

Ontario and the global challenge

After four intense years, marked by sharp new policy directions, violent protests and mass demonstrations, and a six-month pre-election period saturated with government and Conservative party advertising, quiescence seems to have enveloped Ontario. Autumnal commentary about Ontario politics has been an elaboration of one theme. The "Common Sense Revolution" (CSR) of 1995 has died, replaced by managerial preoccupations—the politics of tidying up.

The premier's rare visibility and the lack of stirring avowals and rousing denunciations (other than of squeegee kids) from his cabinet colleagues prompted the view that the revolution is over. The potency of the received wisdom apparently was of sufficient bother that the scribes who produced the recent speech from the throne took pains to assert that the party in government was not the government, but rather opposed to government; this in a document with over 80 references to government.

The commentators' easy consensus that exhausted revolutionaries have become functionaries and routinizers is unfortunate. It diverts attention from a number of compelling decisions that are before them. Perhaps the commentators may be excused; in the election the parties barely said anything beyond increased health and education spending.

The Tory election strategy was straightforward. Of likely voters, for example, they had a lock on 35 percent, 45 percent were unalterably opposed, and 20 percent were uncertain. If half of the last group voted PC, victory was assured. The subtext of the Harris campaign was powerful and reassuring—Ontario, compared with 1995, was much healthier, evidenced simply by its mantra "jobs up, taxes down."

Liberal leader Dalton McGuinty's campaign, initially faltering and marked by an unimpressive debate performance, caught fire in the last stages. The

BY PETER WOOLSTENCROFT

Peter Woolstencroft is an associate professor in the Department of Political Science, University of Waterloo.

The commentators' easy consensus that exhausted revolutionaries have become functionaries and routinizers is unfortunate. It diverts attention from a number of compelling decisions that are before them.

effect was to deflate the NDP vote, outside of the ridings where the party was the clear leader, by consolidating opposition votes in the Liberal camp.

Four things are noteworthy about the election. Mike Harris broke the pattern of one-term majority governments that had marked the last three elections. Second, strategic voting (where voters pass over their preferred choices in order to defeat, say, the Tories) was unusually important. The NDP, with its vote plummeting eight points to 12.5 percent, won nine seats. The Liberals increased both their vote and seats, and in so doing achieved their second-best overall result since World War II. Third, despite the intensity of Ontario's politics in the last few years, voter turn-

out was in the low 60s, consistent with the last four elections.

Last, Tory triumphalism has obscured the narrowness of the election. To be sure, the PC vote increased marginally from 1995, to just over 45 percent. However, the transposition of 1995 results on the new seats shows a drop from (more or less) 73 seats to 59.

What lies ahead? Electorally, much rests on the NDP's ability to recover. Failing an NDP revival, the theory of party competition suggests that the Tories will move to the centre in their policy choices, if not in rhetoric. Smoothing the rough edges of the CSR makes it harder for the Liberals to stir hostility.

However, the Tory government faces severe policy challenges. Their bedrock commitment is to continue cutting taxes. The party's manifesto promised a 20 percent cut to personal income tax and a 20 percent cut in the province's share of municipal taxes. A balanced budget is slated for the next fiscal year.

The premier said this past summer that \$1 billion will be cut from government spending, but not from education or health, which will have a 20 percent increase in the next four years. The Harris government has already made significant spending cuts in a number of ministries, so it is difficult to see where more reductions will come from.

Post-secondary education is a big problem for the Tories. For three decades Conservative, Liberal, and NDP governments have maintained that there will be a place in an Ontario institution for every qualified student. That policy has resulted in one of the highest participation rates in the world.

The funding approach taken by Harris has been to increase tuition fees, allow tuition deregulation in selected programs, and target funds in certain fields, such as electrical engineering and computer science. The basic operating grant has been untouched, so that Ontario

The global challenge, page 120

has fallen far behind American and other Canadian jurisdictions. With tuition and special funding factored in, Ontario ranks fourth or fifth in Canada.

Because of the demographic boom, higher participation rates, and workplace demands the increased demand in the next decade for post-secondary education will be astronomical. Estimates from the Council of Ontario Universities (which represents the province's publicly funded institutions) suggest that the system will have to expand by 30 to 40 percent. At a time when the supply of new professors is clearly insufficient for the positions that have to be filled, newly minted PhDs are receiving offers from leading American and European universities far beyond anything that Ontario's universities can match.

There is also the question of the appropriateness of Ontario's approach to economic growth. The government's preoccupation is the province's ability to compete globally; its core belief is that lowering taxes, cutting redtape, and easing regulatory requirements will attract the investment necessary to sustain economic growth.

One test case will be in the area of research policy. Quebec, British Columbia, and Alberta have disavowed a laissez-faire approach. Leading American states have taken the flagship route


Electoral, much rests on the NDP's ability to recover. Failing an NDP revival, the theory of party competition suggests that the Tories will move to the centre in their policy choices, if not in rhetoric. Smoothing the rough edges of the CSR makes it harder for the Liberals to stir hostility.

by using public investment to position their institutions as world leaders. Ontario has taken a few halting steps toward the development of a research policy, but it lags behind most jurisdictions.

Ontario will soon make decisions that will have enormous consequences. It may retreat from its commitment to publicly funded higher education by allowing private universities to operate freely. Another route is to change Ontario's community colleges (which are much cheaper on a per-student basis than are universities) into degree-granting institutions. These policy instruments may solve the funding problem but do not address the research infrastructure is-

sue. Reduction of high participation rates is possible through inertia. Without significant funding changes, by the mid-2000s high school students will need averages in the 80 percent range to find a place in Ontario's universities, where high-quality programs will be few.

The Ontario Tories talk about international competitiveness, high-value industries, a highly skilled workforce, and their goal of ensuring that the province is the pre-eminent place for investment and economic growth.

The question: Will Ontario's rhetoric about being ready for the new knowledge-based economy be matched by the appropriate policies? 

Conservative coalition continued from page 117

volatility, throughout its history, Ontario has tended to elect long-term governments. In the 20th century it has also tended to elect Conservative governments. The period of electoral volatility from 1985 to 1995 was clearly an exception, and in 1999 a new equilibrium appears to have been established.

When the Harris Conservatives were first elected in 1995, their victory resembled previous Liberal and NDP victories in that it resulted from a sudden late upsurge in voter support. It was by no means obvious that the coalition of in-

terests that brought the Conservatives to power would not quickly disintegrate, just as earlier Liberal and NDP coalitions had done. In 1999, however, not only did the Conservatives retain the same share of the popular vote (45 percent) that they won in 1995, their support was based on the same regional and socioeconomic sections of the electorate. The new Conservative coalition has thus proved to be much more solid than the constructs that briefly propelled the Liberals and NDP to power but proved too evanescent to keep them there.

The demographics of the new Conservative coalition are well known. Members tend to be somewhat older than the electorate as a whole and fewer are women. They also tend to have above-average incomes and education and to be employed in technical, professional, managerial, financial, and other information-based occupations. Many are highly skilled workers in advanced manufacturing industries. Double-income families are the norm. They are stereotypically concentrated in the 905 code area surrounding Toronto, but every city in