The 2007 Provincial Election in Newfoundland and Labrador

- Alex Marland, Memorial University of Newfoundland

Abstract

On the surface, there was nothing special about the 2007 Newfoundland and Labrador general election, which saw Danny Williams re-elected for a second term as Premier. That his Progressive Conservatives would win a solid majority was never in doubt. There were no emerging issues, major gaffes or innovative campaign tactics, and few tight races. The de facto referendum on Williams’ leadership became a coronation. As Mackinnon (2007: 1) wrote about the Prince Edward Island election held five months earlier, “some campaigns are over before they begin.” In this case the only intrigue was how many Liberal or New Democratic Party candidates would form the opposition. However the results do illustrate that a relatively homogenous electorate can rally around a leader who decries the province’s status in the Canadian federation. Furthermore, when elected officials from all major parties have been implicated in a scandal, many electors respond by not participating in politics. Political scientists can therefore draw comparative insights, such as asymmetrical federalism reminiscent of Quebec Premier Jean Lesage in the early 1960s, political scandal similar to the Grant Devine administration of Saskatchewan in the early 1990s, or about civic engagement generally.

Introduction

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Premier Williams’ First Term, 2003-2007

Danny Williams seems to be motivated by a desire to stabilize and improve his homeland’s economy. This businessman, lawyer and self-made multimillionaire ended 14 years of Liberal rule in October 2003. His leadership style is reminiscent of past Liberal Premiers Joey Smallwood (1949-1972) and Clyde Wells (1989-1996) in that his decision-making is highly centralized and that he is willing to take a stand on a principle against the Prime Minister. Williams, however, has benefitted from growing provincial oil revenues and his federalist confrontations seem less partisan.2

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2 In 1958 Smallwood waged a national battle against John Diefenbaker’s Progressive Conservative government over financial arrangements pertaining to the province’s Terms of Union with Canada and in the early 1990s Clyde Wells rebuffed efforts of the Brian Mulroney PC administration to pass the Meech Lake constitutional accord.
From the outset, Williams stated that over “four to eight years” he would address the “fiscal challenges facing Newfoundland and Labrador” (PC Party, 2003). His first year and a half in office was marked by mild fiscal conservatism that led to internal strife. The first act of his administration was to commission an external review of the provincial government’s finances (Executive Council, 2003). This report formed the basis of a January 2004 televised address in which Premier Williams warned of looming budget deficits of $1 billion (Cox, 2004). His administration pared government spending and legislated striking public servants back to work without a pay raise. A key minister resigned over his interference in her department (Canadian Press, 2004a). By mid-2004 the PCs’ public support had plummeted (Table 1). Bumper stickers proclaiming “One term, Danny” began popping up.

Williams’ popularity began to rebound when he directed his aggressive and unwavering negotiating style at outsiders. He derided the federal government for profiting from oil in Newfoundland’s coastal waters via clawbacks of equalization payments. He stormed out of a first ministers’ meeting on equalization (Canadian Press, 2004b). In December 2004, he ordered the Canadian flag removed from provincial buildings (CBC news, 2004), and by January had pressured Prime Minister Paul Martin into creating an Atlantic Accord to compensate the province for lost revenues (Moore, 2005a). The Premier and his party became the preference of 72 to 74 percent of voters (Table 1). However, this newfound support plunged back to the 49 to 55 percent range when his administration attempted reforms of the crab licensing system that spurred aggressive protesting by fish harvesters and led to a dissenting Member of the House of Assembly (MHA) being expelled from caucus (Moore, 2005b). Such opinion data suggest that a fifth to a quarter of the provincial electorate was willing to side with Williams when he was forceful with outsiders but that they were angered by the similar treatment of Newfoundlanders.

Danny Williams seems to have recognized this by the time he assertively debated the seal hunt with The Beatles’ Paul McCartney on CNN’s Larry King Live (CNN, 2006). Then in April 2006, he walked away from negotiations with international oil companies to develop the Hebron oilfield when his demands for an equity stake and richer royalties were rebuffed (Cattaneo and Harding, 2006). But the extent of the Premier’s vitriol had not yet been revealed.

When new Prime Minister Stephen Harper was poised to reneg on a campaign promise to honour the Atlantic Accord, Williams once again targeted a sitting Prime Minister, saying at an October 2006 party convention in Gander that unless his demands were met that “there better be a big goose egg for the Conservatives” in the province after the next general election’s seat count (Brautigam, 2006). When Harper did not meet Williams’ demands, the Premier began referring to the Prime Minister as “Steve,” and calling on Newfoundlanders to vote “ABC”—anything but Conservative—federally (Hanes, 2007). After the 2007 federal budget, the Williams administration brazenly commissioned advertising in national newspapers brandishing Stephen Harper as a liar for not living up to his equalization campaign promises, to which the federal Conservatives responded in kind by purchasing ads in Newfoundland papers (CBC news, 2007a). Meanwhile, the province’s own budgets had been reflecting increasing oil revenues and the deficit was reduced even amidst renewed social spending. Williams’ approval ratings not only soared into the political stratosphere but they stabilized for over a year at that level heading into the provincial election (Table 1).

Importantly Williams has often said that he considers his PC party to be a grouping of red Tories whose social and fiscal viewpoints are softer than those of the federal Conservative party that was formed in late 2003.
Table 1

<table>
<thead>
<tr>
<th>Month</th>
<th>(1) Party Preference</th>
<th>(2) Leader Preference</th>
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<tbody>
<tr>
<td></td>
<td>PC</td>
<td>Lib</td>
</tr>
<tr>
<td>Nov 2003</td>
<td>68</td>
<td>19</td>
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<tr>
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<td>May 2004</td>
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<td>Aug. 2004</td>
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<td>Nov. 2004</td>
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<td>Feb. 2005</td>
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<td>May 2005</td>
<td>55</td>
<td>31</td>
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<td>Aug. 2005</td>
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<td>Nov. 2005</td>
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<td>25</td>
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<td>May 2006</td>
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<td>Aug. 2006</td>
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<tr>
<td>Aug. 2007</td>
<td>76</td>
<td>16</td>
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2Jack Harris resigned as leader May 28, 2006.

Premier Williams’ quest for financial improvements included the provincial legislature itself. He granted the Auditor General access to MHA spending data and, in mid-2006, $1.6 million in excess “constituency allowance” claims were questioned involving overpayments for (allegedly) faked invoices in a collusion scandal among a handful of current and past MHAs and a public servant (Marland, 2007). Double billings and a secret bonus payment were uncovered. Suspensions, resignations and criminal charges ensued. Williams acted promptly by appointing a judge to review MHAs’ spending allowances and pledging to implement all 80 of the resulting recommendations.

The dichotomy between improper political expenditures locally and the revenues associated with offshore oil was evident in the weeks before the 2007 writ drop. A memorandum of understanding was announced on August 22 for the government to purchase a five percent equity position in the Hebron-Ben Nevis oil field. On September 11, Williams released the Government of Newfoundland and Labrador’s (2007a) long-awaited energy plan that called for equity stakes in future oil developments and which supported his repeated position that there should be “no more giveaways” of natural resources. The next day the Premier announced that his administration had also negotiated a five percent equity stake in an expansion of the White Rose oilfield. These multi-billion dollar deals were promoted as turning Newfoundland and Labrador into a “have” province and seemed to cement Williams’ popularity. Pundits began speculating that the PCs might win all 48 seats (Morgan, 2007).

Then, three days before the election call, the Office of the Auditor General (2007) released its final report into constituency allowance spending dating back to 1989. A further $2.2 million in inappropriate expenditures were identified, including double billings, excess claims, liquor purchases, and poor documentation. Over $160,000 had been reimbursed to MHAs for personal items, including...
hockey tickets, perfumes, cigarettes and underwear. The September 15 edition of the St. John’s
_Telegram_ was emblazoned with the headline “SHAME” (Walsh and Antle, 2007).

Amidst this backdrop the election campaign would answer some interesting questions. Would
Williams mobilize support in the last week by vilifying Harper as a federalist pirate who wanted to
claim Newfoundland’s oil revenues? Would rookie candidates, journalists, interest groups and electors
make the spending scandal an issue if all three parties tried to avoid discussing the local scandal? Would
the result be a Tory landslide amid record-low turnout levels? Or would the public respond to opposition
parties’ reminders of the bungling in a health board that led to hundreds of breast cancer misdiagnoses,
of the continuing challenges in the fishery, and of the erosion of rural communities?

**Writ Drop**

Danny Williams brimmed with confidence when he visited the Lieutenant Governor on
September 17, 2007. His administration had passed a fixed date election law in part to respond to
predecessors calling elections just three years into a majority government mandate. The Government of
Newfoundland and Labrador’s (2007b) April budget had combined social spending and tax cuts while
proclaiming that the province was aiming to “become masters of our own house”. All of the Tories’
candidates were identified by the writ drop, some of whom had already erected public signage over the
summer during nomination contests, which raised questions about election regulations (Walsh, 2007).

Conversely Gerry Reid, a former Liberal Cabinet minister, had begrudgingly accepted the job as
Liberal leader in 2006 when the previous one was pushed out after just three months. This former
government party now had so little money that it planned only to post its “New Liberalism” platform
online. Its policies were gradually released over the summer but despite some wide-ranging ideas, such
as tax cuts and increased spending, they failed to convey a sufficient degree of renewal. The Liberals’
focus was largely on recruiting candidates, given that just five incumbents would seek re-election, but a
week into the campaign the party still had unfilled nominations in nine of 48 seats (CBC news, 2007b).
With the leaders’ support even lower than his party’s (Table 1) it seemed evident to all but Liberal
partisans that even Reid’s seat was at risk.

Yet such bleak prospects would have been welcomed by the NDP. It too had a new leader,
former nun Lorraine Michael, who held her party’s only seat at dissolution. A democratic socialist party
has little room for growth if its opponents are also left-of-centre and so the NDP has never held more
than two seats in Newfoundland (Elections Newfoundland and Labrador, 2007). Realistically,
reclaiming a second seat (in Labrador West) would be the best the NDP could hope for, and a week into
the campaign it did not yet have candidates in 31 of 48 ridings.

A wildcard was the Labrador Party. The protest party has attracted some favour from those
believing that the island of Newfoundland benefits from Labrador’s natural resources, much like the
province itself feels within the Canadian confederation. In 2003 it had contested all four of Labrador’s
ridings and placed a close second in the Lake Melville district. But in 2007, citing frustration with the
Williams administration’s treatment of Labrador—particularly plans for Labrador-based energy to
apparently benefit the province as a whole—the party announced that it would run just one candidate (in
an open seat), it would not run against a Liberal MHA, and that it would endorse an NDPer (in Labrador
West) and a Liberal (in Lake Melville) against PC incumbents (CBC news, 2007c). Would this regional
dimension play a role in the election’s outcome? Or did this mask the profound weakness of this fringe
organization?

**Campaign Dynamics**

Electioneering activities were largely traditional, localized and frugal. The PC and Liberal
leader entourage toured the province in painted motor coaches while Michael remained around St.
John’s in a minivan. Party rallies, speeches, door knocking, and visiting crowded areas provided
journalists with images but little hard news. Only the Tories expected to approach the roughly $1.4
million expenditure limit, with the Liberals spending well under a half a million dollars, and the NDP anticipating roughly $150,000 (Roberts and Antle, 2007). As a result, electors in even the Tories’ safest St. John’s seats were regularly exposed to PC television spots, public transit advertising, and newspaper ads. By contrast Reid seemed to have the more imaginative photo-ops, arriving on a fishing boat in St. John’s to launch his campaign, and riding a 30-person bicycle a few days later. In a throwback to yesteryear, some rural candidates broadcast messages from motor vehicles using loudspeaker systems.

Amidst the lack of surprises the first week of news coverage was regularly supplanted by reports of accidents and crime. There were also regular features on the spending scandal particularly in newspapers even though candidates from all parties generally tried to avoid the topic. The one significant development was the release of the Progressive Conservative (2007) platform which emphasized their advertising tagline “Proud, Strong, Determined: The Future is Ours”. The manifesto noted the province’s “struggle for fairness in Confederation,” the need to “exercise a greater degree of autonomy,” and a vow that “no federal leader or government will deter us in our march toward self-reliance and prosperity.” Pledges included addressing poverty, health care, crime, education and—importantly—a promise to recognize public servants’ “fiscal sacrifices” in upcoming collective bargaining. One plank caught public attention: $1,000 to be paid for each child born or adopted. In a news conference, Williams described this baby bonus as necessary to preserve the Newfoundland “race” given a dwindling population due to high migration to more wealthy provinces, a low birth rate, and an aging population (CBC news, 2007d).

A televised debate between the three leaders was held just eight days into the campaign on September 25 in a St. John’s television studio. Local journalists asked questions but the event became a shouting match when Williams and Reid confronted each other on issues ranging from financial management to the fishery. Williams appeared confident, Reid belligerent, and Michael poised. Williams tried to frame the campaign as a choice on the basis of offshore oil negotiations, saying to Reid, “So the decision is very clear for the people out there tonight: Who do they want to negotiate on their behalf when it comes to oil agreements? Me, or you, Mr. Reid? And that’s a very clear decision for them and I’m quite happy to have that as a ballot decision. Do they want you—or do they want me?” Ensuing media coverage suggested that electors were put off by the whole affair. An opinion poll administered September 26 and 27 found that among decided voters support for the PCs had increased to 79 percent, the Liberals had dipped to 14 percent, and the NDP remained at seven percent (NTV News, 2007).

The post-debate period was even less eventful. Williams and Reid continued to travel thousands of kilometres, sometimes in a single day, throughout the province to visit targeted seats where the election outcome was less certain than in St. John’s (where Michael’s seat was the only one of 14 not solidly PC). The Williams crew chartered helicopters and airplanes to reach a larger number of rural communities. Some verbal sparring was reported, most notably Reid seeking to exploit some Labradorians’ frustration with the energy plan, which Williams countered by hinting that if elected the rookie PC candidate in Torngat Mountains might become the region’s second Cabinet minister.

The health of some Liberal candidates had implications. In Grand Falls–Windsor–Buchans the Liberal contestant passed away mid-campaign thereby postponing the vote in that riding by nearly a month. In Bonavista South the Liberal dropped out due to medical reasons and so the PC incumbent was re-elected by acclamation (Canadian Press, 2007a). A Liberal candidate in St. John’s was also hospitalized but remained in the race. Thus on Election Day there would be 46 seats contested instead of 48.
Election Results

Newfoundland and Labrador’s 18th general election campaign crawled to a conclusion just 23
days after it began. It lacked emotion and issues. Williams never did emphasize victimization by Harper
or another outsider and seemed satisfied with a front-runner’s campaign of speeches, glad handing, and
baby-kissing.

Including the ensuing by-election the PCs ended up with nearly 70 percent of the vote and all
but four of the legislature’s 48 seats (Table 2). Despite the landslide, the party actually lost support
during the campaign, particularly in the post-debate period. Perhaps many supporters simply stayed
home given the lack of competition. Compared to 2003 the PCs increased their seat count (by 10) and
their share of vote (by 11 percent) even though they received fewer total votes in 2007.

Table 2
2003 and 2007 Newfoundland & Labrador General Election Results

<table>
<thead>
<tr>
<th>Party</th>
<th>2003</th>
<th>2007</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Contested</td>
<td>Won</td>
</tr>
<tr>
<td>PC</td>
<td>48</td>
<td>34</td>
</tr>
<tr>
<td>Liberal</td>
<td>48</td>
<td>12</td>
</tr>
<tr>
<td>NDP</td>
<td>34</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>13</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Calculated from Elections Newfoundland and Labrador data (www.elections.gov.nl.ca)
1 Includes November 6, 2007 by-election result and November 7, 2007 Isles of Notre Dame recount.

The results were embarrassing for the Liberal party which, judging by 2003 data, held only its
three safest seats. This once mighty organization’s decline persisted, registering 21 percent of the vote,
down from 33 percent in 2003, from 49 percent in 1999, and 55 percent in 1996. Leader Gerry Reid lost
his riding by 12 votes. The freefall continued when their Grand Falls–Windsor–Buchans by-election
candidate announced that he was withdrawing three days before polling day due to what he perceived to
be a lack of party support. He then failed to provide withdrawal paperwork to Elections Newfoundland
and Labrador, remained on the ballot, and surreally claimed that he would in fact win; he nevertheless
placed a distant third (Canadian Press, 2007b). What’s more the party did not even have a representative
present at the judicial recount for Reid’s riding.

The NDP had to be relieved yet disappointed that they only held on to their leader’s seat. The
party’s vote share increased from 6.8 percent in 2003 (when it won two seats) to 8.2 percent in 2007.
Even so it operates in a two-party system and remains a fringe representative of its federal counterpart.

It seems that electors’ faith in Williams overcame their anger with the sponsorship scandal and
even negated some frustrations in Labrador. Turnout among registered electors did decline to 62 percent
from the 72.5 percent in 2003 and was technically the second lowest in the province’s history. As well,
there were 1,026 spoiled ballots in the 46 contests, up 30 percent from 2003. Meanwhile even though
the PCs won three of four Labrador seats, on the island of Newfoundland the Tories obtained an
overwhelming majority (70.8 percent) of votes, whereas in Labrador it received only a plurality (48.5
percent). By comparison the Labrador Party received all of 68 votes.

By comparison modern federal campaigns tend to be two weeks longer.
4 Historical turnout figures are unreliable given that the number of people on the province’s voting lists has
consistently increased even when the total population has been decreasing. For instance, while there were 367,540
registered electors in 2007, there was six thousand less registered in 1993 and under half this number in 1951.
Premier Williams’ Second Term, 2007-2011(?)

Danny Williams saved his anti-Harper fury for when the polls closed. In his Election Night victory speech he warned “Steve” that the province was solidly behind the Premier (Brautigam, 2007) to which Harper indirectly responded the next day by announcing a new equalization accord with Nova Scotia (Office of the Prime Minister, 2007). Later that month in comedic guest appearances on CBC’s This Hour Has 22 Minutes and Rick Mercer Report the Premier called the Prime Minister a traitor and untrustworthy. Williams also said that he would campaign in Nova Scotia to support ousted Conservative MP Bill Casey’s stand against Harper on equalization (CBC news 2007e). This federal-provincial cold war has become personal and there is no indication that it is likely to end anytime soon.

Locally, within a week policy handbooks for MHAs were publicly available as part of the reforms associated with the spending scandal. Soon afterwards on October 30 some new faces were invited into a restructured Cabinet, most notably the MHA from Torngat Mountains (Patty Pottle) as Minister of Aboriginal Affairs, and former high-profile defence lawyer Gerard Kennedy as the new Minister of Justice. Members of what appears to be Williams’ inner cabinet (Kathy Dunderdale, Joan Burke, Tom Marshall, Tom Rideout, Trevor Taylor) did not change portfolios since 2003 (Jack Byrne, Tom Osborne) were dropped. Aware of criticisms of his leadership style, including the labelling of him being “a one-man show,” at the swearing-in ceremony Williams mentioned that he would like to see an increased role for the province’s ministers (Canadian Press, 2007c). Yet with apparently few pressing issues and little opposition the governing party announced that the legislature would remain closed until Spring 2008. Yet again responsible government in the province was to be characterized by elected officials’ silence.

Newfoundland and Labrador’s three political parties are currently headed in different directions. The provincial Liberals are fragile but understand that they must rebuild. Their ability to recruit new members will be frustrated by perceptions of an unassailable opponent, a severe lack of resources, and no fresh faces in the legislature. A month after the election, Gerry Reid surfaced to announce that he would resign, and the party appointed Labrador MHA Yvonne Jones as interim leader (CBC news, 2007f). The party intends to develop a strategic plan and to hold a leadership convention in October 2008. By comparison the NDP is seemingly content to remain a third party. There is no indication that it will professionalize its operations, such as fundraising, in preparation for an election in 2011. Both of these cadre parties are poor cousins of their federal counterparts. Although it is refreshing that they both currently have female leaders, this masks the reality that just 11 of 48 MHAs are female, as are just five Cabinet ministers, while all five parliamentary secretary positions are held by men.

Conversely the Tories’ domination of the legislature suggests that their greatest risk is the spoils of power combined with the public’s expectations of an improved economy. For instance when first elected Williams promoted a leaner Cabinet of 14, but there are now 18 ministries—back to the number that a tired and bloated Liberal administration had in 2003. Even with oil revenues, people are still migrating to other provinces for work, and the government’s long-term fiscal outlook has been considered to remain poor unless per capita debt, debt interest payments, and government spending are reduced (Murrell and Munro, 2007).

Danny Williams seems to have always understood the province’s grave economic situation and he has surely learned that residents will reward a leader for turning optimism into results. Yet, while he now seems to accept that reforms within the province require consultation and compromise, the Premier remains frustrated about this at the federal level. Indeed, the party’s 2007 platform pledges that it will “achieve self-reliance within the federation of Canada” in its second term (PC party, 2007), and does not

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5 In October 2007, Newfoundland’s unemployment rate sat at an improved 13.5 percent, albeit this remained the highest of all provinces and considerably worse than the national average of 5.8 percent (Statistics Canada, 2007).
seem to have any grand vision beyond negotiating improved provincial revenue streams. But there are growing concerns that the friction between Ottawa and St. John’s will complicate even routine intergovernmental matters, particularly if Newfoundland nationalism is stoked, and in the event that Harper’s Conservatives are reelected without any MPs from the province. The fiscal emphasis also means that there is little legislative agenda.

The Premier has said that he wanted to govern for two terms but he may lead the party into 2011 if significant revenue deals are available to be made. Inevitably, internal rifts will develop as leadership hopefuls, federal Conservative sympathizers, backbenchers and journalists look beyond the Williams era. Clearly, politics in Newfoundland and Labrador is turning around Danny.
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