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Your morning briefing

16.05.2018 Christopher Reynolds

Headlines

A secret ballot is held as sacred in modern democracies, essential to independent thought and individual liberty. But it wasn't always so. TVO's "On Politics" podcast casts a look back at the ballot boxes of Canada's past, and how privacy wasn't always so prized.

Ford unveiled a new campaign jingle over the last few days. "Doug Ford - For the people" — commissioned by the PC campaign and produced by a Toronto composer, the campaign team tells *QP Briefing* — marks a shift from his go-to intro, "Eye of the Tiger," to a more X Ambassadors vibe, only politicized. The lyrics chant:

For what's best, for our lives, for the people,
Gotta fight, for what's right, for the people,
Right now is the time, we gotta speak our mind,
Bring us hope, bring us change, for the people.

Our latest stories:

- Ford reverses his stand against rent control
- In Brief: 'Lock her up,' Wynne's political horizon, and an allegation of advocating genocide
- NDP within striking distance of PCs with highest campaign poll numbers since 1990
- Hydro One beats earnings expectations as politics loom large over the company

In other news:

All four parties, Greens included, debate highways, rail lines, sustainable infrastructure and all things transit, per "The Agenda."

Green Leader **Mike Schreiner** is the latest party chief to refuse to engage in speculation about whether it would form a coalition government if it held the balance of power after June 7, the *Star* reports.

The OPP says federal funding may be insufficient to address impending pot legalization, Global News reports.

The *Star* reports that accessibility problems plague Union Station and some GO and TTC stations, according an advocacy group.

"The Agenda" dives into what the four parties have to offer in the way of mental health supports — all four have pledged more funding and better services.

In Markham—Unionville, the strategy of Liberal candidate Amanda Yeung includes avoiding mention of her party affiliation on her lawn signs, though the would-be MPP denied she was trying to skirt her Grit affiliation, the *Markham Economist & Sun* reports.

The PC candidate was a no-show at the Beaches—East York all-candidates debate, where Liberal incumbent **Arthur Potts**, New Democrat **Rima Berns-McGown** and Green **Debra Scott** debated the issues, *Toronto.com* reports.

In high-gear transit news, here's how some journalists have torqued up the names of their media buses and other campaign conveyances:



Marieke Walsh

✓@MariekeWalsh

One key question has been settled in the #onpoli election! 🚌 Find out the sometimes lame, sometimes funny campaign bus names here: <https://ipolitics.ca/2018/05/16/campaign-notebook-leaders-converge-on-election-battleground/> ... #onelxn



Marieke Walsh

✓@MariekeWalsh

The results:

The Care-avan vs. Scare-avan
 The Folks Wagon
 The Proletariat Chariot
 The Lean Green Machine #onpoli #onelxn
 7:17 AM - May 16, 2018

From the opinion pages:

- The *Star* editorial board warns that Walkerton's tainted water tragedy offers lessons for the election campaign.

- The same voice states that Ontario would make history if it became the first provincial legislature to break the 40-per-cent mark for women in elected office.
- **Adam Radwanski** argues that while the Liberals have a top-notch operations team, voters still aren't pickin' up what they're layin' down.
- **John Michael McGrath** notes the Green party can afford to have the courage of their convictions.
- **Christie Blatchford** searches for the middle ground between Hydro One haters and self-satisfied utilities execs.
- **Thomas Walkom** argues the only way to halt Doug Ford's march to the premier's office is "to ensure that someone else gets the job instead": Andrea Horwath.
- **David Reevely** scrutinizes how local Liberals aim to grow Ottawa's booming economy by doing more of the same.

Events

9 a.m.

Liberal Leader **Kathleen Wynne** to make an announcement. VPC Group, 150 Toro Road, Toronto. Livestream available here.

9:30 a.m.

NDP Leader **Andrea Horwath** to hold a campaign event. Progress Childcare, 3 Glamorgan Ave, Scarborough.

11:30 a.m.

Horwath to visit Adi Biryani & Kabab House. 462 Birchmount Road, Scarborough.

11:30 a.m.

PC Leader **Doug Ford** to make an announcement. 630 Fourth Line, Oakville.

11:45 a.m.

Wynne to visit Mitsubishi Heavy Industries. 6390 Northwest Drive, Mississauga.

2:30 p.m.

Ford to tour Fielding Environmental. 3375 Mavis Road, Mississauga.

7 p.m.

Ford to host a rally. Mississauga Convention Centre - Salon A, 75 Derry Road West, Mississauga.

8 p.m.

Wynne to deliver remarks at an Iftar Dinner. 821 March Road, Kanata.

Hydro One beats earnings expectations as politics loom large over the company

15.05.2018 David Hains

LONDON — Hydro One released its first-quarter earnings amid a flurry of political acrimony that saw all parties criticizing the publicly traded company.

Ontario's largest electricity transmission and distribution utility, which is 47 per cent-owned by the Ontario government, increased its quarterly dividend 5 per cent, to 23 cents a share. Profit 33 per cent to \$222 million from a year earlier. Adjusted earnings came in at 35 cents a share, beating analyst expectations of 33 cents.

But Hydro One's revenue was underwhelming, as the company reported \$1.58 billion, far short of the \$1.78 billion the Street had expected, and lower than the \$1.67 billion posted in the same quarter last year.

Hydro One's share price closed at \$19.34, up 6 cents, on the Toronto Stock Exchange Tuesday.

Some analysts have expressed concern about the charged political environment that surrounds Hydro One, with UBS issuing a "sell" rating on the stock in early May. PC Leader **Doug Ford** has repeatedly used Hydro One as a punching bag on the campaign, asking that the board of directors and the CEO resign, and saying that, as premier, he will turf the board in order to fire chief executive **Mayo Schmidt**, who he refers to as the "\$6-million man" in reference to his 2017 compensation.

The politics of executive compensation at Hydro One received more attention on Tuesday as the party leaders were asked about the fact that the 14 board members gave themselves \$25,000 raises for their part-time positions.

Liberal MPP **Glenn Thibeault**, who served as the most recent energy minister, stated: "As the largest single shareholder in Hydro One the government of Ontario was dissatisfied with the specific proposals for executive compensation when they were brought forward by the board. We expressed our dissatisfaction clearly and succeeded in securing from the board a commitment that a review of the compensation model would be conducted relying on additional third party experts."

To signal its displeasure, the Liberals said that the government would abstain from Tuesday's vote at the Hydro One annual general meeting. The Grits said the tactic helps to force a review on executive compensation at the company while avoiding a confrontational "no" vote, which could negatively impact the share price.

Despite the criticism, in Toronto, the Hydro One board remained steadfast. Board chair **David Denison** defended the \$25,000 pay increases, saying that it put the board compensation in line

with comparable companies, and that the pay was "appropriate." Asked by media whether the compensation review was a "sham," Denison said it was not.

Asked by a shareholder about the political turmoil, Denison struck an optimistic note. "We really do believe that calmer heads will prevail."

Liberal Leader **Kathleen Wynne** expressed her frustration as she campaigned in Waterloo. "I've been very clear that I was not happy," she said. "That's why there will be a review of the compensation package, that review is beginning now, and it's happening because we made clear that we were not supportive, did not think that the compensation package that was brought forward was reasonable."

The board compensation is part of the broader review, which will also look at the pay of senior executives. The review was only initiated after weeks of sustained criticism by the PCs and NDP.

Wynne added that she was hopeful the review would lead to lower compensation. "I do expect that there will be a change, that's why we've asked for there to be a review."

However, she stood by her decision to sell off part of Hydro One, saying that cashing in half of Hydro One in order to spend the money on other priorities was the right move. "I made a commitment to do exactly what we're here talking about today, which is to build infrastructure."

Meanwhile, Ford held a campaign event in Toronto, where staffers and some supporters held a protest outside of Hydro One's annual general meeting. Bearing anti-Hydro One signs and saying critical chants, the PC campaign looked to make political hay out of anger over hydro prices that are perceived by some ratepayers as too high.



Chris Reynolds@ChrisAReynolds

Hydro protestors resort to acid jazz rhythms to be able to chant, "Hey, hey, Ho, ho, The \$6-million man has got to go."

9:35 AM - May 15, 2018

Ford has also promised to reduce hydro prices by a further 12 per cent. The PCs, unlike the NDP, have not expressed any intention to roll back the Fair Hydro Plan that is the Liberals' signature energy policy.

In London, NDP Leader **Andrea Horwath** pitched her plan buy back Hydro One using the dividends from the stock. Horwath argued that Ford would just replace Wynne's "cronies" on the board with his own, and pointed to comments made by controversial London candidate **Andrew Lawton** where he opposed restrictions on high executive compensation.

More to come.

*With files from **Jessica Smith Cross** in Waterloo and **Christopher Reynolds** in Toronto*