

MEMORANDUM

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Prepared for: Alberta Grains

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Subject: The Last Week of the Federal Election Campaign

This memo outlines the key trends and battlegrounds shaping the 2025 federal campaign in the final week before election day.

It reviews major party platforms, analyzes public opinion and regional dynamics, and highlights areas to monitor as voting concludes.

With high voter engagement, competitive races in critical ridings, and significant uncertainty from domestic and international issues, we are monitoring potential post-election governance scenarios, including the likelihood of minority government and possible coalition negotiations that could shape Canada's next political chapter.

Voter Engagement and Turnout

- Record advance voting turnout signals exceptionally high voter engagement, with an estimated 7.3 million Canadians voting at the advanced polls, a 25% increase from 2021.
- Increased attention to the election is widely attributed to concerns over President Donald Trump's impact on Canada and a sense that this is a consequential moment for the country.
- While high voter turnout usually favours a change, both major parties are running a change campaign, so it's hard to say who this helps.

Polling and Debate Impact

- Public opinion polling shows no significant changes in voter intention for any party, despite high engagement and the airing of the recent French and English debates.
- In Quebec, the Liberals under Mark Carney maintain a strong lead, with voters overlooking his limited French skills.
- Most viewers and poll respondents say the debates didn't significantly influence their voting intentions, with only a small number reconsidering their choices.

Campaign Strategies and Leader Tours

- This week, both major parties' leaders are expected to campaign across the country, with Liberal and Conservative tours stopping on both the Atlantic and Pacific coasts.
- The NDP will focus its campaign on retaining existing seats. It will prioritize resources in key areas facing close, three-way races.

Regional and Riding-Level Dynamics

- Beyond major metro areas like Vancouver, Toronto, and Montreal, suburban and rural ridings are emerging as battlegrounds. The unpredictable outcomes are due to changing party support and strategic voting.
- Vancouver Island has competitive three- and four-way races, with vote splits among Liberals, NDP, Greens, and Conservatives making several ridings uncertain.
- Southwest Ontario features tight contests, especially in union-heavy areas and ridings with strong incumbents from all three major parties affected by the Trump administration's auto tariffs.

Platform Summaries

Over the Easter long weekend, the Liberals and NDP released their platforms, and the Conservatives released theirs on Tuesday morning. Here are the highlights:

Liberal Party of Canada

- The Liberals promised nearly \$130 billion in new spending and tax cuts over four years, adding a projected \$225 billion to the federal debt.
- The plan emphasizes major investments in defence, housing, infrastructure, and a middle-class tax cut that reduces the lowest income tax bracket from 15% to 14%.
- Key measures include an \$18 billion boost to defense spending to meet NATO targets and substantial funding for affordable housing.
- The platform proposes major infrastructure projects, such as expanding the east-west power grid and upgrading ports and highways.
- Notable measures include eliminating GST on homes up to \$1 million for first-time buyers, expanding healthcare initiatives like dental care for those aged 18-64, increasing mental health supports, and investing in medical residency programs.

Conservative Party of Canada

- The Conservative platform projects \$100 billion in new deficit spending over four years. The plan relies on expected revenue gains from repealing the carbon tax and other regulations,

and new revenues from increased economic activity. It also includes spending restraint measures like limiting public sector growth, reducing consultant and foreign aid spending, and requiring new expenditures to be offset by savings.

- Proposes tax changes like lowering the lowest income tax rate from 15% to 12.75%, eliminating the carbon tax, removing GST on new homes under \$1.3 million, and targeted relief for seniors, caregivers, and investors.
- The plan aims to build 2.3 million homes in five years by removing taxes and regulatory barriers, incentivizing municipalities, selling federal land, and linking infrastructure funding to housing results.
- Introduces stricter crime and justice measures, including mandatory minimum sentences for repeat and violent offenders, tougher penalties for organized crime, and expanded law enforcement tools.
- Commits to increasing defence spending to meet NATO targets by 2030, expanding the military, building Arctic bases and icebreakers, and enhancing border and national security.
- Maintains dental and childcare programs, upholds universal healthcare, and pledges investments in Indigenous housing, infrastructure, and economic reconciliation.

New Democratic Party

- The NDP platform proposes \$227.7 billion in new spending over four years. This is offset by \$184.5 billion in new revenue, for a total of \$43.2 billion in net spending.
- Singh pledges to cap grocery prices, eliminate GST on essentials like home heating and diapers, and overhaul Employment Insurance for improved coverage and higher minimum benefits.
- The party would introduce a 1–3% wealth tax on fortunes over \$10 million, a 2% surtax on large corporate profits, and tighten regulations on tax havens and loopholes.
- The platform commits to ending fossil fuel subsidies by 2026, investing in a national clean energy grid, retrofitting all buildings by 2050, and supporting union jobs with buy-Canadian policies.
- The NDP would strengthen electoral reform, lower the voting age to 16, ban U.S. corporations from buying Canadian health services, and oppose trade deals that threaten public services or Indigenous rights.
- The plan targets a declining debt-to-GDP ratio by year four and includes a contingency reserve to protect public services and ensure the wealthiest Canadians fund expanded supports.

Post-Election Scenarios

- The outcome of the 2025 federal election will determine the next Prime Minister and the stability and direction of Canada's government.
- Minority scenarios, especially with the Bloc Québécois as a balance of power, will lead to shorter-lived governments and increased political instability.
- Including the NDP and Green Party in post-election calculations is essential, as their support could be crucial in a closely divided House.
- The willingness of smaller parties to cooperate and the strategic choices of the main parties will shape Canada's immediate post-election landscape.

Here are the possible scenarios:

1. Liberals Win a Majority

- **Outcome:** Mark Carney forms a new cabinet and remains Prime Minister.
- **Implications:** The government is expected to be stable and implement its agenda without relying on other parties. The NDP, Greens, and Bloc will have limited influence.

2. Conservatives Win a Majority

- **Outcome:** Pierre Poilievre is sworn in as Prime Minister and forms a cabinet.
- **Implications:** The Conservatives form a new cabinet and govern with a strong mandate, ensuring policy continuity and stability. Opposition parties have limited influence.

3. Liberals Win Most Seats, but Not a Majority

- **Outcome:** Mark Carney will likely remain Prime Minister, given the incumbent's opportunity to attempt to form government.
- **If the Liberals, NDP, and Greens hold a majority:**
- The government is likely to be stable. The NDP and Greens generally support progressive, climate-focused, and social justice policies, aligning with the Liberals on many issues.
- Leadership questions could sidetrack opposition parties.
- **If Liberals need Bloc Québécois support:**
- Mark Carney may still form a government, but stability is less certain. The Bloc Québécois' support is often conditional and issue-based, increasing the risk of an early election.

4. Conservatives Win Most Seats, but Not a Majority

- **If Liberals, NDP, and Greens together hold a majority:**

- Mark Carney will likely form the government, even if Pierre Poilievre's Conservatives have more seats. The Governor General would invite Mark Carney to get the confidence of the House.
- **If Conservatives and Bloc have a majority:**
- Pierre Poilievre is more likely to be given an opportunity to form government. However, such an arrangement would be unstable, likely resulting in an election sooner than expected.
- **If Conservatives need both Bloc and NDP/Greens for a majority:**
- The NDP and Greens are unlikely to support a Conservative government. The outcome depends on the Bloc Québécois' stance, but the NDP/Greens' position would reinforce the likelihood of supporting a progressive government or prompting another election if no stable arrangement can be reached.

5. Liberals Win Most Seats, but CPC and Bloc Equal Majority

- **Speculation:** There may be discussions of a CPC-Bloc Québécois alliance to oust Carney.
- **Likelihood:** Low, due to several factors:
- **Challenging optics:** Teaming up with the Bloc Québécois to install the second-place Conservatives would face significant public and political scrutiny.
- **Limited Policy Alignment:** The Conservatives and Bloc Québécois have divergent priorities, making a feasible agreement difficult.
- **Strategic Considerations:** The Conservatives would likely prefer to remain in opposition, focus on challenging Mark Carney's government, and aim to trigger a new election within a year rather than pursue a precarious and uncertain bid for power now.

6. No Party Can Form a Stable Government

- **Outcome:** If no party or coalition can command confidence, Canada could face another election within the year.
- **Key Factor:** The Bloc Québécois' willingness to support the Liberals or Conservatives, or prompt a new election, will be decisive.

Additional Context

- **Government Formation:** The Governor General invites the leader most likely to command the House's confidence to form government. In a minority situation, the incumbent Prime Minister has the first opportunity.
- **Minority Government Durability:** Historically, minority governments in Canada last 18–24 months on average. The most recent minority government prior to this election was unusual, lasting just shy of four years.

No matter who wins the election on April 28th, a busy spring and summer will follow. The season will include forming a cabinet, bringing the House of Commons back, Speech from the Throne, trade negotiations with the White House, and chairing the upcoming G7 meetings in Kananaskis, Alberta from June 15-17th.