Canada's next election is scheduled for October 19, 2015. It is being held at a time of slowing economic growth and ongoing controversies over anti-terrorism legislation and Canada's role in combating the Islamic State. The outcome of the election may have implications for the United States, which is Canada's largest trading partner, largest energy consumer, and NATO ally (see CRS Report 96-397, Canada-U.S. Relations).

Electoral System

Canada is a constitutional monarchy (Elizabeth II is Queen of Canada) with a bicameral Westminster-style Parliament that includes an elected House of Commons and an appointed Senate. In the upcoming election, 338 Members of Parliament will be elected from individual districts ("ridings") under a first-past-the-post system, which only requires a plurality of the vote to win a seat. The party winning the most seats typically gets the first chance to form a government. A government lasts as long as it can command a parliamentary majority for its policies, for a maximum of four years. If no single party holds a majority of seats, a minority government can be formed that attempts to pass legislation on a vote-by-vote basis. If a government loses a vote of confidence, new elections can be called, or the Governor-General (the Queen's representative) can offer other parties a chance to form a government.

Major Political Parties

Three major national parties are competing for votes. The incumbent Conservative Party, led by Prime Minister Stephen Harper, has been in power since 2006, and has governed with a majority since winning 166 seats in the last election in 2011. The Conservatives are running on their management of the economy during the recovery from the 2008 financial crisis and the enactment of anti-terrorism legislation following the Parliament Hill shootings of October 2014. However, the recent decline in the price of oil has taken a toll on the economy, which is now in recession, and the anti-terrorism law has proved controversial. It includes increased surveillance, greater information sharing among government agencies, and new powers for Canadian authorities to disrupt suspected plots. Harper has also been faulted for not following through on his pledge to reform the Canadian Senate, many members of which have been implicated in scandals in recent years.

The New Democratic Party (NDP), led by Thomas Mulcair, is the Official Opposition. The NDP achieved a breakthrough in the 2011 election, making significant gains in Quebec at the expense of the separastist Bloc Quebecois and supplanting the Liberal Party as the main left-of-center party in Parliament with 103 seats. Mulcair's NDP has differentiated itself from both the Conservatives and the Liberals by opposing the anti-terrorism law on civil-liberties
grounds, advocating a slight increase in corporate taxation, and pledging to withdraw Canadian forces from the anti-ISIS campaign in Iraq.

The Liberal Party, the dominant party during much of the 20th century, won only 34 seats in the 2011 election, its worst showing ever. The election of Justin Trudeau—son of former Prime Minister Pierre Trudeau (1968-1979, 1980-1984)—as party leader helped the Liberals recover some support, but the 43-year-old has been hurt by his perceived lack of experience. He also has been criticized for his stance on the anti-terrorism law, voting for it but declaring he would enhance oversight and privacy safeguards if elected. Some analysts have attributed the withering of the Liberal Party to the increased polarization of the Canadian electorate.

Elizabeth May, who has participated in some party leader debates, is the lone Member of Parliament of the Green Party.

State of the Race

With Election Day less than a month away, it remains a close three-way race, with each party leading in one poll or another. CBC projections for individual seats indicate that the Conservatives would win a plurality, but would fall well short of the 170 seats needed to form a majority government.

Figure 1. State of the Race: September 21, 2015

![Graph showing the state of the race with projected seats for the Conservative Party, New Democratic Party, Liberal Party, Bloc Quebecois, and Green Party.]

Note: The House of Commons will increase from 308 to 338 seats with the 2015 election.

Potential Implications

The outcome of the election could have implications for the U.S.-Canada relationship, which some consider to be strained at present. Some areas of bilateral relations that may be affected include:

- **Keystone XL Pipeline (KXL) and Climate Change:** The Harper government has lobbied the U.S. government extensively to approve KXL, which has become a source of contention in bilateral relations. President Obama has yet to make a final decision, but has stated "the net effects of the pipeline's impact on our climate" will determine the fate of the project. Trudeau supports KXL, but has criticized Harper for allowing the issue to damage bilateral relations. He maintains that it has a better chance of moving forward under a Canadian government more committed to addressing climate change. Mulcair has also called for more aggressive action on climate change. He opposes KXL, claiming it would export 40,000 jobs that could be created in Canada's construction, refining, and processing industries.

- **Islamic State:** The Harper government has contributed six CF-18 fighter jets, two surveillance aircraft, a refueling aircraft, and 600 personnel to support coalition air operations against the Islamic State. It has also deployed 69 special operations troops to advise Kurdish peshmerga forces in Iraq. Mulcair and Trudeau have opposed Canada's aerial campaign in Iraq and Syria, asserting that Harper has failed to provide well-defined objectives or an exit strategy. While Mulcair would withdraw all Canadian personnel, Trudeau would expand
efforts to train Iraqi forces. All three party leaders have pledged to accelerate the resettlement of Syrian refugees since it was revealed that the family of a drowned Syrian child, whose image has become a symbol of the refugee crisis, had hoped to receive asylum in Canada.

- **Trans-Pacific Partnership (TPP).** As part of its broader push for free trade agreements, the Harper government negotiated Canada's entry into the TPP. Canada is on the defensive over its supply management system for dairy, poultry, and eggs, however, as the United States and New Zealand are seeking greater access to Canada's heavily restricted dairy market. Harper is under pressure from Mulcair, in particular, to defend supply management, and the Prime Minister may have limited room to negotiate on the issue during the election. None of the three major parties are opposed to the TPP in principle, although the NDP and its traditional union base generally have been more skeptical of such agreements.