

# INSIDE QUEEN'S PARK

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GOVERNMENT AND POLITICAL ANALYSIS

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## BY-ELECTIONS BY THE NUMBERS

*Graham Murray*

If you think the number of Ontario provincial by-elections has been increasing, you are correct.

Two by-elections were called September 2012, in Kitchener-Waterloo and Vaughan; five seats were contested last August – in Etobicoke-Lakeshore, London West, Ottawa-South, Scarborough-Guildwood and Windsor-Tecumseh; and next Thursday we will be waiting on the outcome of the two latest by-elections, in Niagara Falls and Thornhill. That's a total of nine by-elections since the October 2011 general election; another five more by-elections held during the previous, 2007 Legislature; and ten by-elections, a modern record, called in the 2003 Legislature. Altogether that gives us a total of 24 by-elections in the ten-year period of the three Legislatures from 2003 to 2014, by contrast with the 20 by-elections held over the 18-year period of five Legislatures from 1985 to 2003.

The total number of by-elections was not hugely different for our two periods, but 24 by-elections in ten years made for much greater frequency than 20 contested over 18 years. Similarly, the percentage of MPPs who arrive at Queen's Park in by-elections has grown significantly compared with those winning in general elections. As of the October 2011 general election, 14 (13.1 per cent) of the 107 MPPs had arrived at Queen's Park in by-elections. There have been seven by-elections in that Legislature, increasing the size of the by-election cadre to 21 (19.6%). The by-election cadre breaks down as follows: nine LIBs, seven NDPers and five PCs. And of course, whatever the partisan outcome, the pair of current by-elections will by definition produce two more by-election winners, for a total of 23 (21.5 per cent) while reducing the number who won their seats in general elections to 84 (78 per cent).

There is no difference at all in the legal status of MPPs who win by-elections and those who gain seats in general elections, but a vacant by-election seat is often endowed with greater significance because it is regarded as 'winnable' and can be matched to a notable candidate – or attracts a whole bunch of them to contest a cluster of vacant seats. Party organizers managing candidate searches are expected to identify the ever-elusive 'star candidate' but in practice they often have to fall back on nominating ordinary mortals. In any event, political scientists advise that

even the most superlative candidates are quite limited in their electoral appeal.

There's no escaping general elections but governments have some flexibility respecting the timing of by-elections, which do not have to be called for six months following the death or resignation of an MPP which occasions the vacancy. It is not uncommon for a pending by-election to be wiped out by a subsequent general election call.

Commenting mid-campaign on the 2009 St. Paul's by-election, then-premier Dalton McGuinty said: "It's ... harder in government to win a by-election than it is in opposition". That's pretty much the conventional wisdom about Ontario by-elections – but it's precisely because it is conventional that wisdom should not go unexamined.

G.P. Murray Research has analyzed a run of 60-plus by-elections held in Ontario over more than 40 years, from 1973 to date. More than half, or 53 per cent, of the ridings in those by-elections were in government hands at the outset, with the remaining 47 per cent starting out as opposition-held. The balance between government-held and opposition-held seats shifted strongly as a result of the by-elections, to 32 per cent in government hands (a drop of 21 percentage points) and 68 per cent in opposition hands (a climb of 21 percentage points). In our judgment, then, one is better off wagering on the outs than on the ins.

But of course, such bets are usually placed on a particular seat, not on a whole category of seats, and the prudent punter will carefully assess previous votes, current polls, local issues and provincial ones, leadership campaigns and by-election candidate performance. Extraneous factors have also been known to impact local campaigns – as could very well happen if Jewish voters in Thornhill rally to the provincial PC candidate in appreciation of PM Stephen Harper's recent trip to Israel.

## GRITS WAR CHEST BOLSTERED IN 2013

*Ashley Csanady*

Premier **Kathleen Wynne** led the governing Grits to their best fundraising year in recent years in 2013, girding the Liberals' war chest for a possible spring election.

The Ontario Liberal Party raised \$5,768,213 in 2013; the Progressive Conservative Party of Ontario raked in \$4,816,231; and the Ontario New Democratic Party was a distant third, taking in \$2,508,723, according to the real time disclosures on the Elections Ontario website.

Officials say those numbers could be tweaked as the parties audit their annual books, but are largely representative of last year's haul.

The nearly \$5.8 million added to Liberal coffers is the party's largest take since 2009, when it pulled in more than \$5.9 million, the year after then premier **Dalton McGuinty** formed his second majority.

The Tories, by comparison, have yet to regain the high of 2011, when that election year saw the PCs garner nearly \$7.3 million in donations. That's in addition to any donations made to the party or candidates during the writ period as donors are allowed to give to both a party and the campaign separately during election (or by-election) years.

After losing the 2011 campaign, the Tories dropped to just over \$3 million in 2012 and are once again nearing \$5 million. But **Alan Sakach**, the party's director of communications, says the fact the Official Opposition is so close to the governing Grits suggests leader **Tim Hudak** continues to drive donations.

"Traditionally, opposition parties aren't close to governing parties when it comes to fundraising, and we're close" Sakach said in an interview. "The gap between government and opposition is very narrow so I'm pleased with our fundraising."

He added that Hudak has raised \$36 million in the four years since he assumed the leadership in 2009 — the biggest haul for any opposition leader in Ontario's history.

The NDP, by contrast, have seen its coffers grow alongside the party's broker position in the minority parliament. Party donations in the 2011 election year didn't break \$2 million, but were over \$2.3 million in 2012 and broke \$2.5 million in 2013.

## OMERS BECOMES MAJORITY OWNER OF BRUCE POWER

*Andrew Reeves*

A major restructuring of the Bruce Power partnership has left a big Ontario pension fund as the majority owner of North America's biggest nuclear generating station.

In a deal worth \$450 million, Bruce Power announced Friday that Borealis Infrastructure, a unit of the Ontario Municipal Employees Retirement

System, has bought out uranium giant Cameco's 31.6-per-cent stake.

That leaves the province's local government workers, through their pensions, with 56.1 per cent of Bruce Power, which supplies nearly a third of Ontario's electricity and faces a \$15 billion bill to refurbish its reactors.

"Cameco played a critical role in the formation of Bruce Power in 2001 and have been a strong partner, contributing greatly to the success of the site," said Bruce president and CEO **Duncan Hawthorne**. "However, the outlook of both Bruce Power and Cameco has evolved and this is a unique opportunity for Bruce Power to turn our policy position in the Long-Term Energy Plan into action, while Cameco can focus on its role as a world leader in the nuclear fuel market through this restructuring."

The other partners in Bruce include energy giant TransCanada Corp., the Power Workers' Union and the Society of Energy Professionals.

Privately owned Bruce Power runs the world's largest operating nuclear generating plant at Tiverton with eight reactors along the shore of Lake Huron that produce 30 per cent of Ontario's electricity.

Power Workers' Union president **Don MacKinnon** backed the move, which he said "helps set the stage for a stable and sustainable future for the employees of Bruce Power and the communities near the Bruce site for decades to come."

## NORTHERN THINK TANK HAS A RICH VEIN OF ISSUES TO MINE

*John Michael McGrath*

Announced by the government in 2011, the Northern Policy Institute is only weeks away from leaving the shadows and, it's hoped, giving Ontario's north a bigger role in promoting policies relevant to the region.

"We've got papers in the pipe, three are just about ready to be published," says **Charles Cirtwill**, the NPI's first president and CEO, says.

"Everybody hears the NPI was created in February 2013 and they wonder what's taking so long," he says. "But we've got to recruit a CEO [Cirtwill was appointed in July], we've got to get a website design, so I would expect in the next three to four weeks we'll launch our website and release our early research."

Cirtwill, who came to NPI from the Atlantic Institute for Market Studies, says there was a clear need for a northern-based policy think-tank.

"There's lots of think-tanks in Southern Ontario, there's lots of research being done academically in Northern Ontario, but there wasn't the niche for a public policy-oriented but independent research," he says.

The NPI will join a growing number of independent think-tanks that get their initial funding

and mandate from government, such as the Mowat Centre in Toronto or the MacDonald-Laurier Institute in Ottawa. The NPI started with a \$5 million provincial grant.

"Across the country and around the globe, you see this kind of tool being used more and more to get everybody to engage in public policy," Cirtwill says.

He says the NPI will begin with two priorities: getting reliable measures of policy effectiveness; and researching policies that build self-sufficiency in the north, a resource rich region that has been hit hard by boom-to-bust cyclical industries, such as mining and forestry.

## **UNIFOR PRESIDENT SEEKS TO DEBATE HUDAK ON LABOUR REFORMS 'ANYWHERE, ANY TIME'**

### ***Staff***

The national president of Canada's largest private-sector union is challenging PC Leader **Tim Hudak**, saying his proposed labour reforms for Ontario "just don't add up."

**Jerry Dias** sent a letter to Hudak on Monday, challenging the Tory leader to a debate "anywhere, any time" over the labour law changes he wants to bring in if the Tories win the next provincial elections.

"I have been through your plan, and quite simply the numbers just don't add up," Dias wrote in his letter.

Labour reforms in Ontario are part of Hudak's plan to create one million new jobs in the province over eight years. Besides cutting taxes and lowering electricity costs, Hudak wants to lure more manufacturing jobs by reforming labour rules that currently require all employees in a unionized workplace to pay dues even if they are not members of the union.

The Tory plan also calls for open bidding on all public contracts and new rules on union membership votes.

Dias said research by Unifor shows that U.S. states that have brought in such laws have seen lower wages, unsafe workplaces and less money spent on schools and health.

All that, and with no difference in job creation, Dias said in his letter.

"No one wants that for Ontario," Dias wrote.

The letter from Dias follows weekend ads in the Toronto Sun and the Niagara Falls Review in which Dias challenged Hudak to a debate his party's proposed labour laws, which have been strongly opposed by the labour movement.

"With some good ideas, we can do better for Ontario," the ad reads.

In his letter, Dias says "I am prepared to meet you anywhere, any time to debate this important issue."

## **PROVINCE TO LEND \$2.9-MILLION TO HELP NATRA BUILD NEW LONDON PLANT** ***John Valorzi***

The Ontario government is lending nearly \$2.9 million to help a Spanish multinational build a new chocolate plant in London, a city hurt by last fall's announced closing of a local Kellogg's cereal plant.

The new \$15.4-million food-processing factory by Natra is expected to create 56 jobs and is the company's first in North America, making chocolate products for the continental market.

Ontario revealed Monday it is providing a loan of \$2.85 million under its regional development fund to back the new plant.

London's food processing sector was devastated in December when U.S. food giant Kellogg Co. announced it would close a cereal plant that has operated in London for more than 90 years by the end of 2014.

The move will cut more than 500 full-time jobs on top of earlier layoffs of 110 jobs at the London operation.

Despite that restructuring, food processing remains a key part of the local London economy with companies such as Labatt, Dr. Oetker, The Original Cakerie, McCormick and Cargill still operating in the city.

Overall, food processing employs 94,000 people throughout the province and is Ontario's second-biggest manufacturing sector, after autos and parts.

Attracting new investments with government incentives is a key job-creation strategy by the Ontario Liberals, who must cope with a sluggish provincial economy that lost 39,000 jobs last month alone and with a jobless rate approaching eight per cent.

The Liberal government recently lured network equipment maker Cisco to expand in Ontario with \$220 million in provincial help, and is weighing whether to back Chrysler Group's \$2-billion expansion of its Windsor assembly plant with government money.

## PEOPLE

Appointed as chair to the Health Services Appeal and Review Board is **Taivi Lobu**.

**Aidan Gillespie** has been named to the board of the Livestock Medicines advisory committee.

Named to the board of the Ontario Advisory Committee on HIV/AIDS is **Gilles Marchildon**.

**Raphael Hofstein, Anne Sado** and **Pearl Sullivan** have been appointed to the Ontario Research Fund Advisory Board.

**Shirley Sharp** has been named to the Transitional Council of the College of Naturopaths of Ontario.

Appointees to the Order of Ontario include:

**Irving Arbella, Hon. George E. Carter, Penny Collenette, David Cronenberg, Alvin Curling, Allison Fisher, Claude Gingras, Avvy Yao Yao Go, Piers Handling, Paul Henderson, Jeanne Lamon, Lyn McLeod, Dr. James Rutka, Adel Sedra, Steve Paikin, Deepa Mehta** and **Toby Tanenbaum**.

Named to the board of the Ontario Mortgage Corporation is **Beverley Thomas-Barnes**.

**Debra Sikora** has been appointed to the board of the Ontario Clean Water Agency.

Working alongside the **Right Hon. Paul Martin**, special advisor on Retirement Income Security, the Technical Advisory Group consists of: **Bill Morneau, Keith Ambachtsheer, David Denison, Susan Eng, Melissa Kennedy** and **Jim Keohane**.

Canada's Public Policy Forum honorees for the 2014 Testimonial Dinner & Awards are: **Annette**

**Verschuren, Mary Simon, Sheila Fraser** and **Heather Munroe-Blum**; Receiving the Hyman Solomon Award is **Susan Delacourt**

The recipients of the 2013 Lincoln M. Alexander Awards are: **Saba Oji**, Waterloo; **Talisha Ramsarop**, Toronto and **Nathalie Restoule**, Dokis First Nation.

**Sheila White** received the African Canadian Achievement Excellence in Politics Award.

## FOR YOUR DIARY

- Feb. 6 An Evening with Christine Elliott, PC MPP, Whitby–Oshawa with guest speaker Federal Minister of Finance, the Hon. Jim Flaherty PC, MP; The York Club, 135 St. George Street, Toronto; 5:30-9:30 p.m.
- Feb. 12 Environmental Commissioner's 20<sup>th</sup> Anniversary Conference on Ontario's Environmental Bill of Rights; Great Hall, Hart House, University of Toronto; 8:30 a.m.- 4:00 p.m. [by invitation only]
- Feb.14 Healthcare of Ontario Pension Plan (HOOPP) presentation and panel discussion on pension security; MaRS Discovery District, Auditorium, 101 College St. Toronto; 3:00-4:30 p.m.; Reception to follow.
- Feb.19 Michael Mantha's second annual "Taste of Algoma–Manitoulin" with special guest speaker Gilles Bisson, MPP, Timmins-James Bay; The University Club, 380 University Avenue, Toronto; 6-8 p.m.
- Feb 25 An evening with Paul Miller and Friends; University Club of Toronto, 380 University Ave.; 6-8 p.m.
- Mar.18 "An Evening with Monte McNaughton, MPP"; McCarthy Tetrault LLP, TD Bank Tower, 53<sup>rd</sup> Floor, 66 Wellington Street West, Toronto; 5:30–7:30 p.m.
- Mar. 20 Liberal Heritage Dinner 2014; Metro Toronto Convention Centre, South Building, 222 Bremner Blvd., Toronto; Reception 6:00 p.m.; Dinner 7:00 p.m.
- Mar.21-23 Ontario Liberal Party Annual General Meeting; Metro Toronto Convention Centre, South Building, 255 Front Street West, Toronto
- Mar.28-30 Broadbent Institute's first annual Progress Summit 'Paths to a New Prosperity' with keynote speakers Julia Gillard, Mariana Mazzucato, Anastasia Khoo, Axelle Lemaire, Don Drummond & Jamison Steeve; Delta Hotel, 101 Lyon Street North, Ottawa
- Apr 10 Public Policy Forum's 27<sup>th</sup> annual Testimonial Dinner & Awards with the Hon. Alison Redford, Premier of Alberta as co-chair; Metro Toronto Convention Centre, North Building; 5:00 p.m.

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