How the media influences public policy: A case study on the New Brunswick government’s failed attempt to sell NB Power

by

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A Thesis Submitted in Partial Fulfillment of the Requirements for the Degree of

Master’s in Philosophy (Policy Studies)

in the Graduate Academic Unit of the School of Graduate Studies

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This thesis is accepted by the Dean of Graduate Studies

THE UNIVERSITY OF NEW BRUNSWICK

February 2014

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ABSTRACT

Politicians, policymakers and journalists have witnessed a dramatic change in how they do their jobs in the last decade, particularly because of the growth of online and social media. Canadian public administration experts, particularly Donald Savoie, have observed significant changes to the policy-making process and specifically a shift toward governing from the centre. The media have been credited with gaining more influence on the policy process. Traditionally, agenda-setting research has explored how the media shapes the issue salience among citizens and how that affects politicians. But there has been less focus on how the media affects actual policy decisions. Using a case study methodology, this interdisciplinary study will explore the relevance of the governing from the centre model and how the newspaper, television and online media coverage influenced key political and policy decisions during the failed attempt by the New Brunswick government to sell NB Power between 2009 and 2010. An analysis using qualitative interviews with key politicians and policymakers during the NB Power process shows to what extent public policy and political decisions were made from the centre and how the media influenced policy and political decisions. The study raises questions about how future policy decisions should be made given demands for more public engagement and changing media consumption patterns.
Dedication

I would like to dedicate this thesis to my wife, Lisa, and my three daughters, Emmanuelle, Isabella and Madeleine.
Acknowledgements

This thesis may have my name on it, but thankfully I was not forced to walk alone on this long and winding academic journey. I would like to thank my supervisory committee, Dr. Paul Howe, Dr. Donald Savoie and Dr. Fred Mason. Each of my committee members offered a tremendous amount of insight and guidance throughout the last year and for that I am grateful. It has also been an honour and a privilege to work with the many faculty and students at the University of New Brunswick, particularly those who were associated with the Master’s of Philosophy in Policy Studies program. Finally, I am blessed with tremendous friends and family members, who patiently listened to me during the process of researching and writing this thesis, encouraged me when the journey seemed without end and celebrated with me as I moved closer to achieving my goals.
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Introduction

The dramatic changes that have occurred in the mass media over the last decade have upended how journalists, politicians and policymakers do their jobs. It was not long ago when television, radio and newspapers dominated the media landscape; newspapers owned the morning news cycle and the television news dominated the evenings. Now those traditional media sources are in fierce competition with all-news networks, online media sources and social media. These new forms of media are not only putting more pressure on journalists to break stories and match stories under tight deadlines, but they are complicating the political and public administration process. These changes in how the media operate have coincided with a shift in how policy is created and how decisions are executed. Donald Savoie’s writings, in particular, Governing from the Centre: The Concentration of Power in Canadian Politics (1999) and Power: Where is it? (2010), have documented, and revisited, how prime ministers and a small circle of senior civil servants in central agencies and political advisers have taken control of the policy-making wheel from cabinet ministers and other civil servants, particularly those in line departments. This centralization of power has had an impact on the influence of journalists in the policy-making process. This is an important development considering the media’s role in agenda setting has been well studied since the influential 1972 paper

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1 Full disclosure: The author acknowledges that between the period of October 2009 and March 2010 (the period examined in the case study), he was an employee of CBC News and a reporter/editor with CBC.ca. The author was also an employee of Brunswick News Inc. from 2001 to 2008 and was an assignment editor for the New Brunswick Telegraph-Journal prior to leaving.
by McCombs and Shaw. But there is not the same breadth of research that examines how the media impacts the policy-making cycle.

This study will explore how the newspaper, television and online media coverage influenced key political and policy decisions during the failed attempt by the New Brunswick government to sell NB Power between 2009 and 2010. The research will focus on the key policy and political decisions made by the Office of the Premier, Department of Energy, Department of Finance and NB Power and explore what role the media played in the process of making those decisions. In addition, the decision-making process will be explored and contrasted with Savoie’s governing from the centre model to see its implications on public administration in the province of New Brunswick.

This research is important because it could help foster a better understanding of the media’s role in the changing public policy process. This research will analyze four research questions: 1) how relevant was the governing from the centre concept during the NB Power debate, 2) how did the media influence political and policy decisions in the failed attempt to sell a majority of NB Power’s assets to Hydro-Québec, 3) how did traditional media (newspapers and television influence these decisions and 4) how did new media sources influence these decisions. These questions will be addressed by drawing on literature from the fields of journalism, political science and public administration.

Public administration scholars tend to focus primarily on how policies are created and changed inside the bureaucracy. The role of the media is often described in passing, mainly because the media influences the environment where policy inputs are formed and policy outputs are shared with citizens. There has also been an evolution in how the
media has been portrayed in Savoie’s analyses of public administration in Canada. *Governing from the Centre* offered a critical analysis of the new style of public policy formation, which started with former prime minister Pierre Elliott Trudeau and continued through the governments of Brian Mulroney and Jean Chrétien. It offered a cabinet minister’s lament that cabinet had become little more than a “focus group for the prime minister” (Savoie, 1999, pp. 339). A decade later, Savoie revisited his analysis in *Power* and concluded that outside forces, such as globalization, greater demands for transparency, the media and the private sector, have made governing from the centre less of a public policy malady and more of a necessity.

The entry points for citizens to become involved in the public policy process have also changed. Political parties are no longer vehicles for public policy debates given how the main levers of power when it comes to shaping policy are now controlled by the prime minister. However, citizens are gaining new access points to the policy-making process because of the ability to use social media and new media to express their opinions to the traditional news media, politicians and government officials. In the NB Power debate, the increased media scrutiny along with the proliferation of social media and new media as tools to connect citizens, opened up more opportunities for citizens to influence the policy process.

Political scientists examine how the changing media dynamics are impacting the citizen-political actor relationship. Another well-studied area is how the media influences issue salience among members of the public. There were other factors at play that guided decisions and influenced politicians and policymakers. The influence of public opinion polls in the policy process also reared up during the NB Power debate. The New
Brunswick government consulted internal polls before, during and after the NB Power debate. How polling factored into the policy process as well as the political/policy communication process will be examined.

Finally, journalism and communications scholars approach the study by focusing on the structural changes of the delivery of the news, the changing influence of different media platforms and how consumers access and share news and use how they use that information to form opinions. The internet is becoming more ubiquitous in the lives of Canadians. Statistics Canada reported in its 2010 Internet Use Study that 79 per cent of Canadians had access to the internet – ranging from British Columbia (84 per cent) to New Brunswick (70 per cent) (Statistics Canada, 2011). While the majority of citizens still access information about local news from traditional sources, more people are turning to internet-based sources for their information about local news (Rosenstiel, 2011). While journalism scholars are interested in how and where citizens access news on political issues, what news consumers do with that information is left to the other disciplines to pick up on. For instance, there is not the same attention given to the influence of media and journalists on the public policy process.

The NB Power sale debate was the first major political issue in New Brunswick where social media was used in a co-ordinated fashion, particularly by opponents of an issue. Social media allows for citizens to organize and mobilize around specific issues quickly. Political actors also have a forum for direct access to citizens. Governments can use social media to send out messages favourable to their position directly to citizens, meanwhile opposition politicians and other political actors (lobby groups, non-
governmental organizations or citizen groups) can use social media to send out messages favourable to their position.

The NB Power debate also offered some clear lessons for politicians entering into complex policy endeavours in the future. The pro-sale side of the debate was overwhelmingly dominated by elites, particularly Premier Shawn Graham, his cabinet ministers, highly-paid experts as well as members of the business community. Meanwhile, the opposition came in the form of a grassroots rebellion led primarily by a citizens’ coalition stitched together by citizens and various groups that may have had very little in common except for their opposition to the proposed power agreement. Perhaps the closest thing to a leader of this opposition came from outside the province: Newfoundland and Labrador Premier Danny Williams. In the end, the elite-backed proposal lost out to a ragtag group of citizens, who were unified for a short time against the power deal.

This interdisciplinary study is important because of the paucity of studies that examine the effects of media on the public policy process. Scholars have not paid a significant amount of attention on the linkages between the public, the media and public policy changes (Wolfe, Jones and Baumgartner, 2012). As Wolfe, Jones and Baumgartner explain, policy scholars in the past been “naïve” toward the media’s role in the decision-making process; similarly media scholars have not paid close attention to the media’s role in the policy process (Wolfe, Jones and Baumgartner, pp. 2). This study will heed the call made by these authors: “But with greater integration of these research questions we hope that a new generation of scholars will naturally gravitate to integrate
two fields that for too long have developed in parallel rather than in tandem” (Wolfe, Jones and Baumgartner, 27).
2. Literature Review

2.1: Public Administration

In 1997, federal civil servants were ordered to organize a summit examining the future of the Atlantic Canadian economy and design a major transportation infrastructure program. The origins of these marching orders were not found in a cabinet meeting or long, drawn-out meetings with policy experts in the relevant line departments. Instead, former prime minister Jean Chrétien had just concluded a round of golf with former New Brunswick premier Frank McKenna: “The prime minister did not ask Privy Council and Treasury Board Secretariat officials to prepare a proposal and then to submit it for consideration in the government’s decision-making process. His instructions were clear -- make these two initiatives happen. This is not to suggest that these two examples represent daily occurrences in Ottawa or that all federal-provincial projects enjoy the same status. But they are revealing in that they are the norm when the prime minister decides to get involved” (Savoie, 1999, pp. 75). This vignette was contained in Governing from the Centre, a book that shed new light on how policy decisions were being made at the federal level in Canada.

This section will offer closer examination of the evolution of the public policy process into a system that governs from the centre, as highlighted by the Chrétien-McKenna example. There will be a focus on the role being played by the media and other players in shaping civic discourse. Many of these changes are happening because there are a declining number of citizens participating in conventional political parties and actively engaging in civic society (Putnam, 2000; Howe, 2010; Savoie, 2010).
The media often serve as the primary conduit for information between voters and the people elected to represent them. Savoie summed it up by saying, “It is hardly possible to overstate the importance of the media in shaping voter perception in an era when loyalty to political parties continues to decline” (Savoie, 2010, pp. 94).

The analysis of Savoie’s governing from the centre model is particularly relevant to the study of the failed NB Power deal. The NB Power debate saw a government introduce a massive policy shift less than a year before an election. Within a few months, the deal had a major revision and then was ultimately pulled off the table. The decisions, which also involved another government from a neighbouring province, happened in a relatively short period of time and under intense public scrutiny. Public administration scholars have spent decades writing about how policies, such as those during the NB Power debate, are made and the complex environment that policy makers inhabit.

Canada borrowed many of its political traditions, including its public administration techniques, initially from the United Kingdom. But along with many other facets of political life that has started to evolve over the years. The public service wielded a “great deal of influence in the 1950s and 1960s” and it was understood at the time that “policy was made by deputy ministers, while the (cabinet) ministers decided what was politically saleable and what was not” (Savoie, pp. 358).

An example of how Canadian policy decisions were once made can be found in the writing of David Easton. Easton offered a straight-forward analysis of how public policy decisions were made more than 50 years ago. The Easton theory is a stark contrast to the governing from the centre analysis of Savoie. Easton broke down policy inputs into: demands and support. Demands, he stated, influence the behaviour of the political
system, and supports could come from the community, the regime and the government. In its most basic form, Easton argued that inputs were fed into the political system and from that decisions on public policy would be made, and those came in the form of outputs. Shaped by the surrounding environment, the political system would be given feedback and that would turn into inputs. And from there the process would start again.

Easton’s structural analysis is simple and harkens back to a time when the environment that a policy system was found in was more conducive to a simple decision-making process. Easton was writing in an era when the political environment was shaped mainly by influential newspapers, as well as radio and television to a lesser extent. Now the political environment is fashioned by a continuous news cycle that does not allow for an easy-to-diagram model. Policy makers now find themselves facing a barrage of inputs coming from even more sources than when Easton created his structural analysis.

Canadian politicians, in particular, have found the policy reach of independent officers of parliament, or legislatures, span further. The influence of auditors general, commissioners of official languages and ombudsmen, to name a few, has grown mightily in recent years (Savoie, pp. 122). These offices generate news content, which may contribute to the agenda-setting process. Bureaucracies must now deal with inputs that come throughout the policy-making process and from many different directions. Further, outputs, or versions of potential outputs, are starting to be put out into the political environment for feedback before decisions are made.

Bureaucracies, and how they operate, underwent significant changes, particularly in the 1980s. There was a push by many leaders, such as former British Prime Minister Margaret Thatcher, to have the public service operate more like the private sector. This
style of administration became known as "New Public Management" (NPM). Savoie writes, "essentially, NPM was designed to give political leaders the ability to reorient policies so that public services were delivered in a more efficient, businesslike fashion (Savoie, 2013, pp. 31). These reforms to how the civil service operated came at a time of poor economic times. So the notion of inserting a more businesslike approach to managing the state’s affairs appealed to politicians, such as Thatcher, who were trying to control public spending. The management reforms launched at the time saw a “rolling back (of) the state” (Hood, Dunsire, Thomson, 1988). But, NPM reforms saw other changes to bureaucracies, such as the move away from long-standing traditions of non-partisanship among civil servants and positions being awarded based on merit (Aucoin, 2012).

This style of public administration has started to fall out of favour. That led some scholars to go as far as saying recently that NPM is dead (Dunleavy, Margetts, Bastow and Tinkler, 2005). NPM has “died in the water” in part because it led to “policy disasters” (Dunleavy, Margetts, Bastow and Tinkler, pp. 468). And in its place have emerged new concepts, such as New Public Governance (NPG). Stephen Osborne describes NPM’s influence as a “relatively brief and transitory one between the statist and bureaucratic tradition of (public administration) and the embryonic plural and pluralist tradition of the NPG” (Osborne, 2006, pp. 377). Peter Aucoin has described three features of New Public Governance: the rise of partisan political staff, the politicization of appointments to senior positions in the bureaucracy and a lack of the traditional sense of non-partisanship among bureaucrats, which he termed “promiscuously partisan” (Aucoin, 2012). In Savoie’s words, “NPG also speaks to the
concentration of political power at the centre of government, either to move policy
initiatives or to manage permanent election campaigns” (Savoie, pp. 34). Aucoin argued
professional civil servants were being expected to perform tasks that would have been
previously considered partisan. Aucoin notes that ministers expect civil servants to
defend the government when the value of what it is doing is disputed (Aucoin, pp. 189).
Taken to its extreme, Aucoin argued, the politicization of the public service, “is a form of
political corruption that cannot but undermine impartiality and, thereby, also management
performance to the extent that it assumes management based on nonpartisan criteria
(Aucoin, pp. 178).

The federal policy-making process has been evolving for several decades. In the
mid-1970s, former Prime Minister Pierre Elliott Trudeau attempted to involve all of his
cabinet ministers in a comprehensive policy process, a decision that he eventually
discovered to be a failure. But Savoie observes, “Trudeau learned from that failure.
Returned to office with a majority mandate in 1980, he determined that he, together with
his key advisers, would establish the government’s priorities and decide which major
initiatives to pursue” (Savoie, pp. 329). The move to consolidating power around the
Prime Minister’s Office and the Privy Council Office continued to strengthen with each
of Trudeau’s successors.

The crux of Savoie’s governing from the centre model describes how power has
been taken from public servants in line departments and their cabinet ministers and, by
and large, deposited with the prime minister, along with a small group of the prime
minister’s political assistants and senior civil servants, primarily in central agencies, such
as the Privy Council Office. Savoie quoted one unnamed cabinet minister saying that
cabinet had become a “focus group for the prime minister.” He later concluded that, “Few inside the federal government still believe that cabinet is a collective decision-making body setting policy and deciding on the key issues of the day” (Savoie, pp. 329). Just how much power has left cabinet ministers even on key issues in their department and migrated to the Prime Minister’s Office is, again, illustrated by Chrétien. Edward Greenspon and Anthony Wilson-Smith described the delicate negotiations between the U.S. government and Chrétien’s freshly-elected Liberals on the North American Free Trade Agreement in 1993. Chrétien hadn’t named a cabinet yet, but he was already requesting changes to the trade agreement that were proving to be quite thorny in the United States. James Blanchard, the American ambassador in Ottawa, pushed back in a conversation with Chrétien and asked a question that would not be considered out of order in Washington, “I said to him, ‘What happens if we work all of this out and then your new trade minister doesn’t agree? And he said, ‘Then I will have a new trade minister the following morning.’” (Greenspon and Wilson-Smith, 1996, pp. 48).

Blanchard is further quoted saying he had wished former U.S. President Bill Clinton could muster the same fortitude. But it further underscores how much power the Canadian prime minister has, and is willing to use, to get their desired policy outcomes. It also shows how little power cabinet ministers have when a prime minister takes an interest in a policy even if it is in their department.

Line departments have specific programs and services that they deliver to citizens. Line departments are also stocked with policy specialists in the areas relevant to that specific department. This is contrasted with the role of, and the personnel found in, central agencies. At the federal level, Savoie’s so-called “exclusive club of central
agencies” included the Privy Council Office, the Prime Minister’s Office, Treasury Board and the Department of Finance. Of that group, only the Department of Finance delivers actual programs, but Savoie writes their influence on policy comes from “their direct relationship to the prime minister or the ministry” (Savoie, pp. 12). Civil servants in central agencies also tend to be policy generalists because they are often forced to stickhandle important policy issues from across the government that are falling on desk of the PCO or PMO. The impact of the shift to decision-making from the centre has been to weaken line departments and their ministers. Meanwhile, “the power and influence of the prime minister and his advisors -- both partisan and permanent officials in central agencies -- has in turn been incredibly strengthened” (Savoie, pp. 338).

Savoie’s governing from the centre model focuses primarily on the Canadian prime minister, although he often draws on similar experiences in the United Kingdom. For the most part, the provinces remain outside the scope of his analysis. Therefore, it could be debated whether the governing from the centre model can be transposed on provincial capitals. Stewart Hyson specifically looked at New Brunswick in his 2005 analysis and asked whether the model worked in the Maritime province. Hyson’s analysis described how the role of the premier had become stronger since Louis J. Robichaud, but he concluded, New Brunswick premiers, “must seek new, more effective ways to consult and remain in touch with the public” (Hyson, 2005, pp. 90). Hyson points to certain decisions made by former premiers Camille Thériault and Bernard Lord that were intended to open up the decision-making process to New Brunswick citizens. But there are many other examples of major policy decisions, such as the NB Power debate, where the levers of power were firmly in the hands of those sitting in the centre of the
Fredericton bureaucracy. Prime ministers and premiers may rationalize their use of power, or their decision to govern from the centre, but the shift in public administration in recent decades, even in provinces such as New Brunswick, is clearly toward the centralization of power and not away from it.

This evolution in the way public policy decisions are made has served to lessen the relevance of Parliament and its ability to hold the government to account (Savoie, pp. 339). But there is another player that has seen its role in the policy-making process shift and gain importance: the media. Savoie observes the Canadian media is more aggressive and less deferential to political power than it was 30 years ago. But key to the examination of policy formation is its influence on the centre of government, where Savoie says the key policy decisions are made each day. He observes how, “the work of the media by all accounts dominates the agenda of morning meetings between the prime minister and the clerk of the privy council. What the evening news on national television reported the night before and what the headlines in the morning newspaper say have a profound impact on question period, and by extension, on government operations” (Savoie, pp. 342). The importance of the media in shaping citizens’ views on politics and policy has been noted elsewhere. Shanto Iyengar, writing in an American context, argues in News that Matters that citizens depend on the media for political information and analysis because they no longer participate in political events. This dependence on the media for political information “gives the media an enormous capacity to shape public thinking” (Iyengar and Kinder, pp. 2). William Cross has also observed a similar phenomenon in Canada (Cross, 2007).
This focus on the media has also had a profound effect on the centre, cabinet ministers and opposition members. For instance, Savoie says the centre has become “extremely sensitive to potential media-inspired developments it cannot control and to surprises which can give rise to political problems and embarrassments” (Savoie, pp. 329). Hood points out how transparency has been an important concept in terms of delivering better government, but politicians also have a very weak stomach when it comes to accepting blame (Hood, 2007). Blame avoidance can be described as a “force that is often said to underlie much of political and institutional behaviour in practice” (Hood, 2007, pp. 192).

Cabinet ministers are no longer focused on “intricate policy issues, but about sound bites and perceptions shared by the media and by politicians trying to score points in question period, all hoping that they will make it on the national TV evening news” (Savoie, pp. 314). The media has played a similarly important role in how the opposition strategizes and stakes out policy positions. Savoie describes members and staffers of opposition parties, even the leader of the opposition, as having a “superficial grasp of policy issues.” Instead, they view Parliament as a forum “to promote the partisan interests and electoral chances of their party or the member of Parliament they work for. They know that parliament is about partisan politics and not about the policy process. They know that Parliament and the media will pay more attention to triviality and bombast than to a finely crafted speech on a public policy issue” (Savoie, pp. 340).

Baumgartner and Jones offered another theory that attempted to explain how issues flared up on the political radar screens. The authors looked at how the policy equilibrium was punctured from time to time and how political actors hoped to shape
public opinion in a way that was most beneficial to them. Baumgartner and Jones wrote that political actors would deploy a two-pronged strategy that controlled “the prevailing image of the policy problem through the use of rhetoric, symbols, and policy analysis. On the other hand, they try to alter the roster of participants who are involved in the issue by seeking out the most favorable venue for the consideration of their issues” (Baumgartner and Jones, 1991, pp. 1045).

The authors argue that political actors operate in political subsystems and those actors who are trying to alter a policy often attempt to do so by moving the issue to a new venue, such as to a different level of government, a court, etc. The NB Power case study will show two separate occasions when this happened. The New Brunswick government turned to an expert panel to study the proposed power agreement when it realized the public opposition to the deal was growing. In addition, third-party actors tried to use the courts to push for greater transparency in the decision-making process. Baumgartner and Jones wrote that three issues are often at play when a policy conflict expands to a new venue: there is often a policy “loser” that is attempting to appeal to a new venue for a different outcome, concerned outsiders could become involved and political actors from a different venue criticize the existing political arrangement as a way to expand their base (Baumgartner and Jones, pp. 1048). The authors write when political actors begin to shift their rhetoric, a venue change becomes more likely and “a slight change in either, rhetoric or venue, can lead to rapid changes in policy outcomes” (Baumgartner and Jones, pp. 1048). In the NB Power sale controversy, it was the government that was forced at different times to shift its rhetoric in an attempt to make a significant policy change.
The media’s attention to an issue impacts the issue salience among the public, but it can also have an effect on how the issue is managed by politicians and policymakers. An issue receiving significant media attention may get immediate attention from those in power, but it does not always lead to immediate changes. An issue thrust into the media spotlight may actually slow down the policy process compared to an issue that receives no media attention (Wolfe, 2012). This is not always viewed as a negative development. The policy process is slowing down as the system adapts to new information that is gleaned from the increased media coverage. Wolfe argues, “the media play a pivotal role in this by connecting the existing system with new interests and new arguments” (Wolfe, pp. 123).

In the NB Power issue, the governing from the centre theory becomes important to analyze who was responsible for making the policy and political decisions. The public administration literature gives a better understanding of the machinery used by politicians and policymakers when making decisions. But there are other important factors that must be considered when assessing how decisions were made during the NB Power debate. The political science literature will start to pick up on those factors that are outside of the bureaucracy.

2.2: Literature Review: Political Science

Agenda-setting, Framing and priming

Scholars have long tried to assess the relationship between media coverage of issues and the public’s interest in the issue. The literature surrounding how the media influences issue salience among members of the public started with the important
McCombs and Shaw (1972) study on the 1968 United States presidential election. When McCombs and Shaw wrote their influential paper on the agenda-setting concept, they acknowledged the media had become the primary source many citizens had about politics. McCombs and Shaw argue, “the pledges, promises, and rhetoric encapsulated in news stories, columns, and editorials constitute much of the information upon which a voting decision has to be made” (McCombs and Shaw, pp. 176). Agenda-setting research typically examines how the media influences what people think are salient issues and how politicians react to those momentum shifts in public opinion. This section will explore the concepts of agenda-setting, priming and framing. The three concepts are often confused (Scheufele & D. Tewksbury, 2007). The three concepts are important to understanding what issues may become important for citizens and how they think about those issues.

What McCombs and Shaw found was a correlation between the rate at which the media covered a story and the level of importance it was given by the public. The authors concluded, “the evidence in this study that voters tend to share the media's composite definition of what is important strongly suggests an agenda-setting function of the mass media” (McCombs and Shaw, pp. 184). The importance of this finding is underscored by Soroka, who writes, “the agenda-setting hypothesis is grounded in the simple assertion that policy change is most likely to occur during periods of increased issue salience” (Soroka, 2007, pp. 186). Put a different way, the media relay to people what issues to think about but not what to think with regards to specific issues. Soroka argues the public has a finite attention span and therefore only a few issues can be put on the agenda at one time.
In the years after McCombs and Shaw, other researchers have attempted to gauge the media’s impact on public awareness on an issue. A 1983 study examined the thoughts of ordinary citizens, policy makers and interest groups around a specific issue. The researchers were given information about an upcoming investigative piece of journalism and they tracked the opinions of various groups before and after the story was aired on television. What is important to note, almost three decades ago, the data demonstrated the individuals who watched the program had their views strongly influenced, which the authors said supported the concept of agenda setting (Cook, Tyler and Goetz, 1983).

Politicians and policymakers are always trying to set an agenda that suits their interests or to respond to an issue of increased salience within the public domain. Soroka argues that politicians are motivated by their wish to be re-elected, so they “will both take an interest in public preferences and represent public concerns … With these assumptions in mind, then, agenda-setting work suggests that exploring how issue salience changes over time is critical to our understanding of politics and policy making” (Soroka, pp. 186). This ties back to Savoie’s writing on power structures within a bureaucracy. Those who carry power and influence, such as the premier or prime minister, have the ability to shape the agenda-setting process. The level of impact the media has on the policy process can often be left to interpretation. Assessing the agenda-setting process by examining actual policy decisions can show a stronger link to the media’s influence as opposed to talking to elites, such as politicians, who can downplay the media’s influence (Walgrave, 2008).

The agenda-setting capacity of different media platforms has also provoked discussion among scholars. When asked what platform has a greater influence on setting
a policy agenda, a group of Belgian politicians and journalists selected television ahead of all other sources, except the prime minister (Walgrave, 2008). Similarly, American and South Korean researchers found television to have a greater capacity for agenda-setting than newspapers in South Korea, especially in comparison to the United States (Kim, Han, Choi and Kim, 2012). These researchers indicated that television’s agenda-setting capacity in South Korea could be explained by the fact supper-hour programs are one hour in length without commercials, so there is a greater ability for citizens to get information. This is important when considering the NB Power debate and examining the influence of traditional media sources on policy and political decisions during the controversial period.

Priming is another theory that is often discussed in the same context as agenda setting. In fact, it is often viewed as an extension to agenda setting. Priming refers to changes in standards that people use to make political evaluations (Iyengar and Kinder, pp. 65). Scheufele and Tewksbury argue priming happens “when news content suggests to news audiences that they ought to use specific issues as benchmarks for evaluating the performance of leaders and governments” (Scheufele and Tewksbury, 2007, pp. 11). The authors offer a helpful description of how agenda setting and priming work together: “By making some issues more salient in people’s mind (agenda setting), mass media can also shape the considerations that people take into account when making judgments about political candidates or issues (priming) (Scheufele and Tewksbury, pp. 11).

Framing is another discussion point when it comes to what role the media has in shaping public opinion and public policy. Robert Entman writes that framing “involves selecting a few aspects of a perceived reality and connecting them together in a narrative
that promotes a particular interpretation” (Entman, 2010). He argues frames “can perform up to four functions: define problems, specify causes, convey moral assessments and endorse remedies” (Entman, pp. 391). Entman further describes how framing and priming often work together. For instance, an individual who is pushing a particular issue will try to frame the issue in a way that is conducive to people agreeing with their point of view. That framing initiative, when repeated often enough, then goes on to prime a person to act in a way that supports that individual’s policy.

For framing to be successful, Entman writes the frames must be consistent with schemas already held by people. Another crucial point that Entman raises on framing theory is that people resist frames that offer information that runs counter to their already held beliefs (Entman, pp. 391). This could be a useful point when considering the public’s unease with the NB Power debate. The governing Liberals had run on an election platform of maintaining NB Power as a Crown corporation (New Brunswick Liberal Association, 2006) and government ministers and utility executives had spoken positively about the utility’s finances. So the government’s frame that NB Power was a financial burden and it needed to be sold may not have meshed with many citizens.

**Influence of public opinion research**

The rise of influence of polling experts in the public policy process has been noted by many experts in recent years. Savoie wrote that pollsters emerged as a force in the 1960s and are now omnipresent in the Canadian political system (Savoie, 2010). He argues, “pollsters, better than ministers, can assist a prime minister in deciding what is important and what is not, what is politically feasible and what is not” (Savoie, pp. 99).
Christopher Page argues public opinion polls are now an “entrenched feature of modern politics” (Page, 2006, pp. 3) and that they have a role in the agenda-setting process, which comes earlier in the policy-making cycle. Career civil servants tend to be wary of pollsters and their influence over their bosses. Savoie referred to pollsters as “witch doctors,” which perhaps reflects a view of many inside policy-making circles that a reliance on public opinion research can foster a deficit of leadership if a government simply governs by polls.

The polling community, however, points to specific areas where opinion research can assist policymakers, such as discovering what issues have the greatest salience with the public and determining what policies should be emphasized with the public in the hope of fostering the most support for a policy decision (Page, 2006). The latter point speaks to a particular area where public opinion research can be of great assistance to politicians and policymakers: government communications. Page says public opinion research can assist policymakers in crafting and honing a political message by:

“determining target audiences, measuring knowledge and awareness of policies, guiding the language and tone used in communicating policy, gauging the public’s responses to different arguments and influencing the content of communications” (Page, pp. 68).

**Complex political environments**

Political and policy decisions are rarely made in clean environments where decision-makers only need to focus on one issue or priority area. Similarly, citizens may reject policy decisions for a multitude of reasons, even in cases where they may actually benefit from the proposed policy outcome. One of the best, and most recent Canadian
examples of how a complex policy was rebuffed by a wary public is the defeat of the 1992 Charlottetown referendum. The Charlottetown Accord was negotiated by the prime minister and premiers and intended to bring Quebec into the constitution by offering a series of constitutional changes, such as a guaranteed share of seats in the House of Commons, but also included other changes intended to be an olive branch to other provinces, such as Senate reform. The accord was a complicated deal that contained elements that were intended to appeal to every province (Johnston, Blais, Gidengil and Nevitte, 1996). The eventual rejection of the deal could be blamed on myriad factors, but the authors say, one explanation is that “many voters lacked the ability to identify even their own piece of the pie” (Johnston, Blais, Gidengil, Nevitte, pp. 10). That is to say, a document that was crafted with the intention of appealing in some small fashion to people across the country ended up containing enough problematic sections that turned the public against the deal. When assessing the death of the Charlottetown referendum and its implications for future policy initiatives, such as the failed NB Power deal, there are key lessons to be learned surrounding: elite-led policy proposals, the motivation and education levels of voters, the broader policy environment and the rise of dominant personalities.

The Charlottetown Accord contained so many parts that it became easy for voters to pick out one aspect they didn’t like and point to it as a reason to vote against the deal in the 1992 referendum, even if other aspects would have benefited them. As Johnston et al. argue, many Canadians may have lost sight of what elements benefited them, but there was also an undertone of anti-elitism that ran through the opposition to the accord. The anti-elitism found in the Charlottetown referendum may pose problems for other policy
initiatives. “It is also entirely possible that many of those Canadians would indulge crude passions even for a more narrowly and more deliberately crafted measure and in so doing would stand in the way of a constitutional measure more broadly supported by thoughtful Canadians” (Johnston, Blais, Gidengil, Nevitte, pp. 285). This ought to be a warning for other governments in that citizens could spurn policy initiatives in an effort to “indulge crude passions.”

The lessons learned through the rejection of the Charlottetown referendum go beyond simply the traces of anti-elitism in Canadian politics. The deal itself was struck during a time when the Canadian economy was struggling. The accord was considered by some voters as a “diversion during the economic recession” and that may have factored into the opposition to the package (Johnston, Blais, Gidengil, Nevitte, pp. 279). The unpopularity of some of the premiers who were integral in negotiating the accord cannot be underplayed. Citizens may have used their opposition to the accord, particularly in the actual referendum, as a proxy to show their displeasure with either the Mulroney government or their provincial government.

The level of knowledge about the accord or education level of the voter was also raised by many after the Charlottetown Accord’s failure as an excuse for its failure. The argument was a relationship existed between how much a voter knew about the accord and their likelihood to vote yes. Johnston et al. found support for this relationship between knowledge and vote intention but cautioned against using it to infer that at all points did knowledgeable voters embrace the pro-referendum side. When it came to the most knowledge voters, the authors said those people split between different groups of supporters or opponents. But when it came to voters with less information, “the calculus
leaned strongly to the No side. At the low end of the knowledge continuum, judgments were at once relatively raw, unfocused and negative” (Johnston, Blais, Gidengil, Nevitte, pp. 284).

Proponents of the Charlottetown Accord also ran into high-profile opposition and a grassroots uprising in the form of former prime minister Pierre Elliott Trudeau and Preston Manning and his Reform Party. Trudeau had been away from elected federal politics for more than a decade at the time of the Charlottetown referendum, but he became a force for the No side of the campaign. The grassroots opposition led by Manning, particularly in Western Canada, shouldn’t be overlooked as well. While Manning’s national profile was minimal in 1992 compared to his later years, he did show how grassroots organizations can start small and gain influence over the course of a policy debate. Johnston et al. said 70 per cent of voters were able to identify Trudeau and Manning’s positions on the Accord correctly (Johnston, Blais, Gidengil, Nevitte, pp. 282).

The Charlottetown Accord example can offer several key lessons for the examination of the failed NB Power deal. Both policy initiatives were elite-led exercises that experienced a backlash from grassroots organizations, including a few high-profile members. Both deals also contained many different elements that were designed to satisfy different groups, but in the end, the members of the public turned against the deals. There is also an important distinction made about knowledge-rich citizens. New Brunswick cabinet ministers often said support for the deal went up with the more knowledge people had about the deal. Another argument was cabinet ministers were able to win over smaller groups of citizens about the merits of the deal, but they did not have
time to meet every New Brunswick citizen to discuss the proposed deal. Johnston, Blais, Gidengil and Nevitte point out how knowledge-rich citizens in the Charlottetown Accord context did not always lead to overwhelming support for the deal. So the statements by New Brunswick politicians about support rising after meeting with small groups should be analyzed accordingly.

The political science and the public administration literature offers a more complete understanding of how decisions are made by politicians and policymakers, who has power to make decisions and how those individuals tend to be influenced. The literature in both disciplines also points to changing environments, such as the evolution of governance styles in public administration and the influence of polling in political matters.

2.3: Literature review: Journalism and Communication

The study of journalism has also shifted in recent years with the rise of the 24-hour news cycle and the increasing influence of online media and social media. Traditional media platforms, particularly television and print, are still considered to be the most influential in terms of where the public receives its news, especially political news. What will be important to consider is the foothold that online media and social media have in terms of the public sharing of information as well as a source of breaking news. While this study will not offer a thorough content analysis of every single media report that was printed, broadcast or posted during the NB Power debate, it is important to understand the different views on how the media cover news as well as how the media
organizations are changing and how the news consumption patterns of citizens are changing.

**Evolution of the news cycle**

The transition from the 24-hour news cycle to the modern media climate has been a seismic shift in how journalists cover stories and how politicians and public policymakers react to them. Before the emergence of the minute-to-minute online news cycle, a journalist would be assigned a story in the morning, perhaps attend a news conference, work their sources throughout the day and produce a story for either the evening news or morning newspaper. The competition was just as fierce but journalists measured their scoops in days. If a newspaper broke a story, it was impossible for their competitors to match the story for 24 hours. Now a journalist at a major mainstream news organization will likely be expected to bring a BlackBerry or an iPhone to a news conference so they can send instant headlines out via Twitter, file short paragraphs to the organization’s website, prepare radio or television hits that could go on cable networks or radio newscasts and then work on a longer story for the evening news or morning newspaper. There is an amazing pressure on journalists to get the story out accurately and quickly by whatever means necessary. The media and politicians now operate in a news cycle that has quickly become nasty, brutish and short.

This adrenaline-infused news cycle has been dubbed “churnalism” -- an amalgam of journalism and the verb to churn, a reference to how quickly reporters have to file stories -- by British journalist Nick Davies. He argues that churnalism turns journalists into “passive processors of whatever material comes their way, churning out stories,
whether real event or PR artifice, important or trivial, true or false” (Davies, 2009, pp. 59). The speed of contemporary journalism prompted Howard Rosenberg and Charles S. Feldman (2008) to write a book entitled, “No Time to Think: The Menace of Media Speed and the 24-hour News Cycle.” One of the most eloquent criticisms of this modern news cycle, however, didn’t come from a journalist or communications scholar. In fact, it came from former British prime minister Tony Blair when he was preparing to leave public life. He reflected in a public speech on how much had changed with regards to the speed of news between his first election and his final campaign. Blair said journalists “have to break stories, try to lead the schedules. Or they give a commentary. And it all happens with outstanding speed. When I fought the 1997 election - just 10 years ago - we took an issue a day. In 2005, we had to have one for the morning, another for the afternoon and by the evening the agenda had already moved on. You have to respond to stories also in real time” (BBC, 2007). Blair pointed to past governments that had cabinet meetings that lasted two days to address complex problems, but that is impossible in the current media environment. He said politicians cannot afford speculation to hang around “for longer than an instant” (BBC, 2007). Blair described the overwhelming media pressure on politicians, this way: “I am going to say something that few people in public life will say, but most know is absolutely true: a vast aspect of our jobs today - outside of the really major decisions, as big as anything else - is coping with the media, its sheer scale, weight and constant hyperactivity. At points, it literally overwhelms” (BBC, 2007). The media hyperactivity that Blair pointed to when he left office more than five years ago has not abated. When Blair made his observations in 2007, the micro-blogging service Twitter was barely a year old. It isn’t only the speed of news that has changed, but many scholars
have also raised concerns about the quality of public affairs programming that is now available and the impact that has on democracy.

**How the media covers politics**

How the media covers politics and how that translates into an engaged and informed citizenry often invites a vigorous debate. When a major policy decision crops up, there is often a debate about whether citizens have enough information about the issue to properly evaluate it. A subsequent conversation becomes who is responsible for educating the public, the politicians or the media? One of the most frequent criticisms of political news is that stories are too soft or are personality driven as opposed to in-depth or policy-focused.

John Zaller is one scholar that suggests the current lineup of soft news in television programs or newspapers is not necessarily a problem. He argues, instead, that journalists should approach important issues with a style of coverage that is “intensely focused, dramatic and entertaining and that affords the parties and responsible interest groups, especially political parties, ample opportunity for expression of opposing views” (Zaller, 2003, pp. 122). Zaller wrote that news was a crucial part of a functioning democracy but it was necessary for important stories to set off “burglar alarms” so they could draw the attention of the public. This would allow those people who scanned the news quickly to pick up on the most important stories. Zaller writes that many scholars often hold news coverage up to a standard of quality that is not realistic or necessary to have a well-run democracy.
Zaller’s position has prompted many rebuttals. Thomas Patterson challenged Zaller’s analysis, writing how the news media still does provide an important service in democracy and he questioned why the standards of the news media should be lowered even further. Patterson argued communities needed large groups of citizens who are knowledgeable about public affairs. Patterson wrote that he was “perplexed by Zaller’s argument that we should adopt a news standard that is fitted to the needs of low-information voters simply because they provide the swing vote in elections” (Patterson, 2003, pp. 141). But it wasn’t only Patterson who countered Zaller’s hypothesis. Another concern is that a thin diet of news, or what Zaller called soft news, could lead to democracy becoming “anorexic” (Aalberg, van Aelst, Curran, 2011, pp. 267). Instead, Aalberg, van Aelst and Curran made the argument that Europeans have higher levels of knowledge on public affairs than Americans because their broadcasters focus more on hard news. The authors also pointed out it was not only the amount of public affairs content that made its way onto the television in Europe, but also when it appeared. They found “public service scheduling of news at peak times designed to foster inadvertent viewing, especially among those not particularly interested in politics, also helps to reduce gaps in current affairs knowledge between the advantaged and disadvantaged and thus create better democracies” (Aalberg, et al, pp. 268).

There is a corresponding concern, particularly among American researchers, that news is too “soft.” Soft news is often described as sensational, that is personality driven and focused more on gossip than policy. Delli Carpini and Williams argue the proliferation of television channels and online media sources creates a hostile environment “for maintaining the always fragile distinction between public affairs and
entertainment” (Delli Carpini and Williams, 2001, pp. 166). There have been studies trying to ascertain whether people who consume a media diet of soft news can be well-informed about important political issues. Markus Prior concluded that diversity in news programs, including ones that promote soft news, helps people find programs they like. But he said, “the hope,” that these soft news programs will “coincidentally promote democracy by simultaneously entertaining and informing people does not receive much empirical support” (Prior, 2003, pp. 168).

It would be hard to describe the New Brunswick news landscape to be predominantly “soft” during the period of the NB Power debate. But that should not absolve the media coverage of the debate from scrutiny. There were domestic complexities that are not accounted for in traditional literature. As will be described in greater detail later, the television news organization that covered the NB Power deal in the greatest detail was a public broadcaster. However, the public broadcasting model, as described in the Aalberg et al. paper, that leads to higher rates of knowledge of current affairs may not be present in New Brunswick. The CBC did offer many in-depth stories on the NB Power issue during its 5 p.m. to 6:30 p.m. supper-hour newscast but the remainder of the television schedule would have been filled with national content. So it would not offer concentrated public affairs content for a New Brunswick audience (There were two other commercial, English-language broadcasters that covered the NB Power issue. There is also the French-language public broadcaster, Radio-Canada). The news stories may have been personality driven or not as “hard” as some would have looked for given the policy discussion. As Patterson pointed out, “the media are adept at covering events. They are, in fact, organized to carry out this task. Conversely, they are poorly
designed to inform their audience about the issues underlying these developments” (Patterson, pp. 142).

Journalism scholars have also studied the demands being put on online journalists by the public. Nguyen concludes that the public have come to expect continuous updates as well as in-depth information and a diversity of news content. Nguyen writes that citizens “want news that is both timely and comprehensive to make sense of the world in an efficient manner. For online journalism to become more important, news speed and news substance need to go hand in hand.” (Nguyen, 2010, pp. 238). Nguyen’s findings put online journalists in an awkward situation as covering breaking news and providing in-depth coverage at the same time can be mutually exclusive. When a journalist is covering breaking news, it is difficult to be providing the comprehensive coverage the public also demands. Nguyen’s writings have a particular importance in the context of the NB Power debate. Some of the key developments in the NB Power debate were first reported online, but Nguyen writes the public wants more than simply breaking news. News organizations may be forced to find a way to address the dual demands of media consumers, raised by Nguyen, if they are going to compete in the new media environment.

Changing media consumption patterns

The media did not adopt this adrenaline-fueled news cycle for the health of its journalists, but, as media consumption patterns show, they did so for the survival of the industry. The shift in the types of media organizations that people turn to receive national and international news has tilted heavily in favour of the Internet in the last 15 years (Pew
Research Centre, 2009). The Internet first registered in the survey in January 1999 as a place where Americans turned to receive information. At the time, 82 per cent of people relied on television for national and international news, followed by newspapers (42 per cent), radio (18 per cent), magazines (four per cent) and the Internet (six per cent). Jump forward a decade and in July 2009, 42 per cent of respondents indicated they turned to the Internet for their national and international news. Television news still lead the way (71 per cent) but newspapers (33 per cent) were now in third spot, followed by radio (21 per cent) and magazines (three per cent).

Data are continuing to show that more people are using the Internet to access news, but especially political news. Americans, for instance, continue to use television to access the majority of their political news. While television’s share of the audience using it to access campaign news has held steady from the 2002 mid-term U.S. elections to the 2010 U.S. mid-term elections, that has not been the case for newspapers and online media (Smith, 2011). The data show 66 per cent of Americans turned to television for their campaign news in 2002 compared to 67 per cent in 2010. Meanwhile, those opening up a newspaper for campaign developments dropped from 33 per cent to 27 per cent in the same time period. Meanwhile, the number of citizens accessing online news jumped from seven per cent to 24 per cent (Smith, 2011). This research also indicated that online news has surpassed newspapers as the second most commonly mentioned source of campaign news, behind television, for internet users and people in the 18-29 and 30-49 age demographics.

There have been many studies published in recent years that delve deeper into the reasons why people are turning in greater numbers to Internet-based news sources for
their information. The majority of news consumers turn to the Internet to get news for reasons, such as; they can access news when they want it, they can find news that is pertinent to them and it is convenient to follow breaking news (Nguyen, 2010, pp. 225). But Nguyen and Williams argue that even as news consumers turn to new media sources in greater numbers, citizens will still turn to traditional news outlets in the future in order to satiate their news consumption desires (Nguyen and Williams, 2006). Even though online media may be more efficient and effective in delivering news than newspapers or broadcast media, “the more people use the Internet for news and information, the more they use other media, especially those that are more information intensive” (Nguyen and Williams, pp. 2).

**Online commenting, social media use and political engagement**

Online journalism and social media are giving citizens new ways to share information and news as well as participate in discussions about public policy. This involvement can come in myriad forms, such as commenting on the bottom of news stories and engaging on social media platforms, such as Facebook and Twitter. These two formats will be examined at length in the case study. These forums for citizen interaction are just starting to be actively studied in academic circles, but the early signs point to these online spaces being a place for deliberative debates. These commenting forums provided by online media sources “give users the means to generate, seek, and share
content selectively, and to interact with other individuals and groups, on a scale that was impractical with traditional mass media” (Lievrouw and Livingstone, 2002, pp. 9).

Almost every major news organization’s website includes some type of online commenting system. Thurman conducted a review of how major British news organizations were coping with the push toward more user-generated content on their web sites, such as message boards. Inside the newsrooms, Thurman described how editors were worried about legal liabilities of comments that were posted by users, while journalists and editors tended to be concerned about the need to avoid duplication of comments and the need for editing of submissions (Thurman, 2008, pp. 24). In North America, meanwhile, there has been an open debate in media circles about the use of comment boards. Some news organizations allow for anonymous comments, while others require users to sign their names, similar to letters to the editor in newspapers. Weber cites German scholars Emmer et al. and says online news comment forums are “the most common form of participation in contemporary news use, and it is certainly one of the most common forms of citizen engagement online” (Weber, 2013, pp. 2). The mere fact of allowing for a space for online comments does not in itself create quality public debate. In fact, Weber argues the potential for “quality discourse emerge(s) only when a substantial amount of users participate in commenting on a news item and when there is a certain degree of interactivity among the users’ comments” (Weber, pp. 2). It is not always possible to predict what stories will generate a sufficient number of comments to foster quality discourse. Public affairs articles, particularly those discussing politics, tend to have the most comments, especially during periods of heightened political activity (Boczkowski and Mitchelstein, 2012). This is a relevant finding considering the
heightened activity found on these online commenting forums during the NB Power debate.

The growth of online media, and particularly online commenting, has spurred on other issues for academics, the media and citizens. Some news organizations continue to allow anonymous comments on their websites, such as CBC News. These organizations tend to have submission policies posted on their websites next to where a user would click to leave a comment, notifying them of the organization’s rules and regulations. But that has not stopped comment forums from turning into places where individuals or groups are anonymously criticized or engage in ad hominem attacks against people who hold opposing opinions. The ability for users to post anonymous comments has generated a significant amount of controversy as media companies have been questioned about why there is one standard for identifying sources in news stories and another standard for online comments (Hlavach and Freivogel, 2011). Hlavach and Freivogel even argued there is “cognitive dissonance” between newsroom policies over anonymous online comments versus newsroom policies about anonymous news sources. They argue “it may be time to end this dissonance. In pursuit of the ends of truth, goodness, and unity, news organizations should apply to anonymous postings their codes of ethics designed to seek truth, minimize harm, and provide accountability (Hlavach and Freivogel, pp. 36). The counter to many of these arguments is found in the writings of John Stuart Mill, in particular On Liberty, and that these online forums offer a “marketplace of ideas.” A reader may find comments offensive or uneducated or off-topic, but citizens should have the right to weigh in on subjects and it is up to other individuals to decide for themselves whether they agree with them or find them reprehensible. Jennifer McGuire, the general
manager and editor-in-chief of CBC News, argued in a blog post that there are many reasons why the public broadcaster allows anonymous comments. She said the commenters could be whistleblowers, a member of a marginalized group or they could be concerned about what their employer might say (McGuire, 2013). McGuire also says firm policies on naming commenters do not always work and they do not eliminate inflammatory comments. She observed, “There are those who believe that some comments would never be submitted if the poster was forced to use his or her name, but we’ve seen very little difference in tone between comments made under pseudonyms, and those that are made via Facebook or other social media sites that require identification. And even on sites which require real names, people who are determined to circumvent the system can often find a way” (McGuire, 2013).

Aside from online comment boards, citizens are also turning to social media websites, such as Facebook and Twitter, for their news and to interact with others. Data on these trends can be difficult to find for Canadian users. The Pew Research Center offers some of the most current social media trends, although for an American context. The Pew data may be instructive in order to understand how and to what extent social media is being used in Canada and by whom. The Demographics of Social Media -- 2012 report solidified Facebook’s reputation as the dominant social media site. The report indicated 67 per cent of Internet users (71 per cent of female Internet users and 62 per cent of male Internet users) are on Facebook (Pew Research Center, 2013). Additionally, Internet users between the age of 18-29 and those in urban areas were more likely to use the social media site. A Pew Research Center study conducted during the 2010 U.S. election examined how social media use translated into offline political activity. While
finding Internet users were more likely to attend rallies, influence another person’s vote or actually cast a ballot, the research indicated a Facebook user, who visited the social networking site multiple times a day was “an additional two and half times more likely to attend a political rally or meeting, 57 per cent more likely to persuade someone on their vote, and an additional 43 per cent more likely to have said they would vote” (Hampton, Sessions Goulet, Rainie, Purcell, 2011). The social media trends report also indicated the number of Internet users on Twitter doubled to 16 per cent in 2012 from eight per cent in 2010 (Pew Research Center, 2013). The report also said Internet users between the ages of 18–29 are the most likely to use the micro-blogging service as are people in urban areas.

A separate report from the Pew Research Center’s Internet and American Life Project found 66 per cent of social media users, 39 per cent of all American adults, have done at least one of eight civic or political activities with social media (Rainie, L., Smith, A., Lehman Schlozman, Brady, Verba, 2012). These activities could include: posting their thoughts about civic and political issues, reacting to the postings of others, encouraging friends to act on issues and vote, following political candidates or belonging to groups formed on social networking sites. The key findings in this survey suggest that citizens on social media are using these platforms to engage in similar ways that people may engage with civic affairs offline.

If young people continue using social media or the Internet to engage in different types of civic affairs, this has very real implications on political and policy actors in the future. Citizens in these younger age demographics may become used to engaging in civic affairs through social media and as they get older they may continue to rely on these
sites, which will mean social media sites will become even more valuable in the future.

There are emerging studies showing how the amount of times a political candidate is mentioned on Twitter can have an influence on their electoral chances (DiGrazia, McKelvey, Bollen and Rojas, 2013). This study showed the volume of Twitter mentions compared to an opponent was the important factor and the tone of the comment did not matter. Further, the authors suggested social media matters even when controlling for traditional television media. The authors concluded, “this study adds to the mounting evidence that online social networks are not ephemeral, spam-infested sources of information. Rather, social media may very well provide a valid indicator of the American electorate” (DiGrazia, McKelvey, Bollen and Rojas, pp. 6).

There are warnings over the use of Twitter to distribute news, however. Some studies have shown that online users do not give information they see shared on Twitter the same level of credibility that they do to information on traditional media sites (Schmierbach, Oeldorf-Hirsch, 2012). But the data cited earlier from Pew show that a growing number of people are turning to social media as a source for news. One of the lures of social media is the ability of citizens to interact directly with politicians, journalists and other citizens. When participating on social media sites, such as Twitter, users can abandon the one-way information flow of traditional news organizations and start to interact and engage with others in the same social sphere. Alfred Hermida argues, “Twitter allows a large number of users to communicate with each other simultaneously in real-time, based on an asymmetrical relationship between friends and followers. The messages form social streams of connected data that provide value both individually and in aggregate” (Hermida, 2010, pp. 1).
2.4: Finding “Power” in the centre

More than a decade spanned the publication of Savoie’s *Governing from the Centre* and *Power* and in that time the answer to the question of who controls the levers of power continued to muddy as the global economy stumbled into recession, governments faced new transparency protocols and many citizens continued to disengage from the traditional political process. Savoie’s thesis on how decisions are made in Canada also evolved in this period. *Governing from the Centre* offered a critical analysis of how power had shifted into the hands of a privileged few inside the federal public service and key political insiders. The book became extremely popular, though perhaps less so inside the centre of the federal government, and led to other similar accounts, such as *Globe and Mail* columnist Jeffrey Simpson’s book, *The Friendly Dictator*. *Power* did not reverse Savoie’s earlier critique as much as it adds new layers to the argument to suggest why governing from the centre may now be necessary.

In his 2010 analysis, Savoie addressed the power and influence of globalization, the private sector, the media and additional players, who are now exerting more influence on the decision-making process. Savoie also dug deeper into the cult of personality in the writing of *Power* and how that influenced how policy decisions were made. He says, “personalism is now the key to understanding where both power and influence are located and who has it. When things truly matter to those with political and economic power, they will push aside institutions, organizations and formal processes to get the job done” (Savoie, 2010, pp. 214-215). This point will be important when assessing the power dynamics during the NB Power sale debate. Premier Shawn Graham had access to the machinery of government and the power to act quickly unencumbered by any duty to
keep cabinet, let alone the legislative assembly or the public, informed of the negotiations. This section will explore how Savoie’s governing from the centre theory has changed, its implications on public administration and other developments that have forced politicians and civil servants to include citizens in the public policy process, particularly public engagement initiatives.

Prime ministers, in Savoie’s analysis, are still extremely powerful. He describes them as “a veritable juggernaut” and he argues that many of the levers of power held by prime ministers are so strong that, “Other than going down to defeat in a general election, it can be stopped or slowed only by the force of public opinion or by a cabinet or caucus revolt” (Savoie, pp. 133). This is a particularly relevant theme that will be picked up on further in the case study. The idea of a prime minister being a veritable juggernaut harkens back to Governing from the Centre, but Savoie also described why he thought prime ministers were so busy trying to centralize power over the last three decades. That concentration of power is even more concerning when it is coupled with the politicization of the public service and politicized governance is now more norm than an exception in countries such as Canada (Aucoin, 2012). So instead of prime ministers or premiers turning to non-partisan civil servants, who are experts in a field, for policy advice they are being surrounded by partisan staff, who perpetuate the idea of permanent election campaigns. Aucoin wrote the politicization of the public service “has reached the point where the most trusted political staff of the prime minister can be as influential, or even more influential, as senior ministers or senior public servants” (Aucoin, pp. 185).

There has been a gradual shift, Savoie argues, that has seen power moving down (to the provinces) and out (to international organizations, trade agreements, etc.). Even a
prime minister with a firm hold on the levers of power is no longer always able to steer the policy process in their intended direction. In situations where the levers of power may not work as well as they once did for a prime minister, Savoie described how they have created two policy processes -- “one for themselves and one for everybody else” (Savoie, pp. 139). To illustrate this divide in the policy process, he outlined a process of “governing by announcements.” Savoie argues a prime minister will detail a policy initiative in a speech and then leave it to those under him in the federal government to implement it. Even when politicians or public servants are surprised by a prime minister’s policy announcement, they often are personally motivated to deliver on that new commitment. That motivation, Savoie argues, is a result of the prime minister having, “a direct say in the career prospects of ministers, aspiring ministers, heads of departments and aspiring heads of Crown corporations, everyone has an interest in seeing the prime minister’s initiative come to a successful conclusion” (Savoie, pp. 139).

With power leaking down to provinces and out to other institutions, Savoie lists a series of other factors that are limiting the direct policy influence of a prime minister. Globalization, for instance, was given very little attention in Savoie’s 1999 book. But in Power, he devoted significant attention to how global corporations are wielding more power in a borderless world. The shifting power dynamics have come with a cost, according to Savoie, particularly in the form of avoiding accountability and transparency. The forces of globalization, international financial markets, and so on have “enabled those who wield political and economic power to sidestep responsibility in exercising their power” (Savoie, pp. 46). He noted how trade agreements are allowing power to leak away from national governments. Further, Savoie used an example of a G20 meeting in
2008 where the topic of international financial reform was a hot topic for debate considering the dour global economy. In this example, several policy decisions that would affect citizens around the world were made in a way where it was difficult to pinpoint who precisely had the power. “Unless one had a ringside seat at the gathering, one would be hard pressed to identify who specifically had power over which issue” (Savoie, pp. 138). He also picked up on how the private sector, new corporate disclosure rules as well as public-private partnerships are all complicating a citizen’s ability to find out where the power is and who holds it.

Even institutions, such as the courts and independent officers of Parliament are eroding the policy supremacy of a prime minister. To underscore this point, Savoie used the example of former New Brunswick health minister Michael Murphy who slashed the number of regional health authorities in the province to two from eight. That instigated a fight from a francophone citizens group that felt the policy move had negative implications on minority language rights and the organization hired retired Supreme Court of Canada Justice Michel Bastarache as a legal adviser. While Murphy characterized the cuts, in part, as a way to save the cash-strapped province money, Bastarache argued, “that no legislative body in Canada any longer has such power” (Savoie, pp. 73). Murphy was eventually moved out of the health portfolio and after that the New Brunswick government struck a deal with the citizens group to keep the fight out of court. The fact a deal was struck meant Bastarache’s blunt interpretation of a legislative body’s ability to set its own policy was never tested in a court, so it is unclear whether that argument could pass legal muster. What it does mean is it further muddies the broader question of who has power.
Other groups of individuals, such as pollsters and lobbyists, are also finding themselves with more access to prime ministers and the inner circle and that is giving them more power in the policy process. These individuals are helping perpetuate “permanent election campaigns” (Savoie, pp. 87) because of their ability to advise politicians and policymakers on public opinion or how best to shape a government’s message. Polling companies are able to point to their sophisticated surveys and analyses to shape how best to tailor a message or a policy decision to the public in general or even target groups. Tied in with pollsters are lobbyists, who help open doors for economic elites to exert their own influence over politicians and public servants. These lobbyists have access to politicians and public officials that regular citizens do not possess. Not only will lobbyists push politicians for policy changes that benefit their clients, but they can also offer information or analysis to combat what is being offered by the professional civil service. Savoie also notes that lobbying is turning into a new style of patronage. Lobbying firms are hiring high-profile people tied to political parties because of their access to, and influence with, key politicians (Savoie, pp. 188). When it comes to the decision-making process, “hired guns now matter as never before” (Savoie, pp. 181).

The media’s growing influence on a government’s policy agenda received significant attention in Power. The media possess a type of soft power because it has the ability to manipulate a policy agenda, influence voters, politicians or public servants (Savoie, 2010). Other senior civil servants have also raised this point. Richard Wilson, a former British cabinet secretary, once said, “I sometimes wonder whether the media understand their own power or the impact they can have on the inner workings of government” (Savoie, pp. 86).
The concept of a media star is nothing new. Newspapers and television networks have always had elite journalists who worked on the biggest stories. Savoie, however, writes that media personalities are becoming more important. He quotes Radio-Canada journalist Michel Cormier who says, “There is a greater focus on media stars than in years past. The individual journalist with a high profile has come to matter a great deal” (Savoie, pp. 89). He also uses a similar quotation from a U.K. journalist, John Lloyd, to further solidify his view of the media’s role in public policy and how it has in a way surpassed parliamentary supremacy: “A half century ago, the assumption was that political power trumped all others. Now it doesn’t: media power comes closer to trumping all others, at least in some things. It is the power of the media which has been one of the largest shifts in society over the past three decades. Only the most naïve or ill-informed member of Parliament either in Canada or Britain still believes in the sovereignty of Parliament” (Savoie, pp. 13). What leading journalists say or write about politics or policy is now closely watched by both politicians and policymakers. A cult of personalism may have swept into public administration, but the same can be said for the media: “Some journalists have become celebrities, and what they write or say can have a profound impact on the government’s agenda or on a politician’s electoral prospects” (Savoie, pp. 189).

The credibility of star reporters or well-respected news commentators has been proven to affect public perception of issues. Page, Shapiro and Dempsey wrote in a 1987 study that the type of person who was delivering the news impacted the public differently. Even neutral information delivered by experts, news commentators and popular presidents have more sway in altering opinions than interest groups or unpopular
presidents. In one part of the study, the authors concluded a single news commentary, which was coded “probably pro,” could result in a significant swing in opinion. A story, which could have been delivered from a reporter, a special commentator or the anchor, was associated with more than four percentage points of opinion change (Page, Shapiro and Dempsey, pp. 31). Further, the study suggested 90 per cent of the variance in public opinion came from TV news (Page, Shapiro and Dempsey, pp. 38). Page, Shapiro and Dempsey’s analysis suggests the “objective information may play a significant part in opinion formation and change and that certain of the more blatant efforts to manipulate opinion are not successful” (Page, Shapiro and Dempsey, pp. 39, 40). These findings could be helpful in the context of the NB Power debate. While it is difficult to compare the media landscape of 1987 to 2010, the high degree of variance in public opinion and change that came from television is an important distinction. The finding that even neutral information delivered by experts or news commentators could have more influence with the public than unpopular politicians is important to keep in mind. As well, the report’s finding that efforts to manipulate public opinion were not successful is also important. It has been argued the main English-language newspapers were biased in favour of the NB Power deal (Walker, 2010). If that was the case, or perceived to be the case, that could help explain the level of influence of the main English-language newspapers during the NB Power debate.

A new type of public servant has arisen as more scholars, such as Page, Shapiro and Dempsey, have written about the media’s ability to move public opinion. Christopher Hood and Martin Lodge have raised the idea of a “new politico-bureaucratic class of spin doctors” (Savoie, pp. 95). These individuals are, as the name suggests, communications
professionals with ties to the governing party that are pushing aside public servants, who have more traditional skills. These partisan advisers are now more present in the daily lives of public officials as news management takes on a higher profile inside government (Savoie, pp. 103).

While *Governing from the Centre* offered a critical analysis of the power concentration among Canadian prime ministers and their top partisan advisers and the heads of central agencies, *Power* helps explain why the concentration of power in the centre may be inevitable because of factors such as globalization, the private sector and new transparency rules. The rise of personalism, inside the public service and elsewhere, has also meant a higher level of importance has been put on specific individuals, such as “the clerk of the privy council, other courtiers, well-connected lobbyists and influential journalists” (Savoie, pp. 192). Given all these factors, a prime minister’s power, even if it is concentrated in the centre, is not as precise as it was 30 years ago.

**Public consultation and engagement**

Politicians are cognizant of fact many citizens believe that power is being held in too few hands. One way that politicians have tried to demonstrate that they are willing to take guidance on public policy initiatives is through public consultation or engagement measures. These initiatives are often celebrated by politicians to show they are eager to listen to voters on policy matters, but they also impact the idea of who holds political and policy power as well as the traditional understanding of how governments make decisions. New Brunswick is a representative democracy in that elections are held every four years and political parties attempt to use political promises and policy ideas to win
support among the electorate. If these parties are fortunate, they will win a plurality of votes in enough ridings to hold a majority of MLAs in the legislative assembly. The winning party would then have a mandate for the next four years and would proceed to implement its campaign promises and deal with other governance and policy issues that arose during its term in government.

In recent years, there has been a push to add more deliberative layers to the governance process across Canada (LaForest and Phillips, 2006). New Brunswick has actually rebuffed some internal pressure to open up its legislative and governance mechanisms. The Commission on Legislative Democracy issued a wide-ranging report in 2005 that called for a referendum on proportional representation but also many ways to boost participatory democracy and citizen engagement in the province. Many of the report’s recommendations were never implemented due a change in government in 2006. Despite this setback, there has been some movement towards a greater level of deliberative decision-making and public engagement in recent years, particularly, but not exclusively, after the failed NB Power deal.

The inclusion of the public in governance is a fundamental component of participatory democracy, which requires active citizen participation in decisions of the state. The ability to engage citizens in a debate over -- and the creation of -- public policy speaks directly to the theory of deliberative democracy. Deliberative democracy requires an informed discussion between individuals and policymakers on issues before decisions can be made. When citizens are brought into the policy-making process and are given the chance to deliberate on pressing issues, they bring different experiences, insight and analyses to the situation that might otherwise be ignored (Bruns and Swift, 2011). This
citizen participation, at least in theory, should give rise to “more informed policy and a more knowledgeable, efficacious, and activist citizenry” (LaForest and Phillips, pp. 77). This citizen involvement can be done through public consultation or public engagement initiatives. The examination of public consultation or public engagement is particularly relevant to the case study around the NB Power sale debate as many politicians, citizens and third-parties argued the public had not been adequately involved in the policy process. LaForest and Phillips write that the Canadian policy system has undergone a “profound” shift in the last 30 years and how the avenues for public involvement in the policy process have “evolved and expanded” (LaForest and Phillips, 2006, pp. 67).

Public consultation is the format that is most often used by governments and policy-makers and it is often viewed as the most cost-effective and efficient. In these settings, there is a direct one-way flow of information between the policymakers and the public (Coleman and Gotze, 2001; Chadwick, 2003). But there is little to no attempt by policymakers to use these consultations to form a consensus with members of the public on a policy issue. Once the consultation activities are concluded, the policymakers can retreat to their offices and make the policy decision. There is no actual requirement for the decision to reflect the views of the public that were shared in the public consultation process. This style of government and citizen interaction has been criticized for deepening the chasm of public cynicism against the political process because it creates a system of policy “winners and losers” (Lenihan, 2008, pp. 16). There are situations where consultation methods may be most appropriate, but conventional consultation methods are often criticized as poor tools to solve complex problems (Lenihan, 2008).
Public engagement, on the other hand, requires ongoing interaction with the public. As LaForest and Phillips note, the objective of citizen engagement is to move beyond traditional actors, such as interest groups, and actively engage citizens in a deliberative policy process: “Such engagement is argued to produce not only better policy, but more active, ‘better’ citizens” (LaForest and Phillips, pp. 67). Public engagement processes tend to be designed to take more time as, ideally, all affected members of the public should be given the opportunity to participate in the engagement process. The flow of information and policy options would be shared between the public and the policymakers with the goal of achieving a well-understood decision. Opposed to the vertical flow of information in a public consultation initiative, public engagement initiatives are intended to have a horizontal flow of information. It has been suggested that information technology mechanisms could help governments reach beyond traditional groups and involve more people in public engagement initiatives (Lenihan, 2008).

**Online vs. offline engagement**

The New Brunswick government was criticized, even internally by cabinet ministers, for not taking enough steps to engage with the public on the proposed sale of NB Power. Its public (offline) and online consultation strategies all failed. As will be described in the case study, there is a debate among many politicians and policymakers about how complex policy decisions can be made with the public’s growing demand to be involved in the decision-making process. When looking at management structures, some scholars argue a period of “digital-era governance” (Dunleavy, Margetts, Bastow
and Tinkler, 2005) has replaced New Public Management. Digital-era governance is represented by “the broad sweep of current public management regime change in terms that refer to new information-handling potentialities, which make feasible a transition to fully digital modes of operating for many government sector agencies. The advent of the digital era is now the most general, pervasive, and structurally distinctive influence on how governance arrangements are changing in advanced industrial states (Dunleavy, Margetts, Bastow and Tinkler, pp. 478). The Internet and communications technology has sped up communication and lowered internal costs inside governments (Ferdinand, 2000). But digital-era governance goes beyond automating services that were once done on paper or by large number of public servants. One of the aspects of digital-era governance would be to enhance citizens’ “capabilities for solving complex social problems” (Dunleavy, Margetts, Bastow and Tinkler, pp. 489).

When Alexis de Tocqueville wrote *Democracy in America*, quaint New England town hall meetings offered citizens a direct route into the decision-making process. Governments and bureaucracies were much smaller and that allowed for citizens to feel like they had an active role in the decisions that were being made. There was still a belief that citizens had the right to be informed about decisions that were being made and have a voice in the direction of their communities. Since 1835, governments and politicians have become more remote and bureaucracies have become much larger. These developments, and the polarization of political parties and growth of the media and its influence over politicians, policymakers and citizens, have all started to chip away at the effectiveness of those iconic town hall-style events (Fahrenthold, 2011). Town hall meetings can now be easily taken over by special interest groups that intend to push a
particular agenda. These polarizing debates among certain factions of people in attendance can often push the concerns of other citizens to the side (Lenihan; National Coalition for Dialogue & Deliberation, 2010).

There is also a growing amount of scholarship that suggests online public participation initiatives could help reconnect citizens with the public policy-making process through these new outlets. Many proponents stop short of hailing Information Communications Technology (ICTs) as a cure-all for civic disengagement, but they have been described as a “new venue for political information and communication” that will help boost flagging civic participation levels (Tolbert and McNeal, 2003). Advances in technology may allow more people to become involved in the deliberative process than ever before (Roberts, 2004). It is unlikely that even the most ardent supporters of the meshing of ICTs and policy-making would argue that these new initiatives would replace traditional models of public engagement. But, if used successfully, ICTs could open up new doors for citizens to participate in the decision-making process (Williamson, 2003; 2011). Additionally, Williamson argues that any “attempts to radically re-engage are unlikely to happen without the Internet playing at least some role” (Williamson, 2011, pp. 25).

Even in a digital setting, the primary responsibility of policymakers is to develop better policy and perhaps help foster greater public satisfaction about the policy or political process. Unanimous public opinion is not needed for each public policy outcome and not every citizen needs to participate in the process for it to be deemed a success. The process of bringing citizens into the policy-making cycle offers the opportunity to allow policymakers to tap into a greater wealth of information, which can be used to create
better policy. There is also an upside of this more inclusive process for politicians. The speed and low-cost environment provided by ICTs also allows governments -- and elected officials -- to show they are interested in voter opinion on important issues (Chadwick, 2003).

Although fewer people may be engaged in the policy-making process, citizens “care deeply about process” (Hibbing and Theiss-Morse, 2002, pp. 13). Members of the public may become hostile to a decision-making process that fails to address their concerns. Policy-makers can avoid this frustration by including citizens in the governance process. Opening up new channels of dialogue between citizens and policy-makers could allow citizens “to understand the complexities and dilemmas of policy making” (Coleman and Gotze, pp. 11). It may not only be the process that creates uneasiness among members of the public, but the people who are perceived to have inside access to the decision-makers. People may still be interested in policy decisions but they are turned off from elite decision-making performed by politicians, senior civil servants and special interest groups (Hibbing and Theiss-Morse, 2002). Adding new levels of openness and transparency could assure citizens, whether they participate in the policy process or not, that the decisions are fair and the process is not biased in favour of any group or any specific policy outcome.

Further, citizens generally understand policy issues are complex and decisions can be difficult to achieve but they are often frustrated with traditional consultative, policy-making initiatives (Lenihan, 2008, pp. 10). A key element of participatory democracy is that people are allowed a say into the decision-making process (Milakovitch, 2010) and if the expectations of the citizens’ roles and responsibilities are clearly articulated by the
agency then the process may receive a high degree of public satisfaction even if they individually disagree with the specific policy outcomes. There are some members of the public that will opt out of participating in either the off- or online public engagement initiatives but will be satisfied with the process because they feel it was open and transparent.

In fairness, it must be pointed out that civil servants are still grappling with how the new demands for public engagement mesh with their traditional roles as obscure bureaucrats who avoid the public spotlight and speak truth to power. How civil servants should engage on social media, in particular, has created a debate within the New Brunswick civil service. A special energy commission (which was struck by the new Progressive Conservative government following the failed NB Power deal) attempted to create a presence on social media, including YouTube videos and Facebook and Twitter accounts. The commission, in its own final analysis, admitted it had a difficult time using social media because of the different style of engagement that is required. The report said, “humour, informality and personal hosting attachment to public sector organizations can all present challenges to the way that governments operate due to public scrutiny” (New Brunswick Energy Commission, 2011, pp. 69).

The commission’s two chairmen were not the account holders on either Facebook or Twitter, instead it was the civil servants who were working for the commission. The commissioners would likely have felt more at liberty to post messages with humour or informality than civil servants. So, without a clear policy for civil servants using social media, the commission said in its final report that it opted for the safest route. The commission decided not to engage regularly with citizens on Facebook or Twitter.
Instead, the commission opted to use the social media sites to promote news releases, surveys or upcoming public information sessions. The energy commission essentially took the social out of social media because of the lack of guidelines set for bureaucrats using these services.

Modern governing is complex, as demonstrated by Savoie’s writings on the shifting centres of power inside governments or the new realities faced by politicians and policymakers when it comes to governing in the age of social media, a changing media landscape and increased demands for public engagement. The NB Power case study will examine each of these issues separately and analyze their implications on the policy decisions made during the controversial period in New Brunswick politics. Premier Shawn Graham and his small team of cabinet ministers and senior civil servants had their hands on the levers of power inside the New Brunswick government but they failed in their attempt to sell parts of NB Power to Hydro-Québec. The failures in the process can offer important lessons to other governments and citizens about how the media influences policy decisions, how politicians and policymakers ought to engage with citizens on policy decisions and how complex that policy-making process has become in recent years.
Methodology

The primary methodology during this study came in the form of a case study that examined the decision-making process and the media’s influence over political and policy decisions during the failed NB Power deal. The NB Power debate was a specific event with a rigid start and end point, which allowed a clear focus for the research. A case study allowed for an in-depth look at a specific event and allowed for consideration of the real-world context of the time (Yin, 2011). This allowed for a more detailed understanding of how decisions were made, by whom and why. Yin notes six sources of material that can be used in a case study: documents, archival records, interviews, direct observation, participant-observation and physical artifacts (Yin, 1994, pp. 84). This research relied heavily on documents, archival records and interviews. A close dialogue style of interview was conducted to gather the data (Clark, 1998). "Close dialogue is a mode of case study research, one that uses structured and unstructured interviews in the context of relationships between nominal equals to reveal the actual logic of decision making" (Clark, pp. 73).

There were 11 different individuals interviewed, some on multiple occasions, who were involved in the NB Power deal. These participants were given the option of using their name or remaining anonymous. There were some participants who agreed to using their names in this study. But given the small number of in-depth interviews conducted, it was deemed those with detailed knowledge of the NB Power file may be able to identify participants who wished to remain anonymous by comparing comments of unnamed participants with those comments made by participants who agreed to use their names. This study does use names of various politicians, civil servants, members of third-party
groups, but in those situations, the names are attached to publicly available information or the individuals were named by others to relate how decisions were made. The NB Power sale debate provoked an intense debate in the province and many of these individuals were regularly quoted in the media or had their names appear in public documents.

The interview participants were politicians and policymakers associated with the NB Power deal and would have worked in the Office of the Premier, Executive Council Office, Department of Finance, Department of Energy and NB Power. The individuals were selected due to their familiarity with political and policy choices made in 2009 and 2010. The case study refers generically to all elected politicians as either a “cabinet minister” or an “Opposition MLA”. Civil servants are not identified by their department or Crown corporation, but simply as a “government official.” And unelected members of third-party groups that opposed the power deal would simply be referred to as a “third-party official.” These titles were selected to provide anonymity to sources but also to provide sufficient context to understand how policy decisions were made during the NB Power debate.

The qualitative interviews ranged from 30 minutes to two hours and were done primarily in person. Telephone interviews were conducted only when one-on-one interviews were not possible or for follow-up questions. A list of questions was drafted and most questions were asked to each participant to better compare and contrast answers during the data analysis phase. Each participant was asked a series of questions at the start of each interview to gauge how each person used the media and public reaction to make decisions and how they consumed media during the NB Power debate (Table 1).
The same list of questions was given verbally by the researcher and the scale was given to each participant. The interviews were transcribed and the participants approved the final transcripts. The questions were identical to each participant. However, the questions in the qualitative interviews followed broad themes and included a basic framework for questioning. A cabinet minister and a government official would have different perspectives and specialties, so some questions would be irrelevant to their position during the debate.

**Table 1 Survey Questions**

<table>
<thead>
<tr>
<th>Survey Questions</th>
<th>Scale: Agree, Disagree, Don’t know</th>
<th>Scale: Hourly, Twice a day, Once a day, Rarely</th>
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<tbody>
<tr>
<td>Positive comments in the media increase my confidence in making decisions the way I planned.</td>
<td>How often did you consume media of some sort during the NB Power (NBP) sale debate?</td>
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</tr>
<tr>
<td>Negative comments in the media make me hesitate in my decisions.</td>
<td>How often did you consume news from traditional news sources during the NBP debate?</td>
<td></td>
</tr>
<tr>
<td>I try to take into account any possible public criticism in advance in the justification of my decisions.</td>
<td>How often did you consume news from new media sources during the NBP debate?</td>
<td></td>
</tr>
<tr>
<td>There are reasonable solutions or proposals that are not considered in our organization because they would most likely be received negatively in public.</td>
<td>What was your primary news source during the NBP debate?</td>
<td></td>
</tr>
<tr>
<td>In my work, I often have to consider to what extent I am doing things, the way I feel they should be done and to what extent I’m giving in to the pressures of public opinion.</td>
<td>Did it change during the NBP debate?</td>
<td></td>
</tr>
<tr>
<td>I often have to deal with issues more quickly or more thoroughly because the media has</td>
<td></td>
<td></td>
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</table>
To make progress, my work-related projects often require the media’s attention.

Once the qualitative interviews were completed, the data was broken into the corresponding sections that related to the different research questions in the case study (Rossman and Rallis, 1998). A key data analysis technique used during the case study was open coding. Files were created that broke the data into specific topics, such as “agenda setting” and subgroups, such as “cabinet ministers” or “government officials.” When the data were separated, patterns could be detected to help analyze the media’s influence on public policy decisions.

There was also a thorough document analysis conducted. Documents from the Office of the Premier were obtained from the Provincial Archives. As well, documentation from the Department of Finance, Department of Energy and NB Power were obtained through Right to Information Act requests. As well, the New Brunswick government has already released its public opinion data that it collected during the NB Power debate. These sources were used to further analyze comments made publicly during the NB Power debate and information gathered during qualitative interviews.

As means to help gauge whether the media played a role in public policy decisions during the NB Power debate, an analysis of the volume of stories produced in the three main traditional media platforms -- newspaper, television and online -- was undertaken. The New Brunswick Telegraph-Journal is not the highest circulation daily newspaper in the province, but it is considered the flagship newspaper of the Irving-
owned Brunswick News Inc. and it is deemed by many policymakers and politicians as the “newspaper of record” in the province. The FP Infomart database system was used to identify potential articles for analysis. Articles were selected if they appeared in the New Brunswick Telegraph-Journal between Oct. 1, 2009 and March 31, 2010 in any section. Articles were included if they were focused on any aspect of the NB Power deal, including stories written by journalists, editorials or opinion pieces. A number of types of articles were removed from the analysis. The NB Power debate became such a large issue during this period, there were many stories and columns that referenced the NB Power issue in passing, but were not intended to be about the proposed power deal. The article was included in the analysis if any aspect of the NB Power deal was mentioned in the headline or lead paragraphs and the power deal was deemed to be the focus of the article or column. The study also included opinion pieces, which at times came in the form of large sections of speeches that were reprinted. Newspaper editorials and letters to the editor were not counted in this analysis as the focus was on news content. A total of 550 newspaper stories and columns were used in this analysis.

A list of stories that appeared on CBC Television was gathered by using the Eureka Medoc database system. This database is maintained by CBC News. A database search for NB Power between Oct. 1, 2009, and March 31, 2010, turned up 156 items, though only 102 items were actually included in the research. Television stories and feature interviews with the host, Harry Forestell, were included, if they dealt with the proposed power deal. There was a criterion established for removing certain items from the analysis. Many items were filed in the database system as “stox,” which means they were archived by CBC News inside the time period but the items may have been raw
footage and not aired publicly. For example, a news conference or cutaways from a feature interview were included in the database. Those items would not have been aired publicly, but may have been a part of another television item, where they would have been counted in this study. There were some television items that were removed because they were about NB Power, but not about the proposed power deal. There were some items counted in the analysis, but may have appeared on multiple CBC platforms. Terry Seguin, the host of the CBC’s Information Morning Fredericton, hosted a regular political panel. This panel was recorded in its entirety for CBC.ca, a large portion would be played on the Information Morning Fredericton radio program and a short segment was aired on television. In these cases, the political panel was counted only in the television category. A total of 102 television stories and interviews were used in this analysis.

Online stories were collected by using a series of publicly available search tools. Initially, all stories posted on the special webpage created by CBC.ca during the NB Power debate -- Power Play (http://www.cbc.ca/nb/features/powerplay/) -- were added to the analysis. The majority of CBC.ca stories that dealt with the NB Power debate were posted on this topic page. A secondary analysis was taken to ensure no stories were missed. The Advanced Google Search function (http://www.google.ca/advanced_search?hl=en) was the primary search tool. During the search, the keyword “nb power” was used and the domain was “cbc.ca.” All stories that appeared in this search were cross-referenced with the stories that appeared on Power Play. Lastly, CBC.ca often posts “related links” in a story. Those related links were clicked on to ensure stories were not missed in the search. A similar analysis was applied
to online stories as was used for television and newspaper stories. If a CBC.ca story mentioned NB Power but did not focus on the power deal, it was excluded from the analysis. The number of comments made on the bottom of each CBC.ca story was also recorded during this process. A total of 91 online articles were used in this analysis.

When comparing the amount of content in the Telegraph-Journal versus CBC.ca, there are some technological and medium-specific limitations. When assessing the Telegraph-Journal coverage, full or partial transcripts of speeches would have been counted as a separate item. While CBC.ca stories can still be easily accessed, the video content can no longer be viewed because of video archiving constraints. Further, some videos may have appeared in a news story at one point in a day and been removed to make room for a newer video and some videos no longer appear because of a change in the website’s design after the NB Power debate and prior to this study being undertaken. There were also pieces of audio and video content that were put on the CBC.ca website or the specific Power Play topic page that were available to the public but those items are not factored into this study. For example, Illustration 4 in Chapter 7 shows three items on CBC.ca on March 24 when the deal was cancelled but assessing the CBC.ca content that is still available on the website shows more content: three stories, one photo gallery illustrating various moments in the debate, three videos and an external link to Graham’s full speech. That would be an actual content count of seven. While more content, such as feature interviews conducted by CBC New Brunswick host Harry Forestell with Graham and PC MLA Bruce Fitch, were also on CBC.ca on March 24, they cannot be factored into the analysis because they were not included on a story. The technological limitations of counting every piece of content on CBC.ca, along with updates to stories, means the
study only counts online articles and not total media content. It is important to understand the constraints of the study when comparing the volume of media content during the NB Power sale debate.

The qualitative information gained from the interview subjects during the field research was critical in answering the research questions. The data gathered by studying the number of stories printed, aired and posted, as well as the primary documents, aided in further analyzing the media’s impact on the policy decisions. The volume of stories about NB Power was charted by platform and by date and then key political or policy events could be marked to see how the media reacted. It was the combination of these separate streams of research and data-gathering that helped address the questions posed by the thesis.
Research questions

Question 1:

The New Brunswick government ventured into a massive public policy exercise in early 2009 when it began secret talks with the Quebec government over the sale of assets from NB Power to Hydro-Québec. In a relatively short period of time, many decisions had to be made around the actual policy of selling a Crown corporation to the public relations campaign to convince the public about the merits of the deal. The specific policy and political decisions that will be examined in all four research questions are: the decision to appoint the expert panel led by David Ganong, the decision to release a second Memorandum of Understanding and the decision to eventually stop negotiations with the Quebec government. The high-profile opposition of Newfoundland and Labrador Premier Danny Williams to the proposed NB Power deal and his public and private arguments with New Brunswick Premier Shawn Graham will also be examined. So, the first question will examine whether the decision-making in this period of time was consistent with Savoie’s governing from the centre model.

Question 2:

Given the literature on the various stages of the agenda-setting theory, what effect did the media, including both traditional media platforms and new media, have on the policy makers and politicians during the NB Power sale debate? Addressing the question of media influence can be difficult because the media cover events and issues, so its influence or power is different than that of other actors in the political and policy process. The media has been described as a vehicle used by politicians and policymakers to better
understand or gauge public opinion on public policy decisions. The power of journalists can best be described as “soft power” (Savoie, 2010, pp. 170) and is largely found in its agenda-setting capacity.

**Question 3:**

Recent studies have continued to show, even in a diversified media environment, that television still holds a dominant position as a source of news for people. New Brunswick’s media landscape is unique in several ways. The province’s main English-language daily newspapers are all owned by a single company, which endorsed the sale of NB Power. The only New Brunswick-based television stations are the public broadcasters: CBC and Radio-Canada. Given the unique media landscape in the province, what specific role did the traditional media coverage (specifically in television and print) play in the decision-making process?

**Question 4:**

New media is an emerging force on the media landscape. New media is often divided into online media, such as news websites operated by mainstream news organizations, and social media, such as social networking sites, such as Facebook and Twitter. The NB Power sale debate offers an opportunity to study what, if any, impact new media had on the decision-making process. What is known is that many elements of the NB Power deal were first reported on websites, such as CBC News, deal proponents set up their own websites and social networking sites and opponents organized their
protests via these social networking platforms. What will be asked is: what impact did new media and social media have on the decision-making process?
4. Case Study: Introduction

When Shawn Graham walked into Government House on Oct. 29, 2009, he was minutes away from announcing his government’s plan to sell the majority of NB Power’s assets to the neighbouring province of Quebec for $4.8 billion. Up until that point, Graham had sustained a lead in public opinion polls despite a fairly turbulent first term in government, marked by several high-profile controversies related to policy changes, such as early French immersion, post-secondary education and rural ferries. Graham had also used energy issues as a major plank in his first two election campaigns and his vision for NB Power was clearly articulated in each of his party’s campaign manifestos. In 2003, Graham pledged the Liberals would “not sell any assets of NB Power” (New Brunswick Liberal Association, 2003) and in 2006, his commitment to the electorate was to “maintain NB Power as a publicly-owned utility that will serve all New Brunswickers equally” (New Brunswick Liberal Association, 2006).

The Liberals were never entirely comfortable with the former Progressive Conservative government’s energy strategy where NB Power was unbundled into five competitive subsidiaries. Energy Minister Jack Keir had only been in his new portfolio for a month before he started talking about reviewing the power corporation’s board of directors and implementing his party’s campaign promises around boosting generation (Davies, 2006). NB Power made headlines from time-to-time over its financial situation. For instance, Rock Marois, the vice-president of distribution and customer service, told a Saint John audience in 2006 that NB Power’s debt was growing and, “If we weren't a Crown corporation, I'd be very worried” (Shipley, 2006). But, by and large, over the next three years, the structure of NB Power took a backseat to other high-profile projects, such
as the contentious refurbishment of the Point Lepreau Nuclear Generating Station, the possibility of a merchant nuclear reactor project and developing Saint John as a so-called energy hub.

Quietly and unbeknownst to all but a handful of political advisers in Quebec and New Brunswick, that started to change during a private meeting between Graham and Quebec Premier Jean Charest at a Council of the Federation meeting on Jan. 16, 2009, in Ottawa. The two premiers held a sidebar meeting away from the other premiers and the conversation turned to energy co-operation. It was at that meeting where the two premiers started the discussions that would lead to the proposed sale. As will be detailed later, there was only a very small group that were aware of the green light. Slowly, other ministers were added to the group of insiders, as were senior civil servants, according to interviews with cabinet ministers and officials.

As will be discussed in greater depth in coming chapters, the New Brunswick government kept a very closed loop on information flows for many months, even among other top bureaucrats, cabinet ministers and government backbenchers. There was a joint statement issued by Graham and Charest in June (Government of New Brunswick, 2009), but that innocuous media release discussed energy co-operation and did not hint at the massive power deal that was being negotiated quietly away from the glare of the public. The media started reporting about the potential structure of a NB Power-Hydro-Québec power arrangement weeks before the memorandum of understanding was completed. CBC News reported talks were nearing an end on Oct 22, citing unnamed sources but it included a brief statement from Graham’s director of communications, “We're having a variety of conversations with Quebec, but they have not concluded It's not in anybody's
interest to talk about a possible outcome” (CBC News, 2009). That story launched a
media and political storm that hastened the plans of the New Brunswick and Quebec
governments. Several policymakers relayed a similar story about how hastily the
Memorandum of Understanding (MOU) signing event was arranged. The event was held
in a ballroom inside Government House, the official residence of New Brunswick’s
lieutenant governor and several sources cited that grandeur given to that event as being a
problem in the future. The idea of holding the event at Government House was only a last
resort as one government official summed up, “There was no other facility in Fredericton,
except one, the Holiday Inn at Mactaquac, overlooking the dam. Now tell me if that
would have been any better.” The Mactaquac Hydroelectric Generating Station was one
of the assets that were going to be sold to Quebec and ultimately was a factor in the
undoing of the deal.

The Progressive Conservatives, the official opposition and the political party that
eventually became one of the chief opponents to the deal, had a podium set up outside of
Government House and held a news conference denouncing the agreement moments after
the official signing ceremony ended. Many politicians and policymakers accuse Alward
of saying from that podium the Liberals had planned to move NB Power from “Saint
John to St. Jean” or others believe he said, “St. Jacques.” But the overarching belief is
Alward immediately began stoking language fears, which always rest beneath the surface
of New Brunswick politics. “They very adroitly played the language card to a sentiment
that is, to me, hugely disappointing in New Brunswick,” said one government official. A
cabinet minister also accused the Opposition of playing the language card for maximum
political gain: “Quite frankly [the Opposition] walked the line on language. … Whenever
I stood up in the legislature, by the way, and called them out on the language issue, they’d back away for a few days. and then it would creep its way back in again. They played it very well.”

The proposed NB Power deal was extremely complex, a point that many policymakers believed was the eventual undoing of the power pact. In short, the power deal would have sold the majority of NB Power’s transmission and generation facilities to Hydro-Québec for $4.8 billion, which roughly represented the equivalent of NB Power's debt. In addition, Hydro-Québec would freeze residential power rates in New Brunswick for five years and lower electricity prices for large industrial users to the same levels offered to similar customers in Quebec. The rate structure was worth an estimated $5 billion to residential and industrial customers. There were many nuances to the original deal that would also become media stories later in the deal. Hydro-Québec was not going to take ownership of three thermal units in Dalhousie, Belledune and Coleson Cove. The Dalhousie Generation Station was slated to be closed, a considerable hardship for a northern community already struggling with a dwindling population and few economic prospects. Belledune and Coleson Cove would still be operated by NB Power when needed and the electricity would be sold to Hydro-Québec. But Hydro-Québec could request that those two facilities be shuttered with one-year’s notice. This created a great deal of uncertainty in those communities and among NB Power workers. Another contentious element of the proposed deal was the future of the Point Lepreau Nuclear Generating Station and the Mactaquac dam. At the time of the deal, Point Lepreau was in the midst of a major refurbishment project, which was both late and coming in over its original $1.4-billion budget. NB Power would be responsible for the reactor until the
refurbishment was complete and then it would turn over the facility to Hydro-Québec. There were still unanswered questions about nuclear waste and decommissioning. The province’s largest power dam also proved to be contentious element of the deal. Questions remained until the very end about how a run-of-the-river dam fit into Hydro-Québec’s generation system, whether the dam would be refurbished when it reached the end of its operating life and liability issues around the recreational use of the head pond area above the Mactaquac dam (CBC News, 2010, 6).

The Oct. 29, 2009, news conference was the official launch of the New Brunswick government’s sales pitch to a public that would quickly become very skeptical of the policy shift. The NB Power debate soon overshadowed all other aspects of the government. CBC News summarized the content of the Nov. 17 throne speech as “focus[ing] primarily on the proposed deal to sell most of NB Power’s assets to Hydro-Québec for $4.8 billion” (CBC News 2, 2009). The throne speech was also greeted by one of many protests on the lawn of the legislature. Inside the assembly, the Progressive Conservatives, led by Opposition Leader David Alward, led the charge against the proposed power deal, raising concerns with the agreement on a daily basis. The NB Power deal also spurred on any interesting set of political bedfellows. The Progressive Conservatives, New Democratic Party and Green Party all opposed the deal. The People’s Alliance of New Brunswick officially became a registered political party in June 2010, a few months after the NB Power deal unravelled. But Leader Kris Austin said the party was born out of voter frustration with traditional political parties and promised a more grassroots political organization (CBC News, 2010).
The official political reaction to the government’s proposed energy deal may have been predictable. One veteran public servant described his observations of how politicians adapt their political message differently in opposition versus government:

“Even if the Tories had thought it was the best deal in the world, they would have been against it. I’ve seen that over my career a number of times … Adversarial politics being what it is, there were grounds to criticize on a very superficial level the deal, ‘We are selling our heritage. We are giving it to another government. Who knows if they are going to separate, who knows this or that.’ It was easy to scare people.”

If the political response was predictable, the rise of third-party opposition was unique. A third-party organization formed under the title, the Coalition of New Brunswickers: NB Power Not For Sale (herein will be referred to as the coalition). This broad coalition, included political parties, unions, non-profit organizations, but also citizens who were against the deal. One Opposition MLA described the coalition in these terms: “It was an interesting marriage, there were unions, there were business leaders, there were different political parties, there were citizens, that all came together to form an uneasy, interesting coalition.” While the coalition started as disparate groups coming together against the deal, it did not take long before the coalition had formed an organizational structure. One coalition member described how the group used various accounts on the social networking site, Facebook, to reach 32,000 individuals. The coalition had four volunteer administrators who watched its various social media pages and “kick(ed) junk out” that went against the coalition’s mandate.

The coalition had three overriding principles, according to a member: the group was to be inclusive, present arguments with “integrity” and stay on message - “Say no to
the deal.” So, the coalition member said it became necessary to ensure any comments that arose in the media or in social media that did not align with those three principles be weeded out. The organized nature of the grassroots group was necessary, organizers felt, if they were to maintain any long-term credibility and ability to influence the political and media agenda. “We knew that with those three principles, my sense was the public was very skittish with so many people involved in a social movement that had never been involved in a social movement before. If anything negative or untoward had happened, they would have skedaddled,” according to a third-party official.

The swift public and political opposition to the proposed deal caused a series of changes that will be explored in greater depth later. For instance, the New Brunswick government announced David Ganong, the chairman of Ganong Bros. Ltd., would lead an expert panel to offer guidance on whether energy deal “represents the best interests of New Brunswickers” (Government of New Brunswick 2, 2009). The expert panel had not been promised during the release of the original timeline laid out in the MOU (Government of New Brunswick 3, 2009). The Graham government faced a tough legislative session in December, which focused almost exclusively on the NB Power deal. Early in January, Justice Minister Michael Murphy announced he was leaving politics to spend time with his family. At the time, Murphy said the proposed NB Power deal had nothing to do with his decision and he supported the Graham government. “There are no other reasons other than it is the time to move on, to return to my practice and my family,” Murphy said on Jan. 4, 2010 (CBC News 2, 2010). But in March 2011, Murphy was quoted in Trot Magazine as saying he made a principled decision to leave quietly in an attempt to not cause further trouble for the premier. “When someone is integral to
government and suddenly disagrees with its direction, it's incumbent on them, as a matter of honour, to quietly leave. And that's what I did,” Murphy told the magazine (Trot Magazine, 2011). That wasn’t the only political trouble that Graham had to endure. On Jan. 18, CBC News reported three Liberal cabinet ministers and two Liberal backbenchers did not support the deal and would not vote for the agreement in its original form (CBC News 3, 2010). Graham was also forced to oust Tourism and Parks Minister Stuart Jamieson over his belief the provincial government needed to take the proposed power deal to the public in a referendum.

The continued public opposition to the deal prompted a major revision to the power deal on Jan. 20. This agreement became commonly known as MOU2. The MOU2 saw the $4.8-billion deal scaled back to $3.2-billion. The rate structure remained intact, there were no changes to the generational facilities but the major change revolved around the transmission. Under MOU2, NB Power Transmission Co. (NB Transco) and NB Power Distribution and Customer Service Co. (NB Disco) would continue to be controlled by NB Power Holding Co. (NB Power Holdco). The $1.6-billion reduction meant New Brunswick would continue to own the transmission and distribution networks. Graham said the revision was made after he listened to opposition surrounding the proposed power deal (CBC News 4, 2010).

The New Brunswick government faced further setbacks during this time period from inside and outside the province. Newfoundland and Labrador Premier Danny Williams continued his vehement opposition to the deal and Nova Scotia Premier Darrell Dexter also expressed his resistance to the NB Power sale agreement. Graham had to deal with the abrupt retirement of David Hay as president and chief executive officer of NB
Power early in 2010. The province’s energy minister did not attempt to hide the fact there had been a disagreement with Hay over the sale of NB Power. “In terms of NB Power, it’s changing direction, and [Hay] thought the time was right to pass the torch. I get that,” Keir said (CBC News 5, 2010). But the entire deal finally came apart on March 24. Graham told the legislature that Hydro-Québec had been after more revisions to the deal that would not have yielded the same long-term benefits to the province. Meanwhile, Alward characterized the decision as one made by a chastened government and described the result as a “wonderful day for democracy in New Brunswick” (CBC News 6, 2010).
5. New Brunswick media landscape

New Brunswick has a unique media landscape that must be understood in order to properly assess how the media influenced public policy decisions during the NB Power debate. The province’s three English daily newspapers -- *New Brunswick Telegraph-Journal*, *Moncton Times & Transcript* and *Fredericton Daily Gleaner* -- and the majority of weeklies, including a weekly French-language newspaper, are all controlled by Brunswick News Inc. (BNI). BNI is owned by the influential Irving family. The Irvings are a powerful industrialist family in New Brunswick with far-reaching business interests in the province, spanning forestry, oil, manufacturing, trucking, etc.

The Irving family does not often take an active and public role in politics. But there have been exceptions. K.C. Irving had a well-known feud with former Liberal premier Louis J. Robichaud over the premier’s Equal Opportunity agenda, which was designed to boost the economic realities in poorer regions of the province. While the corporate interests are not as monolithic now because the plethora of Irving-owned businesses are operated by various descendants of K.C. Irving, there is still a belief that the newspapers act as vehicles to advance the Irving family’s corporate agenda (Tunney, 2008; Walker, 2010). The belief, that the newspapers were simply pushing the corporate interests of the owners, reared up during the NB Power debate. It should be noted, however, the *Telegraph-Journal* leadership refuted claims of bias (Reynolds, 2010). Neil Reynolds, an editor-at-large in 2010, responded to criticisms of media bias by pointing to the many opposing viewpoints printed in the flagship newspaper and insisted the newspaper’s role, given to it by its owners, was met. “We fully met the mandate given to
us by the proprietors – by acting consistently as ‘hosts of political debates rather than as partisan participants in them.’” (Reynolds, 2010).

J.D. Irving Ltd., which is responsible for the company’s forestry company, had long advocated for lower power rates as a way to make its mill operations more profitable. An Irving executive publicly floated the possibility of moving some of its business interest to Quebec in 2008. Mark Mosher, a vice-president of Irving Paper told CBC News in March 2008, that wood supply and energy prices were important factors for the company being competitive and would drive decisions on whether to reinvest in the province as opposed to shipping jobs to Quebec, where power costs would be lower. As Mosher said, “we've done enough analysis to say that if we were to move our paper mill to Quebec, we would have a significant advantage over our operation here in New Brunswick, quite frankly (CBC News, 2008).” Lower industrial power rates were a central element of the power deal and the company soon found itself in an awkward position, which happens in small media markets, such as New Brunswick. The Telegraph-Journal, which is considered as BNI’s flagship media holding, endorsed the power deal editorially and there was a feeling among politicians, policymakers, third-party groups and others that the front-page stories and news content reflected the corporate interests. Further, the president of J.D. Irving Ltd. is James Irving, who is the father of Jamie Irving, who was the publisher of the Telegraph-Journal during the NB Power controversy. This played into a credibility issue faced by the Telegraph-Journal as will be discussed in greater depth later on.

L’Acadie Nouvelle, the province’s independently-owned French-language newspaper, is the only daily print competitor to the Irving-owned media. The daily
newspaper is based out of the town of Caraquet in the Acadian Peninsula and has a comparatively small circulation compared to its English-language print competitors. Its core market is northeastern New Brunswick, although it is sold throughout the province and is considered a provincial newspaper. *L’Acadie Nouvelle*’s primary competition is against the Irving-owned *L’Etoile* newspaper, which is operated out of Dieppe, the fastest growing city in New Brunswick. During the NB Power deal, *L’Acadie Nouvelle* was considered by many politicians and policymakers to lean toward the pro-sale side of the debate. But it did not garner the same amount of attention on its point of view as its English-language competitors.

The broadcast media in New Brunswick is limited compared to larger centres. The highest-rated English-language television news program is owned by CTV and is based in Halifax. Several politicians and government officials said during the NB Power debate they could reach their largest audience if they appeared on CTV News, but the station’s primary interest was Nova Scotia news and it did not cover the NB Power file as closely as other media outlets. The lowest rated English-language television news program is owned by Global Television and is also based in Halifax.

While New Brunswick’s print media is dominated by the Irving family, the broadcast media has its own major player, the public broadcaster. CBC/Radio-Canada is the only New Brunswick-based television programming offered in the province. CBC News hosts a 90-minute daily English-language television news program, morning radio shows in Moncton, Fredericton and Saint John and an afternoon radio program that is aired province-wide and it operates a news website. As far as the English-language broadcast media, the CBC covered the NB Power deal in the greatest detail.
Radio-Canada operates a daily 60-minute television programs in New Brunswick, which covers the Maritimes, and it also has a morning radio show. Radio-Canada’s New Brunswick operations consist of offices in Moncton, Fredericton, Saint John, Caraquet, Bathurst and Edmundston. Unlike the CBC that has rival broadcasters, Radio-Canada does not have a major competitor for French-language New Brunswick television news. There are private radio stations in the province that compete with the CBC and Radio-Canada but they have relatively small news budgets.

The traditional media owners are also involved in the province’s online media market. During the NB Power sale debate, BNI had a website – www.canadacast.com -- that was updated once a day and had the same stories on the website that could be found in its newspaper holdings. A news consumer could go to the BNI website at any point in the day and access its news content for free, but the stories (aside from a selection of wire content) would only be updated each day at 6 a.m. (BNI has since revamped its online operations under a new website, which includes a paywall and it has started posting developing news stories.) L’Acadie Nouvelle operates its own news website but similar to the BNI website it includes a paywall. CBC News ran the only English-language news website that was continuously updated throughout the day and did not directly charge news consumers for content. Along with each news story during the NB Power issue, CBC News opened up an online comment board on the bottom of each news story. It was not uncommon for a story to get more than 100 comments throughout a day. The CBC’s online commenting policy allowed for anonymous comments to be posted, which as will be explored later, was extremely controversial. CBC News also posted regular pieces of video and audio content from its various news programs about the NB Power deal. Also
during this period, CBC News created a special page, called “Power Play,” that aggregated all of its news stories and audio and video content on the page.

The traditional media players also faced an upstart rival during the NB Power debate. Social media and social networking sites had been around for several years prior to the NB Power issue arising, but the idea of citizens using these platforms to spread thoughts and ideas, share news stories or engage with others was relatively new, particularly in New Brunswick. While still very much in its infancy, social media as in relation to New Brunswick news, played a role in spreading information about developments surrounding the power deal as well as helping organize support for and protests against the deal. Facebook was the primary social media source used by third-party organizations, such as the citizens’ coalition against the deal. These opponents used the social networking site to mobilize against the deal and spread information to tens of thousands of followers.

The potential influence and agenda-setting effect of the micro-blogging site Twitter started to become known during this period. Twitter had not been used in any coordinated fashion around a New Brunswick political or policy event prior to the NB Power debate. Twitter was used primarily to spread news about the power deal and it became a forum, mainly for opponents, to spread information about the agreement. Many Twitter users organized their messages by attaching the #nbpower4sale hashtag. (A hashtag allows Twitter users to follow discussion threads by searching for a specific term with a # prefix, such as #nbpower4sale.) Many important developments in the NB Power deal were first communicated by reporters and individuals on Twitter. Several politicians and policymakers admitted they only personally dabbled in social media use during this
debate but they were very aware that a debate was unfolding in this online territory.

While politicians and policymakers may not have been active adopters of the social media landscape, they used these new platforms in an attempt to co-ordinate their messages or try to shape an agenda. One government official offered this synopsis of its social media strategy, “[The NB Power debate] was the coming of age of political and journalistic use of Twitter in New Brunswick. I think it took off then, which I think in a broader sense is probably a good thing for debate. … Certainly as a consumer of information I came to use it as an early-warning system...You’d know what the story, or that you were doing a story on something, a few hours in advance, which would allow you to prepare, sometimes place a call and say, ‘Hey, I see you are doing a story on this, can I get in it,’ where otherwise you may have heard the story on the radio and tried to react. So there was that, I think there was also an opportunity on the Facebook side of things, get a window into the organization of the protesters.”

5.1: Media effect on policymakers and politicians

Before analyzing the specific of the research questions surrounding the failed NB Power deal, it is first important to test whether politicians and policymakers are generally influenced or guided in some way during the policy process by the media or public comments -- whether they pay attention to the media and how much a policy issue is covered in the media. Policymakers and politicians who pay no attention to the media or public criticism would obviously not be influenced by any coverage they read, saw or heard in the media, Moreover, if they did not pay attention to the media, it would be
unlikely they would be aware of any developing issues on a policy, so they would be unlikely to make any changes to that policy. Finally, it stands to reason, if the media did not cover a policy issue then it would have no influence on any changes to that policy.

All participants were given a series of questions (See Table 1 in Methodology) in the form of a brief list of questions to assess how they viewed public and media reaction, as well as to assess their media consumption patterns during the NB Power debate.

5.2 Decision-making trends

Although the sample was limited to the 11 participants involved in the research, those surveyed were among those most closely involved in the political and policy decisions made during the NB Power debate in 2009 and 2010. The questions were specifically addressed to reflect their views during that specific period in time. These responses are not intended to make generalizations of politicians and policymakers across the New Brunswick government, but simply an analytical tool to help better understand how the people involved in the NB Power policy debate viewed the media and public attention, as well as their consumption patterns.

Among those interviewed, 10 of 11 agreed they often have to deal with issues more quickly or thoroughly because the media has paid or will likely pay attention to the specific policy, as well, the same number agreed they often need the media’s attention to make progress on policy initiatives. These responses speak strongly to the idea that these politicians and policymakers are both aware of the media coverage of their specific policy areas but require a working relationship with the media. There was also a high degree of agreement (9 of 11 participants) around how public criticism, or the potential
for it, plays into the decision-making process, before the media becomes involved. A clear majority agree they weigh the potential for negative public reaction to policy decisions as they are being developed. Meanwhile the same number consider what they are doing, if they are moving forward in the way they should be or whether they are giving in to public pressure.

Politicians and policymakers offered lower levels of agreement on whether their confidence is affected by comments in the media, either positive or negative. For instance, 8 of 11 respondents suggested positive comments in the media would increase their confidence in making a decision as it was planned. While still a majority, the two lowest scores in the survey revolved around negative attention and the policy process. Seven of 11 participants agreed that they hesitate in the decision-making process if a policy is received negatively and the same number of participants agreed there are policies in their departments that are not considered because they would likely be greeted by negative attention.

The survey responses illustrate how politicians and policymakers do not operate in a vacuum. Taken in its totality, those surveyed did offer a glimpse into how the media affects policy decisions. It is clear, politicians and policymakers address issues that are covered in the media quickly and they overwhelmingly agree the media is necessary to push a policy forward. But the levels of agreement break down on how these individuals view what they read, hear or see in the media. These are important points considering the evolution of the NB Power debate. The fact 8 of 11 respondents said positive comments in the media give them greater confidence in their decision may seem low. Similarly, the fact 7 of 11 respondents say negative comments make them hesitate in their decisions
seems low. As will be outlined in greater detail later, when policy changes were made during the NB Power debate, many politicians and policymakers said explicitly the changes were made because of the negative reaction in the public. It is possible, the respondents scored these questions low in a verbal survey as to not appear “weak” or to avoid being connected to a political or policy system that is overly beholden to public or media attention.

The media consumption patterns of politicians and policymakers produced even less agreement, though a strong majority would access different types of media twice a day or more. When asked how often they consumed any type of media during the NB Power debate, five of 11 participants said hourly and four reported twice a day, while only two individuals said once a day. The consumption patterns of traditional media versus new media and social media appear to follow a distinct pattern. Seven respondents indicated they viewed traditional media twice a day, which would track along the long-standing model of a news cycle, particularly of morning newspapers and evening television news. Meanwhile, the responses to new media and social media consumption offered a revealing glimpse into the usage patterns of these media sources. Five respondents said they checked new media and social media sources hourly, which reflects the constantly evolving nature of these platforms. Meanwhile, three respondents said they rarely checked new media or social media, which may reflect how certain individuals still have not embraced these evolving technologies. When asked for their primary news source during the NB Power debate, many respondents offered more than one selection. Newspapers were picked as the primary news source for seven individuals followed by radio (3) and television (2) and online (2). Finally, 8 respondents said their media
consumption patterns did not change during the course of the NB Power debate, while 3 said they had. It should be acknowledged these individuals tend to be above-average news consumers considering the above-mentioned data on how much they rely on the media to move forward with policy initiatives. So a high degree of people indicating their media consumption patterns did not change may be explained by the fact they already consumed each type of media regularly during their day before the NB Power debate erupted. As will be explained in greater detail later, during the qualitative interviews the small number of people who changed their media consumption patterns during this debate all agreed their consumption changed by putting a greater emphasis on new media in their daily media diet. Finally, every department in the provincial government will have at least one communications officer who would be closely monitoring all media platforms and would be responsible for briefing their superiors. There were also staff at Communications New Brunswick and the Office of the Premier, who would be monitoring the media coverage and reporting to politicians and policymakers. So even if a person was not personally paying attention to the media hourly, they may have been updated by staff about what was being reported.
5.3: Overview: Media coverage

Three primary media sources were selected for study during the NB Power debate. Despite the evolving media consumption patterns in the industry, citizens still rank television first as their primary source for news, while newspapers often come in a distant second. As noted in the data above, politicians and policymakers tend to reverse this order in their own media consumption patterns, but they clearly use these sources. The emergence of new media and social media as a news sharing tool and a method of organization means any current study on policy and the media must include digital media in some form. When analyzing the New Brunswick media coverage, there are some factors that must be weighed in order to properly contextualize the data. Newspapers, by their nature, will have a greater volume of content because of the number of pages available for stories, the number of sections in a newspaper and the need to add editorials and columns. By contrast, the news hole, which is the amount of space made available for news each day, in television is much smaller.
Overall, the two biggest periods of media attention bookend the NB Power debate as demonstrated in Illustration 1. The days after the proposed deal was announced in late October 2009 and the days after the deal died in the end of March 2010 produced the largest number of media stories. As discussed earlier, a large number of newspaper articles and columns pushed the total volume of media stories appearing in the three platforms higher. There was another sustained period of increased media attention near the end of January and into February, which occurred around the time of the MOU2 and the release of the Ganong panel report. The overall illustration of media coverage shows only two distinct lulls in attention, one around the holiday period at the end of December and another in early March, about two weeks before the proposed power deal was about to be cancelled. There is a routine dip each weekend, which can be explained by the fact
the *Telegraph-Journal* does not publish on Sundays, CBC Television did not have a weekend newscast during the NB Power debate and so the only news source on weekends, particularly on a Sunday, would be online.

**Figure 2 Media Coverage by platform**

![Media Coverage By Platform](image)

When comparing spikes in the volume of news stories during the NB Power debate by platform, the difference in news cycles must be taken into consideration. Consider a situation, where there is a busy news day (Day 1) followed by a slower news day (Day 2). On Day 1, the volume of television stories and online stories would spike upward compared to normal levels and on Day 2, they may regress to a normal activity level. This reflects the immediacy of these two platforms. As well, in an online story, there may be many updates to a story that reflect the evolving story arc. (It is not possible to examine how often online stories were updated, particularly on major news days, but
one final story may actually contain portions of what may have been multiple stories in an old media context.) By contrast, the number of newspaper stories on Day 1 may appear average, but because of print cycles the jump in volume would be reflected in Day 2. So when looking at a specific date in Illustration 2 to gauge the media’s interest in a story, the publication/airing cycle of the media must be factored into the equation. This trend can be spotted in a number of instances in Illustration 2, the lines representing online and television coverage (the two lines with fewer overall stories) jump on a particular day and a corresponding increase in newspaper coverage is reflected in the next day’s data.

5.4: Telegraph-Journal coverage

Those associated with the NB Power debate are highly critical of the media’s performance during the October 2009 to March 2010 period. This study does not intend to debate the merits of media ownership or the many allegations of bias that still dominate any discussion of the proposed NB Power sale debate. However, it became evident during each qualitative interview there were strongly-held beliefs on what media institutions were biased for or against a particular side. Some accused one media source of bias for a particular reason, while another would accuse a different media source of being biased in another direction. Whether those interviewed agreed with the sentiment or not, there was a clear belief the public believed the Irving-owned Telegraph-Journal was not viewed credibly because people thought it was advancing the corporate interests of its parent company. One government official cited internal polling that said fewer than 20 per cent of those polled found the Brunswick News Inc. (BNI) newspapers’ coverage
credible: “But obviously their editorial coverage was skewed heavily in favour of the deal and some of the special series that they did with Phil Lee and Paul Gessell, their stories were a little bit torqued in favour of government. But I thought the day-to-day coverage from the Brunswick News reporters in the press gallery was fairly balanced and I think it was unfairly heaped in [with the editorial content]. But they had absolutely no credibility. We even did polling that suggested that was the case. It was ludicrous.” A government official said the Irving-owned newspapers may have had credibility with policymakers, but they lacked that credibility with the public and this participant also pointed to the ongoing decline in newspaper readership trends. “I think the newspapers weren’t [credible] because they are owned by the Irvings. You can say there was strategic mistakes because they promised too much for businesses and not enough for individuals. Those are public policy mistakes that had political consequences. But right away the newspapers were very suspect. So really it came to the electronic media is where people really started to rely on.”

Another government official agreed the low level of credibility of the BNI newspapers posed a significant challenge for the provincial government as it tried to communicate the deal to the public. But the lack of English-language print media in the province meant it was necessary to deal with the Irving-owned newspapers. Alternatively, the provincial government would have had to pull out of all English-language print media, which was not viewed by this official as a realistic option.

Opponents to the NB Power deal were often the most vocal about raising the issue of media concentration and the questions of economic bias motivating the Telegraph-Journal’s coverage. Green Party Leader Jack MacDougall repeatedly raised his concerns
about media concentration during the NB Power debate and during the 2010 election (CBC News 7, 2010). One Opposition MLA summed up the concerns of many people in the anti-NB Power sale camp by saying, “The Brunswick News side of it, I certainly felt at the time, they were doing a disservice to the province, they were putting their own agendas ahead of what the debate opportunity could have been.”

**Figure 3 Telegraph-Journal Coverage**

![Graph showing Telegraph-Journal Coverage]

The *Telegraph-Journal* invested a significant amount of its daily news hole to covering the NB Power issue between Oct. 1, 2009 and March 31, 2010. Similar to the trend demonstrated by the other media platforms, the raw amount of content dipped in the weeks around Jan. 1, 2010, and in early March, prior to the deal collapsing. There was also a trend toward fewer stories at the start of a week, when the newspaper was smaller compared to later in the week when more stories would appear. Around major news
events, the *Telegraph-Journal* would add to the volume of coverage by reprinting parts of an important speech or a document, such as the MOU, the Ganong panel, etc.

The *Telegraph-Journal* also allowed journalists considerable leeway in terms of story length. There is no industry standard for the length of articles to compare to, though many news stories tend to be between 400 to 500 words. Of the 550 articles gathered from the *Telegraph-Journal* during the research period, there were 377,013 words printed in the stories and columns. The average article length was 685 words, which would be considered long. There were several special reports, which exceeded 1,000 words. In particular, journalist Philip Lee had four articles that were more than 2,000 words, including one that was more than 3,000 words.

The extensive coverage may have proved to be a double-edged sword for the newspaper. Several government officials and cabinet ministers pointed to the thorough reporting done by the newspaper as proof that it was trying to explain the complex power deal to its readers. One government official said these long pieces further cemented the reputation of the newspaper as being solidly behind the power deal: “The extraordinary manner in which it was distrusted was a surprise to me and it became less and less trusted over the course of the debate and I think they did some damage particularly with the Phil Lee profile of Shawn Graham, there was a lot of reaction to that, even Liberals were saying that was a little bit of puff piece.” That analysis from one official is contrasted with a competing viewpoint from another government official, who had hoped more media outlets would have taken Lee’s approach to journalism. “If there had been a lot more Philip Lee approaches early on, ‘Let’s take a look at this,’ as opposed to let’s spend our time focusing on the opposition or the employees demonstrating against it, who
knows. I think the media does wield exceptional influence on public opinion. ... There is a huge influence, but I think sometimes they are so pressed [for time] that they don’t do a very good job of providing a public service of informing the public what the issues are.”

5.5: CBC Television coverage

While the Irving-owned newspapers were viewed very cynically by many in the public, there was a high degree of distrust among policymakers and politicians aimed at CBC Television, in particular. Many participants reflected the belief the Telegraph-Journal was biased in favour of the NB Power deal going forward, many of those respondents also felt the CBC was biased against the deal. Media bias is very difficult to assess and is beyond the scope of this research. But the sentiment of the decision makers is important. Several participants said they felt the CBC’s bias stemmed from an institutional perspective as opposed to the belief that the newspaper coverage was biased in terms of economic interests. One government official said the CBC coverage was not “fair,” but summarized the genesis of the complaint this way, “I just think there was a feeling that CBC was inherently more negative and more [scrutinizing] of the agreement and of government and the process that was followed because there is a sense that the CBC has an insatiable appetite for transparency, such that it should be as a part of cabinet and invited to take part in the discussions and anything short of that is a lack of transparency.” One participant described problems with two specific reporters. This person did not file any formal complaints to CBC News about the concerns raised, but the official did say it created a perception among those within the government and business community about CBC’s coverage. The person said, the concern “was brought up at the
[New Brunswick] Business Council and now the Business Council is looking at CBC, and saying ‘We can’t trust them.’ So there is no sense in working with them. So in that sense, you had the business community, which is a pretty powerful group, being completely alienated from the electronic media.”

While CBC Radio coverage is not specifically analyzed for content volume in this research, there was one moment that was cited by almost every participant without prompting. Terry Seguin, the host of the CBC’s *Information Morning Fredericton* program, interviewed David Ganong, the chairman of Ganong Bros. Ltd. and the chairman of the expert advisory panel on NB Power, following the release of what is commonly referred to as the Ganong panel report. The tone of the interview was viewed extremely negatively by many respondents. “When Terry Seguin called David Ganong, ‘You are just a candymaker,’ that is when it struck home. We have a leading business person in the province now, volunteering his time to put forward a solution with other respected individuals … I didn’t want this to become personal in nature where other people are going to be hurt in the process. That was a great concern for me, personally.”
The coverage pattern of CBC Television reflects a lower number of total stories compared to the Telegraph-Journal. But Figure 4 again shows the sustained level of coverage given to the NB Power sale issue by the public broadcaster. The clear spikes happened at the beginning, middle and end of the debate. There was the same pre-collapse coverage dip noted in the Telegraph-Journal’s coverage. The illustration shows on many busy news days for CBC Television, there would be three or more stories. On many of those days, there would be two actual news stories (normally two minutes in length) in the newscast and then a feature “Newsmaker” interview (normally about five minutes in length) conducted by Harry Forestell, the host of the CBC’s supper-hour television program. Unlike newspapers that can add extra pages or sections to bolster
news coverage, television news is constrained by very specific time limits and commercial breaks. Using a guide of two minutes for a news story and five minutes for a feature interview, offers some perspective on how much time was dedicated to this contentious debate on the television news.

5.6: CBC.ca Coverage

The concerns of bias raised by participants were specifically directed at CBC Television and Radio, but because of the way news content is shared among the three CBC platforms, the same criticisms would apply to CBC.ca. The primary criticism with CBC.ca during the NB Power debate, as raised by participants, did not centre around bias, however. This section will explore how online news, embodied by CBC.ca, raised new concerns about the speed of the news cycle and emerging issues that are borne by the internet.

The relationship between the three different platforms at CBC explains similar coverage trend lines, i.e. when one platform covered a story, it normally appeared on multiple platforms. Illustration 4 reflects the coverage patterns of CBC.ca during the October to March period.
The same patterns demonstrated by the other media platforms are evident in the online coverage as well. When looking at the coverage peaks, there were fewer CBC.ca stories compared to the *Telegraph-Journal* and CBC Television. This can be explained by the differences in how online media delivers its content and the limitations of studying online media three years after the event.

Newspapers and television have defined limits for content, either how many words can appear on a page or how many items can fit into a program. Further, the story that appears on a newspaper page is the final product and arrives once when the newspaper is delivered. Similarly, a television item that appears on the supper-hour news is a final product that shows the totality of the day’s events. But online stories are different and often take advantage of what is called iterative storytelling, especially
during breaking news events. The online story may start with a single sentence and then it would be updated with two more sentences of additional context, then it would be updated with a photo or video, etc. Online stories do not have a limit on how many words can appear in a story or how many times it can be updated unlike newspaper articles. Further, an online article can add raw video clips that could not be aired on television, along with multiple TV items that would have appeared on a supper-hour program. For instance, the main CBC.ca story that was posted on the day the NB Power deal died, was 1,044 words in length, plus a 110-word timeline. In addition, raw video of Premier Shawn Graham’s statement in the legislature was added as was the response from Opposition Leader David Alward. There were also television items and other items embedded on the story, but also in other places on the CBC.ca website. In this study, all the above-mentioned content is only counted as one item for CBC.ca.

But the limitations on counting CBC.ca coverage does not erase the impact of the online media during the course of the NB Power debate. A rapidly-evolving news cycle is one of the most frequently mentioned examples of how online media is changing the media environment. Throughout the NB Power debate, there was a consistent complaint of a lack of information, particularly from opponents to the deal. Any new information about the deal routinely was shared quickly and when news stories broke, they would spread to interested groups and citizens. One government official noted how quickly links to online stories were shared on social networks or emailed around. A cabinet minister described how he was forced to confront issues a lot faster than ever before because of the speed of information. Another cabinet minister said he remembered having to react to comments or new developments in a media scrum: “It is instant now, somebody can be
saying something in another province and within 15 to 20 minutes you can be reading about it online. So yes there is no question the online aspect of all media whether it be CBC or the newspapers or whatnot that online effect certainly makes things a lot more instant and at your fingertips,” said a cabinet minister. One government official summed up the change of dealing with policy issues in the modern news environment as opposed to the traditional news cycle with a car analogy, “It is like driving around the sports car circuit in a Volkswagon versus a Porche. You have to be nimble.”

CBC.ca also offered a unique avenue for audience engagement, specifically its online comment boards that were attached to the bottom of each story. These message boards allowed people to share their views on the proposed NB Power sale. The public broadcaster allowed anyone who registered on the site to post comments. Individuals could opt to display their names as the online “handles” that would be attached to each comment or, as was more likely, commenters could remain anonymous and pick random handles that would reveal their identity. There are a series of issues that must be assessed when addressing these online comment boards: the sheer volume of these comments, the anonymity of commenters and how these comments influenced the NB Power debate.

The volume of comments on the NB Power debate was staggering by comparison to any other political issue, as shown in Illustration 5. In the coverage period, there were 13,112 comments attached to the 91 CBC.ca stories dealing with the NB Power debate that were posted between Oct. 1, 2009, and March 31, 2010. When many CBC.ca stories on a given day may receive 25 comments, the average story during the NB Power debate earned 144 comments. The two days that produced the most comments came, perhaps predictably, on the day the deal was announced (877) and the day the deal died (892).
There were other significant peaks of comments on key days in the deal’s timeline, such as the release of the Ganong report (354), Tourism Minister Stuart Jamieson quitting cabinet (320), a major protest at the legislature (317) and Liberal cabinet ministers saying they did not support the original deal (223).

Figure 6 Comments made on CBC.ca stories

The flood of comments on each story was quickly noted even by politicians and senior policymakers. While a detailed content analysis was not conducted to determine precisely the ratio between positive, negative and neutral comments, it is safe to suggest the majority of the comments were opposed to the deal. Every interview participant noted the majority of comments were against the power deal. This was also a trend that was spotted early by the politicians and policymakers and one they struggled to deal with over the course of the debate. One government official said these comments were read
“regularly” but the admission came with an important caveat, “less so because I thought they were of any value but more so because a certain senior individual fixated on that.” Throughout the interview process, many people expressed skepticism about any impact the online comments had on them personally, but those people often suggested the comments had an impact on others in the government or the Liberal caucus. So participants were willing to acknowledge these comments had an effect on people, but just not on them. An official said their cabinet minister viewed these comments as direct grassroots feedback and how the opinions of citizens would be shaped by the comments. “He was very fixated on ensuring that our supporters were mobilized to leave their own comments,” the official said.

The online comments did not engender a lot of support from policymakers and politicians, which may be explained by the fact they believed the comments were hostile to their point of view. There was an often stated belief the comments created an echo chamber effect and that ad hominem attacks against the deal or its supporters were encouraged. Several participants criticized the anonymous commenting policy, saying it offered confidentiality to people in a way that media outlets, specifically the CBC, would not grant individuals in their news reporting. Many participants recommended similar standards be used for online commenting as in traditional letters to the editor that are found in newspapers. Many people concocted derisive names for “angry” anonymous commenters and warned they were having a dangerous impact on democracy. One government official said these groups of online comments “are disconcerting because regardless of the issue, if they get some momentum going, they get a bite into something and they just won’t let go.” This person argued what is disconcerting is the level of
negativity that gets directed at public policy issues and how it can influence undecided citizens. These online groups “have developed a certain degree of momentum in New Brunswick where if people are not strongly for something and they are kind of in the middle, they are more predisposed to an argument as to why they shouldn’t support it from an organization or interested parties that they may see as even modestly credible as compared to being swayed to the government position by an entity that is political by nature and called government. These are not happy times for governments of any stripe really. People are more disposed to go the negative way than the positive way.” One government official described the process, as he felt, these comments influenced people during the NB Power debate. This official said he had never looked at comments below online stories in the past until the NB Power debate and acknowledged that citizens were “glued to their website” because of these comments. This government official offered a more positive view on how online comments shape citizens’ views on policy issues. Instead of arguing people are more predisposed to opposing government policies, this government official said the online comments affected citizens by demonstrating they were not isolated in opposition to a particular policy idea. “I think the whole new media thing bolstered people’s ability to take their view because they’d say, ‘I’m not alone.’”

One government official admitted to spending a lot of time analyzing what stories generated the most comments and how certain comments would earn “likes” and “dislikes” on the CBC.ca website. The official said he doubted how representative the comments were of the wider population but concluded the online comments offered a “pulse” of the public. Officials within the New Brunswick government admitted to trying to use supportive individuals to join these discussion threads to offer more balance in the
online debates. But there was an admission that these attempts were poorly executed. “I thought it was a waste of time and resources. And we weren’t very effective either, I mean most people didn’t want to put their neck out there and defend this because it was so universally unpopular,” said one official. Attempts by groups to orchestrate large numbers of comments in support or opposition were considered more concerning than a comparison to organized attempts to dominate a letters to the editor section in a newspaper, because of the volume of comments that could be left on an online story. An official issued a warning for the media on how these comment boards could influence policy in the future, “Here is an important question that is critical for future study. If the comment boards are found to be successful then people will be sure to take them over and try to influence people or try to make money. We need, as a society or a person who has a responsibility of running these, you have to try to put in safeguards so these are not abused.”

The online comment boards were used by third-party groups, in part, as sounding boards. These groups did not have access to polling data, unlike the provincial government. So these groups turned to alternate avenues to gauge public opinion. One third-party official admitted that “hateful” comments were made and even though many comments opposed the deal, the official said their “dislike” for anonymous comments grew during this period. But the official admitted to checking these comments “hourly” and pointed out “a team that had been established to do just that [read the comments].” Many of these opponents felt “motivated” as they saw more comments being posted that reflected their opinion, the official said. A third-party official and an Opposition MLA indicated their groups never based decisions on specific elements of the deal on what they
read online. But individually, they acknowledged they would read the comments to see how people were reacting: “we had made our decisions before, but it certainly at the time, it was very new so I probably put more credence in them than I do today.”

It is still too soon to tell what the lasting impact of online media will be on journalism. The speed of news cycle may likely be the most significant long-term effect of online media. But during the NB Power debate, the politicians, policymakers and third-party officials interviewed spoke primarily of how online comments played a role in the debate. Even if participants discounted the effect of online comments on their personal decisions, they acknowledged, for good or ill, others were influenced by these comments.

5.7: Social Media

The NB Power debate also saw the rise in use and influence of social media. Unlike newspapers, television and online, it is extremely difficult to track the volume of social media traffic that was generated from Oct. 1, 2009, to March 31, 2010. There have been attempts to count the number of Twitter messages that were sent during specific time periods of the NB Power debate but the veracity of the data is difficult to assess given the amount of time that has passed since the debate ended and the tools used to monitor social media. There were two social media platforms that were adopted by large numbers of people during the NB Power debate, Facebook and Twitter. Each social media platform offered a different type of engagement to those who were using it during the debate. The opponents to the deal are often credited for most effectively using these new communications avenues during the NB Power debate. One government official
admitted they attempted to participate in social media, but “we didn’t really know what we were doing.” Another official described how civil servants were tasked with monitoring social media posts, but the work was overwhelming and likened it to a “never-ending battle.”

One government official called the organizational capacity of social media “very powerful” in relation to its influence during the NB Power debate. Social media, as the debate unfolded, became “very influential,” according to one government official because it offered a vehicle for ordinary citizens to be active and engaged in the news cycle. Just by owning a mobile phone or having access to the Internet, a government official said citizens injected themselves into a political debate in a way that had not been seen before. “It is so simple and frankly for a lot people it is fun. They are given a power that they have never had before and they feel, I think, a utility and probably in some cases it can be good, a utility they have never had before. So they take advantage of it,” according to one official. The criticism heaped on social media use during the NB Power debate is similar to that aimed at online comments: anonymity and routine personal attacks. “The problem with interacting on social media and I think this continues to be a problem is that you have bad selection bias ... So it is something as an echo chamber and it is somewhat futile to try to win those people over,” an official said.

The micro-blogging service Twitter offered citizens, politicians, media and third-party groups an opportunity to quickly share links to stories, pieces of information and commentary on the deal. The shortcoming of Twitter is all messages must be transmitted in 140 characters. Twitter is different than Facebook in that a user can follow anyone she wants, even if they do not know each other. So a Twitter user could follow an account of
a politician to watch for any developments or views on the proposed energy deal. But it also allows people to see tweets sent out by people they do not follow. During the NB Power debate, people who wanted to discuss the energy deal would affix #nbpower4sale to all of their tweets to give it widespread attention.

The NB Power debate “was the coming of age of political and journalistic use of Twitter in New Brunswick,” according to one official. For opponents to the deal, it allowed them to get news out about upcoming protests or to spread negative information about the deal. But it served government officials a different purpose. A government official said they would use Twitter as a way to monitor what stories were being done by journalists and where they could expect problems from protesters in the future. As noted earlier, one official referred to social media as an “early-warning system” and they used that advance knowledge to try and find a way to shape their messaging. Several politicians admitted to adopting Twitter as a communications strategy late in the NB Power debate. Their use of Twitter picked up near the end of the power deal debate and into the 2010 election. Of the cabinet ministers who said they used Twitter during the time, most indicated they did so with great care because they were still experimenting with the social media service.

If there were some questions about the use of Twitter during the NB Power debate, there was no question about the role of Facebook during the same period in time. A third-party official said the coalition against the NB Power deal quickly felt they would not get fair coverage in the Irving-owned newspapers so they needed to look elsewhere to spread their message. The third-party official said it soon became clear that Facebook could be the vehicle they were looking for because it was free and it offered a way to
bypass the Irving-owned media. The official said the role Facebook played in influencing the political debate around the NB Power deal was “significant.” But it also took a lot of work to co-ordinate for a volunteer organization. “There was over 32,000 individuals on various Facebooks that we networked together. There were four full-time 24/7 volunteer administrators watching, kicking junk out,” a third-party official said. The official also said they soon switched their primary source for getting information from traditional media, particularly the newspapers, and turned to Facebook. The official said they had a broader reach via Facebook than they did in the Telegraph-Journal when comparing Facebook “likes” to newspaper circulation (The Alliance for Audited Media reported the Telegraph-Journal had a total Monday-to-Friday circulation of 27,166 as of Sept. 30, 2012). “The growth of the Facebook groups. It didn’t happen overnight but it happened very quickly ... the relevancy of traditional media diminished because they were portrayed or seen as benefactors of the deal therefore their view was not very credible,” a third-party official said. The official added the coalition worked hard to keep the debate on its Facebook pages “respectful” for fear that any incendiary language could turn some people away.

There were Facebook groups set up for proponents of the NB Power deal, but they were smaller and less active. The government struggled with how to interact on social media, particularly Facebook. One cabinet minister said he quickly discovered how an email sent to a citizen could quickly be posted on Facebook and how that could be embarrassing for the government. A cabinet minister bluntly assessed Facebook’s role in the NB Power debate, “No question Facebook played a prominent role.” While government officials may have used Twitter as an “early-warning system” to see what
journalists were working on, they quickly adopted Facebook to watch how opponents to
the deal were organizing. An official said Facebook gave the government “a window into
the organization of the protesters.”
6. Policy decisions during the NB Power debate: Governing from the centre in Fredericton

The decision-making structure during the failed attempt to sell NB Power in 2009 and 2010 is a classic case of Donald Savoie’s theory of governing from the centre. Savoie’s public administration concept posits that public policy decisions are more than ever being made by leaders, with a small cadre of political advisers, pollsters and senior public servants from central agencies. More to the point, Savoie quoted a federal cabinet minister who described his impression that cabinet ministers had become merely a “focus group” for the prime minister in recent years (Savoie, 1999, pp. 261). While several politicians and some government officials argued there were legitimate reasons to justify how Premier Shawn Graham and his inner circle made decisions during 2009 and 2010, the evidence shows how governing from the centre led to a bungled policy exercise. It should also be noted, in fairness to Graham, that his style of governing from the centre is not unique just to him, as other leaders have also employed this strategy.

Policy ideas can start in a multitude of ways: they can be revisions of existing policies, they can be advanced by career civil servants or they can be introduced by politicians during election campaigns and implemented during their mandate. The idea of selling assets of NB Power was not new in New Brunswick, as former premier Bernard Lord had attempted to sell the Coleson Cove Generating Station during his time in office (1999-2006). The public utility’s burdensome debt has also been a topic of considerable political attention in recent years. NB Power underwent significant reform in the early-
2000s, just prior to the 2003 election campaign. The Lord government updated the Electricity Act, a move that unbundled NB Power into a holding company and five competing subsidiaries. The idea was to make NB Power run more like a business and in so doing, make it more financially sustainable. In those two debates, Graham and his Liberal party became staunch defenders of NB Power as a public utility and often used the Lord government’s attempt to sell assets of NB Power as evidence of an agenda to privatize the Crown corporation. The Liberal party had clear platform commitments in the 2003 and 2006 campaigns saying the party would not privatize NB Power. The Department of Energy had even received a consultants’ report in December 2008 recommending against selling NB Power but pushing for an Atlantic transmission utility (McHardie, 2010). Historical context shows this policy decision to sell assets of NB Power to Hydro-Québec was not a revision of an existing policy, it did not come from within the civil service and it did not come from a political promise made during an election campaign. In fact, it is the exact opposite of the latter, a point that one government official lamented as a “huge, possibly the biggest flip-flop in the history of politics.” And the official added, Graham “ran twice on not selling NB Power and the first time really ran on it hard, like it was his centrepiece and then he sold it. I don’t personally know of a bigger flip-flop. Ever. It would be like Brian Mulroney after the ‘88 election deciding that he wasn’t in favour of free trade any more. It was pretty substantial. It wasn’t like the four-line promise on page 203 in the footnote of the platform.” Even among cabinet ministers, there was no disputing the fact the Liberals broke a major campaign promise. But a similar refrain was offered to justify the contentious decision, such as one cabinet minister who argued, “Only a fool would not
change their mind if they were presented with better information.” It was argued the political promises made in 2003 and 2006 were based on outdated information.

**Genesis of the deal**

The genesis of the NB Power sale deal began informally during a Council of the Federation meeting on Jan. 16. Graham and Quebec Premier Jean Charest were attending the premiers’ meeting, which was intended to discuss inter-provincial trade. The two premiers, each with one senior official present, used a personal meeting to discuss potential areas of co-operation in the energy sector. The conversation was very general at that point but by the end of the January 2009 meeting, the premiers had “fleshed out the framework” for more formal talks. A month later, the talks were given a “green light” and each government formed a tight-knit group of advisors to begin the negotiations. The New Brunswick government appointed Doug Tyler, the deputy minister of policy and priorities for the Graham government, a former Liberal cabinet minister and former campaign adviser, to be the point-person for the energy deal talks. While a handful of top-level bureaucrats were admitted into the inside of the discussion, one cabinet minister said, “Ultimately, in the structure of government that we had the decisions were made from the top and then filtered down.” The negotiations had become known internally as “Penelope” and any communication was closely guarded. In a document filed in court, a heavily-redacted email discussed the caution used to avoid the news from mistakenly leaking out: “Can you pass this on to [name redacted]. I don’t have his email here and there is another [name redacted] in gov so I don’t want it to go to the wrong place.” This style of policy making was often defended, primarily, by the politicians interviewed. The distinction that was routinely raised was how the NB Power deal involved another
provincial government so it was considerably more complex than a policy decision that was completely within the prerogative of the New Brunswick government. There was considerable divergence of opinion among those interviewed about the involvement of cabinet, caucus and the civil service in the decision-making process.

The decision-making tent was very small, especially in the early months of the negotiations between the two governments. Many participants cited poor memory for specific dates on when they were brought into the inner circle and given knowledge of the energy talks with Quebec. Based on many interviews and comments in the public record during the NB Power debate, Graham, Mallory, Tyler and Bernard Theriault, Graham’s chief of staff, were the inner circle. The inner circle started with the premier, two loyal political advisers and a long-serving deputy minister of finance. This group falls in line with the governing from the centre recipe. Slowly, other very senior cabinet ministers were brought into the tent. Energy Minister Jack Keir was likely the first cabinet minister to be told of the potential deal. Keir would later become the secondary face, behind Graham, of the power deal. Finance Minister Victor Boudreau was also told early about the potential for a mega-deal with Hydro-Québec. Boudreau’s deputy minister had already been made aware of the deal and the Quebec government had informed its finance minister. Boudreau would also go on to be the main voice for the deal in francophone New Brunswick. There was a culture of secrecy created around the power deal, even among colleagues. One cabinet minister described his decision not to tell other cabinet ministers, who were also close friends, saying in case the talks failed, he didn’t want to unnecessarily cause unrest among his colleagues.
In terms of senior civil servants, David Ferguson, the clerk of the executive council, was also brought into the circle at an early stage, according to those interviewed. But there were key players missing at the early stages of the negotiations when the framework of the talks were being developed. Claire Lepage, the deputy minister of energy, and David Hay, the president and chief executive officer of NB Power, both were kept on the outside at those early stages, a fact that would be highly criticized in the aftermath of the failed deal. It is not clear when Hay was officially told of the negotiations, but based on interviews it was likely April or early May. On June 19 and July 22, there were meetings between Graham, Keir and Hay about Penelope, even though the meeting’s agenda items were redacted. A government official said Graham’s reluctance to bring in qualified expertise, particularly from NB Power, early in the process ended up hurting the overall deal. Many important policy decisions were made in the early months before “the best informed people” were brought into the loop, according to one official. This was problematic because it meant many important policy implications were not raised at the start. He said, “normally, to be very blunt, politicians seldom get it right because they don’t know enough. ... When they rush into things without doing the due diligence themselves and thinking about it from all angles they often don’t get it right.” Those making the key decisions were in central agencies and could be described in Savoie’s terms as policy generalists, instead of the policy experts in the key line departments or NB Power.

The tent was opened up a bit more in the summer when the New Brunswick and Quebec governments released a statement indicating they planned to work on a plan to explore more co-operation in the energy field. But the depth of the discussions had not
been made clear to the entire cabinet, caucus or civil service. The reaction of several cabinet ministers and policymakers was one of surprise. A government official said he was “shocked” when he was finally told of the plan. Two cabinet ministers also expressed a similar reaction when the proposal was detailed to them: “I can remember because I had a tie on and I can remember loosening my tie … and I’m thinking, ‘Wow, this is a big deal.’ I remember thinking right away this was a big deal.” While the other minister said, “I was basically told the premiers had had some discussions and this was something they were considering and what did I think? My initial reaction was, ‘We’ll either be heroes or zeroes.’"

The decision to govern from the centre was a calculated risk. There was a fear that opening the tent too quickly could allow details to leak out early. But policymakers were unreserved when discussing the style of governing used by the Graham government during this time. “Normally a deal like this that early on you would go to cabinet, and you’d say this is what we’re looking at, what do you think. That wasn’t done. I mean, cabinet didn’t hear about this for months. It was definitely policy from the centre,” according to a government official. The official said this governing style can be effective in order for a premier to ensure a policy is carried out exactly as they want, “but when you make a bad decision, it is hard to blame anybody else.” Ministers and officials were asked to compare the policymaking process around NB Power to other key policy changes. A government official said most policies are designed away from the limelight and are not as time sensitive for a government. “I think people underestimated how much time and effort would be involved to get all the pieces together,” the official said. Another official said the tight-knit group making decisions is often used around budget
time, when decisions need to be kept quiet: “There are only about five people who know what is getting done, nobody else knows. It is done by a very small group. This is how this [NB Power deal] got done.” A cabinet minister also echoed the officials’ concerns about the governing from the centre tactics and specifically mentioned the time pressures faced by the government. “[B]ecause of the sensitive nature of this, the fact that it came together very quickly, that there probably wasn’t as broad based and involvement with the development of the policy.”

In August and September, when more people were allowed to peek behind the policy curtain, discussion of the proposed deal did start to leak. On Sept. 29, as described in the chapter on agenda setting, this researcher sent an email to Energy Minister Jack Keir asking, “I’m hearing about a [sale] of assets of NB Power to Hydro Quebec. What’s that about?” The response from the cabinet minister and officials that were advised of the media inquiry was to sit tight. There was no discussion in the series of emails about planning to announce the deal to the public. Instead, the officials wanted to gauge the media’s knowledge.

**Outside experts**

The New Brunswick government also relied on a series of outside experts to help in the negotiating process and then ultimately the attempt to sell the proposal to the public. Brian Levitt, a Montreal-based lawyer with the Osler Hoskin Harcourt law firm, was hired as the lead lawyer in the deal's negotiations. Graham said publicly that Levitt, who sits on the TD Financial board of directors, came recommended from former New
Brunswick premier Frank McKenna. McKenna spoke to Graham about the potential deal every “three to four weeks” and Graham had said the former premier was a “special adviser” to him during the talks (CBC News 5, 2009).

There were other financial advisers, such as Macquarie Capital Markets Canada and NERA Economic Consulting, who were hired by the New Brunswick government to perform specific roles during the negotiation and subsequent debate. For instance, the NERA consultants wrote a report detailing the potential savings for the New Brunswick government if the deal went forward and then held a press conference to outline the findings. These statistics were often used by the New Brunswick government in defending its position to sell assets of NB Power.

The New Brunswick government also hired Hill and Knowlton to act as the lead public relations firm during the negotiations and the public debate. The decision to hire an outside public relations firm was also criticized because the New Brunswick government has its own communications department and advisers. Further, Hill and Knowlton’s lead consultant on the NB Power file was Steven MacKinnon, a former advisor to Frank McKenna, who worked closely with Maurice Robichaud, who was the deputy minister of Communications New Brunswick.

These connections to the New Brunswick government and former government of Frank McKenna were viewed cynically by the deal’s opponents and the public. Several cabinet ministers and officials described a level of frustration that permeated the policymaking process about how the public was willing to embrace “emotional” arguments from crowds of protesters, but they were unwilling accept the advice from the government’s experts. One government official said the media should have done a better
job in assessing the credibility and expertise of people being quoted in stories. ”If you have a university student who has done some numbers on the back of a napkin and that was equated as the high-powered consultant from Washington. Like to me, yes you have to look at the Washington guy with a grain a salt, because he is being paid … I felt that was a frustrating point. I think you could have had a more informed debate if everyone who had a complaint wasn’t given the same airtime as the experts.”

Polling during the NB Power debate

The New Brunswick government relied on polling in advance of the release of the proposed NB Power deal and during the debate period. The politicians and policymakers closely watched the trends in public opinion and in many cases, as will be discussed later, altered policy decisions or strategies based on some of the data they were starting to receive from their internal polling. These tactics are consistent with the developing role of public opinion research in Canadian politics, as described by Page, to fine-tune policy decisions or assist in the agenda-setting stage (Page, 2006).

The initial polling had to be done quietly so not to tip off anyone in the public about a possible sale of NB Power’s assets. The New Brunswick government attached questions about energy policy matters on a quarterly omnibus poll and asked about the public’s desire for lower power rates, rate stability and views on keeping electricity rates low for large industrial customers. The initial batch of polling offered some comfort for the New Brunswick government because those results showed a willingness among respondents to embrace the broad goals of the NB Power debate. Polling became an
important aspect of the New Brunswick government’s strategy once the deal was announced to the public in October. Hill and Knowlton contracted the polling to Innovative Research Group, which conducted a series of tracking surveys and focus groups that started in October and ended in March. The polling asked about respondents’ knowledge of the power deal, their opinion and asked about specific elements of the deal and the debate. The polling firm also conducted regression analyses in a way to show possible arguments that could be used by the New Brunswick government to win support among a skeptical public.

Several cabinet ministers said they were aware of the polling that was conducted and the general trends that they were showing. But the cabinet ministers were more prone to discussing the comments they were receiving from their constituents and members of the public than the actual polling numbers that were being received by the government. The provincial government officials, meanwhile, were more apt to mention the results from the polls. Officials, third-party groups and opposition MLAs knew that polling was being conducted by the New Brunswick government. They felt the polls were proving the deal to be unpopular and they believed policy decisions were being shaped to address those concerns.

The use of polling as a tool to shape government policy and messaging is a development that has been widely spurned by the professional civil service, but advocated by the public opinion research community. One government official said polls were not a problem in theory but they often created an “absence of leadership.” A government official observed how, “politicians now too often make their policy decisions based on what the public opinion is. Instead of saying, ‘I know what the right thing to do
is, how do I make sure public opinion is on my side.’ Not for nefarious reasons but for
good reasons.” In the case of NB Power, the Graham government cannot be criticized for
governing completely by polling or else the proposed agreement would have been
scuttled months earlier. However, there was a reliance on polling numbers during the
debate in an effort to better understand the opposition to the deal and try to figure out
how to better the sell the idea to a wary public.

The New Brunswick government utilized its public opinion research consistent
with the manner described by Page: “determining target audiences, measuring knowledge
and awareness of policies, guiding the language and tone used in communicating policy,
gauging the public’s responses to different arguments and influencing the content of
communications” (Page, pp. 68). Innovative Research Group distilled the numbers in
each survey by region and language so the politicians and policymakers could see how
key questions were playing in different geographic or demographic communities. The
most significant use of the polling was in policy and message formation and shaping. The
polling revealed the fears of the public over energy security and it demonstrated the
public’s support for Newfoundland and Labrador Premier Danny Williams and his
opposition to the deal. These data points could be added into the strategic decisions being
made by the New Brunswick government.

**Concerns at the top**

The leadership of Premier Shawn Graham came under constant attack from
opposition politicians, third-party officials and angry citizens during the NB Power
debate. But Graham’s hold on the political centre also came under fire from some of
those politicians and policymakers interviewed as well. Graham was well respected personally by the ministers, whom he appointed, and the policymakers, who worked for him, during the time. But the specific criticism came from his leadership style. There were many comparisons made to former premier Frank McKenna, who Graham had often looked to for advice after he became Liberal leader in 2002. McKenna is still a large presence in New Brunswick politics, particularly within the Liberal Party. Many politicians and civil servants recall working for his government in some capacity, while others are familiar with his reputation as being a politician who would make decisions, even if they were unpopular, but then sold them to the public. Several politicians noted how Graham faced a very different the media environment than McKenna and that played a role in the New Brunswick government’s inability to sell its message on the NB Power sale. But a common theme, though expressed differently, is how the New Brunswick government lacked “a strong centre,” something the McKenna government was never criticized for during its 10 years in power. “The reality is that we didn’t have a strong centre. Shawn did not have the inner gravitas to keep the caucus in line over a sustained period of time and that is the challenge we had. We didn’t have the political capital to undertake a deal of this magnitude. We just didn’t,” one official said. The lack of caucus solidarity was also raised by another official, who said Graham failed in handling a reported breach in caucus and cabinet solidarity in the media. “Ministers were breaking ranks, ministers resigned. [Justice Minister] Mike Murphy did it in the proper way, whereas [Social Development Minister] Kelly Lamrock should have been shot. He should have. The premier should have fired him. And by the way, that didn’t help build confidence, saying you don’t have the guts to fire a guy who is standing up against you.”
(Lamrock spoke publicly about his refusal to support the original MOU, just days prior to the release of MOU2.)

The complaints over Graham’s leadership style did not start and finish with the NB Power debate. Several politicians and policymakers pointed to other controversies that erupted during Graham’s four years in politics and pointed to a common theme: promising bold, transformational change and then backing down in the face of controversy. The list of policy changes that were reversed after significant public protest included plans to eliminate the early French immersion program, a proposal to reform post-secondary education and plans to save money by eliminating some rural ferries. “So people were cranked about the idea if we push Shawn Graham far enough he’ll back down. It is a terrible situation to be in if people know if they push you hard enough that you will back down. So to answer your question more succinctly, I think there is more of an impact of media on public policy, the whole idea of how is this going to play is important. The growth in communications people and communication staff is a testament of the important role of the transmitters of public perception of things,” one official said. Another official picked up on the importance of public perception and Graham’s relationship with the media. The government official said the Liberal Party had been doing a significant amount of polling on Graham, predating the attempt to sell NB Power, and the data showed the public didn’t know where the premier was taking the province. Further, the pre-NB Power debate polling looked so bleak, the official didn’t think Graham would survive the 2010 election and that may have fuelled the desire to overreach on a major policy decision, such as the NB Power sale. The official said Graham’s existing weaknesses made it more difficult for him and the government to sell
the idea of offloading assets of NB Power to Hydro-Québec. “A number of people said Shawn Graham didn’t have the credibility to carry the message and I don’t think he had the credibility with the media included. So right away, in the way the press responds and reacts, the credibility of the spokesperson becomes very critical to how the media responds ... Again I come back to, if Frank McKenna had of done it, he would have had a game plan, people would have understood, if he said, ‘I’m doing this for the economy and this is why.’ He had credibility on the jobs things, people would believe it. Shawn and Keir would say it and nobody, it just didn’t [resonate], ‘Well yeah maybe, but I don’t believe him,’” an official said.

Graham may have suffered larger political headwinds before he entered into the NB Power negotiations, but his leadership style on policymaking was also criticized. A government official said a policy decision of the size and scope of a $4.8-billion power deal with a neighbouring government cannot be done in one year. “In my career, this was by far the most complicated ... issue to deal with. ... I think given the timing given political cycles of New Brunswick and Quebec, it was probably doomed from the start, it was just way too much work to get done in too short of time.” The official said Graham and his advisers, in particular, underestimated how long it would take to finalize the power deal and then work it through the proper legislative channels. If external experts were brought in earlier and were asked to lay out a reasonable timeframe to undertake such a sensitive deal, the official said the outcome may have been much different, “There could have been more up front analysis of the scope of the task, how long would it take to put a deal with all the complexities, the premier may have had second thoughts and said, ‘You know, this is stupid, if Charest survives, or the Liberals get re-elected, maybe I’ll
try again in September of 2010. But Shawn tends to be impulsive on this stuff. And it is what it is today.”

Graham stood in the legislative assembly on March 24 to announce the NB Power deal had died. The sombre-looking premier explained how Quebec had been seeking additional changes to the power deal that were making the deal less financially palatable to the New Brunswick government. Several politicians and government officials say they were informed of the decision late on March 23 when Graham, Keir, Tyler and Gaetan Thomas, the recently appointed president of NB Power, returned from a late-night trip to Quebec to try and salvage the deal. The parallel of a handful of select people knowing about the origins of the deal and then the termination of the deal underscores the governing from the centre style embodied by the Graham government during this time period.

Influence of third-party organizations

The policy process used by the New Brunswick government, especially in the early stages of the negotiations with Hydro-Québec and the public debate, was led by a small group of insiders around Graham. This group had the benefit of knowing all of the details behind the proposed power deal, they were aware of all the policy developments percolating through the provincial government, they had access to internal NB Power information, they had access to consultants and they, for the most part, were able to control the timing of events. (As the deal moved closer to being announced, details began leaking in the media, which was not planned by the New Brunswick government.) The New Brunswick government was organized, informed about important issues and
developments and possessed a clear leadership structure. At the same time, third-party groups, in particular the “Coalition of New Brunswick: NB Power not for sale,” comprised a collection of groups and citizens, who could be defined by their opposition to the deal but they each had their own reasons for their position. The coalition had a loose leadership structure and they were constantly reacting to comments and developments they learned in the media or from other sources.

The coalition organized traditional rallies around the province, including protests at the constituency office of every Liberal MLA. But the coalition also turned to new methods to communicate their points of view or organize citizens. The coalition adopted social media, in particular Facebook, to mobilize their supporters. A member of a third-party organization said the coalition had 32,000 individuals on its various Facebook pages and had volunteer moderators ensuring that people on those pages kept to their basic message. The official said the three overarching objectives of the coalition were: say no to the deal, be inclusive and maintain “integrity” in their opposition. The official said there were at least four times when groups claiming to be members of the coalition had threatened to block roads or perform other acts that were in defiance of the three objectives. “We kept it simple and we kept it straight and reminded ourselves daily that we didn’t want to do anything today that we may have to apologize for tomorrow or have to explain away tomorrow,” a third-party official said.

The coalition used its Facebook strategy to spread new developments in the deal but also to organize upcoming protests. This network was important because a third-party official said the deal had caught them off guard and they were getting most of their information about the deal through the media. The use of social media cut both ways,
however. While they were able to spread their views very quickly over Facebook, they were also being watched very closely by the provincial government. “[Social media] was the only way to know what the third-party groups were up to, short of finding out days after it occurred in the paper,” said one government official.

The coalition comprised disaffected citizens, members of the opposition political parties, unions and other groups. An Opposition MLA called the group “an interesting marriage ... that all came together to form an uneasy, interesting coalition.” The umbrella group allowed disparate groups of people inside. Several cabinet ministers and government officials felt the coalition was successful because they were able to convert people who may have agreed with some aspects of the deal, but as long as they were opposed to a single aspect of the power agreement, they turned those people against the deal. This fact was not lost on people involved with the coalition. “[The coalition was] able to come out with a relative simple message, ‘NB Power is not for sale,’ very quickly … which put the government back on its heels and caused the government to try to react and adapt and try to salvage [the agreement]. I think the government lost it early on,” a third-party official said.

The coalition, however, started to see its influence wane at times, particularly when the legislature was sitting. The debate in the legislature started to drive coverage, therefore the Opposition Progressive Conservatives became the primary vehicle for those against the deal. The coalition attempted to cause the provincial government to switch the venue in its fight over the deal. The coalition couldn’t halt the deal in the legislature, so it organized five citizens to sue the New Brunswick government for information about the deal. The citizens had requested information about the deal through the Right to
Information Act, but they were not satisfied with the provincial government’s response, so they took the provincial government to the Court of Queen’s Bench, which is one of two appeal provisions in the law. Justice Hugh McLellan ordered the provincial government to disclose information in seven days, according to a third-party official.

“That was Monday and the deal was pulled on Wednesday,” the official said. The lawsuit was not raised by any other cabinet ministers or government officials as a potential reason for the deal falling apart. However, a third-party official indicated there may have been a connection. The official said the release of information may have proved embarrassing to the New Brunswick government. And if they appealed McLellan’s ruling or tried to stall the release of the information in any way, it would have further amplified the feeling among the public that the deal was too secretive.

Third-party groups lacked any formal role in the policy process and they had very little access to government officials. And while the provincial government was organized, had access to information and benefited from knowledge of upcoming events, the coalition lacked these things. But the loose, grassroots coalition served as an effective contrast against the controlling, governing from the centre, style of leadership used by the New Brunswick government.

**Agenda Setting during the NB Power debate**

The agenda-setting theory (McCombs and Shaw, 1972) tracks how the media influences what people think are salient issues and how politicians react to those momentum shifts in public opinion. The concept has been further summarized as “the simple assertion that policy change is most likely to occur during periods of increased
issue salience” (Soroka, 2007). The intense media glare on the NB Power sale debate from October 2009 to March 2010 created a significant level of issue salience. Internal government polling done during the period found energy issues and the power deal was viewed as the most important issue in November, January and March. It was considered the most important issue by 37 per cent of respondents in January compared to health care and unemployment, which both were picked by 11 per cent of respondents. The first Innovatia poll after the deal was pulled off the table showed 23 per cent of respondents still believed power was the most pressing issue facing the provincial government, more than double the 11 per cent who picked health care and 10 per cent who opted for unemployment.

<table>
<thead>
<tr>
<th>Issues</th>
<th>November 2009</th>
<th>January 2010</th>
<th>March 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power/energy deal</td>
<td>28%</td>
<td>37%</td>
<td>23%</td>
</tr>
<tr>
<td>Health care</td>
<td>18%</td>
<td>11%</td>
<td>11%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>14%</td>
<td>11%</td>
<td>10%</td>
</tr>
<tr>
<td>Economy</td>
<td>8%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>Education</td>
<td>4%</td>
<td>5%</td>
<td>4%</td>
</tr>
<tr>
<td>Cost of living/poverty</td>
<td>2%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Environment</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Taxation</td>
<td>0%</td>
<td>2%</td>
<td>3%</td>
</tr>
<tr>
<td>Flu/H1N1</td>
<td>15%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

*Source: Innovative Research*
While the internal polling conducted by the New Brunswick government showed people believed the power deal and energy were the most pressing issues facing the province, people were also arming themselves with knowledge. The polling also showed the majority of people self-reported a level of understanding of the complex power accord. The very first poll taken immediately after the power deal was announced had 49 per cent of respondents saying they had a detailed or general understanding of the NB Power deal compared to 48 per cent who had heard of it but didn’t know specifics or had not heard of the deal. While it may stand to reason considering the ubiquitous media coverage, the number of people reporting knowledge of the deal increased in each of the four polls and the number of people saying they were unaware declined. By the final poll in March, 66 per cent said they had a detailed or general understanding of the deal, 29 per cent had heard of the deal but could not name any specifics, but only three per cent said they had not heard of the deal.

Table 3 New Brunswickers’ understanding of the NB Power deal

<table>
<thead>
<tr>
<th>Familiarity with the deal</th>
<th>October 2009</th>
<th>November 2009</th>
<th>January 2010</th>
<th>March 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Detailed understanding</td>
<td>12%</td>
<td>11%</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>General understanding</td>
<td>37%</td>
<td>50%</td>
<td>53%</td>
<td>54%</td>
</tr>
<tr>
<td>I have heard of the deal but don't know specific</td>
<td>38%</td>
<td>32%</td>
<td>30%</td>
<td>29%</td>
</tr>
<tr>
<td>I haven't heard of the deal</td>
<td>10%</td>
<td>6%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Innovative Research
These two separate polling questions reinforce the fact the public was paying attention to the NB Power deal. But the polling data gathered by the New Brunswick government also showed the public never warmed to the idea of selling their public utility to Hydro-Québec. The negatives grew from 48 per cent in October just after the deal was announced and climbed to 61 per cent in March. By contrast, the number of people who said it was a good deal climaxed at 15 per cent in October shortly after the MOU was announced, bottomed out at seven per cent in November before finishing at 11 per cent in March. Putting the three polling questions together, politicians and policymakers were confronted with a simple fact: the power deal was the most important facing the province, a majority of people felt informed about the deal and the majority felt it was a bad deal.

Table 4 New Brunswickers opinions on the NB Power deal

<table>
<thead>
<tr>
<th>Reaction to the deal</th>
<th>October</th>
<th>November</th>
<th>January</th>
<th>March</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good deal</td>
<td>15%</td>
<td>7%</td>
<td>13%</td>
<td>11%</td>
</tr>
<tr>
<td>I don't like the thought, but necessary</td>
<td>26%</td>
<td>25%</td>
<td>19%</td>
<td>19%</td>
</tr>
<tr>
<td>Bad idea</td>
<td>48%</td>
<td>58%</td>
<td>60%</td>
<td>61%</td>
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<tr>
<td>Don't know</td>
<td>10%</td>
<td>10%</td>
<td>8%</td>
<td>7%</td>
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Source: Innovative Research

A failure from the start

The polling data reveal how much political trouble the New Brunswick government was facing over the proposed NB Power deal but also its failure to reverse
the public’s concern with the proposed deal. The provincial government’s inability to set
the agenda on the power deal on its terms and shape public perception was plainly
evident from the start. The polling data cited above was circulated within the corridors of
power inside the New Brunswick, but various attempts to regain the agenda failed. One
cabinet minister said there had been internal discussions prior to the details being made
public about how to deal with a backlash against a deal with Quebec. But the ferocity of
the opposition to the actual details of the power deal came as a surprise. “I don’t think
any of us internally thought that it was going to roll off the rails like that,” said a cabinet
minister.

Polling undertaken in June, prior to the deal being launched, suggested 69 per
cent of respondents thought the price of energy was a “significant problem requiring
action,” 89 per cent of respondents thought “a freeze on residential rates and lower
industrial rates to the lowest in the country would have a positive effect,” and 90 per cent
believed knowing what residential electricity rates are going to be for the next few years
is “critically important,” and 91 per cent of those polled thought “it is critically important
or very important” to have lower power rates than Nova Scotia. (This polling data,
including questions, other responses and margin of error were not released to the
researcher. Instead, a source revealed the topline data points. The polling results also do
not reflect knowledge of a proposed NB Power deal, but were generic questions added to
an omnibus poll.)

Among the interviews conducted, there was unanimity on few things. However,
cabinet ministers, civil servants, opposition politicians and third-party observers all
agreed the New Brunswick government completely failed to prime the public for the
debate in advance of the policy announcement, set the agenda in a way that benefitted
them or frame the debate positively during the five months of intense discussion about
the sale of NB Power. The cabinet ministers and civil servants were also self-critical,
many of them pointed to errors they made or believed they made and then described how
that led to the proposal becoming more unpopular. “I’ve thought a lot about this, I’d love
to blame the media … the only person that I can blame is the guy that looks at me in the
mirror every morning. It was my fault, I couldn’t get it done,” said one cabinet minister.

From outside of the government bubble, the assessments were similar. A third-
party official said the provincial government’s inability to shape the agenda came to
down to one fact, “There was no groundwork. They failed at laying the groundwork.” An
Opposition MLA also picked up on the railroad analogy, saying the provincial
government “was off the rails from day one.” The adversarial nature of politics meant the
Progressive Conservatives, New Democratic Party and Green Party had to co-operate in
order to articulate a unified anti-NB Power sale message. The political parties also
capitalized on the influence of third-party, grassroots organizations that had cropped up
to block the power deal. An Opposition MLA said the provincial government’s struggle
to set the agenda allowed them to begin shaping the agenda on their terms. “[The
government was] having to react the whole time, even having to make their decisions
based on polling and trying to find out what the flash points were. I think they were
always one or two or three steps behind,” the Opposition MLA said.
**Refusal to communicate**

The New Brunswick government’s inability to set the agenda during the NB Power debate is evident in hindsight when looking at its ultimate demise and the internal polling data that became available after the power pact was terminated. But the government’s failure to set the agenda draws its roots in a decision made by a small group of insiders to refuse to communicate the deal earlier in the process. When the negotiations started early in 2009, the number of politicians and civil servants who were aware of the talks was quite small. The group of insiders slowly expanded as the negotiations continued through the spring and became more serious. In June, the Office of the Premier issued a vague news release that discussed energy co-operation with Quebec. Premier Shawn Graham said in the statement, “That is why, today, we believe it is necessary to further explore opportunities for increased collaboration with Quebec in this sector, especially with regard to clean and renewable energy supplies at a competitive cost” (Government of New Brunswick, 2009). The following day, the *Telegraph-Journal* ran a front-page story with a headline of: “Utility on the block; For sale Premier says Quebec meetings may include discussions on privatizing NB Power” (Casey, 2009). Despite the strongly-worded headline, the actual story did not contain any concrete statements by Graham or Energy Minister Jack Keir about privatizing the utility, despite raising the spectre. Inside the government, a bureaucrat described the news release as necessary to acknowledge how discussions were happening, but the intention was not to release more information than absolutely necessary about a deal that was still being quietly discussed. “We probably don’t want this coming out in dribs and drabs, we
probably want people to know that we are in some discussion with Quebec, so we put out a release. As it turns out it didn’t get a lot of play,” said the government official.

The discussions between the governments of New Brunswick and Quebec continued through the summer. A government official said a series of communications strategies were being assembled as well as internal processes on how to address questions from NB Power staff. The New Brunswick government hired an outside public relations firm, Hill and Knowlton, to assist in communicating the deal. While Steven MacKinnon’s involvement was criticized publicly, a government official pointed out Hill and Knowlton also included prominent federal and provincial Conservatives, such as Goldy Hyder and Louis Leger, on the NB Power file. One official said MacKinnon’s involvement ended up being a distraction that impeded the government’s ability to set its own agenda. “We thought, strategically that we need to have these people (Hyder, Leger and MacKinnon) involved. Should I start to think, ‘Hill and Knowlton, were they involved in Tiananmen Square, I should have an answer for that?’ I mean, Christ. Now some of that was made up, but it didn’t matter, it sounded good. And because of the penchant of the media to go to the negative and that is not a criticism, it is just the way the media works. A negative story is a juicier story than a positive one,” said a government official. (Hill and Knowlton was hired by the Chinese government as a public relations firm after the Tiananmen Square massacre.)

The decision to keep a tight lid on any information surrounding the negotiations was a point of discussion at the time, but it is routinely considered a major error in hindsight. One government official explained the considerations inside the small group of advisers, “Even if they said in June, when they announced that [co-operation], if they said
the reason we are doing this. But there was always this fear that it was never a for sure
thing until the days before it was announced. And everybody was terrified if we put it out
there that NB Power is in trouble and that something needs to be done that if the deal
doesn’t come together, then we don’t have a Plan B. And we’re going to have a situation
where we told New Brunswickers that this utility is broken and we have no plan to fix it.
So there was that fear among people that we couldn’t prepare the ground because what
happened if we weren’t preparing it for anything.” An official described the handling of
the information as “totally incompetent.” This official said the decision taken by the inner
circle ended up being a significant problem once the deal was finally announced. “They
made an explicit decision not to [communicate information earlier] though. In this case it
was a mistake. They made an explicit decision not to because they thought it would better
to go out with a relatively understood framework ... They screwed themselves in a sense
instead of saying, ‘Here is the process and here is what we are doing.’”

The government insiders and Hill and Knowlton also created a strategy of
downplaying any potential leaks of information. On Sept. 29, an email from this
researcher (the email was sent as a reporter with CBC News) to Energy Minister Jack
Keir asked about rumours of “sales of assets to Hydro-Quebec.” Keir’s email to a group
of government insiders advised, “it is being leaked somewhere.” The advice sent by
Maurice Robichaud, the deputy minister of Communications New Brunswick, was to “sit
tight” for the moment. The final email, sent by David Hay, the president and chief
executive officer of NB Power, replied to the strategies that he was “sitting tight.” (The
subsequent correspondence was released by NB Power through a Right to Information
Act request.)
When rumours started circling around the media, a cabinet minister said it put him in a difficult situation when confronted by the media, “I tap danced and spun it because we knew that we weren’t going to be ready, until frankly, we were talking late November about making the first announcement. But when it started getting out there, we had to move it up. And so folks were saying, ‘Why weren’t you better prepared.’ Well the reason we weren’t better prepared is because you guys found out. And I told the guys, ‘I’m not going to lie about this.’” Various government officials admitted they were caught off guard when the news started to leak, which meant they lost their ability to control and shape the agenda. The plan had been to keep the deal away from the public until it was finalized and when news started to leak, the strategy was summed up by one official, “It was Steve MacKinnon who wrote the line that we would just say over and over and over. We had already started to plan, we weren’t expecting to need to use it,” one official said.

**Framing and priming**

The New Brunswick government’s failure to set an agenda leads into its inability to also prime the public for the NB Power deal or frame the issue in a way that was conducive to their strategic interests. The literature on framing and priming is instructive in analyzing how the New Brunswick government failed in these steps. Entman wrote that an individual who is pushing a particular issue will attempt to frame the issue in a way that is best suited to convincing people to agree with their point of view (Entman, 2010). That framing initiative, when repeated often enough then goes on to prime a person to act in a way that supports that specific policy.
However, there is a critical caveat, which is instructive for the NB Power debate. Entman writes, for framing to be successful, the frames must be consistent with the commonly held beliefs of people. When frames do not align with an individual’s already held beliefs, Entman argues that people resist those frames.

Entman’s advice of lining up frames and priming with public beliefs was an issue immediately as the energy deal launched. As stated earlier, the New Brunswick government had conducted polling to gauge attitudes around energy issues. That polling suggested New Brunswickers would be warm to the idea of consistent energy prices and that lower corporate energy prices would be good for the economy. Using that data, the provincial government began to craft a public relations strategy around the idea of lower rates. There was a New Brunswick government website designed -- http://www.lowerratesnb.ca -- that trumpeted the idea of lower power rates and offered citizens information about the power deal. When Premier Shawn Graham announced the deal, he clearly emphasized rates and NB Power’s financial problems, “Taxpayers and ratepayers are the big winners today. NB Power’s $4.8-billion debt will no longer be a risk for our future generations. And ratepayers would see reduced rates to an extent that would have been impossible for NB Power as a stand-alone entity” (CBC News 3, 2009). The two frames of lower rates and NB Power’s shaky financial record became problematic for the New Brunswick government.

The issue of lower rates did not stand up to scrutiny and became a thorny issue for the New Brunswick government. Graham’s assertion of “reduced rates to an extent that would have been impossible for NB Power as a stand-alone entity” was seized on in the media. The proposed deal with Hydro-Québec did not guarantee lower residential power
rates, instead it allowed for a five-year rate freeze and then any increases would be based on a formula. So, it was lower only compared to a theoretical situation where NB Power would be raising rates. A government official explained how the original frame was never intended to be around power rates and how that led to problems with messaging with the media and the public. “The whole lower rates thing, when rates weren’t being lowered, they were just lower than they might have been in the future was just bad spin. And it wasn’t the original draft. The original proposal was ‘Our Energy Future’ was the banner headline. It wasn’t going to be lowerrates.ca it was going to be ourenergyfuture.ca,” the official said. But it was determined that lower rates worked better with other government policies, such as tax reduction, that had been implemented earlier in the Graham government’s mandate. A cabinet minister said the idea around selling the power deal on lower rates was also an offshoot of the recession and specifically insiders thought a “pocketbook” issue would resonate during economically troubled times. The cabinet minister said citizens never embraced that argument. “The ratepayers of New Brunswick didn’t accept that argument on the cost savings that they could acquire. In hindsight, we should have looked at other options around framing the debate. I think we should have looked at future costs of NB Power and the challenges for the next generation because everyone worries about their kids and their grandkids and what costs they will have to pay.”

This messaging also left the government open to criticism as the media was able to report on alternate scenarios. The issue of tying future rate increases to inflation, after the five-year cap was removed, came under scrutiny. CBC News reported in December how power rates would be almost triple what they were had they been tied to inflation
since 1959 (CBC News 4, 2009). Most economists, as the government pointed out, predicted inflation would remain low into the future. But the questions knocked the government off its message.

The New Brunswick government also found itself on the defensive over its handling of NB Power’s image. The New Brunswick government pointed to NB Power’s high debt levels and inability to keep power rates low. This strategy became a source of controversy on many fronts. Many politicians and civil servants used a similar analogy of a sibling to analyze the provincial government’s failure with respect to NB Power. It was permissible for a sibling to criticize another sibling, but the sibling would rally to the other’s defence when others jumped on. New Brunswickers did not appreciate their public utility being rhetorically beaten up, especially as a means to sell parts of it to a neighbouring jurisdiction.

Not only did New Brunswickers find it troubling to see NB Power criticized publicly to sell a deal that was proving to be unpopular, it did not mesh with previous statements about the utility’s financial health. NB Power had been embarrassed by a controversial decision to start a $747-million refurbishment of the Coleson Cove Generating Station without a signed contract for Orimulsion. Orimulsion was a cheap, water-and-bitumen mixture that was only manufactured by Venezuela’s state-owned oil company, Petroleos de Venezuela, S.A. (PDVSA). When PDVSA decided to discontinue Orimulsion sales, it also pulled out of its arrangement with NB Power for future Coleson Cove sales. While NB Power and PDVSA ended up with an out-of-court settlement years later, it caused a political scandal for Bernard Lord’s Progressive Conservative government. Lord called a special investigation by a legislative committee and replaced
the acting president and chief executive officer with David Hay. Hay’s first task was to explain how the Orimulsion fuel fiasco happened, how to avoid it in the future, but also to improve the financial situation at the utility. Working with chairmen, such as Derek Burney (under the Lord government) and continuing with Francis McGuire (an appointee of the Graham government), NB Power started a series of financial reporting changes.

This result was NB Power officials began using these financial reporting measures to show how the utility was improving across myriad benchmarks. Hay said in September 2007 that NB Power was a “complex business” and he had a strategy on how to demystify the utility to the public: “the more they understand, the more they acknowledge that people are doing a good job” (McHardie, 2007). That spirit of helping the public better understand the utility led to a speech to the Saint John Board of Trade several weeks before the proposed power deal was unveiled. At that speech, Hay discussed potential rate increases, but he also underscored the positive financial changes at the utility. While the speech may have resonated with some immediately, Hay’s comments were replayed in the media after the NB Power deal was unveiled. This showed a disconnect between the messaging being used by the New Brunswick government and the management of NB Power. Hay’s decision to go forward with the speech and characterize NB Power’s financial situation in the way that he did contrasted with the way the New Brunswick government was preparing to describe the utility’s financial situation. Hay had been aware for many months of the New Brunswick government’s plan to sell part of NB Power to Hydro-Québec and would have been well aware of the delicate situation the negotiations were in at the time of his Saint John speech. One cabinet minister used Hay’s speech to underscore how many problems cropped up that
were out of control of the government, “The week before our announcement David Hay booked a breakfast at the Saint John Board of Trade to talk about how great NB Power was, knowing we were coming out the next week. So could we control that? No.”

Another cabinet minister tactfully described Hay’s comments and the government’s strategy around the NB Power deal as, “unfortunately the paths did not always connect as they should.” Others inside the provincial government were not as forgiving and saw Hay’s luncheon speech as an attempt to undercut the deal. “I don’t have anything against (Hay), but I think he sucker punched us, he put us under the bus and rolled over us. Three weeks before the announcement and yes, we should have had him involved way before then, but you know, this story would have appeared way before then as well if that had been the case.” Inside the utility, the speech was viewed much differently. An official said the president was not asked “to be negative on the utility.” An official said the New Brunswick government failed to reframe the message in a more positive light, “It was open to the government to say, ‘See, we have done a darn good job and as a government we’re doing such a good job at NB Power these big guys in Quebec want to acquire us.’ But they chose not to do that.” Another official said the New Brunswick government is at fault for any misunderstanding that may have resulted from the Saint John speech because it had created a policy vacuum surrounding NB Power. “So yes, that dissonance, that comes back down to that agenda setting and preparing the ground. It wasn’t prepared. And we didn’t know at NB Power what the policy was or where we were going,” according to an official. If there was confusion at NB Power about the New Brunswick government’s energy policy, perhaps it stands to reason that New Brunswickers may have also found the situation confusing.
When Premier Shawn Graham unveiled the proposed NB Power deal in October, the message was quite clear: the deal was set and it would be closed by March 31, 2010. The original memorandum of understanding stated that changes were indeed possible and the two governments were not beholden to the agreement. But the message conveyed to citizens was the government had come up with a solid power deal and changes were not possible. The hard-line stance on potential changes backfired among the public and are a continued source of controversy among decision-makers who were involved with various aspects of the power deal.

The early polling conducted by the Innovative Research Group showed a high degree of knowledge of the power deal, but it also foreshadowed a significant unease in the public about the deal. Graham and Energy Minister Jack Keir began selling the deal around the province and the legislature resumed on Nov.17 with a throne speech that was dominated by the power deal. The province’s economy was starting to collapse, as the power deal was announced at the same time that many global economies were sinking into recession, which started in 2008. The provincial government announced the unusual step of an early budget, but the focus of the legislative session was clearly the proposed power deal. The dismal poll results were being reinforced by a sense of anger and disillusionment with the agreement struck by the New Brunswick government.

In an unexpected move, Graham announced on Nov. 20 that an expert panel would review the proposed power deal and then make recommendations on whether it was in the best interest of the province. The panel was led by David Ganong, the chairman of Ganong Brothers Ltd, and also included Louis LaPierre, a retired professor
at the Université de Moncton, Elizabeth Weir, a former NDP leader and president and chief executive officer of Efficiency New Brunswick, a Crown corporation, Gilles Lepage, a retired official in the Caisse populaire movement and John McLaughlin, a former president of the University of New Brunswick. The panel was quickly dubbed the Ganong panel, after its chairman. The move signalled not only a communications shift from the provincial government, but also a policy shift. The Ganong panel would seek public input over a condensed period of time and then it would make recommendations.

So the key question is, what influence did the media have in the government’s decision to appoint the Ganong panel? The options range from no impact, the panel would have been established regardless of the media coverage of the proposed power deal, to the media was the primary reason for the Ganong panel’s existence.

When assessing the media’s influence in the appointment of the Ganong panel, politicians and policymakers were asked for their opinion on whether the media played a role and, if so, how much of a role in the decision. Many interview subjects asked how to define the media’s impact. The media were not lobbying expressly for a panel led by David Ganong, but the media were covering citizens’ protests, quoting experts about their thoughts on the deal and reporting on debates inside the legislature. The media are the primary conduit through which the public received information about the power deal and similarly, the media acted as the primary method used by politicians and policymakers to gauge public reaction to the deal. The media coverage acted as a thermometer that politicians and policymakers could use to gauge the public’s temperature over the NB Power deal.
The decision to appoint the Ganong panel was nearly unanimously credited to media coverage of the NB Power debate by interview participants. One cabinet minister said the Ganong panel was created to “defuse” the negative comments about the deal being put forward by Newfoundland and Labrador Premier Danny Williams. Several cabinet ministers said there would not have been a need for a blue-ribbon panel if the reaction has not been so negative from Williams and others. “If there hadn’t been the negative reaction that we hadn’t anticipated, if the public had understood what we were trying to achieve by assessing all of the true facts then we probably would not have moved in that direction. But there was so much misinformation put forward from people such as Danny Williams that was being reported as fact … But again the misinformation that Premier Williams was putting into the mainstream media at that time had to be refuted and that is why we felt credible New Brunswickers, like David Ganong, could help alleviate some of that.” Another cabinet minister gauged the media’s influence on this decision more directly: “There is no question [the media] did because there was never any intent early on to do that. But because our message was not getting out or that certainly the media slant on all these stories was getting out in front of that parade and leading the charge on public discord, we felt we needed somebody out there with credibility to try to put something into perspective.”

The internal polling being conducted for the New Brunswick government showed their message was not resonating with the public. On Nov. 12, eight days before the Ganong commission was appointed, 28 per cent of poll respondents said the power deal was the most important issue in the province, 70 per cent had read, seen or heard about the NB Power deal recently and 72 per cent said they had a detailed or general
understanding of the deal. The poll also told the government that opposition was mounting to the proposal as the number of people supporting the deal had dropped from the first poll and the opposition had swelled. The poll showed 58 per cent indicated they opposed the deal compared to seven per cent who said it was a good deal and 25 per cent who said they didn’t like the idea but thought it was necessary. The New Brunswick government was also watching the reaction of Williams in Newfoundland and Labrador and how that was resonating with New Brunswickers. A Nov. 4 poll conducted for the New Brunswick government indicated 50 per cent had heard Williams’s reaction compared to 48 per cent who had not and 58 per cent said he was “upset/against the deal.” The initial position of cabinet ministers in New Brunswick was that it was inappropriate for Williams to criticize the NB Power deal, but that message was not working with the public. The poll showed 74 per cent of respondents agreed somewhat/strongly with Williams voicing his concern as opposed to 18 per cent who disagreed somewhat/strongly. By the time the Ganong panel was struck, the opposition to the deal was already significant and Williams had already struck a chord with at least half of the population. But the provincial government was hoping to tap into the 62 per cent of the public who told the polling company in the Nov. 12 survey that they wanted to learn more about the proposed power deal as opposed to 33 per cent who said they had heard enough.

The polling gave the provincial government an idea of the public reaction to the deal, but cabinet ministers also said they believed the public criticism aimed at the deal, which was reported by the media, played a determining role in announcing the panel. The need for an “independent” voice was raised by several cabinet ministers. One cabinet
minister summed up the government’s decision this way: “I would say yes [the media played a role in the decision to appoint the Ganong panel] in the sense that the constant public pressure, if you will, that was put on government vis-à-vis the deal and the government was feeling the pressure via the media is probably what in part prompted us to want to try and get an independent voice to look at this deal and to say whether or not it was good for New Brunswick. So yes, in that sense because it was the public’s reaction that we were getting through the media.”

Among the government officials there was some disagreement over the media’s impact on the government’s decision to appoint the Ganong panel. “When you are trying to communicate something, if there is a big public backlash over it, you are going to reflect and say, ‘Geez, we need to find a way to assuage that concern that is out there.’” The official said along with the private polling, the media was used to understand the sentiment among the population about the deal. “That was the prime motivator behind the Ganong commission and any adjustments that were subsequently made to the deal,” the official said. A separate official gave the media more credit for the government’s decision to appoint the commission: “The public was so much against the deal and how did the government know, it was media reports. It concluded this deal had no chance of getting acceptance with the public as long as the government was perceived as the one selling it. So it had to look to some other means …It was committed to try to overcome the antagonistic public opinion.”

Other officials also credited the media as the driving force behind the decision to name the Ganong panel. One official said directly the provincial government was “responding to try and deal with the reaction of the populace reported by the media. The
media effect is like a snowball when you get emboldened and it starts going, it picks up speed. They were trying to stop that.” Another official said the Ganong panel was likely a smart policy decision, but it was announced “six months” too late. “They tried to use the Ganong commission as a way to just have a debate on the facts here because at that point it went so far off,” the NB Power official said. An Opposition MLA, meanwhile, said the Ganong panel was entirely driven by the media coverage of the debate. The MLA said “without a doubt” the government wanted to use the panel to “change the public’s sentiment.”

Most politicians and policymakers interviewed conceded the decision to appoint the Ganong panel as a way to defuse the animosity building over the deal was a failure. A third-party official said the Ganong panel failed because citizens recognized the report was a “cut-and-paste” of government policy and was not a truly independent process. A government official said it became clear the public did not accept the Ganong panel as completely independent and accepted opponents’ criticisms that Ganong and others on the panel had a vested interest in the outcome of the deal. A government official said the decision to appoint the Ganong panel was largely to address the fact the public didn’t trust the government-hired experts, so it was hoped an independent panel would have more credibility. This official said the Ganong panel helped “a bit,” but it faced a skeptical public from the start. “So much bad blood was built up between the government and the public over that first month before the Ganong panel was even appointed because they felt it was duped and lied to and backtracking on promises, and this was a done deal in secret … I think the final straw was some people were giving them the benefit of the
doubt, but when they came out and endorsed the deal, the cynics said, ‘This was cooked,’” an official said.

The Ganong panel’s creation also came with unintended consequences that also fed into the broader NB Power narrative. One cabinet minister said he was disturbed by the negative media coverage aimed at Ganong, specifically. “The level of malevolence, especially in some areas, was unanticipated. The backlash against David Ganong personally and Ganong Chocolates and the threats to boycott his chocolates, it was beyond the pale. I felt bad. Here is a man who took this task on, a thankless task, he didn’t deserve that. He had no interest in doing that and yet he was portrayed to being motivated by self-interest,” according to one cabinet minister.

The New Brunswick government announced the creation of the Ganong panel during a period of intense media coverage of the proposed power deal. The speech from the throne had been released earlier that week and the early polling data continued to show public uncertainty with the power deal. By the time the Ganong panel had released its final report, the amount of media coverage had started to wane. The New Brunswick and Quebec governments had agreed to scale back the power deal in the so-called Memorandum of Understanding 2 on Jan. 20. The reduced media coverage following the release of the Ganong report could reflect either the declining media interest in the NB Power story or how the report was viewed; as the third-party official indicated, the report was a “cut-and-paste” report that did not reflect a truly independent process.
Conclusion

The media’s influence on the policymaking process was certainly reflected in the decision to appoint the Ganong panel. Several cabinet ministers and government officials specifically cited the media coverage of the negative reaction to the proposed NB Power deal as the reason for the panel’s creation. When Graham and Quebec Premier Jean Charest unveiled the original MOU in October there was no mention of a blue-ribbon panel to examine the merits of the deal. But once the media coverage and internal polling
began to show the public resistance to the deal, the New Brunswick government was forced to react.

6.2: The impact of MOU2

A key turning point in the NB Power debate occurred on Jan. 20, 2010 when Premier Shawn Graham, Energy Minister Jack Keir and Finance Minister Victor Boudreau appeared in a news conference in room G-12, which is the New Brunswick government’s media room, to announce major changes to the memorandum of understanding with the Quebec government. Under the terms of the revised agreement, the monetary value dropped from $4.8 billion to $3.2 billion. The structure of the proposed power accord also changed significantly as the two sides pulled out NB Power’s transmission and distribution subsidiaries from the deal. This was a major concession for the New Brunswick government and it has been interpreted in several ways by different politicians, officials, opposition MLAs and third-party officials. Even with the passage of time, the precise vocabulary over what happened on that day remains in dispute. The changes were quickly named MOU2, shorthand for Memorandum of Understanding 2. At the time, members of the government chafed at this term and insisted changes were always envisioned by the original MOU so this was just an extension of the original agreement. But now, some politicians and policymakers concede it was a policy shift. (For the purpose of this study, the term MOU2 will be used in describing the agreement announced on Jan. 20. The term was used by the majority of
participants and was a well-known phrase at the time. Using a different name for the Jan.
20 document could create confusion.)

The reformed agreement made several substantive changes to the original MOU that had been announced at Government House in October with Graham and Quebec Premier Jean Charest with a major signing ceremony. From an optics standpoint, the two premiers tried to downplay these reforms. Charest stayed in Quebec for this announcement and answered questions from his local media instead of appearing at a joint news conference with Graham. The most significant change to the proposed agreement was the decision to keep NB Power Transmission Co. as a part of NB Power. A significant discussion had started in the province over energy security and whether the province was handing over its energy independence by selling the transmission system to Hydro-Québec. The New Brunswick government had argued in the early months of the debate that Hydro-Québec would still be governed by existing rules and it could not block others from using the transmission system. But Newfoundland and Labrador Premier Danny Williams and other opponents to the deal effectively made the transmission system a political wedge issue. The New Brunswick government felt the pressure exerted by the public over the issue of the transmission system. By Nov. 12, Innovative Research Group began asking questions about the transmission system and energy independence in its surveys.

The internal polling painted an unflattering political landscape for the New Brunswick government. A Nov. 4 poll showed 50 per cent of respondents had heard of Williams’s concerns about the NB Power deal and 74 per cent agreed that he should raise them. The polls also showed that opposition was mounting to the power deal. The
provincial government asked about the public’s willingness to have NB Power strike a transmission deal with Quebec to wheel its power through New Brunswick. The relatively technical question drew mixed results, 43 per cent supported the idea, but 52 per cent rejected it. Where the provincial government ran into problems was with the idea that citizens were losing control of their energy future. The poll reported 80 per cent felt with the deal they were “losing control of a key element of life and the economy,” which was up from 72 per cent in October.

Politicians and government officials were asked for their opinion on whether the media played a role in the decision to negotiate and then announce the MOU2 and, if so, how much of a role in the decision. There was far more debate about the media’s role in this policy decision than the decision to appoint the Ganong panel. Again, the media served as the main channel for the public to receive information about the deal and for politicians to gain an understanding of the public’s views on the deal. Responses from politicians and policymakers on the media’s role in the decision to announce MOU2 ranged from very little to the media being a key factor. Similarly, participants were also asked about the specific decision to remove the transmission system from the agreement.

Some officials were more likely to give the media the least amount of credit for the decision to announce MOU2. One NB Power official said that MOU2 was a “technical nuance” and it was characterized as a minor event. In a public statement on Jan. 20, Thierry Vandal, the president and chief executive officer of Hydro-Québec, made this point to downplay the significance of the changes: ”Those transmission rights, which you don't need to own the transmission network to do that, those transmission rights will be transferred over to Hydro-Québec and that is very positive” (CBC News 4).
Government officials and politicians offered different views on the genesis of MOU2 and the media’s influence. One cabinet minister, who opposed the use of the term MOU2 because he felt the Jan. 20 agreement was a natural evolution of the talks between New Brunswick and Quebec, said he would have preferred the original deal. But he acknowledged the necessity of changing the agreement, even if he disagreed that it was a second MOU. “My gut tells me it was influenced by folks that were emotional and we wanted to try and cut the emotion out of it.” It is that theme of trying to calm the public reaction about the proposed power deal that runs throughout the many comments about how the decision was made to announce the MOU2. “I think that because it was such a significant media story every day, there was a heightened awareness that this was an issue the public had significant concerns on and there were specific aspects of the deal that they were concerned about. It certainly influenced the decision to look at whether or not the deal could be made more attractive to the general public. Although we considered it to be an attractive proposition, the public was having a hard time seeing the value offset by the fact that they would lose their utility and that another province would control it,” a cabinet minister said.

Another government official tried to downplay the media’s role in the MOU2 process, but added the fact the public was growing more opposed to the deal, which was being witnessed in the media, could not be ignored. If the reaction had been different, the official said it is unlikely a MOU2 would have been needed. “Obviously if the agreement had been doing as well in New Brunswick as it was in Quebec, we probably would have concluded, as Quebec would have concluded, you know what, I don’t know if there is
much reason to change anything, unless we have discovered something ourselves that we think that needs to be tweaked a little bit,” the official said.

The view from outside the decision-making circle was that the media drove the MOU2 process. An Opposition MLA credited the decision to release the second agreement to the public pressure, which was showcased each day by the media. “I think overall it was the uprising against it from New Brunswickers and the sense that New Brunswickers weren’t going to accept the deal and that New Brunswickers were getting screwed … by Quebec. I think that impacted how it was ultimately communicated. Certainly, the petitions, the protests, all had impacts as well. The polling, I’m sure, as well,” an Opposition MLA said. Similarly, a third-party official said they noticed how the media intensity “waned” once the MOU2 was announced in late January. The third-party official said the proposed power deal started to slide off the prime slots on radio and television once MOU2 was revealed, a fact that the official was critical of the media for allowing to happen for what was simply a political strategy for the government. “I think the analysis of MOU2 that it was just a shell game. There were some policy decisions on final analysis that didn’t amount to a big deal. … it was more of a semantic change. We chalk that up to a public relations strategy that included the four or five MLAs jumping quickly back on board.”

If it was a public relations strategy as the third-party official suggested, it provided mixed results for the New Brunswick government. Innovative Research Group conducted a new poll shortly after MOU2 was announced and found 37 per cent of respondents rated the power deal as the most important issue in the province, well ahead of unemployment and healthcare, which were both selected by 11 per cent. The number
of people who were familiar with the deal grew to 65 per cent compared to 33 per cent who were not familiar. The New Brunswick government may have hoped MOU2 would have helped soften the opposition to the deal, but the polling found fewer people were aware of the revamped agreement. The poll reported 53 per cent were familiar with the changes and 45 per cent were not familiar. And the deal was still proving unpopular as 60 per cent said they opposed it, while 13 per cent supported it and 19 per cent didn’t like the idea of selling NB Power but felt it was necessary. Several cabinet ministers and officials spoke often about the “emotion” in the public debate over NB Power. But it was clear from the polling questions being asked that the government wanted to assess the emotion in the public. The February poll showed 75 per cent still felt they were “losing control” of an important public institution, 52 per cent agreed with the statement they were “angry at the New Brunswick government over the power deal,” 68 per cent agreed with the statement they were “nervous about the power deal” and 55 per cent agreed the negotiating process was flawed.

The polling also gave mixed reviews of elements of MOU2. Of those surveyed, 48 per cent said the new deal was better than the original compared to 31 per cent who disagreed and 17 per cent who said they did not know. The poll found 83 per cent supported the idea of NB Power continuing to employ “the people who will maintain the lines and provided customer service,” 80 per cent supported NB Power continuing to own the distribution and transmission systems and 78 per cent supported their bill continuing to come from NB Power. Further, the poll found strong majorities of people supported the idea of putting the $3.2 billion from the transaction onto NB Power’s debt, the need for industrial rate cuts, a five-year rate freeze for residential rates and that Hydro-Québec
would pay for additional rates to transmit power to the United States. These were all elements of MOU2 and most were a part of the original deal, albeit constructed differently. Interestingly, when asked if they supported Hydro-Québec buying “the Point Lepreau nuclear plant, the hydroelectric dams and other assets,” only 39 per cent supported it and 48 per cent opposed. One of the reasons the New Brunswick government was keen on striking a power deal was to rid itself of future financial liabilities with the nuclear reactor and its hydroelectric dams.

The declining media attention on the proposed power deal, as referenced earlier by the third-party official, can be witnessed in Illustration 1 and Illustration 1a. The annotated versions of the combined media chart show media coverage spiked on Jan. 20 and 21 when the MOU2 was revealed (10 and nine combined media stories respectively), it took a dip on the weekend, but surged again early the following week and peaked on Jan 27 and 28 (10 and 11 stories respectively). It was not until the deal was terminated that more than nine stories appeared in all three media platforms. Illustration 1 shows how the number of media stories had been declining since December, but Illustration 1a shows how the combined number of media stories dropped off once MOU2 was revealed on Jan. 20. There were other media stories that broke after Jan. 28, such as the release of the Ganong panel’s report, but the amount of combined media coverage never reached the levels of the post-MOU2 week. If the provincial government’s goal was simply to ratchet back the coverage on the power deal, the release of MOU2 appears to have met that goal, judging by the total media coverage in the three media platforms.
Figure 8 Total media -- MOU2

Total media -- MOU2

Number of Media Stories

Date


MOU2 Announced

Telegraph...
CBC.ca
CBC TV
Total
Removing NB Power Transmission from the deal

The New Brunswick government’s decision to pull NB Power Transmission Co. (NB Power Transco) from the power deal served a significant policy shift, even if it was downplayed publicly. The government had faced considerable pressure from the public, in-province politicians as well as Nova Scotia Premier Darrell Dexter and Newfoundland and Labrador Premier Danny Williams about the decision to hand over the transmission system to Quebec in the deal. The concern articulated by many was that Hydro-Québec could become a predatory operator and only allow power generated from Quebec to flow through New Brunswick and into the New England market. This was of specific concern to Williams, who was in the process of trying to get his own megaproject, the Lower
Churchill Project, off the ground. The megaproject is intended to generate cheap hydro power from the province with additional power flowing into Nova Scotia. The project’s goal is also to wheel inexpensive hydro power into New England and the most economical way would likely be to transmit it through New Brunswick. The possibility of Hydro-Québec owning the transmission lines did not sit well with Williams. The fiery Newfoundland and Labrador premier reminded the public of how his province felt slighted by Hydro-Québec dating back to the original Upper Churchill Project deal in the 1970s. The nuances of energy transmission policy did not resonate with the public.

Transmission capacity is bid on through open auctions and other provinces would have the same opportunity to bid on transmission capacity as Hydro-Québec, as long as they were willing to outbid the company, regardless of what province owned the wires. But as one official said the public viewed the wires as “the silverware,” which is to say it is a valued piece of provincial heritage that once it is sold, it could not be returned.

The unexpected public embrace of the transmission system was felt immediately by the provincial government, according to many politicians and policymakers. Opponents to the deal questioned New Brunswick’s energy independence in the future, if the transmission system was handed over to Hydro-Québec in the power deal. The language seemed to resonate with the public and then ultimately with the politicians and policymakers.

The influence of Williams was particularly acute in regards to the transmission issue. A cabinet minister said it was always possible the transmission system could have come out of the deal if the public opposition hadn’t emerged but it was less likely. But the cabinet minister said it had become obvious through the media that the public was
worried about the loss of the transmission system, mainly because of the opposition from Williams. “We found the issue of transmission was becoming paramount to New Brunswickers as a concern. So that was when the decision was made, let’s try to negate Danny’s concerns on ownership of the transmission and NB Power will be able to retain transmission and that is when we moved in that direction … We knew that by keeping ownership of transmission it would allay a lot of the fears that people were expressing about potential future generation project. It would also alleviate the concerns of Danny Williams that he was expressing on national energy stage. We felt that was a way to make the deal more acceptable to New Brunswickers but at the same time, it would allow us to achieve what the ultimate goal of the deal was and that was to lower the debt and future debt responsibilities.” Another cabinet minister expressed frustration about how hard politicians and policymakers tried to assure the public the sale of the transmission system should not be viewed negatively: “I think that was an issue of major public confusion and concern that regardless of how hard the public policymakers tried, they could just not convince the public that was a beneficial part of the agreement. So this was again a change that was made to try to make it more sellable to the public. [The media coverage] was a factor for sure because it was a story day after day after day, more people were weighing in on it. I’m not even sure they fully analyzed it.” A government official said the idea of removing Transco from the power deal was not met by a great deal of opposition from Hydro-Québec. The official said Quebec realized the nuance of transmission policy and concluded, “if this made the deal better and more acceptable to the people of New Brunswick, let’s do it.”
When assessing the media’s impact on the decision to unveil MOU2 on Jan. 20, the analysis shows there was an impact. Politicians and policymakers described how the media played a role, even if it wasn’t the only factor. There had been ongoing discussions with Hydro-Québec about the proposed power deal, so it is possible, albeit unlikely, these changes may have occurred in the natural evolution of those talks. But several key politicians and policymakers reflected how public opinion as reflected daily by media coverage had forced them to examine the necessity of keeping the transmission system in the power deal. The fact the government had started polling on how citizens viewed the transmission system reflects how seriously they took the public opposition to the sale of the transmission grid. As Illustrations 1 and 1a showed, the New Brunswick government may have actually been successful in calming the public’s concerns as the total number of media stories was reduced following the release of MOU2.

6.3: The influence of Newfoundland and Labrador Premier Danny Williams in the media

Newfoundland and Labrador Premier Danny Williams’s presence loomed large over the months-long debate over the future of NB Power. The role of the Newfoundland and Labrador premier in the debate was cited as an influential factor by every person interviewed without prompting. The outspoken premier, as will be demonstrated, helped frame the debate in opposition to the deal. Further, cabinet ministers and public officials admit some of their policy decisions were made to appease, or at least temper, Williams’s concerns with the deal.
For many of cabinet ministers and public officials, time has not tempered their frustration about the role the premier played in swaying public opinion against the proposed deal. While this study examines policy decisions made by politicians and public officials, the public comments of Williams were not a policy per se but they did create policy and communication challenges for the New Brunswick government. The influence of Williams’s comments in the media will be studied in relation to their impact on policy decisions and communications strategies taken by the New Brunswick government during the period of October 2009 to March 2010.

Newfoundland and Labrador’s history with Hydro-Québec and its energy aspirations

The experience of the Newfoundland and Labrador government with Hydro-Québec over a power deal dated back to the 1960s. Newfoundland and Labrador collaborated on the massive Upper Churchill Falls hydroelectric dam project in Labrador. The province wanted to tap into the lucrative U.S. energy markets but needed to get access to those customers, so it struck a 65-year agreement with Hydro-Québec where it would receive a fixed price for the energy sold from the hydro dam. What the Newfoundland and Labrador government did not foresee was the spike in world energy prices and for decades since, it has been trying to renegotiate the deal. Former Newfoundland and Labrador Premier Frank Moores called the deal the “biggest giveaway in history” (CBC Digital Archives). The agreement allows Hydro-Québec to purchase the hydropower at a quarter of a cent per kilowatt hour and then resell it for 36
times more than that price, Williams said in 2009 (CBC News 6, 2009). The premier also told the legislature in 2009 that Hydro-Québec earned $1.7 billion per year from the Upper Churchill deal, while his provincial government received $63 million (CBC News 6, 2009). The Newfoundland and Labrador government has failed in its attempts to have the courts open up the hydro deal.

The Newfoundland and Labrador government has been aggressively pushing a new mega-energy project in the same region in the hopes of cashing in on the province’s massive hydro reserves. The Lower Churchill project is made up of two phases, Muskrat Falls and Gull Island, and has the combined capacity of more than 3,000 megawatts (Nalcor Energy). Williams was seen as a major proponent of the megaproject and resigned from provincial politics on Nov. 25, 2010, a week after an agreement between his government and the Nova Scotia government was signed to develop the Lower Churchill project. Between October 2009 and March 2010, the Newfoundland and Labrador government still faced many hurdles to getting the massive hydro project announced and the potential sale of NB Power’s assets to Hydro-Québec raised concerns.

One route for the Lower Churchill electricity is from the dam in Labrador over to the island of Newfoundland and then to Nova Scotia. Electricity could then be wheeled through New Brunswick and into the power-hungry New England market. The possibility of Hydro-Québec once again blocking Newfoundland and Labrador from capitalizing on its power reserves was not lost on Williams.

Williams also had solidified a reputation as being a shrewd negotiator and a fiery political personality in his time in business and provincial politics. Williams had earned the nickname “Danny Millions” (CBC News, 2011) because of his business dealings and
his successful law practice, but his tough approach to negotiating with businesses, particularly in the oil and forestry sectors, earned him the less flattering nickname as “Danny Chavez,” a reference to Hugo Chavez, the former president of Venezuela (Globe and Mail, 2010). Williams was not just aggressive with businesses trying to operate in his province, but also federal politicians. In 2004, Williams ordered the Canadian flag to be removed from all government buildings in protest to stalled negotiations with the federal government over offshore oil and gas revenues. But Williams, a Progressive Conservative premier, also sparred with Conservative Prime Minister Stephen Harper. In an escalation of a fight with Harper, Williams began an “Anything But Conservative” campaign and actively campaigned around the country against Harper’s Conservatives in the 2008 federal election. Williams’s tactics were said to have hurt the federal party’s ability to find candidates and organize the party before the election (CBC News 2, 2008) and the Conservatives did not win any of the province’s seven seats in the 2008 election.

When news began leaking out of New Brunswick that a potential mega-energy deal was brewing between the province and Quebec, Williams wasted no time injecting his opinion into the debate. On Oct. 22, 2009, Williams appeared in a CBC.ca story saying he had heard rumours of the pending deal and his spokesperson quickly set the tone for the position of Newfoundland and Labrador, saying the premier "can't imagine the people of New Brunswick would allow their government to sell their energy asset and put that power into someone else's hands" (CBC News, 2009). The theme of energy independence became an important message for the anti-sale groups and politicians and the first example of that strategy came from Williams. But Williams also started to frame other elements of the anti-NB Power sale arguments before the deal was actually
announced. The Newfoundland and Labrador premier wrote a letter, which he also sent to
the premiers of Nova Scotia and Prince Edward Island and then released publicly,
warning of his province’s experience with Quebec over the Upper Churchill project. "I
cautions you, based on our experience with Hydro-Québec, that a short-term opportunity
can turn into a long-term loss of significant magnitude as they will most definitely find
ways to recoup their investment and more from New Brunswickers who no longer control
their energy destiny," Williams wrote in the letter (D. Williams, personal correspondence,
Oct. 28, 2009). He also raised the spectre of the Irving company’s influence over the
power deal, saying they were after lower industrial power rates, and he complained that
New Brunswick Premier Shawn Graham had not advised him of the “depth” of the
negotiations (CBC News 7, 2009). Further, he solidified his antagonistic position against
the province of Quebec in the days immediately following the deal’s announcement,
promising his Lower Churchill project would not be stymied by the New Brunswick,
Quebec power deal. “[The Lower Churchill project] will be developed, and it will be
developed on our terms, and as I’ve said before, over my dead body am I going to hand
this over to Jean Charest and Quebec,” Williams said on Oct. 29 (CBC News 8, 2009). So
within a week, Williams had started to frame the opposition to the NB Power deal in the
following terms: future energy independence, a lack of consultation with interested
groups, Hydro-Québec’s past reputation of reaping windfall profits from Newfoundland
and Labrador’s hydro project and large corporate customers (specifically the Irvings, who
also owned the majority of the English-language newspapers) pushing the deal in order to
receive lower rates. These four themes were picked up in different forms by the anti-NB
Power sale forces throughout the debate, but Williams gave the arguments instant
credibility because of his status as a premier and how many people viewed him as independent.

The public war of words going back and forth between St. John’s and Fredericton was also captured in a series of letters exchanged between the two premiers. While each of the letters was laced with the perfunctory niceties of letters between premiers, the strident positions of each leader were still evident. Williams pulled no punches in his assessment of the deal for New Brunswick, how it would hamper his province’s energy ambitions and how it could hurt the region.

Williams, in his letters to Graham, put forward detailed requests on demands from his government for policy changes to the proposed energy deal and he asked for several clarifications on how the agreement would impact on issues such as energy transmission. In his first letter to Graham, Williams questioned whether energy companies could still rely on the New Brunswick System Operator, an independent agency that administers the transmission network in the province, to grant access to the transmission system in a “fair and transparent manner” (D. Williams, personal correspondence, Oct. 28, 2009). Similarly, Graham used a letter to Williams and Nova Scotia Premier Darrell Dexter to downplay the concerns raised about the potential deal. While the Dec. 4 letter was written for the two premiers, the intended audience may have been Graham’s domestic voters, who were embracing Williams’s opposition to the deal. The three-page letter pointed to specific clauses in the MOU and existing New Brunswick legislation to reassure Williams and Dexter that the NB Power deal would not negatively impact their energy ambitions.
The two premiers also noted how their comments were being played in the media and the official correspondence often noted statements made in the media. For example, Graham wrote to Williams on Oct. 27, saying he was “shocked and saddened by statements you were reported to have made which suggested Newfoundland and Labrador would hinder the economic progress of New Brunswick” (S. Graham, personal correspondence, Oct. 27, 2009). The following day, Williams responded with his own characterization of his comments to the media. “So, please, do not interpret any of my comments to the media as an attempt to hinder the economic progress of New Brunswick. My comments, made solely in response to media questions, were simply meant to explain this province’s negative experience in its relations with Hydro-Québec and to urge New Brunswickers to seriously consider the long term ramifications of selling this energy asset” (D. Williams, personal correspondence, Oct. 28, 2009).

The letters also reveal how Graham was trying to address concerns raised by Williams but also trying to turn down the temperature in the public dialogue. On Jan. 20, Williams wrote to Graham, thanking him for giving him advance knowledge of the changes forthcoming in MOU2. Williams referenced a call from Graham on Jan. 17, “to provide a summary of the revised agreement” (D. Williams, personal correspondence, Jan. 20, 2010). Judging by the official correspondence, the Newfoundland and Labrador premier had more information about upcoming changes to the power deal than New Brunswickers. The speed of the media was also reflected in the letters. Williams quoted comments made by Graham earlier that day and then demanded answers to a series of
additional questions about the revised deal. He also requested Graham make the revised MOU2 public, which became a consistent demand of the anti-NB Power sale groups.

New Brunswick reaction to Williams’s comments

Many politicians and officials admit they were caught off guard by the ferocity of Williams’s comments against the NB Power deal and how his messaging seemed to resonate with the public. One cabinet minister said Williams “blindsided” the New Brunswick government with his intense and early opposition to the power deal. Repeatedly, politicians and policymakers complained that the media did not report -- or the media downplayed -- Williams’s conflict of interest on the power deal and they admitted they were frustrated the public also did not pick up on Newfoundland Labrador’s financial bias in the deal. They also viewed Williams’s animosity directed toward the deal as being based on his intense desire to get the Lower Churchill agreement off the ground.

The New Brunswick government looked to its own internal polling to assess the impact of Williams’s comments about the NB Power debate on the public. A Nov. 4 poll conducted by the Innovative Research Group for the New Brunswick government indicated 50 per cent of the public had heard Williams’s reaction compared to 48 per cent who had not and 58 per cent said they knew the Newfoundland and Labrador premier was “upset/against the deal.” The poll showed 74 per cent of respondents agreed somewhat/strongly with Williams voicing his concern as opposed to 18 per cent who disagreed somewhat/strongly. The poll showed Williams’s message was being heard by the public and that a majority felt he was within his rights to voice those concerns. This
data meant the New Brunswick government could not just ignore Williams or simply criticize him without a substantive response to his criticisms.

A cabinet minister said Graham made an early decision that he would take the political high road and avoid directly engaging Williams when he was making negative comments about the deal. The cabinet minister said the decision was well intentioned, but Graham may have weakened Williams’s influence if he had fired back earlier and more forcefully. “[Graham] didn’t want to add fuel to the fire. ... In hindsight, maybe it would have been important for [Graham] to come out and use the media as a more forceful tool but you have to remember that Danny was often seen as a street fighter, he was seen as taking on the federal government, whether it was the flag issue in Newfoundland, when he thought hadn’t got a good deal. So that would have taken away from what we were trying to achieve and it would have become what [Graham] felt it would be: more noise and a major distraction. Everyone would have liked to see a good fight erupt, but would it have helped us achieve our end goal and that was the best deal possible for the province of New Brunswick,” according to a cabinet minister.

While Graham may have tried to avoid an open conflict with another premier as the cabinet minister suggested, the tense relationship between Graham and Williams over the Newfoundland and Labrador premier’s direct intervention in the debate over the power deal was exposed at a premiers’ meeting in Newfoundland and Labrador during the height of the debate. A testy exchange between Graham and Williams was described by one individual. Graham challenged Williams on his public comments about the NB Power deal, saying, “Danny, I don’t play in your sandbox, why in the hell are you playing
in mine?” Graham then issued a direct challenge to his provincial counterpart, according to an individual with knowledge of the meeting. Graham continued: “Danny, put up or shut up. If you want to buy the utility, I’ll sell it to you tonight right here, right now, match Quebec’s price.’ That is when [Graham] called his bluff and that’s when Robert [Ghiz, the premier of Prince Edward Island] started laughing because Danny was struck dumbfounded. [Graham] said, ‘I don’t have to do a deal with Quebec, I’ll do a deal with you. You just have to put in a heritage pool of power and that we are guaranteed those rates for our customers and that we eliminate the debt.’ But Danny knew he wasn’t in a position to negotiate. So it was concerning when people like Danny Williams were given credibility in the province based on emotion because he was using a deal that had been struck decades ago with Hydro-Québec and Newfoundland that he was twisting the information for his benefit.”

Politicians were more likely to downplay the impact of Williams’s comments on specific policies compared to officials. While they said Williams did not cause actual policy changes, Williams’s comments were specifically raised when discussing the need for the Ganong panel and the changes around MOU2. One cabinet minister said Williams “absolutely” influenced politicians and policymakers for his own province’s financial gain. “Let’s be honest, Danny Williams pissed into our sandbox because he wanted Muskrat Falls and Muskrat Falls would never happen if the Hydro-Québec and NB Power deal had have happened.”

When it came to actual policy decisions, officials said some changes were specifically advanced to try and prevent further attacks from St. John’s. “Some of the
things that were asked for in MOU2 were almost a direct reaction to Danny Williams, I would say … I think when they got into MOU2 they felt that the [transmission] lines, keeping the lines was something they were very interested in doing as part of that negotiation, that was because they felt they could bring Danny Williams on board by doing that. I think there may have been other factors. But I know that was a big factor,” an official said.

A New Brunswick government official said Williams’s was able to have so much sway over the public as well as the policy process because he delivered “an absolutely, phenomenally bang-on message.” The official said Williams touched on all areas that were important to New Brunswickers, but unlike some little known third-party groups or opposition politicians, who were seen to have their own vested interests, the Newfoundland and Labrador premier exuded credibility on the issue. “Danny Williams brought [credibility and visibility] in spades. He had very high credibility, he is an anglophone, he is not seen as having a vested interest even though he has a huge vested interest. That was never characterized in the media. It was always, Danny is saying, ‘They screwed us, they’ll screw you.’ That is what got the headlines.”

**Summary**

The impact of Williams on policy decisions came both directly and indirectly. Much like other instances, the pressure to make changes to policy decisions came from other sources, who were reacting to content in the media. An official, for example, said Williams’s influence was less on policymakers but on the Liberal cabinet ministers, who were not members of the group of insiders around Graham and Liberals MLAs. Those
Liberals raised their concerns within the government caucus and in cabinet and that is when pressure was exerted on Graham to make changes. “It had a dramatic impact on the Liberal caucus and it really shook them, that coverage that Danny got,” an official said.

The role of Williams during the NB Power debate could be compared to that of Pierre Elliott Trudeau during the Charlottetown referendum. The polling received by the New Brunswick government showed citizens were aware of the premier’s interventions and thought Williams was right to raise concerns about the power deal. The New Brunswick government could not simply ignore the outspoken premier or try to criticize him for meddling in the affairs of another province because the public had already told its pollsters they supported Williams. It cannot be determined simply by looking at the polling data whether Williams’s interventions actually changed the opinions of citizens or whether his comments simply added to the information load of citizens. Further, it is an open question about the impact Williams had on higher education/higher information citizens versus lower education/lower information citizens. This is a point raised earlier by Johnston, Blais, Gidengil, and Nevitte in relation to the influence of Pierre Trudeau and Preston Manning during the Charlottetown Accord debate. In both situations, a large number of citizens were able to correctly identify the positions of Trudeau or Manning in Charlottetown or Williams in the NB Power debate.

Politicians and policymakers all indicated Williams had some degree of influence, both direct and indirect. Many of the demands Williams made publicly in the media and privately in correspondence were addressed in some regard in MOU2. Further, the New Brunswick government also had to react to Williams’s public comments in its own
communications with citizens and the media. From an early stage in the debate, Williams
deftly laid out the arguments against the NB Power sale and he had a high degree of
credibility in New Brunswick. The only distinction may be whether the pressure to
change policies was exerted directly on Graham and his inner circle by Williams’s
comments in the media and the public’s reaction to them or whether, as suggested by a
government official, it was a two-step process: Williams’s comments and the reaction by
the public influenced the Liberal caucus, who then put pressure on Graham and his
political advisers.

6.4: Decision to terminate negotiations

The media coverage of the NB Power debate had started to die down in the weeks
leading up to the collapse of the proposed power accord. While it was still a story that
appeared, other issues were eclipsing the deal for coverage in the media. The New
Brunswick government was coping with months of protests, both large and small, in front
of the legislature and outside MLAs’ constituency offices. There had already been one
major revision to the deal, one cabinet minister had resigned over demands for a
referendum on the power deal, another cabinet minister had resigned outright, though
initially citing family reasons, it had become public knowledge that several cabinet
ministers and caucus members were in revolt over the original deal, and NB Power’s
president and chief executive officer had unexpectedly quit. With all of these factors, the
polls were looking dismal for the New Brunswick government and a general election was
only five months away.
In the final days before the deal ultimately died, several cabinet ministers and government officials said it had become clear to them the Quebec government was no longer as keen to move forward with the deal. Domestically, the New Brunswick government had been battling a series of its own political problems. Premier Shawn Graham, Energy Minister Jack Keir, Doug Tyler, the lead civil servant on the NB Power file, and Gaetan Thomas, the president and chief executive officer of NB Power, flew to Quebec to salvage the deal. The mission proved a failure and the New Brunswick government was about to come to grips with the fact they would never get the deal, which had cost them so much political capital with the public, across the finish line. Graham stood in legislative assembly and amid relative silence, he faulted the Quebec government’s increased demands for the deal’s demise. While no politicians or policymakers would undermine that argument, this chapter will analyze the media’s influence on how the New Brunswick government came to the decision to allow the deal to fall apart. An important caveat in this discussion is the final decision to halt the negotiations involved politicians and policymakers in two provinces and power corporations, who were each facing different domestic political realities. The media’s influence over the policymaking process in New Brunswick will be examined, specifically, along with a look at how the New Brunswick media coverage may have influenced Hydro-Québec.
Media coverage

The media’s focus on the proposed NB Power deal dropped off significantly in early March 2010. It is not clear what led to the drop in coverage of the proposed power deal, but in the 20 days leading up to the deal’s demise on March 24, there was only one day where more than two stories appeared in the three media platforms studied. Throughout the interviews, only one person noted the reduction in media attention to the NB Power deal during this time and perhaps not surprisingly it was an official with a third-party organization. The organization needed the media’s attention to advance its goals of derailing the power deal, so when media coverage dropped off, it became harder for those groups to get their message to the public. “I recognized that at one point, long before the issue came to a conclusion in March, that [the media coverage] paled in its attention to the matter. I can almost come to the date when that happened. I remember an email being read on air by Terry [Seguin, a CBC radio host in Fredericton] and the person suggested they had heard enough of this. It was right around the time of the Ganong [panel released its report]. It was my sense there was a marked difference in the frequency, just as the story started to rev up, my sense was that the traditional media headed in another direction.”

Figure 10 Combined media coverage - NB Power deal collapses
The third-party official said the traditional media was missing several significant stories during this relative pause in the coverage. The group was fighting in the courts for the release of documents related to the deal, which had been requested under the Right to Information Act but had been blocked for release. The official said it was not mentioned at all in the English media and was barely covered in the French media. The official said there were ongoing protests held to put pressure on the New Brunswick government, but those did not attract the same level of media attention as those in the past. The official recalled how those final days looked from a third-party organization, “I think the rally on March 20 ... the next day, someone from the Telegraph got a hold of the premier and he said, ‘I guess my reaction to the rally is that New Brunswickers want more information about this deal.’ Well the very next day, five New Brunswickers were in court in front of Justice Hugh McLellan on right to information. That was not covered in the media and it
is a great little story. … That was Monday and the deal was pulled on Wednesday. The announcements were put out and we advised the media. They found it not to be critical.”

There were five stories (four in the *Telegraph-Journal* and one on CBC.ca) on March 20, but in the final three days before the negotiations between New Brunswick and Quebec were pulled off the table, there were two stories: a *Telegraph-Journal* story on March 22 and a CBC Television story on March 23. The three days, starting on March 24, saw NB Power coverage spike significantly. There were nine stories on March 24, one in the *Telegraph-Journal*, three on CBC.ca and five on CBC Television. The following two days, the *Telegraph-Journal* printed 27 items on the NB Power deal compared to one CBC.ca story and three CBC Television items. These differences reflect the nuances of the three platforms as discussed earlier. CBC.ca and CBC Television broke the news of the deal’s demise and covered that story extensively on the day it happened, but newspapers have a delayed news cycle. So the *Telegraph-Journal* saw the majority of its coverage on the following days.

The combined media coverage statistics may leave the impression that the media had very little influence over the decision to halt the negotiations over the proposed NB Power sale. But interviews with cabinet ministers and officials suggest otherwise. A government official said the media may have had its greatest impact on the decision to terminate negotiations. The official said many in the inner circle may have “subconsciously” realized that public opinion was not going to turn around on NB Power enough to allow the government to have the “moral legitimacy” to move forward with the deal. Further, the official said it became clear the government was not going to turn around the media coverage, either. “The first step in convincing the public was
convincing media but by that point the media had become so predisposed to look at this with such a jaundiced eye, that there was no way we were going to bring the media around. And if we can’t bring the media around we are not going to bring the public around because that is the medium through which you reach the public, particularly when your advertising is completely ineffective and you can’t buy your message. So you can’t earn reasonably good media coverage because the media is not predisposed to buying your message that it is warranted,” according to one official. The final point made by the official is particularly revealing and makes the distinction between earned media and paid media. Earned media is coverage in the media, such as the stories about the NB Power deal that appeared in the three platforms studied, whereas paid media would be advertising paid by the provincial government. The official admitted the government’s paid advertising was not being embraced by a skeptical public. The official further explained the tough position the New Brunswick government found itself in with regards to its media coverage leading up to the decision to pull out of the talks with Quebec. “Advertising was actually working in a counter-productive way. So, effectively, our communications, all of it, was not working. So what do you do? Do you shut it all down and just allow the environment out there, the media environment, the public environment to the naysayers. Because the stakeholders weren’t bellying up.”

Cabinet ministers acknowledged the longer the NB Power debate dragged on that it became harder to convince the public of the deal’s merits and the more negative attention the deal received in the media. If the NB Power debate was unfolding in an alternate universe void of issues, such as elections, at least one government official said the talks may have continued. But several cabinet ministers interviewed suggested the
NB Power deal had passed a tipping point in March and the additional changes requested by Hydro-Québec not only would have made an even worse deal for New Brunswick but would have further reinforced a media frame of the government being weak. “I think there was an appreciation about just how difficult it was to bring the public along to the point where this deal has major benefits which outweigh any of the downside,” cabinet minister said. The minister added, “I think there was a realization that if you couldn’t sell, if the deal in the first instance couldn’t be sold, could a deal with less benefits be sold? And there was a recognition this would be another media firestorm and another public firestorm. It was somewhat of a death knell.” Another cabinet minister put the blame squarely on the shoulders of the New Brunswick government, admitting they were unable to turn around the negative reaction that had permeated through the public. The cabinet minister said a turning point was when David Ganong was “publicly humiliated in the media.” “But what was concerning to me is a host of people were feeling pain of what we felt was a good policy decision. I felt that was unjustifiable.”

The media’s influence was felt in different ways, according to one official. There were several factors that were causing internal unrest within the New Brunswick government, particularly the Liberal caucus. The official said Graham had been telling his caucus privately that the NB Power deal was the right thing to do for the province’s future and he was willing to lose an election over the deal. “And there were those in caucus, who said, ‘We’re lemmings but we’re not following you over the cliff. It may be the right thing to do but we like our political hides better.’ ... [The deal] broke down because he couldn’t carry the caucus and the caucus was heavily influenced by the media. So the impact of the media on this was on politicians, it was not on the policymakers.”
There was one government official who reinforced the point raised by one official. The official argued the media had a limited role in the decision to end negotiations. Like the other officials and cabinet ministers, this official admitted the deal was getting worse and Hydro-Québec was putting additional demands on the New Brunswick government, that ultimately it was unwilling to accept. The government official said Hydro-Québec’s demands were a greater factor in the New Brunswick government’s decision to walk away from the table than the media coverage.

**Media’s influence on Hydro-Québec**

A factor that was raised by several participants in this study, although not in the original outline of the study, was the New Brunswick media’s influence on Hydro-Québec. Officials from Hydro-Québec were not interviewed in this process, but conversations between participants and Hydro-Québec officials were recalled during the research phase and it is argued by several politicians and policymakers that Quebec politicians and Hydro-Québec officials became unnerved by the hostile reaction the proposed power deal was garnering in New Brunswick. Hydro-Québec’s concern about the negative reception of the deal dovetails with the historic grievances raised by Newfoundland and Labrador Premier Danny Williams over his province’s deal with Hydro-Québec over the Upper Churchill power project. Politicians and policymakers believe Williams was brazenly stoking fears in New Brunswick so he could move forward with his own mega-power project. But Hydro-Québec was sensitive to the decades of opposition to the company from people in Newfoundland and Labrador. One New Brunswick cabinet minister recalled the first time he sensed how Quebec was
starting to be influenced by the negative reaction in New Brunswick, “Jean Charest said to me, ‘We have been in a fight with Newfoundland for 30 years, we don’t need a fight with New Brunswick.’ After he said that to me, I said, ‘Holy Jesus.’ I remember saying to Shawn and Doug Tyler, ‘We have to get this back on the rails because I think Quebec is getting cold feet here.’”

A cabinet minister described the final meeting between the New Brunswick and Quebec governments and how Quebec was seeking concessions on Mactaquac and Point Lepreau. New Brunswick, meanwhile, was trying to offer solutions to the concerns raised by Thierry Vandal, the president of Hydro-Québec, specifically. “Thierry Vandal had made his decision that he did not want to proceed. And Premier Charest had attempted to get this through for six months, he was getting preoccupied with other files. So I knew that we weren’t going to have the political interest to try and get this through the government. So as much as I pushed, Hydro-Québec had made the decision that public opposition was just too strong and that they were going to be seen as inheriting a huge liability [regarding Mactaquac and Point Lepreau] that might not be palatable to the ratepayers of Quebec as well.”

A government official said he felt Hydro-Québec had been having concerns about the protests for months before the deal collapsed. “There were reservations that if the people of New Brunswick didn’t see this as a good deal, this was going to happen over their dead body, there was a public opinion in Quebec decision-making circles, ‘Well, why the hell do we want to do this? People don’t seem to be accepting this.’” Another New Brunswick government official recalled how Hydro-Québec started reacting earlier in the process to the media coverage. “Thierry Vandal, it was him who brought the
transmission lines to the table, not New Brunswick, and that was a direct reaction to media coverage. He said as much.”

The implication that Quebec and Hydro-Québec were influenced by the New Brunswick media could be seen as a self-serving excuse by New Brunswick government officials to escape blame or allegations of weakness around the failed NB Power policy. Pointing to Quebec and its utility as the reason the deal fell apart, they may believe, could absolve them of responsibility from the deal’s demise. But similar anecdotes and issues were raised independently by several politicians and officials interviewed. It seems unlikely the examples could be fabricated and then repeated years after they are said to have occurred. So, if the allegations are accepted that Hydro-Québec was influenced by the media coverage of the negative reaction in New Brunswick, then it suggests the media did have some influence over this policy decision. As Quebec and Hydro-Québec became more influenced by the media coverage of the NB Power deal, they questioned why they would want to enter into a jurisdiction where sections of the population were hostile to their presence, similar to the Newfoundland and Labrador experience, and as the negotiations went on, they upped their demands in the transaction. The implications for the New Brunswick government are clear. As Quebec pushed for more changes to the deal, the financial benefit to New Brunswick would have been lessened. As cabinet ministers and officials pointed out, if the original $4.8-billion deal was opposed and the $3.2-billion deal was opposed, it was unlikely a deal with fewer financial benefits would be embraced by an already skeptical public. So facing dismal internal poll numbers, a less lucrative power deal and the months of media coverage, the New Brunswick government terminated the negotiations.
Final poll

The New Brunswick government commissioned one final poll in the days immediately after Graham stood in the legislative assembly and announced he had ended negotiations with the Quebec government over the sale of assets of NB Power. The Innovative Research Group poll, which was in the field from March 24 to March 26 demonstrated the public never became comfortable with the proposed sale and there was a lingering dissatisfaction with how the government had handled the NB Power file. The final poll indicated 11 per cent of respondents thought the proposed sale was still a good idea, 19 per cent didn’t like the idea but thought it was necessary and 61 per cent opposed the sale. The opposition to the deal went up in each of the four polls commissioned by the provincial government (October 48 per cent, November 58 per cent, January 60 per cent and March 61 per cent), whereas the other responses fluctuated or only got worse over time. Respondents saying they supported the deal went from 15 per cent in October to seven per cent in November, 13 per cent in January and 11 per cent in March. Those who didn’t like the idea but thought it was necessary started at 26 per cent in October and fell to 25 per cent in November and held at 19 per cent in January and March. Of those polled, 68 per cent said they were not surprised that such a complex deal failed and 76 per cent supported the decision to end negotiations. The poll also reinforced the belief that the New Brunswick government was not open enough with its citizens. Of the respondents who had a less favourable impression of the government, 23 per cent said they did not consult enough on the NB Power deal. A citizen offered an instructive commentary on how he or she felt citizens no longer receive enough information about policy decisions from various levels of government. “I still don’t feel that the government
gave people enough information to understand the negotiations, I get the feeling that the government in general don’t give enough information for anything. It feels to me that the government is more concerned with being re-elected than making good solid decisions,” the citizen told Innovative Research Group in March 2010. The undercurrent of distrust with the New Brunswick government also cropped up in other questions. For instance, 51 per cent thought another version of the power deal would come back after the 2010 general election compared to 37 per cent who thought the deal was actually dead. Further, 51 per cent were angry the government put the province through the controversy and then scuttled the negotiations, while 40 per cent did not agree with the sentiment. However, 75 per cent of respondents said they thought the provincial government had learned “an important lesson” after the failed power deal.

**Conclusion**

The null hypothesis that the media had no influence on the decision to stop the negotiations has to be rejected based on the information collected. The media’s role in the New Brunswick government’s decision to end the talks cannot be seen as the only factor, however. The proposed power deal was a complex business transaction between two governments and two utilities and the negotiation process proved difficult as the two sides moved closer to the March 31 proposed closing date. The media had a direct influence on the politicians and officials in both the New Brunswick and Quebec governments as discussed. It also had an indirect role through the Liberal caucus, which had become increasingly restless as the debate dragged on. While there is some dispute on whether the media had a primary or a secondary role in creating an environment
where the politicians and policymakers decided to end the talks, it is clear there was a role.

6.5: Independence of the decision-making process

The role and influence of the media on policy decisions during the NB Power debate could be negated if it could be proven the New Brunswick government made policy decisions independent of the media coverage. So in order to prove the media did influence policy decisions it must be demonstrated the media coverage led in some way to policy changes between October 2009 and March 2010. The scale could range from decisions were made completely independently and the media had no influence or the policy decisions were made as a direct result of the media coverage of the NB Power debate. In order to assess this question, cabinet ministers, policymakers, other politicians and third-party groups were asked to characterize their views on the decision-making process.

As discussed earlier, the governing style used by Premier Shawn Graham can be described as governing from the centre. Graham had a small circle of trusted political advisers, a few key cabinet ministers and senior civil servants from central agencies and that is where policy decisions were made during the NB Power debate. The media played no role in Graham’s decision to launch negotiations with the Quebec government over a sale of NB Power’s assets. The first time the media played any role in any decisions made by the New Brunswick government came when CBC News first reported a deal was close. One cabinet minister said the early timeline had pegged November as the
target date for a public release of the proposed agreement, but that changed on Oct. 22 when CBC News broke the story.

Many cabinet ministers and officials underscored the importance of the media in important public policy debates. For them, it was not possible to appeal directly to 750,000 New Brunswickers so the media was needed to relay information to those people and in return, they relied on the media to relay back to them what the people thought about the policy. As the debate moved forward, the amount of content produced by all media continued to grow. This is where the New Brunswick government found itself in a trap. The agenda-setting theory describes how issue salience is increased the more the media covers an issue. While the media do not instruct people what to think of an issue, it does point them to issues to think about. As described earlier, the New Brunswick government did a poor job of setting the agenda, priming the public or framing the NB Power debate, so the increased media coverage was not conducive for the New Brunswick government to build support for the power deal with Quebec.

Another factor that must be considered in this analysis is the belief held by many people interviewed that the newspaper coverage was biased in favour of the deal and the perception that the public also believed the Irving-owned media was in favour of the deal. This study is not intended to take a position on the media bias but the perception is relevant to the study. Similarly, there was also the perception, primarily among cabinet ministers, that CBC News was against the deal. Several government officials described the problem they faced with Telegraph-Journal coverage, they did not find the actual news coverage to be pro-deal and even if it was pro-deal, they acknowledged the public did not believe it because they viewed the newspaper’s owner to have a vested interest in
the agreement. Even though newspapers were cited more often by politicians and policymakers as their primary news source during the NB Power debate and the *Telegraph-Journal* published more content about the proposed power agreement between October 2009 and March 2010, the deal still failed. By contrast, CBC Television, and by extension CBC.ca, generated less total coverage but it was viewed by politicians as being opposed to the deal. This finding may reinforce the belief that television news drives opinion more than other media platforms, such as newspapers.

As the debate continued to unfold, the New Brunswick government made many policy decisions related to the power agreement, such as the decision to appoint an independent panel to review the deal, a second memorandum of understanding and the decision to terminate negotiations. These individual policy decisions were examined in previous chapters. But each person interviewed was asked, in their opinion, were decisions they made, or those made by others, done so independent of the media coverage or in reaction to the coverage. Several participants pointed to a section of the original memorandum of understanding that stated the proposed agreement could be changed at any time and it was not binding on any of the parties involved. None of those interviewed expressed the viewpoint that policy decisions were made completely independent of the media coverage, but there were varying levels of support for the position that decisions were being made in reaction to media coverage. “The majority of the decisions we were making were, I felt, independent, it was part of the negotiation process but definitely we were trying to adjust to the public concerns that were being raised at the same time, which were legitimate,” said one cabinet minister. Other cabinet ministers, however, admitted the more media coverage the deal received, the more they realized they were
facing a tough challenge to win public support. “Certainly as time went on and we were trying to fight an uphill battle to get public opinion back. There was no question, some decisions [were] made based on reactions from media coverage,” according to another cabinet minister. Finally, another cabinet minister said the daily coverage meant they could not avoid reacting to what they were reading and seeing in the media. “When it is a one-day story you tend to ignore it, but when it is a seven-day story, you start paying attention and when it is a seven-month story, you have no choice but to incorporate it. So there is no question, the more media attention that is brought to an issue, the more the politicians and the decision-makers are going to pay attention,” the cabinet minister said.

Government officials tended to lean further to the argument that decisions were made independently of media coverage. This could be a result of civil servants’ traditional role of being more detached from public opinion than the politicians they serve. One official said the New Brunswick government reacted more quickly to negative media coverage on other contentious files, such as removing rural ferries, eliminating French immersion or reforming post-secondary education, than it did on the NB Power deal. The official said the government dug in during the early stages of the debate regardless of the media coverage, but they were forced to relent as the months wore on. “Although there would have always been changes or refinements, I don’t think they would have been as substantive without the media coverage. And certainly how it was presented, the presentation, was very much influenced by media,” an official said.

Another government official underscored the complexities of the decision-making process inside a government and how no one cause can be characterized as the most important factor in making a decision. “It is difficult to pinpoint exactly what
contribution the media has. I think it plays more of a role and is more of a consideration than it was,” the official said referring to previous governments.

While government officials tended to be more skeptical about the independence of the decision-making process during the NB Power debate, those in opposition to the agreement felt passionately the decisions were made in complete reaction to coverage. This point of view is self-serving as in many cases the opposition was driving stories against the deal and ultimately the deal failed. But the intensity of this belief is important to note. While cabinet ministers and officials were willing to acknowledge the media played some role, they also argued some decisions were made independently of the coverage. Aside from the original decision to announce the deal, those representing opposition politicians and third-party groups did not see any independence from the media coverage. “In the end, they reacted to what they were seeing and what they were hearing. They didn’t pull away from the fire quick enough ... For the sake of the Shawn Graham government, they didn’t pull out of a losing argument soon enough to recover in time for the election in September 2010,” according to a third-party official. An Opposition MLA said every policy change was in reaction to ongoing, negative media attention. The politician said the government was searching “to find little nuggets that New Brunswickers could understand and buy into ... at the end of the day, they felt they had no option [but to end negotiations].”

The hypothesis that the policy decisions were made independent of the media coverage must be immediately discounted because those involved directly with the policy decisions rejected that idea. The arguments from opponents that the decisions were based entirely in reaction to the media coverage should be viewed with some skepticism. As
one government official said there are many factors that go into making a policy and the media is just one and that is why the official argued it is difficult to pinpoint the exact amount of influence of the media on the government’s decisions. It is easy to point to the provision inside the original memorandum of understanding that allowed for future changes, but more than one participant said that had the reaction been different from the public, as covered by the media, the number and scope of the changes would have been smaller and less significant. While it is not possible to assess a specific percentage of how much the media influenced decisions or rank it among the other factors in the policy process, it is evident from those involved in the policy decisions made during the NB Power debate the media coverage forced the New Brunswick government to react and change policy decisions.

**Ignoring political elites**

When the NB Power debate started the New Brunswick government held many advantages over opponents to the power deal with Hydro-Québec, such as organization, knowledge of the agreement and access to consultants. Further, the New Brunswick government hoped to rely on the traditional deference of citizens toward their politicians. Those arguing for the deal were the elites of New Brunswick society, particularly Premier Shawn Graham, Energy Minister Jack Keir and Finance Minister Victor Boudreau. The provincial government also hired consultants, who held media briefings to showcase the savings of the power deal and it appointed an independent panel comprised of many high-profile citizens, which ended up supporting the deal. Finally, many business groups, albeit not as many as had originally been hoped by some people in the provincial
government, endorsed the deal. Despite all of this, in the end, the New Brunswick
government lost control of the debate and it had to terminate negotiations. This is an
example of how governing from the centre may be an efficient management style for a
premier, but it does not always guarantee success for a premier. The premier held all the
levers of power, but his policy was rejected.

The opponents were not organized in a similar monolith but instead were involved
in a coalition that brought together disparate groups, which opposed the deal for different
reasons. The public, as demonstrated by the provincial government’s own internal polling
numbers, ended up siding with the opponents. What provoked this reaction from the
public is important because it could foreshadow how future policy decisions could be
influenced. In the case of the NB Power deal, the failure of the elite to control the debate
can be credited to a distrust of the government’s primary spokespeople, cynicism aimed
at experts, the government’s inability to set an agenda and refusal to prime the public
before the debate started. Additionally, the elite-led debate lost ground to an opposition
who often used ordinary citizens as spokespeople. These people, such as local community
activists or other interested citizens, were not viewed as having a vested interest in the
sale’s outcome and that motivated others to share their beliefs. Opposition politicians
may have spoken at coalition rallies and other events but they were not the ringleaders.
When the New Brunswick government announced talks had failed, Opposition Leader
David Alward said the provincial government's decision to terminate negotiations with
the Quebec government was a victory for all those people who fought the sale. "This is a
wonderful day for democracy in New Brunswick," Alward said in the legislature on
March 24.
Many participants who were interviewed believed the advantages held by the elites ended very quickly after the proposed NB Power deal was announced. The lack of issue priming meant the New Brunswick government could not frame issues on their terms and they lost control of the agenda. And the coalition and other opponents quickly pounced on that opening. “We hadn’t framed the debate. It easier to say what you’re against than what you’re for. While they were out there protesting, we were the only ones providing a solution. [The Canadian Union of Public Employees] never came forward with a solution, none of the other vested interest groups came forward with a solution. You may have had 10 reasons to pick why you didn’t like the deal, you only need one. And then your decision becomes more firm,” a cabinet minister said. As well, a cabinet minister said the deal was quickly framed by opponents as being better for large businesses and the loudest supporters of the deal were seen as tied to these corporate elites: “I think we lost credibility quickly on the issue. I think when you look at the so-called experts, whether it would be the David Ganongs or others, I think because the deal was perceived to be more beneficial for large industry ... Because a lot of the so-called experts were coming from the business sector I think they had a hard time being credible in the eyes of the public as well. It was seen as self-serving.”

Several cabinet ministers said they lost their ability to control the agenda, in part, because their message was too complicated compared to those of the coalition or their political opponents. One cabinet minister said the opposition would use pithy statements that would contain dire warnings against the deal that the government would need to refute. “You cannot in 20 seconds get a sellable clip that folks are going to say, ‘Yeah, OK, we’re going to be alright.’ You couldn’t do it. It is very complex and even when you
say, ‘It is a complex issue.’ Then the opposition says the next day in their 20-second clip, ‘They think New Brunswickers are dumb and they don’t get it,’” a minister said. This also comes back to issue priming and framing. The messaging would not have been as complex if citizens had a base level of knowledge of the key issues surrounding the energy sector and NB Power. But it wasn’t only what the cabinet ministers were saying that caused the public to turn away from the elite-driven arguments, it was who was communicating the news. One official said it was clear the messengers had lost the trust of the public. “The confidence level, I think the more Shawn and the other guys got out there, the more clear that this was not well thought out,” the official said.

The New Brunswick government also found itself trying to wrestle the agenda away from ordinary citizens who posted their concerns on social media. In particular, several cabinet ministers referred to a situation where a University of New Brunswick student posted a critique of the deal on the video-sharing site YouTube. The cabinet ministers said many of the facts were wrong, but it didn’t matter. The video spread quickly and was being shared repeatedly by opponents to the deal. “If I got that YouTube [video] once by email, I got it 14 times a night from 14 different people every night. I don’t know if folks knew what viral is, but if you look at the universe in New Brunswick, it went viral in New Brunswick because I know everybody had seen it,” a minister said. A cabinet minister said the problem with the YouTube video is the student used an incorrect fact to base her argument around. But the cabinet minister said the argument was delivered articulately and powerfully, so it was useless trying to fight back. “Everybody saw it and she was very articulate and very presentable. So people would watch that and go, ‘This is a terrible deal.’ How do you combat that?” the cabinet
minister said. So the YouTube issue and how news and information were spreading on other social networks caused one cabinet minister to admit they needed to change course late in the debate to try and find a way to tap into the success used by grassroots groups. “I lost faith in [traditional media] and just knew that it was too late that I was never going to get my message out and so we went to social media to combat some of the stuff with our own YouTube stuff,” a cabinet minister said. The admission that a cabinet minister lost faith in the traditional media to relay the government’s message to the public is important and could have significant implications in the future. This could set the stage for governments to embrace social media or other types of public engagement options earlier in the policy process.

6.6: Shifting policy in the face of public pressure

When Opposition Leader David Alward stood in the legislative assembly and declared Premier Shawn Graham’s announcement the New Brunswick government had ended negotiations with Hydro-Québec “as wonderful day for democracy,” it raised the question about whether it was actually a good policy decision. An analysis of whether the NB Power deal was, or is, in the best interests of New Brunswick is outside the scope of this study. There are far too many factors that would need to be assessed over a long period of time, such as NB Power’s future financial health, future residential and industrial rate increases, future inflation rates, etc., to evaluate whether the New Brunswick government should have pushed forward despite public opposition with the agreement. However, the New Brunswick government had invested more than a year in negotiating the agreement and then trying to sell the proposed deal to a skeptical public,
arguing the policy was vital for New Brunswick’s energy and financial future. It has been shown how the decision-making process was centralized around Graham and a few elite political advisers and civil servants and how those individuals were being influenced by the media coverage of both the deal and the public opposition. The fact the deal failed cannot be blamed on a lack of effort on the part of the New Brunswick government. In fact, the New Brunswick government’s management of the NB Power file raises important issues pertaining to how contentious policy decisions are handled by governments in the face of public opposition.

Graham had said he’d rather lose an election for doing what he believed was right for the province as opposed to win an election by failing to act on an important policy issue. A principled statement to be sure, but in the end he couldn’t get the deal that he believed in so strongly across the finish line. In an effort to deliver on what he felt was good policy, Graham used all the powers given to his office. The old political adage, “the voters are never wrong,” is often invoked by politicians trying to explain embarrassing electoral losses. In the context of the NB Power debate, it is hard to argue, given the evidence gathered in the polling data, petitions, public protests and the statements from those around the New Brunswick government, that the decision to terminate negotiations at the end of March 2010 was the wrong one. Governments are always managing controversial issues. Protests, petitions and public opposition are all commonplace in democratic societies and it would be impossible for a government to avoid these types of controversies. Similarly, it is hard to imagine how any significant policy decisions could ever be executed if a government backed down in the face of strong public pressure. But there was significant concern raised by many politicians and policymakers in this study
about how contentious public policy decisions will be made in the future by governments at all levels given the growing number of citizens who are willing to quickly mobilize against decisions that they oppose. Many of these officials blame social media for its role in helping citizens disseminate information, organize their opposition to a decision and use social media to harshly criticize the policy, the decision makers or anyone who disagrees with them. They pointed to major public policy issues, such as hydraulic fracturing and the Keystone XL pipeline project, as the latest examples of policy issues that have been stalled because of public protests. One New Brunswick government official suggested the Canada-United States Free Trade Agreement would never have been negotiated if it had been subject in the 1980s to the current levels of public scrutiny and demands for transparency.

As Savoie has argued in *Governing from the Centre* and *Power*, and as was demonstrated in the NB Power debate, so much of the power over the public policy process has been handed over to prime ministers and premiers and a small group of political insiders and top civil servants. Citizens looking to have influence on the public policy process can no longer simply turn to political parties. The primary role of political parties is, by and large, to be an electoral machine and not a vehicle for citizens to advance ideas on public policy. Further evidence of this can be found in how the Liberal Party stage-managed a November 2009 party convention, which was held just weeks after the NB Power deal had been announced. The public saw media reports of skeptical party members and the event was given the veneer of being a chance for Graham and Liberal cabinet ministers to hear directly from the party’s grassroots and give those members a chance to have a say in an important policy decision. But a government
official said, “all those questions, which were perceived in the media as almost an uprising among the grassroots Liberals, were actually planted [by the party].” An opportunity for a real policy debate within the Liberal Party was pushed aside in an attempt to minimize damage over a decision taken by only a few party members. Instead of a vehicle for a policy debate, on that weekend, the Liberals were a vehicle for maintaining electoral survival.

If the trend toward the consolidation of power into the hands of a few continues, it stands to reason that some members of the public will continue to feel powerless over the public policy process and will seek ways to influence government decisions, such as protests. Public consultation and engagement is a buzzword that is now routinely tossed around in political circles. Politicians want to seem like they are actively considering the views of citizens in their policy decisions even as they are centralizing power around them. The New Brunswick government attempted to use the Ganong panel as a forum to solicit opinions about the NB Power deal. For reasons cited earlier, the initiative was largely viewed as a failure inside and outside of the government. There is no panacea for erasing public cynicism about policy decisions, but the use of authentic public engagement initiatives may be one way for governments to move ahead with controversial policy initiatives in the future.

Citizen participation in policy debates should lead to an engaged and informed society. It is not going to happen on its own and it is up to governments to actively promote authentic avenues for the public to be engaged on policy issues. The old top-down style of public consultation processes -- where there is a one-way flow of information from the policymakers to the public -- are no longer satisfying the public’s
demand to be involved in the policy process. In these public consultation forums, the public may have a chance to participate in an event but there is not an authentic exchange of ideas and issues raised by the public are rarely incorporated into the future policy decisions. Governments may still find some use for these consultation forums in specific situations, but Lenihan argues they are not suitable for solving complex policy issues. The alternative is for governments to establish public engagement opportunities, which actively engage citizens in a deliberative policy process. The difference between a public consultation initiative and a public engagement initiative is the flow of information and policy options would be shared between the public and the policymakers with the goal of achieving a well-understood decision. These initiatives can give the public a voice in the public policy process.

These public engagement initiatives aren’t without their own shortcomings. They can take a long time given how the public needs time to become educated on a subject, especially if it is complex. The government needs to be involved in the education process by helping the public understand the issue in a way that they feel they are part of the process and not being spun. The NB Power process demonstrated how skepticism is fuelled when people distrust the information provided by their government. Further, there must be an appropriate amount of time for members of the public to be engaged on the policy options available before a conclusion can be achieved. A lengthy process can be expensive and it could cause delays in making a policy decision. There also has to be buy-in from the government that it will move forward with the decisions made during the public engagement initiative if the process is going to have credibility with the public. It
is hard to imagine the public would agree to a lengthy engagement process if recommendations from previous examples were ignored.

Elections can be seen as the ultimate public engagement exercise given that every citizen has the opportunity to weigh competing ideas and use their ballot to indicate their preferred direction. Once a government has been elected, it has been given a mandate from the electorate to follow through on its promises. But considering the shortcomings of modern political parties as outlets for legitimate policy debates as described earlier, there are more opportunities for using public engagement initiatives between elections. As an example, the Ganong commission may have been an effective tool to help chart the province’s energy future, if the process had been started much earlier in the process and citizens had felt their voices would be heard and reflected in the eventual decisions.
7. Summary

Research Question 1:

The New Brunswick government’s handling of the decision-making process during the NB Power sale debate is consistent with Savoie’s governing from the centre model. As quoted earlier, both politicians and policymakers viewed the power resting with the centre of the New Brunswick government. Further evidence rests on Premier Shawn Graham’s reliance on a tight-knit group of political advisers, senior public servants, external law firms, consultants and polling firms during the NB Power debate. The idea of a potential sale of assets did not come from a campaign document and it was not cultivated by policy experts in the Crown corporation or the Department of Energy. Once negotiations started, the power nexus was Premier Shawn Graham and Doug Tyler, the deputy minister of policy and priorities. The minister of energy, the Department of Energy and NB Power were involved, particularly later in the process, but it was clear where the power was held from the beginning.

The idea of cabinet being a “focus group” for major policy decisions is also demonstrated in the NB Power policy debate given the full New Brunswick cabinet was brought in extremely late in the process and only one cabinet minister, Energy Minister Jack Keir, was considered by many to be inside the inner circle of the premier and his political advisers. Cabinet ministers and government officials rationalized why the decision-making process came from the top, but it did not change the fact that Graham entrusted key decisions to only a select few during a major policy decision.
The location of power inside the civil service is also consistent with the governing from the centre model. The policy decision was hatched in the centre and the main power brokers were found in the Executive Council Office and Department of Finance. In *Governing from the Centre*, Savoie writes at length about the influence of the clerk of the Privy Council Office in federal decisions. During the NB Power debate, the clerk of the Executive Council Office was described as one of the senior civil servants, who was brought into the power circle early the process. But the civil servant that had control of the NB Power file was Doug Tyler. While a civil servant in the government organizational chart, Tyler had been a Liberal cabinet minister during the Frank McKenna government, a Liberal campaign strategist in 2006 and a lobbyist before joining the Graham government as a deputy minister. As Savoie wrote in *Power*, when a policy is important those with power will push aside traditional institutions and formal structures to get the job done. The NB Power file was extremely important to Graham. The premier had full trust in Tyler and Tyler’s connection to Graham gave him power inside the civil service. The deputy minister of finance had a key role throughout the process and was involved in the first meeting between Graham and Quebec Premier Jean Charest. The Department of Energy and NB Power’s influence, especially early in the process, was minimal, which is again consistent with the governing from the centre model.

Scholars, such as Savoie and Aucoin, have discussed the idea of a politico-bureaucratic spin doctors, who are taking on larger roles inside the civil service. While there were others involved in the spinning of the deal, Maurice Robichaud, the deputy minister of Communications New Brunswick, fits this description. Robichaud held a
senior communications role in the McKenna government and had a career as a private sector public relations expert before returning to the New Brunswick government. Robichaud had also been a political adviser to Graham. During the NB Power debate, Robichaud was in charge of the media management and communications of the file. When the deal was about to be announced, Robichaud turned to Hill and Knowlton as an outside consultant to help with the public relations campaign. Hill and Knowlton brought Steven MacKinnon, a former colleague of Robichaud’s in the McKenna government, into the province to assist in the communications effort. These relationships reflect Savoie’s view of how lobbyists are a new type of patronage. Robichaud knew he could trust MacKinnon, so the government hired that firm to handle the delicate file.

Graham had deftly acquired all the levers of power available to him as the premier of New Brunswick and either used them or handed them to his key advisers in this file. As demonstrated by the fact the deal died, Graham lost some power to other players. The NB Power deal was both a political and a business arrangement. The future of NB Power was the sole prerogative of the New Brunswick government as the Crown corporation’s shareholder. Quebec Premier Jean Charest, however, also had power as did the officials at Hydro-Québec. Despite the New Brunswick government’s wish to get a deal finalized, as the shareholder of the Crown corporation being acquired in the transaction it handed over a significant amount of power to the Quebec government and Hydro-Québec.

Savoie described a prime minister as a “veritable juggernaut” that could only be “stopped or slowed only by the force of public opinion only by a cabinet or caucus revolt” (Savoie, 2010, pp. 133). This is another area where Graham clearly saw some of his power erode. The cabinet and caucus revolt, led particularly by Social Development
Minister Kelly Lamrock, was particularly harmful because it brought the internal Liberal divisions into the public spotlight and Graham’s refusal to fire Lamrock over this dissension was criticized by Liberals. Graham also lost Justice Minister Michael Murphy to a resignation (although at the time Murphy denied it had anything to do with the NB Power controversy) and Tourism and Parks Minister Stuart Jamieson to the minister’s public insistence the NB Power sale should be put to a referendum.

The influence, or soft power, held by the media will be examined in greater detail in the following sections. But this is another area that the New Brunswick government could not control during the NB Power debate. Other areas, such as the courts, may have eventually stripped Graham of additional power. A group of citizens had been in court fighting for access to public documents associated with the NB Power deal when the negotiations were terminated. It is unclear what impact that specific court case, or any others that may have come in the future, would have had on the policy decisions taken by the New Brunswick government.

**Research Question 2:**

What impact did the media have on the policymakers and politicians during the NB Power sale debate? The media, both traditional media and new media sources, offered a platform for politicians to explain the proposed power deal to New Brunswickers and it allowed citizens to relay their views on the deal with the New Brunswick government. A null hypothesis to this question would be, the media had no influence or impact on policymakers and politicians during the NB Power sale debate. The examination of the three specific policy decisions during the NB Power debate
included many quotations from politicians, policymakers and members of third-party groups who unequivocally dismissed the null hypothesis. However, the opposite is also false. The media were not the only factor that influenced politicians and policymakers during the NB Power sale debate.

It is difficult to assign either a percentage or a specific level of influence of the media compared to other factors, because interviews with politicians and policymakers found the level of influence given to the media over policy decisions varied by the person. Further, politicians regularly cited examples of when the media influenced decisions made by them or others, whereas policymakers were more likely to say they were not influenced by the media as much as they were instructed to make changes based on what their bosses (politicians) read, saw or heard in the media. There was also an important distinction raised by several participants. As the deal became more unpopular in the months after it was announced, the media coverage influenced caucus members of the Liberal government, who put pressure on cabinet ministers and the premier to reverse course. In that situation, the media had influence, albeit indirect, on the policy process.

As described at length earlier, the New Brunswick government had not intended to create a blue-ribbon panel of experts to study the proposed power accord and the significant changes unveiled in January 2010 had not been envisioned, although always possible, when the original MOU was signed with the Quebec government. These policy changes, along with the ultimate decision to terminate negotiations, were all influenced by the media directly or indirectly between October 2009 and March 2010. The influence of traditional and new media sources over policy decisions undertaken by the New Brunswick government will be individually assessed in RQ3 and RQ4.
Research Question 3:

New Brunswick’s unique media landscape means special attention was paid to how each platform influenced the policy process. Studies have demonstrated that television still holds a dominant position as a source of news for people followed by newspapers and radio. The province’s main English-language daily newspapers are all owned by a single company, which endorsed the sale of NB Power and the newspapers struggled with a credibility issue throughout the NB Power sale debate. The only New Brunswick-based television stations are the public broadcasters -- CBC and Radio-Canada -- but the region’s highest-rated television program is located in the neighbouring province of Nova Scotia. So given the unique media landscape, what specific role did the traditional media coverage play in the decision-making process?

RQ2 already disproved the null hypothesis that the media played no role in influencing policy decisions during the NB Power sale debate. Given that, print and television would have played a role in influencing the policy process, but the research shows the platforms had different roles. Research participants also described deeply held beliefs that certain platforms were treating one side better than another. There was also an assertion among some people interviewed that the Irving-owned newspapers were biased in favour of the power deal, while the publicly-owned CBC was against the deal. Proving the allegations of media bias is beyond the scope of this research, but acknowledging these beliefs is important in understanding how the policy process was influenced by the media.
Television, although losing ground to new media sources, is often cited in research studies to be the primary source of news among members of the public. In the NB Power sale debate, CBC Television devoted a significant amount of airtime to interviews and stories about the proposed agreement. But it was rated near the bottom of the primary news sources cited by research participants, tied with online media and behind radio and newspapers. The majority of participants interviewed were involved in the policy process so it stands to reason, if they believed the television coverage was biased against the deal, that they looked to an alternate platform for their primary news source. While policymakers turned to other news sources, particularly print, during this period, there was an admission among many interviewed that they believed citizens tended to rely on television for their news. One cabinet minister said he made sure he watched the evening television news because he felt that was what his constituents would be watching. Several cabinet ministers also indicated the style of news coverage in television negatively impacted their ability to deliver their message to citizens. Specifically, these ministers said they found it nearly impossible to explain a complex power deal in the short clips used in television stories and they felt opponents were able to use the same platform to effectively deliver short clips containing unfounded allegations. These factors were often cited by politicians and policymakers for why the public ultimately opposed the deal and why they were forced to make policy changes.

The complexity of the proposed power deal was often used as a reason to explain why the public opposed the deal and several cabinet ministers said when they explained the deal in smaller groups that many people warmed up to the deal. The inability to explain the deal once it was announced reflects the New Brunswick government’s
decision to avoid priming the public before the deal was announced. The constraints of television meant proponents had only short clips to explain a complex power agreement to a public that had no background knowledge on the rationale for the sale and opponents to the deal were able to capitalize on the public uncertainty by delivering short soundbytes criticizing the deal. As deal proponents failed to explain the deal and opponents effectively framed a negative position on the NB Power sale, the deal became more unpopular in the public and as the deal became more unpopular in the public, the politicians and policymakers were forced to seek out policy changes. Television was not the only actor in this process but the research points to an impact on the policy process.

The role of newspapers in influencing the policy process is even more complex. The print media was cited by a majority of politicians and policymakers as their primary source of news and during the interview process they often said they found themselves influenced more so by newspapers. The Irving-owned newspapers were seen by the deal’s supporters and opponents as biased in favour of the power agreement because of the benefits that it would bring to other Irving-owned companies, specifically the forest products division. Further, politicians said they often felt they were able to communicate their message better in print compared to television because they were not constrained to one short clip and a few participants pointed to a series of lengthy feature articles published in the *Telegraph-Journal* that proponents believed were supportive of the agreement and explained the issues behind the deal thoroughly. Taking into consideration the belief the Irving-owned newspapers were supportive of the deal, the print media generated significantly more content than television during the research period, politicians and policymakers felt their message was better communicated in the print
media and the public opposition continued to grow until the deal was ultimately shelved, it can be observed that the print media had less of an impact on the public than it likely did on politicians and policymakers.

Multiple interview subjects felt the Irving-owned papers suffered a tremendous hit on their credibility with the public because of their coverage of the NB Power debate. Where the print media likely did have an impact on the policy process was the sheer volume of stories written about the proposed deal. Cabinet ministers interviewed could not pinpoint a precise tipping point where the number of stories written on a subject caused a policy change. But the daily stories across all of the platforms did create a belief inside the New Brunswick government that policy changes were needed and the print media would have played a role in that respect. Although no politicians or policymakers explicitly made this argument, the support of the print media may have created a false sense of hope that the public would eventually come around to support the deal and that may have delayed policy changes.

Among the two traditional media platforms examined, both had an influence over politicians and policymakers. But the evidence collected through a series of interviews suggests the television media may have had a greater influence than the print media in that the government failed to prime the public before the deal was announced, politicians claim to have had a harder time communicating their message in television, opposition continued to grow during the deal and the negotiations eventually were ended. A different jurisdiction with a different media history could yield different results in a similar study. The research findings are definitely influenced by the existence of the Irving-owned
media and the perceived distrust of many citizens of the Telegraph-Journal’s corporate interests.

**Research Question 4:**

The impact of new media on the NB Power sale debate proved to be a true wild card. The New Brunswick government prepared for a traditional media campaign, which included a reliance on television, print and radio coverage as well as paid advertising. What it did not expect was the dynamic of breaking news interrupting the traditional news cycle, the devastatingly negative comments made on online comment boards and the organizing power of social media. Many elements of the NB Power deal were first reported on websites, such as CBC News, and politicians admitted they struggled with how quickly news spread in this new media climate. The influence of new media will be broken into two groups: online media and social media. Online media will examine the influence of websites, particularly CBC News, and the comments made on the bottom of news articles. Social media will refer specifically to how social media sites, such as Facebook and Twitter, influenced politicians and policymakers during the NB Power debate.

Of the three platforms examined in this study, online media had the fewest number of stories published. As previously noted, the evolving style of online storytelling means these stories often required multiple updates, would have included audio and video links, that would have all played a role in the influence of a particular story. While newspapers were the most cited primary source of news by politicians and policymakers in this study, online media was tied with television, which indicates its growing
influence. A particular online story on CBC News would not have more or less influence than a CBC Television or an article in the *Telegraph-Journal* on the policy process.

However, the unique role played by online media during this debate could be seen in how news was broken and how that news was then injected into social media. Previous governments would have dealt with a traditional news cycle where newspapers dominated the morning and television news dominated the evening. With the rise of online media, politicians and policymakers were continuously responding to stories and new demands for information. A comment by Newfoundland and Labrador Premier Danny Williams could be relayed to a reporter in New Brunswick and that could instantly disrupt the news cycle instead of waiting for the comment to be aired on the evening news or the next morning’s newspaper. Politicians and policymakers concurred that actual policy decisions may not have been altered by the breaking nature of online news but they were forced to change or adapt their messaging to respond to stories that were appearing online.

Politicians were also forced to deal with comments made about the proposed deal on the bottom of online stories. The majority of these comments were negative and many used inflammatory language and included ad hominem attacks on the politicians involved in the deal or the province of Quebec. The negative tone of the comments was universally opposed as was the fact that people, particularly on CBC News, were permitted to post the comments anonymously. Several politicians said they were not influenced by the comments they read, but the ministers did read the comments. A government official said his minister was particularly focused on the negative comments. A separate official said the negative comments spurred on the anti-NB Power sale forces because it offered them
a sense that they were not alone in their opposition. This could be seen as an indirect influence on the policy process. The comments themselves did not influence the policy process, but the negative comments may have played a role in emboldening the deal’s opponents and it was the opposition to the deal that caused policy changes. Government officials admitted they tried to inject positive comments into these online debates, but these efforts proved unsuccessful. The admission that policymakers attempted to intervene in online forums reinforces that online comments did have an influence in the NB Power sale debate. While anonymous comments were harshly criticized by politicians and policymakers, they did offer an outlet for people, who may have been scared of retribution for speaking out against the deal, to air their concerns in a public forum. There could be a broader debate over how best to involve citizens in the policy process, but simply shutting down one aspect of public participation seems shortsighted and only benefiting governments and elites.

The growth of social media influence during the NB Power sale debate likely surprised many, particularly in the New Brunswick government. Social media sites, such as Facebook and Twitter, were not new in October 2009, but they had never been used in an orchestrated way to mobilize opposition across the province to a policy decision in New Brunswick. The two most widely used social media sites, Facebook and Twitter, were used in very different fashions and therefore influenced the political and policy process in different ways. Third-party groups, particularly the citizens coalition, used Facebook to mobilize their followers to participate in protests and to deliver information. These third-party groups did not have the same daily access to the media as politicians did but they used their large network of followers to deliver their message without a
filter. A third-party official noted the coalition’s network of Facebook pages had more followers than the *Telegraph-Journal* had readers, so they adjusted their media strategy to focus on social media and put less influence on traditional media, particularly print. This development may have a long-lasting impact on future policy decisions and how groups of citizens organize to support or oppose political or policy decisions. The influence cycle of Facebook during the NB Power debate was to organize and mobilize opponents to the NB Power sale and deliver unfiltered information to these citizens and then politicians and policymakers would be influenced by protests organized by these groups or the growing opposition to the deal, which arguably was heightened because of the actions of the coalition and its supporters. Politicians, in particular, said they did not make changes specifically because of comments they saw on Facebook pages, but several admitted to reading them often and trying to post comments on those pages in response to statements by opponents to the deal. This rudimentary use of Facebook to organize opposition to the NB Power sale demonstrated, at the very least, indirect influence on the policy process. It has to be assumed this influence will only grow and become more direct as social media strategies continue to become increasingly sophisticated in the future.

Twitter also played a role in disseminating information and mobilizing people during the NB Power debate, albeit at a much lower profile than Facebook. It is difficult to empirically test the number of tweets and reach of Twitter messages during the NB Power sale debate. Twitter allowed journalists, politicians and citizens to share information and news about the deal in real time. For journalists, it put them into contact with news sources and pieces of information that help in the newsgathering process.
Citizens could use the social media platform to receive news or to add their own comments to the debate and share information about upcoming events or protests. And for politicians and policymakers, Twitter served as an early-warning system so they could see what journalists were covering and what they could be asking questions about at the next media availability. In the case of the NB Power debate, the role of Twitter may be viewed more as a tool for the elite compared to Facebook, which was more a tool for the masses. Twitter was used more by journalists and they were able to interact with sources and see what other journalists were working on throughout the day. With this unfolding in a public forum, politicians could attempt to intervene and shape those stories before they were ever filed. This elite dynamic may have had an influence over fewer people than Facebook, but it may have had a more direct influence on those people making decisions. Even though politicians attempted to participate on Facebook, their influence in that social network was limited. On Twitter, however, the politicians and officials could try and shape a debate with a journalist or share information that may catch the attention of a journalist. Moreover, a journalist may have decided to cover a story in a different way if they discovered their competition moving in a certain direction. While a direct link to actual policy changes cannot be made, the indirect influence Twitter played in this specific case study should not be underestimated. Twitter may not have had a role in changing a specific policy, but politicians and several policymakers admitted they used social media to monitor what was happening in those environments and alter their messaging. Similar to Facebook, the influence of Twitter will likely increase as the number of politicians, journalists and citizens grows and these groups become more effective in using the site to share information.
8. Case study: Conclusion

The case study of the New Brunswick government’s failed attempt to sell assets of NB Power to Hydro-Québec in 2009 and 2010 helps illustrate the media’s influence over policy decisions. There is clear evidence about how the provincial government used the governing-from-the-centre style as it moved the contentious policy proposal through the system. The three policy decisions -- the appointment of the Ganong panel, the decision to unveil the MOU2, the termination of negotiations with Hydro-Québec -- along with the influence over the media coverage of Newfoundland and Labrador Premier Danny Williams all demonstrated how the media did have an effect on policy and political decisions being made in New Brunswick. Further, the survey of politicians and policymakers also offered a glimpse into the importance the media plays with modern decision-makers and their media consumption patterns. Each of the three research questions rejected the null hypothesis that the media had no effect on policy decisions. This case study has raised some recommendations on how some of the problems highlighted by interview participants and the analysis could be addressed. Further, there is still ample room for further study to try and pinpoint the media’s influence in the policy-making process.

Recommendations

1) Centre for Public Engagement

One consistent finding from those interviewed was how poorly the New Brunswick government engaged with the public during the NB Power debate. The
criticism was not simply at the actions of politicians and policymakers between October 2009 and March 2010, but interview participants admitted the failure extended well beyond simply six months of intense debate around the sale of NB Power. There were questions raised about the provincial government’s refusal to educate people on energy issues before the deal was announced and to engage with them on the potential solutions for these issues. Often, the criticism was levelled at Premier Shawn Graham’s handling of the NB Power issue, which is reasonable because of his position as head of the government. There was an acknowledgement that the public demands a higher level of information about decisions now and how citizens want to be engaged before policy decisions are made. This led one participant to question whether major decisions could be made in the future because the nature of major deals, such as trade deals or government-to-government or government-to-business transactions, require some degree of secrecy.

Politicians and policymakers pointed to a lack of knowledge and capacity to engage with citizens within the civil service.

The New Brunswick government has a small unit for public engagement that is located within the Executive Council Office. Each department has a communications staff that is largely responsible for engaging with its stakeholders and members of the public. Clearly, the failure of major policy decisions, such as the NB Power sale, or smaller policy decisions show there is a need for more training and leadership within the civil service on how to engage with the public on policy issues.

There is an opportunity here for a university or an institute to become leaders in public engagement and then to train students and civil servants on modern public engagement methods. The goal would be to have these students wind up inside the civil
service and use their training to deploy the most effective public engagement techniques when dealing with large or small policy decisions. The centre could also train individuals who would work with non-governmental organizations or other firms that could engage with citizens on other policy issues. The overall goal would be to create a culture of public engagement, so citizens feel they are involved with the decisions that affect them in their communities.

2) Greater use of online public engagement tools

The lack of adequate public engagement was referred to by many interview subjects during the fieldwork. The New Brunswick government hired Don Lenihan, a public engagement expert, earlier in its mandate to write a report on how citizens should be engaged with on public policy initiatives. That report led to the Poverty Reduction Roundtable, a process that has been widely celebrated as a way to engage with the public. But that process was done entirely offline, using traditional methods of meetings and reports. This process, however, did show the New Brunswick government was capable of actively engaging with citizens on a policy issue. The New Brunswick government in 2009, and even 2013, has shown very little interest in engaging with citizens online. For example, online petitions are commonplace in places, such as Scotland, the United States, Queensland, Australia. Given the communications infrastructure already in place with Service New Brunswick, it seems logical that a system of e-petitions could be adopted without much trouble or cost in New Brunswick.

As noted earlier, a report from a government-appointed commission indicated it was unable to actively engage with citizens on social media because the bureaucracy
lacked specific protocols and guidelines on how to use social media given the traditional role of civil servants is not to publicly interact with the citizens on policy issues. The number of citizens using social media is continuing to grow and its influence on the policy process is continuing to strengthen, as demonstrated in the case study. This is an area where governments can interact with citizens, but in order to do that civil servants must feel free to engage with people in these environments without fear of losing their jobs if they post something that their employers do not agree with. So a clear protocol that describes how civil servants can officially interact with citizens on social media would be an important step.

There are other ways the New Brunswick government could engage with citizens online given a little creativity within the civil service and the leadership from the Executive Council Office or Office of the Premier. In some regards, the provincial government could simply adopt strategies employed by other governments just to catch up in the short term as it prepares for more far-reaching ways to engage with citizens online.

**Opportunities for future research**

1) Detailed agenda-setting research initiative

   The 1983 study conducted by Cook, Tyler and Goetz could serve as a useful guide to future study of agenda-setting, particularly around new media. The researchers in the 1983 study worked with a team of journalists at NBC News six months before an investigative series aired on television on the subject of fraud and abuse in a federally-
funded home health-care program. The researchers were given information on the subject matter and why the journalists picked that topic. The researchers then conducted a series of pre-interviews and post-interviews with 300 members of the general public (150 in a control group and 150 in an experimental group) and 51 policy makers. The researchers were then able to track views on the subject of fraud and abuse in the home health-care program. This style of research requires a tremendous amount of collaboration between researchers and the media and it would be expensive given the number of researchers required. But it would offer a unique chance to see agenda-setting dynamics, essentially, in real time. It would also be of interest to see how the findings of Cook, Tyler and Goetz may have changed over 30 years. The study could also be broadened in ways to see how the story was followed on new media and social media.

2) Further study on social media and public policy

A shortcoming in the case study examining the New Brunswick government’s failed attempt to sell assets of NB Power is that it happened after the fact and it was not possible to undertake a serious look at the reach of social media beyond the qualitative interviews conducted with participants. There are more companies that are conducting social media monitoring and can offer specific information on how often a subject is mentioned in social media (i.e. mentions on Facebook or the use of a hashtag on Twitter), some companies also track tone of comments on social media. In the context of the NB Power debate, it would have been interesting to gauge the number of mentions of NB Power and reach of the various Facebook pages, specifically those of the coalition and the provincial government, or the activity around NB Power or the #nbpower4sale.
hashtag on Twitter. The Twitter traffic, for instance, could be measured to see if the volume of tweets increased around big news events. A U.S. study by DiGrazia, McKelvey, Bollen and Rojas suggested the number of times a candidate’s name was mentioned on Twitter increased the likelihood of their election, even when controlling for factors, such as incumbency (DiGrazia, McKelvey, Bollen and Rojas, 2013). A similar study in a Canadian context could be instructive on how social media influences elections in this country. Similarly, Activate Direct, in partnership with Tulchin Research and PWSMC Social Media consulting, conducted a 2011 study that looked at positive and negative comments on Twitter and showed a linkage between positive or negative ratings in opinion polls. Again, a similar study in a Canadian context could shed new light on how Twitter specifically, or social media generally influences public opinion.

3) Further study on new media and public policy and public engagement

Many participants during the case study fieldwork mentioned how new media had changed the way the policy debate unfolded. This case study looked at three different platforms, so it could not look in greater detail into the effects of new media during the policy process. Future research could examine the impact of a faster news cycle, the ability for citizens to share information or the ability of people to comment on stories. The importance of this research will remain high as long as new media continues to grow in influence and media consumption patterns among citizens and political and policy elites continue to change. The amount of research conducted specifically on new media and how it relates to issues, such as agenda-setting, is growing but still has a long way
before it catches up to the similar volume of research conducted on platforms, such as television and newspapers.

4) Social media effect on democratic engagement

It has been noted by many scholars in recent years, starting with Putnam in *Bowling Alone*, that younger generations are not as actively engaged in civic life compared to their parents’ or grandparents’ generations. Fewer people are participating in traditional forms of civic or democratic engagement, such as voting, attending town hall meetings, joining political parties or signing petitions. This is concerning to many scholars, who worry about the long-term implications on society if younger generations continue to withdraw from these civic activities. There is room for study to examine the impact of online activities, such as joining Facebook groups, participating in political exchanges on Twitter, signing e-petitions and reading news or commenting on news online could have on boosting civic awareness and engagement. The research could examine whether citizens are simply using online activities to replace things they once did offline. Or, are citizens, who are now engaging in civic affairs online, more likely to become active offline. In the context of the NB Power debate, a coalition member said the group was cognizant that many people in the coalition had never been involved in a grassroots movement so the group made an effort to keep Facebook pages, for example, on point and not scare away some of these new members. So, did the very process of signing up to a Facebook group encourage people to then sign a petition (electronic or otherwise) and then prompt them to have an offline political discussion or join a protest? These are all open questions that would be important for future study.
5) Future study of online public engagement activities

The NB Power case study effectively showed how inept the New Brunswick government was in handling public engagement, particularly online. Governments across the world are putting a greater emphasis on engaging with citizens online by putting more data online, creating e-petition systems, etc. The New Brunswick government is slowly moving in this direction. Following the 2010 election, the New Brunswick government created a public engagement and consultation page on its website that informs citizens of proposed regulatory changes and informs them on any public information sessions that are happening.

The New Brunswick government has not openly embraced open data, the legislative assembly still does not allow e-petitions, the New Brunswick government does not effectively use online surveys, etc. As the New Brunswick government starts to move further down the road of online public engagement initiatives, it will be important to study how these changes are received by the public and whether these activities encourage more participation in political and policy activities.

**Summary**

The NB Power case study could be viewed completely through a negative lens by focusing on the lack of public engagement prior to the policy announcement, a premier’s decision to keep a firm hold on all the levers of power and the ultimate demise of the proposed deal. That view, however, would miss some of the larger lessons offered by the NB Power case study. The analysis of the premier’s handling of the contentious file shows some of the shortcomings for those who adopt the governing-from-the-centre
model. Graham showed how a policy that is important to a premier can move swiftly through the bureaucracy. But it also shows how that decision-making process can backfire on politicians and policymakers if they move forward with a policy that is out of step with the desire of citizens. Also if that policy idea fails, as in the case of the proposed NB Power deal, the criticism is aimed directly back at the centre. This may not be a lesson enjoyed by politicians and policymakers, but it shows that governing from the centre does have its limits.

Opposition Leader David Alward may have allowed his rhetoric to overstate the implications of the termination of talks with Hydro-Québec when he called it a “wonderful day for democracy.” It may have been a wonderful day for opponents of the deal but the future of the province’s democratic institutions was never in jeopardy. Alward’s statement, however, could be reframed as a wonderful day for the public’s involvement in policy decisions. That may not have the same rhetorical flourish, but citizens sent a clear message to politicians and policymakers that they still want to be involved in policy decisions that affect them. The NB Power debate demonstrated how citizens can quickly become engaged in a political or policy decision if they feel passionately about the issue. Furthermore, citizens are adopting new ways to become engaged in these civic debates and to mobilize in ways so that their voices can be heard by politicians and policymakers. Citizens are also using social media to co-ordinate their opposition to policy decisions and to share information quickly amongst themselves or directly with politicians. This also means politicians can no longer rely on the reach and influence of traditional media institutions to be their primary gauge for how the public is reacting to a policy decision.
The attempt to sell parts of NB Power to Hydro-Québec may be long remembered in New Brunswick politics as a policy failure, perhaps one of the largest missteps in the province’s recent history. But the failed power deal may also turn out to a pivotal moment when it comes to how New Brunswick governments engage with citizens on major policy issues.
Works Cited


Innovative Research Group, March 2010


Curriculum Vitae

Daniel James McHardie

Education

University of New Brunswick  
Master of Philosophy (Policy Studies)  
Fredericton, New Brunswick  
- Thesis proposal defended Summer 2012  
- Working title: How the media influences public policy: A case study on the New Brunswick government’s failed attempt to sell NB Power

Carleton University  
Bachelor of Journalism with High Honours  
Ottawa, Ontario  
Bachelor of Arts (Political Science)

Work Experience

University of New Brunswick  
Research Assistant  
Fredericton, New Brunswick  
September 2013 to Present

Canadian Broadcasting Corp.  
Online editor/reporter  
Fredericton, New Brunswick  
October 2008 to (Leave of absence)

New Brunswick Telegraph-Journal  
Legislative Reporter/Province Assignment Editor  
Fredericton, New Brunswick  
November 2006 to October 2008

The Moncton Times & Transcript  
Legislative Bureau Chief  
Fredericton, New Brunswick  
January 2001 to November 2006

The Globe and Mail  
Reporter  
Toronto, Ontario  
May 2000 to September 2000

The Ottawa Citizen  
Reporter  
Ottawa, Ontario  
October 2000 to November 2000
The Globe and Mail
*Reporter*
February and December 1999
*Toronto and Ottawa, Ontario*

Prince Rupert Daily News
*Reporter/photographer*
April 1999 to August 1999
*Prince Rupert, British Columbia*

Shuswap Sun and Enderby Commoner
*Reporter/photographer*
May to August 1999
*Salmon Arm and Enderby, British Columbia*

**Awards**

Gold medal winner for 2012 Atlantic Journalism Award for Best Multimedia Project for *Fractured Future*, a special report on the shale gas industry in New Brunswick
Nominee for 2011 Gemini Award as a part of the CBC Politics team for best cross-platform project for Canada Votes 2011
Winner of 2011 RTDNA (Atlantic) in the Digital Media Award for *Fractured Future*, a special report on the shale gas industry in New Brunswick
Winner of 2012 RTDNA (national) in the Digital Media Award for *Fractured Future*, a special report on the shale gas industry in New Brunswick
Silver medal winner for the 2011 Atlantic Journalism Award for Online News Reporting for *NB Power Deal Unplugged*
Silver medal winner for the 2011 Atlantic Journalism Award for Online News Reporting for December storms
Silver medal winner for the 2004 Atlantic Journalism Award in continuing coverage for reporting on the $2-billion NB Power Orimulsion fuel fiasco
Silver medal winner for a 2001 Atlantic Journalism Award for the Moncton Times & Transcript’s team coverage of the aftermath of the Sept. 11 terrorist attacks.
2000 Carleton School of Journalism scholarship for graduating student excelling in reporting on Canadian government and politics.
1999 Canadian Community Newspaper Association Award for Best News Story (circ.15,000 and over) for the Shuswap Sun’s coverage of the Salmon Arm forest fire.
1999 Carleton School of Journalism scholarship for Best Investigative Journalist heading into fourth-year studies

**Work-related Experience**

Presented to the Institute for Public Policy in Fredericton on social media and politics in 2012.
Presented Right to Information seminars to the Institute for Public Policy, Canadian Bar Association, the Office of the Auditor General and St. Thomas Journalism classes.
Served one term as the Graduate Students Association representative on the board of directors for The Brunswickan.
Appeared several times on panels to discuss the media and the Right to Information Act during the annual Right to Know Week in New Brunswick.

Co-authored the New Brunswick Press Gallery's submission to the Donald Savoie task force on the Right to Information Act.

Served two terms as the President of the New Brunswick Press Gallery.

Served one term as Vice-President of the New Brunswick Press Gallery.

Completed a two-week French immersion course at the Centre international d'apprentissage du francais at l’Universite de Moncton, campus de Shippagan.

Twice elected President of the Canadian Association of Journalists – New Brunswick chapter (2002-2004).

Elected secretary of the Canadian Association of Journalists – New Brunswick chapter.

Teaching Assistant at Carleton University (2000): Second-year Media Law


The Charlatan’s Parliamentary Bureau Chief from January 1997 to April 2000

Volunteer/staff member for Voices, an intercultural youth leadership team. A non-governmental organization that specialized in issues such as fighting racism and bullying.