

PRIVATE CLIENT BRIEFING NOTE
INSIGHTS ON ELECTION 2019

STUCK WHERE WE STARTED: ELECTION 2019 BRIEFING

David Coletto, CEO

Ihor Korbabicz, Executive Director

We finished the next wave of research last week. Despite three weeks of campaigning and some shocking moments, we find ourselves very much where things started.

A few key points about where we are at this stage in the campaign:

1. A few weeks into the campaign and so far, few fundamental dynamics have shifted. We see the Liberals and Conservatives continually tied for first place in the 33-35% range, the NDP not picking up on their opportunity to make gains, and the Greens stuck at a stubborn 10% of the vote since July. The NDP have a large vote pool to draw from and are enjoying increasing positive media exposure, but to date have failed to convert any of this opportunity into votes.
2. The blackface photos broke through the Ottawa bubble and achieved national exposure, but failed to make a big impact on the national vote dynamic. Negatives for Trudeau increased following the incident, however most leader's impressions are declining much the same. Reaction to the incident has been fairly tribal – most conservatives view blackface as a gamechanger but people of colour, voters under 30, and progressives generally are either unaffected or believe the prime minister apologized sufficiently and they can move on.
3. This is still a race about affordability anxiety and to some extent about climate change. Tories own the affordability file but not by much. The Greens dominate climate change with the most perceived credibility on the issue. This presents an opportunity for the Greens in the context of high profile national and international media events like the recent climate change rallies. This opportunity for the Greens, and any opportunity for the NDP to move up, depends on a major gaffe on the part of Trudeau or poor performance on debate night, anything that would feed the narrative that Trudeau is not an appropriate rallying point for progressives that do not want a Scheer

government. Absent that, the advantage on most issues sets is with the Prime Minister.

FLAT TRENDLINES

Well into election period there is little increase in appetite for a change in government. Desire for change has not shifted since the first wave a month ago. Presently 51% of Canadians definitely want change, while the proportion that want the LPC re-elected is statistically unaltered at 18%. It remains lower than the change momentum in August 2015 by 7 pts.

Vote choice continues to be unchanged, with both the Liberal Party and the Conservative party within the margin of error of each other at 33%-35%. The NDP and Greens have not managed to experience any momentum. The Greens are stuck at a stubborn 10% since a come down from an all time high of 12% since July, and the NDP have declined 3 pts from this time last year, stuck at a stubborn 15%.

CRISIS FOR TRUDEAU?

Despite blackface in the lead of the news cycle for a week, very little has changed. Justin Trudeau's personal ratings have slipped. His positives are down 4-points, and his negatives are up 3. At the same time, Andrew Scheer, Jagmeet Singh and Elizabeth May have all seen deterioration in their ratings as well. Mrs. May's numbers are the worst we have seen for her since March of this year. Mr. Scheer's positives have dropped 3-points, and his negatives have hit a new high at 39%.

When asked explicitly about the blackface story, few voters were affected. Most of those who were offended are existing Conservative voters. There were few differences between PoC or youth in their reaction to the issue, suggesting demographics that may have been thought to be adversely affected by the story have not reacted negatively.

That said, exposure to the blackface scandal was significant. 65% said they heard a lot about the blackface story, another 29% have heard something. 6% had not heard of it at all. Asked how they reacted to the story, 44% said it didn't really bother them, 37% said they didn't like it but felt Mr. Trudeau apologized properly and felt they could move on, and 19% said they were truly offended and it changed their view of Mr.

Trudeau for the worse. Among those aware of the photos, asked how this might affect their vote on Election Day, 38% said they were not planning to vote Liberal anyway, 52% said it would not affect their vote and that they would decide on other issues. Of the 10% who said it was affecting their thinking, half said they were considering the Liberals but leaning away from them because of the incident and half said they were considering the Liberals but cannot support them now.

Despite this, we have seen no substantive or statistically significant movement away from the Liberal Party for now, even with 66% of Canadians saying they are typically seeing negative things about Justin Trudeau in this election, 7 points up from last wave.

BATTLEGROUND & SEGMENTS

Regionally the Liberal Party continues to be strong in Ontario, Quebec, and Atlantic Canada, while the Tories lead in Alberta and the prairies. There is more of a three-way race in British Columbia but the Liberals still nominally lead there as well.

Tory strength has softened in BC – dropping from 32% to 26%, those votes instead going to the LPC (+3 to 33%) and NDP (+3 to 25%). In Ontario we see the Liberal lead open back up, now fully 40% of the vote (+4) while the Tories drop modestly (-3) to 33%. Nothing has shifted in Quebec or Atlantic Canada, where the Liberals lead all other parties.

The Tories continue to lead among self identified likely voters – 35% would vote CPC and 32% would vote Liberal. Meanwhile change voters – those who want the Liberals out of power, are predominantly voting Conservative.

The NDP so far have failed to get any momentum this campaign or convert their opportunity into electoral gains. This despite the fact voters are hearing more about Singh in the media (+6%, now 75% have heard something) and most of what they are hearing is positive (46%, +10% from last wave). Despite this, Singh's favourables have not shifted upwards, with most in fact now having a more negative impression of the NDP leader.

We anticipate that the leaders debates could either cement this trend and establish Singh as a non-entity, leading to a continuation of the

anemic status quo, or Singh could preform well simultaneously with a Trudeau stumble, and move the dynamic away from a Scheer/Trudeau binary.

Should the binary persist coming out of the debates, Trudeau will have a clear edge over Andrew Scheer. In a trade off between the two lead camps, among NDP and Green supporters, Trudeau has the edge. In a trade off between the two, 68% of NDP supporters would opt for Trudeau over Scheer and 60% of Green supporters would opt for Trudeau over Scheer. But first Trudeau needs to effectively establish himself as the only true option available to progressives to keep out a Scheer government. A focus on climate change, health care, inequality, and housing affordability is likely the surest way to achieve that for the Liberals.

THE ISSUES

At the end of the day, this race is still about affordability & doing something on climate change. When we ask about the top issues that will drive votes in the upcoming election, the most commonly cited continues to be the cost of living and taxes, as a pocketbook issue that impacts the costs of living. Climate change comes in a close second. Healthcare and inequality rank high as tertiary issues while more high concept goals like a solid economic plan for Canada, reducing poverty and inequality, and government spending and deficits come in third.

While Conservatives are believed to have the best plan/approach on cost of living and taxes, the Greens have the strongest perceived plan on climate change and the environment. The Liberals do not own the territory on any one issue areas, neck to neck with the NDP on inequality & access to healthcare.

Given the prominence of the environment as an issue set this time around, and the Greens' ownership of the issue, the Greens have a very real opportunity to make some gains at the expense of the Liberals should climate anxiety become the central focus of the campaign. While this isn't necessarily the inevitable ballot question, the momentum of the climate strike and high profile climate focused events lend credence to the theory that this may be a particularly central issue in key battleground areas. Alternatively, given enough disillusionment with Trudeau and Singh, this may help make the Greens a palatable alternative among those solely focused on climate change.

Another scenario of course is the one where progressives rally to Trudeau to stop Andrew Scheer. Between the two options, Canadians rank the Liberals as highly on cost of living and an economic plan as Conservatives (48% Liberals have the better approach vs. 52% Conservatives have the better approach), and the Liberals completely own climate change and the environment as issues. They likewise have the edge on healthcare, reducing inequality, and only really lose ground when compared to Conservative Party's credibility on government spending and deficits.

Is there an inherent tension between the most central issues to the campaign, climate versus affordability? Cost of living is a big problem or moderate problem for 80% of Canadians, even if not all those voters rate it as the biggest driver of their vote. Its an issue that spans demographics but is felt hardest by Canadians earning household incomes of less than \$50k. Crucially, both supporters and opponents of the carbon tax feel a similar pressure on cost of living.

Only 30% of Canadians report being able to afford the things they want and need, while the remainder either can't afford what they need (19%) or what they want (51%). This rises to 30% of Canadians with household incomes of under \$50K. Supporters of a carbon tax are a little more likely to be economically comfortable, but for the most part generally are struggling the same as opponents. These datapoints suggest one issue isn't necessarily directly pitted against the other, where those struggling economically necessarily deprioritize climate action.

THE UPSHOT

The promised volatility of this campaign, despite big scandals, has not come to pass so far. This may be because of low engagement on the part of the electorate or may be because most leaders are playing to type and have failed to establish any big breakthroughs. The debates, as they often do, may fueling a turning point in this respect.

Trudeau is the credible candidate of the progressive-left and has held on to the share of the electorate that have been with him since pre-election. If this turns into a two-way race, the advantage is with Mr Trudeau.

Yet, as previously discussed, his negatives are high. While it doesn't look like voters are moving to the NDP, the opportunity is certainly there with the Greens to use climate anxiety and increased exposure to funnel away enough points to lead to a minority Liberal or minority Conservative government.

The Conservatives have the surest bet of converting their existent supporters into votes, leading with the likeliest voters who have made up their minds, and those insistent on a change in government.

The blackface scandal didn't do much to bolster the support of any of the opposition parties, which suggests a degree of durability to Mr. Trudeau's vote among non-conservatives. However, should his group of supporters become even more demotivated with more gaffes and missteps as time goes on, this could lead to a distinct edge for the CPC.