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MY TELNO 756: CANADIAN FEDERAL ELECTION

SUMMARY

1. A DRAMATIC NEW POLL BY GALLUP HAS THE LIBERALS RIDING HIGH, THE CONSERVATIVES WITH THEIR BACKS TO THE WALL AND THE NDP APPARENTLY FADING. TURNER IS SUCCEEDING IN MAKING FREE TRADE THE DOMINANT ISSUE AND IS PLAYING ON VISCERAL CANADIAN FEARS OF US DOMINANCE AND LOSS OF NATIONAL IDENTITY. BUT THERE ARE STILL 12 DAYS TO GO AND MUCH COULD HAPPEN IN THE INTERIM.

DETAIL

2. THE LIBERAL SURGE REPORTED IN MY TUR HAS BEEN SUSTAINED DURING THE PAST WEEK. A POLL BY GALLUP PUBLISHED ON 7 NOVEMBER PUT THE LIBERALS IN THE LEAD WITH 43 PER CENT, THE CONSERVATIVES AT 31 PER CENT AND THE NDP TRAILING AT 22 PER CENT, WITH 10 PER CENT UNDECIDED. THE TURNAROUND IN QUEBEC PROVINCE IS STILL MORE STRIKING, WITH 46 PER CENT OF THE VOTERS NOW SUPPORTING THE LIBERALS (17 POINTS UP FROM A WEEK AGO). THESE FIGURES, IF REPEATED IN THE ACTUAL VOTE, MIGHT GIVE THE LIBERALS AN OVERALL MAJORITY.

3. THERE IS GENERAL AGREEMENT AMONG POLITICAL OBSERVERS THAT A REVERSAL OF FORTUNES ON THIS SCALE DURING A CANADIAN ELECTION CAMPAIGN IS WITHOUT PRECEDENT. SOME REGARD THE POLL AS HAVING PRODUCED A FREAK RESULT AND POINT TO THE FACT THAT GALLUP STILL HAS MULRONEY AS TOP CHOICE FOR QUOTE BEST PRIME MINISTER UNQUOTE AND TURNER BOTTOM. OTHERS WOULD HAVE IT THAT DORMANT SYMPATHY FOR THE LIBERALS, THE NATURAL PARTY OF GOVERNMENT DURING MOST OF THE CENTURY, HAS HITHERTO BEEN UNDERESTIMATED. THE RESULTS OF TWO MORE POLLS ARE DUE TO BE PUBLISHED AT THE END OF THIS WEEK AND SHOULD HELP TO SHOW WHETHER OR NOT THE GALLUP POLL IS SERIOUSLY OUT OF LINE.

4. MEANWHILE TURNER IS RUNNING AN INCREASINGLY CONFIDENT AND AGGRESSIVE CAMPAIGN AND THE LIBERALS ARE WINNING EASILY IN RADIO AND TELEVISION ADVERTISING. TURNER'S OWN ENTHUSIASM HAS NATURALLY INFECTED LIBERAL PARTY WORKERS, WHILE THE SCENT OF POWER HAS

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123174
MDHIAN 0779

BROUGHT BACK INTO THE ELECTION IMPORTANT MEMBERS OF THE LIBERAL OLD GUARD WHO HAD PREVIOUSLY BEEN MAINLY PREOCCUPIED WITH SCHEMING TO SUPPLANT TURNER AFTER THE ELECTIONS OR SOONER.

5. THE TRANSFORMATION OF LIBERAL ELECTORAL PROSPECTS IS DUE ALMOST ENTIRELY TO TURNER'S SUCCESS IN EXPLOITING CANADIAN VISCERAL FEARS OF THE US AND OF THE ALLEGED THREAT TO THEIR NATIONAL IDENTITY POSED BY THE FREE TRADE AGREEMENT. WHILE LIBERAL (AND ALSO NDP) CLAIMS OF THE DAMAGE TO CANADIAN SOCIETY AND ESPECIALLY TO MEDICAL AND OTHER WELFARE PROVISIONS LIKELY TO RESULT FROM THE AGREEMENT HAVE BEEN WILDLY EXAGGERATED, DETAILED REBUTTALS BY REFERENCE TO THE CONVOLUTED PROSE OF THE AGREEMENT ITSELF HAVE CUT LITTLE ICE. NOR HAS MULRONEY'S EARLIER BLAND RESPONSE TO TURNER'S PASSIONATE ONE-ISSUE CAMPAIGN HAD MUCH SUCCESS IN RESTORING CONSERVATIVE FORTUNES. INDEED THE CONSERVATIVES SCORED ONLY ONE BULLSEYE IN THE LAST WEEK, BY WHEELING OUT A RETIRED SUPREME COURT JUDGE KNOWN AS THE FATHER OF THE MEDICARE SCHEME TO PRONOUNCE IT SAFE UNDER THE AGREEMENT.

6. MANY NOW DOUBT WHETHER THE CONSERVATIVES CAN RESTORE THEIR FORTUNES IN THE 12 DAYS OF CAMPAIGNING WHICH REMAIN. BOURASSA, THE LIBERAL PREMIER OF QUEBEC WHOM I SAW PRIVATELY ON 7 NOVEMBER, RECALLED THAT DURING THE LAST FEDERAL ELECTION THE POLLS HAD BEEN ACCURATE WITHIN ONE OR TWO PERCENTAGE POINTS AND EXPRESSED SERIOUS MISGIVINGS ABOUT THE ECONOMIC AND OTHER CONSEQUENCES FOR CANADA OF A TURNER VICTORY IF HE PERSISTED IN HIS EXPRESSED INTENTION TO TEAR UP THE AGREEMENT. BOURASSA TOLD ME THAT HE HAD JUST BEEN DISCUSSING THIS PROSPECT WITH PETERSON (THE LIBERAL PREMIER OF ONTARIO) ON THE TELEPHONE AND THAT PETERSON, ALTHOUGH OPPOSED TO FREE TRADE, SHARED MANY OF HIS FEARS. BOURASSA SEEMED PARTICULARLY WORRIED ABOUT THE LIKELY REACTION IN THE US SENATE AND OF FORMER TREASURY SECRETARY BAKER: HE SAW A VERY REAL DANGER THAT THE AMERICANS WOULD LOSE ALL PATIENCE WITH CANADA AND FEARED IT MIGHT BE TOO LATE TO GO FOR A REFERENDUM ON THE SUBJECT. BOURASSA OUTLINED A GLOOMY SCENARIO OF A FURTHER SHARP DEPRECIATION IN THE CANADIAN DOLLAR, FORCING THE GOVERNMENT TO RAISE INTEREST RATES EVEN HIGHER: GIVEN THE BURDEN OF FINANCING THE HUGE CANADIAN DEBT, THIS COULD ONLY MEAN LESS MONEY TO CARRY OUT THE MANY COMMITMENTS INTO WHICH TURNER HAD ENTERED DURING THE CAMPAIGN.

7. THE CONSERVATIVES NOW HAVE THEIR BACKS TO THE WALL. THEIR FIRST REACTION TO THE SUDDEN LIBERAL SURGE WAS TO TAKE THE GLOVES OFF AND ATTACK THEIR OPPONENTS UNINHIBITEDLY: MULRONEY,

PAGE 2
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MDHIAN 0779

CROSBIE AND WILSON HAVE VARIOUSLY ACCUSED TURNER OFLYING
AND DELIBERATE DECEPTION OF THE ELECTORATE. BUT THEY NOW SEEM
TO HAVE OPTED FOR A MORE DIGNIFIED APPROACH WHICH MAY SERVE THEM
BETTER, ALTHOUGH THE CONFUSION OVER THEIR STRATEGY HAS BEEN
HARMFUL. THEY ARE LIKELY TO DO EVERYTHING THEY CAN TO BROADEN THE
DEBATE, REMINDING THE VOTERS OF THE GOVERNMENT'S OVERALL COMPETENCE
AND ECONOMIC ACHIEVEMENT AND OF THE VERY HIGH COST OF THE TURNER
PROGRAMMES (I UNDERSTAND THE INFLUENTIAL C D HOWE INSTITUTE WILL
PUT A PRICE TAG OF CDN DOLLARS 25 BILLION ON THEM IN A REPORT DUE
TO BE PUBLISHED TOMORROW). ELECTORAL VOLATILITY, STATISTICAL
UNCERTAINTIES IN THE POLLING (WITH VERY WIDE MARGINS OF ERROR IN
THE PROVINCIAL SAMPLES) AND REGIONAL DIFFERENCES CONTINUE TO MAKE
IT VERY DIFFICULT TO FORECAST THE OUTCOME WITH ANY CONFIDENCE AND
ALMOST ANY COMBINATION IS STILL POSSIBLE FROM A CONSERVATIVE
MAJORITY TO A LIBERAL MAJORITY, WITH THE SIZE OF THE NDP
REPRESENTATION DETERMINING THE CHARACTER AND VIABILITY OF A
MINORITY GOVERNMENT.

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