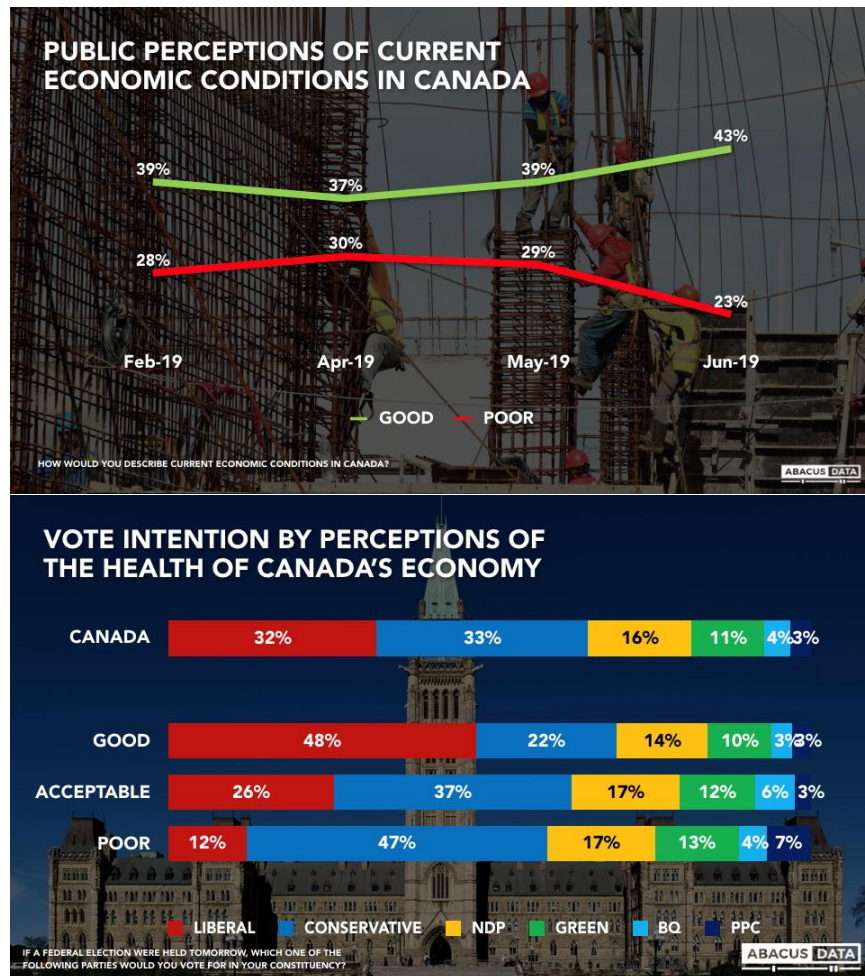


THE ISSUES

Back in 1992, Bill Clinton’s campaign manager James Carville argued that elections are basically a referendum on the state of the economy – it’s the economy, stupid. Yet, if that were the case, the Liberals and Justin Trudeau would be headed towards an easy victory this fall.

Canadians are feeling good about the macro-economic situation in the country. 43% describe the economy as good compared with 23% who say it’s poor. That’s an improvement since earlier this year.

And while there’s a relationship between economic perceptions and vote intention, it’s not perfect. More than half of those who describe Canada’s economy as good would vote for another party other than the Liberals.

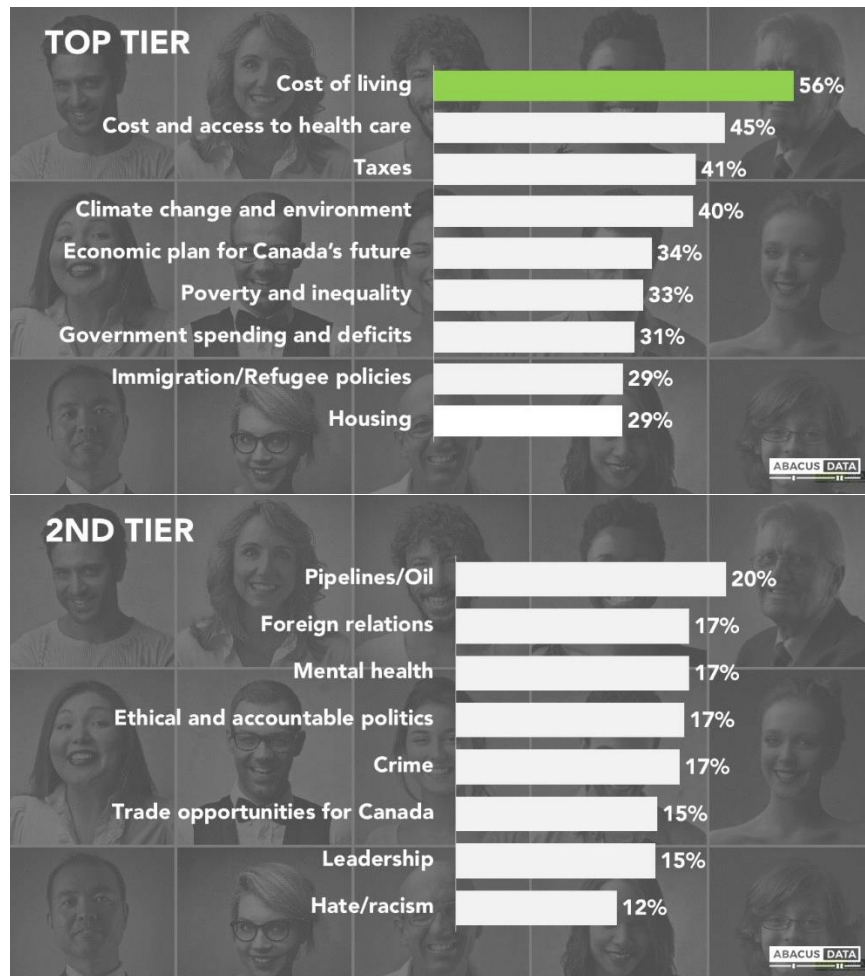


So, what else is keeping Canadians up at night?

Over the past few months, we've seen concerns about the cost of living, climate change, and health care topping the list of issues that voters say will be important to their vote.

56% of Canadians say that the cost of living is in their top 5 issues, ahead of the cost and access to health care (45%), taxes (41%), and climate change (40%). Other important issues are economic plans, poverty and inequality, deficits, immigration, and housing.

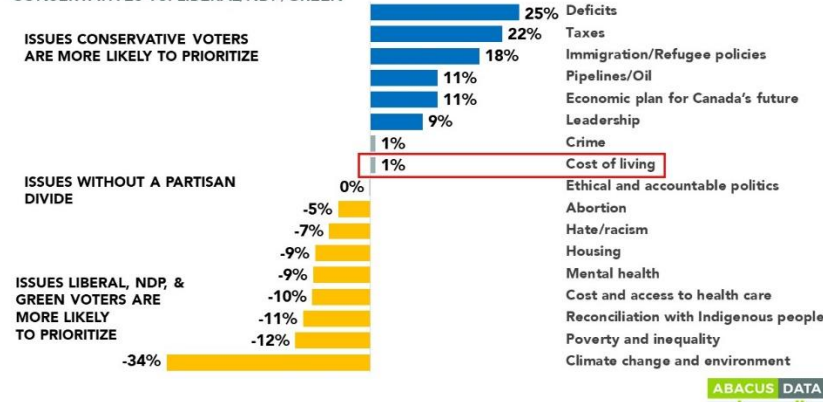
Less important are foreign relations (relationship with China), trade opportunities, and crime (although most of our survey was done prior to the rash of shootings in Toronto and the shootings in the United States).



Perhaps more important than the ordering of the top issues is *who* cares about what.

We find that those who are intending to vote Liberal, NDP, or Green are far more likely to rate climate change, poverty and inequality, reconciliation with Indigenous people, and the cost and access to health care as a top issue. In contrast, Conservative oriented voters are more likely to rate deficits, taxes, immigration, and pipelines/oil as a top issue. This helps explain the political party positioning but also the potential impact of different ballot questions on the election.

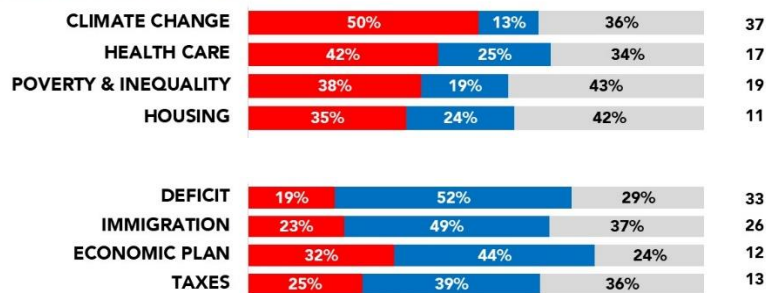
TOP ISSUE IMPACTING VOTE (TOP 3) CONSERVATIVES VS. LIBERAL/NDP/GREEN



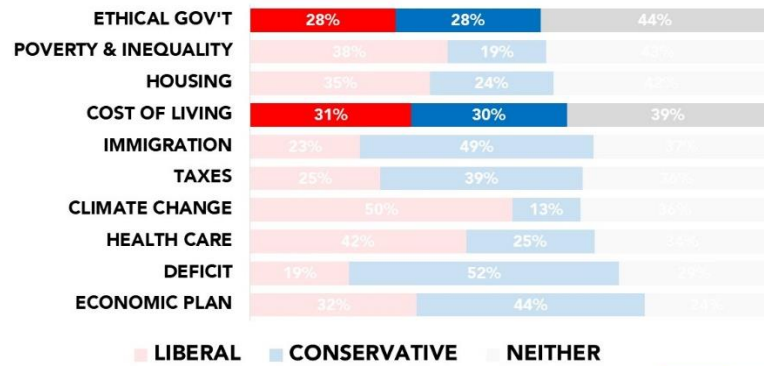
When we ask respondents who rate an issue in their top 5 which party (Liberal or Conservative) is best on that issue, we see the potential opportunities and risks for the parties in the campaign.

Liberals are perceived to be stronger on climate change, health care, poverty & inequality, and housing. Conservatives stronger on the deficit, immigration, economic plans, and taxes. If the election is about climate change, the Liberals will likely prevail. If it's about immigration, the deficit, or taxes, the Tories will benefit.

WHICH PARTY IS BETTER AT?



Importantly, no party has an advantage on the most salient issue – the cost of living. And this likely explains the stalemate in terms of vote intention. If a party is able to get an advantage on this issue, that could propel one of the two parties ahead.



Do you think the Liberal Party or Conservative Party is best on the following issues?[question('piped title')]

ABACUS DATA

But affordability is a tough issue for parties to respond to. It is highly impacted by someone's life cycle. Younger Canadians concerned about affordability point to housing, post-secondary tuition, and childcare as their primary concerns. For middle income households, transportation costs, food, and living expenses are more top of mind. For seniors on a fixed income, health care costs, prescription drugs, and food are more sensitive.

In short, how do you offer solutions when the audience is so fragmented? This is the challenge the parties face.

And yet, both the Conservatives and the NDP have made affordability central to their campaign. A recent [Macleans article](#) profiling the Conservative Party's campaign manager, Hamish Marshall, highlights this.

"What our campaign is going to be about," he said, "is how we as Conservatives in government can make lives better, and focus on tangible outcomes, instead of focusing on a battle of philosophy."

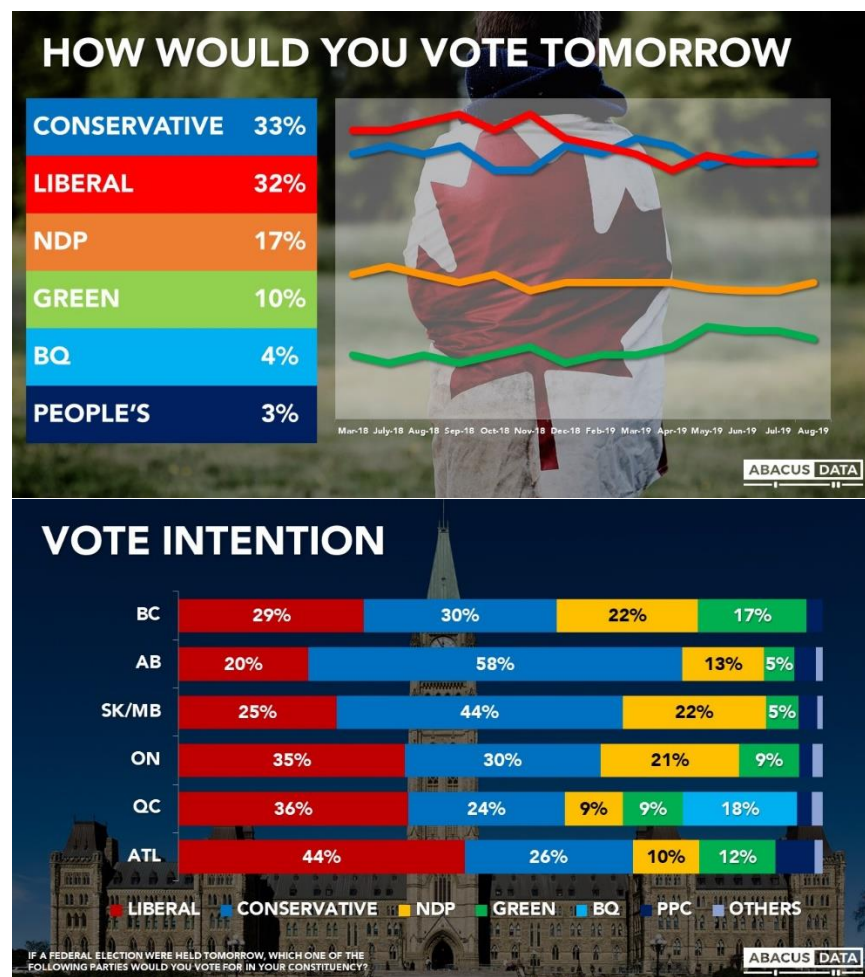
The 2019 campaign could empathize with voter unease about the cost of living rather than argue with Liberals about the broader state of an economy that is, after all, providing plenty of jobs. "There's this feeling that people are working harder. They've got jobs and they have a house. They're doing everything right, but they're not getting further ahead," Marshall says. "It's a very different kind of economic disquiet from the way you think of it with Jean Chrétien and 'jobs, jobs, jobs' in 1993."

THE STATE OF THE RACE

Both the mood of the country and the issue dynamics help explain why we see a deadlocked horse race. If the election was held today, we think the Liberals and Conservatives would get about the same number of votes nationally, but thanks to leads in Ontario and Quebec, the Liberals would likely win the most seats, although not a majority.

And so, our best estimate at this point is likely a **Liberal minority government supported by a combination of NDP and Green MPs.**

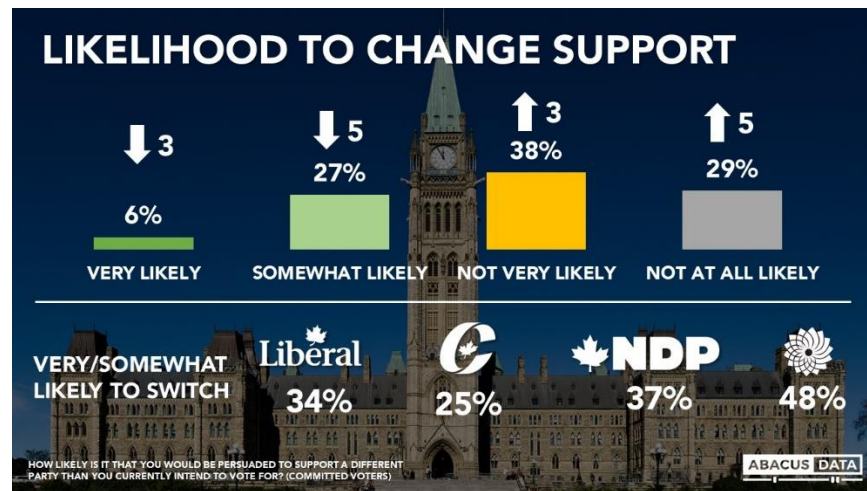
An important wildcard in all this is the Bloc Quebecois who could win anywhere between 10 and 25 seats in Quebec at this level of support.



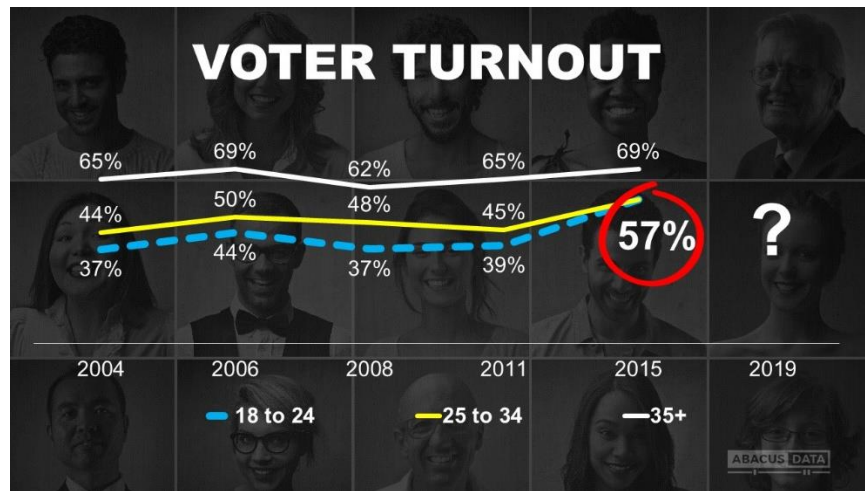
But several factors make predicting the election at this point, 10 weeks to go, difficult.

First, although we see voter preferences firming up since last month, one in three voters who have a preference say they are likely to change their mind over the next few weeks.

Most of these voters are on the centre-left side of the spectrum, but the chance of some consolidation is possible. If this happens, it's most likely to benefit the Liberals who could see some NDP or Green supporters vote Liberal to stop the Conservatives.



Second, voter turnout will be an important variable this time. Conservative supporters say they are more motivated to vote. Those who helped the Liberals win in 2015 – youth, minorities, and first-time voters – are less motivated this time. In 2015, youth voter turnout spiked almost 20 percentage points, propelling the Liberals to a majority. Although, predicting turnout is notoriously difficult, I sense a lack of motivation among young voters right now which will disproportionately hurt the Liberals.



WHAT DOES THIS MEAN FOR CPMA AND ITS MEMBERS?

We are 10 weeks again from Election Day and the 43rd Canadian General Election. The horserace is very close, the potential for volatility is high, and Canadians are more pessimistic than they were four years ago.

This means that we are likely, at this point, to see a minority parliament as neither the Liberals nor the Conservatives have built a majority coalition at this point.

But there's evidence that they still can as about half of Canadians tell us that they are open to voting for each party.

In future editions of this briefing, I'll comment on the potential implications for advocacy, especially as the outcome of the election becomes clearer.

But for now, my advice for you, based on the data I'm seeing is this:

1. **Start planning for multiple outcomes.** Although the 2015 federal election started with a close three-way race, the outcome looked very different from when the campaign started. At this point, anything is still possible, and voters seem restless, agitated, and open to being persuaded. That makes prediction far more difficult.
2. **Prepare to address the coming affordability and the cost of living debate.** Given that news about increasing fresh produce prices have been in the news over the past few months, be prepared to talk about how the industry is trying to manage the affordability issue and how government policy can help.

3. **Continue your work to prepare a response on plastics and sustainability.** We continue to see climate change and the environment rising as a top issue of concern for Canadians. Ultimately the election may not end up being solely about the issue but there's a good chance that the new parliament and a new government will rely on the support of more Green Party MPs and an NDP caucus more aggressive on environmental issues.