

Politics Electrified: Three-in-four Ontarians say their hydro bills are ‘unreasonable’; think they’ll rise further

Nearly eight-in-ten say hydro issues will be at the top of their minds during the next provincial election.

March 24, 2017 – As Premier Kathleen Wynne’s approval rating threatens to fall into the single digits – dropping to 12 per cent in [the latest Angus Reid Institute report](#) – a new ARI analysis of polling data finds Ontario residents keeping tabs on her government’s efforts to [reduce the price](#) of electricity in the province, but still deeply frustrated by hydro issues.

The vast majority of Ontarians oppose the ongoing sale of shares in Hydro One, which they think will worsen the problem of electricity rates already deemed “unreasonable” by most.

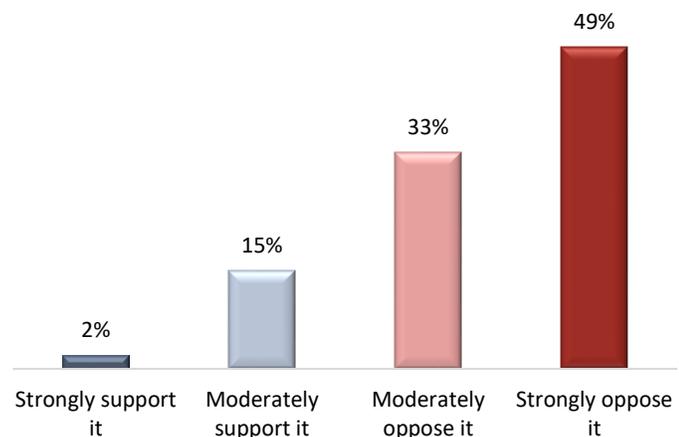
Some six-in-ten say the Wynne government’s plan to reduce rates by cancelling provincial sales tax on hydro bills and refinancing hydro-related debt will be an important factor in who they vote for in next year’s provincial election, but even larger numbers say the cost of electricity and the Hydro One sale will be critical to their vote.

This data suggests that Wynne has captured the attention of Ontarians; whether it’s possible for the government to turn around its fortunes remains to be seen.

Key Findings:

- More than eight-in-ten Ontarians (82%) oppose the ongoing sale of shares in Hydro One to private investors. Roughly half (49%) oppose the sale “strongly”
- Three-quarters of Ontario residents (74%) describe their household energy bills as “unreasonable,” and roughly the same number (76%) expect the Hydro One sale to increase hydro rates even further

What is your opinion on the sale of shares in Hydro One to private investors? Do you:



METHODOLOGY:

The Angus Reid Institute analyzed the results an online survey conducted from March 6 – 13, 2017, among a representative randomized sample of 5,404 Canadian adults, including 804 Ontario residents who are members of the [Angus Reid Forum](#). The survey data were donated by MARU/Matchbox. The sample plan included large over-samples in many provinces, weighted back to provide a national snapshot. For comparison purposes only, a probability sample of the Ontario size would carry a margin of error of +/- 3.5 percentage points, 19 times out of 20. Discrepancies in or between totals are due to rounding. Detailed tables are found at the end of this release.

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- More than three-in-four say these two electricity-related issues will be important factors they consider when deciding who to vote for in the next provincial election, while 62 per cent say the same about the Wynne government's plan to reduce hydro rates in the coming months

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PART 1 – Hydro bills overwhelmingly viewed as ‘unreasonable’

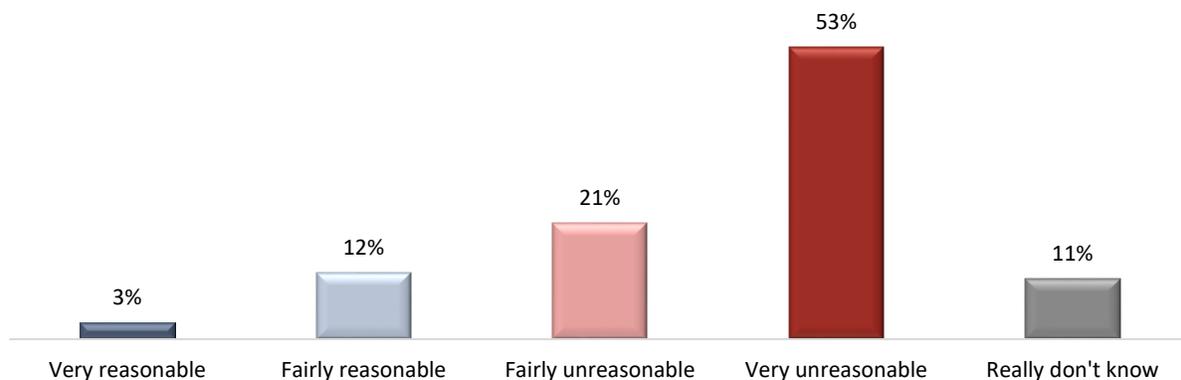
In recent years, soaring electricity costs in Ontario have led to anecdotes about people [turning to churches](#) for help paying their bills, [having to choose](#) between ‘heating and eating,’ and a host of what the news organizations have dubbed [“hydro horror stories”](#).

The reasons for high electricity prices [are myriad and complex](#), from an oversupply of power that has the Ontario government locked into paying for energy it doesn't actually need, to higher rates paid for green energy and energy produced by privately owned generation companies. The end result is soaring prices for consumers, and correspondingly high concern on the provincial agenda.

Hydro issues loom large in the minds of Ontarians, with more than one-in-four (27%) identifying “energy/electricity” as the single most important issue facing the province today. No other issue registers this highly with more than one-in-six residents of the country's most-populous province.

Asked how they would describe the amount their household pays for electricity, Ontarians are almost five times as likely to say it is “unreasonable” (74%) as they are to say it's “reasonable” (15%). Indeed, a full majority (53%) say their bills are “very unreasonable”:

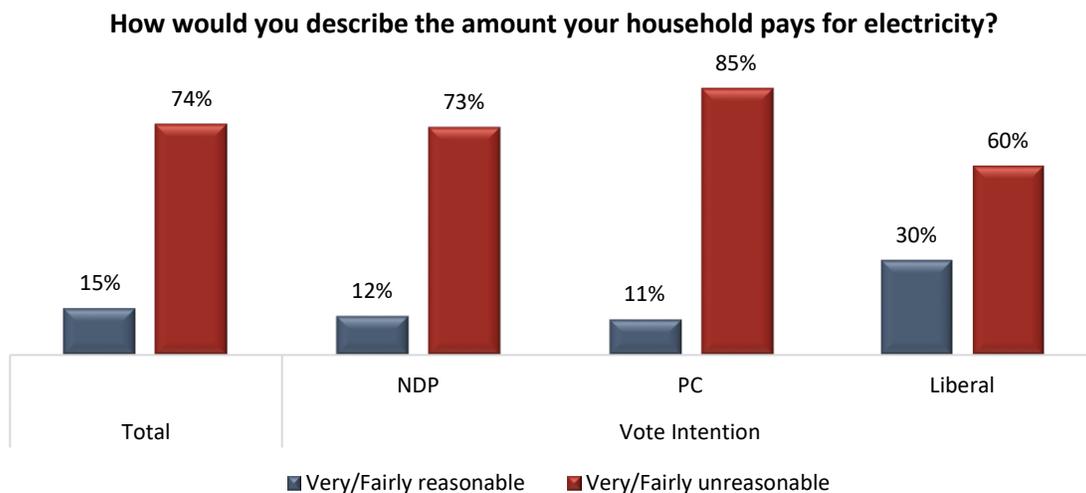
How would you describe the amount your household pays for electricity? Is it:



This perception of household hydro bills extends across demographic groups, with large majorities of respondents of all genders, ages, and incomes believing their bills are unreasonable.

Ontario residents under age 35 are least likely to feel this way, with 60 per cent describing their bills as unreasonable, 24 per cent saying they are reasonable, and 16 per cent unsure. This relatively less negative perception may be related to higher numbers in this age group who still live with their parents and aren't responsible for paying for electricity, and to students and young professionals living in more modest accommodations that may require less energy to light and heat.

Also more likely to see their hydro bills as reasonable? Those who say they would vote for the governing Liberals if a provincial election were held tomorrow. Three-in-ten of these would-be Liberal voters (30%) say their hydro bills are either very or fairly reasonable. That's almost three times the number of Ontario PC and NDP supporters who say the same:



Of course, as the graph indicates, most would-be Liberal voters find their hydro bills unreasonable. What sets these people apart is that they're substantially less likely to see hydro issues as a deciding factor in the next provincial election. This finding will be discussed in greater detail in part three of this report.

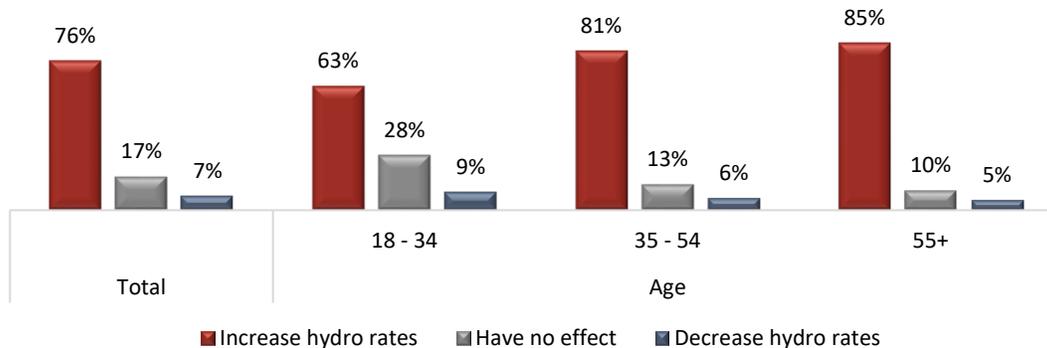
PART 2 – Most oppose Hydro One sale

The Wynne government [has argued](#) that its plan to “broaden the ownership” of Hydro One by selling shares equivalent to 60 per cent of the former crown corporation will not affect the price of electricity, and could even lead to lower rates in the long term.

Ontarians don't believe this is the case, however. Three-in-four (76%) say they expect the sale to lead to increased hydro rates, while 17 per cent expect no effect and only 7 per cent say they anticipate lower bills.

Again, these views are consistent across demographic groups, with younger respondents considerably more uncertain:

Based on whatever you may have seen or heard about the Hydro One sale, what effect, if any, do you expect it to have on the price of electricity in Ontario?



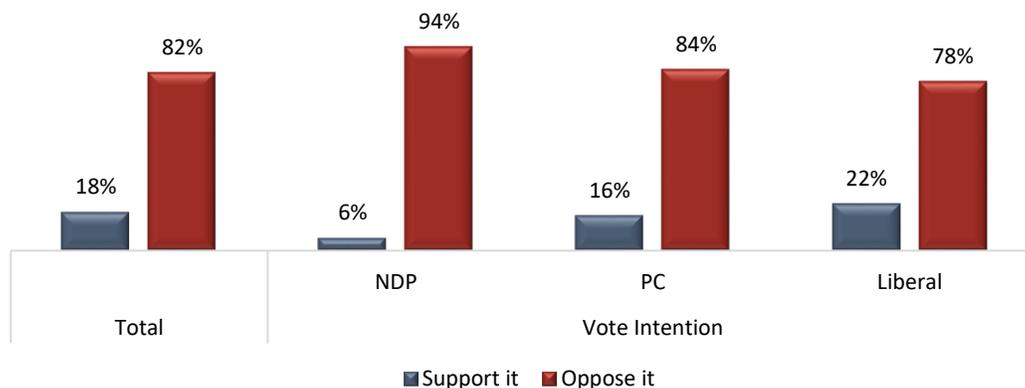
This negative view of the effect a partially privatized Hydro One would have on electricity prices corresponds with strong disapproval of the sale in the first place.

Roughly half of the shares – or 30 per cent of the company – have been sold so far, with the government expecting to sell the rest before the next provincial election in 2018. The government hopes to raise \$9 billion from the sale. These proceeds would be used to pay down hydro-related debt and fund transit and transportation infrastructure.

If most Ontario residents had their way, the remaining shares would never be sold. Fully eight-in-ten respondents (82%) oppose the sale, and half (49%) do so “strongly.”

This high level of opposition is found even among those who say they would vote for Wynne’s Liberals if an election were held tomorrow. More than three-in-four (78%) in this group oppose the sale:

What is your opinion on the sale of shares in Hydro One to private investors? Do you ...



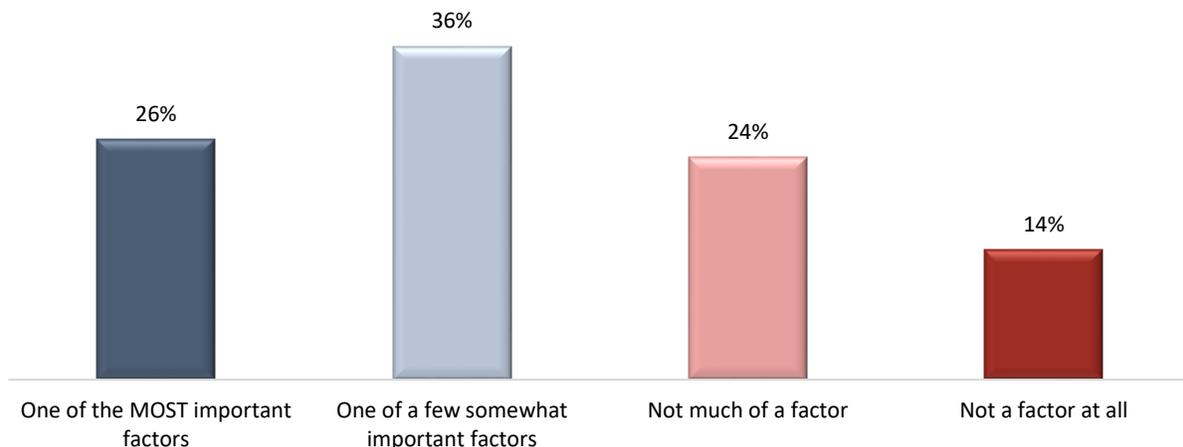
PART 3 – Hydro politics: Will Wynne’s plan for rate relief have an effect?

Premier Kathleen Wynne has called high hydro prices her “mistake,” and put forward a plan to reduce hydro bills by 25 per cent by eliminating provincial sales tax from them and refinancing hydro-related debt.

The move is no doubt intended to mitigate the damage the hydro issue is doing to the fortunes of Wynne’s Ontario Liberal Party, which has been trailing the Progressive Conservatives in vote intention polls as Wynne’s approval rating has plummeted. Whether it will work remains to be seen.

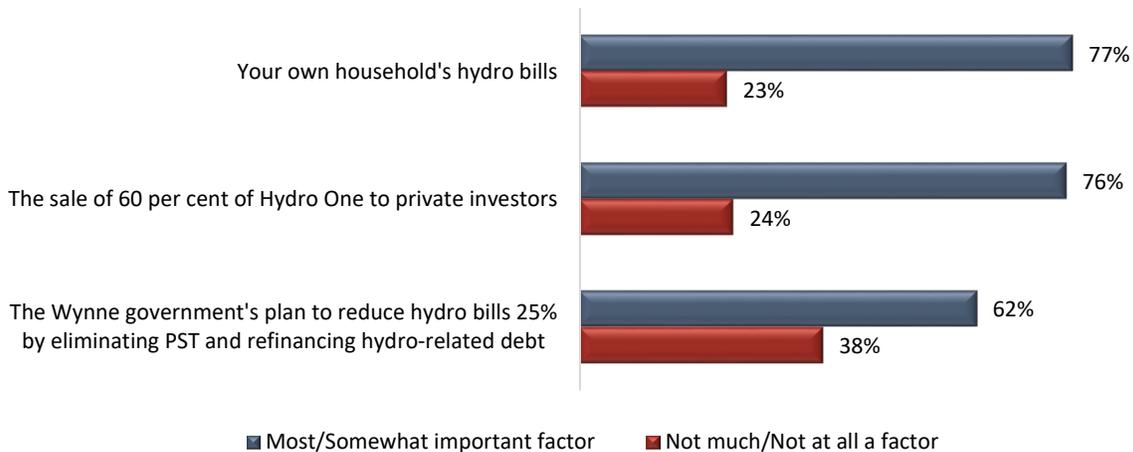
Data from this survey suggests that Ontarians will be weighing the Wynne government’s efforts when deciding which party to support in the next election. Some six-in-ten Ontarians (62%) say the government’s plan will either be one of the most important factors in their decision of who to vote for (26%) or a “somewhat important” factor (36%):

**How much of a factor do you expect each of these issues to be for you when deciding who to vote for in the 2018 provincial election?
(The Wynne government's plan to reduce hydro bills 25% by eliminating PST and refinancing hydro-related debt)**



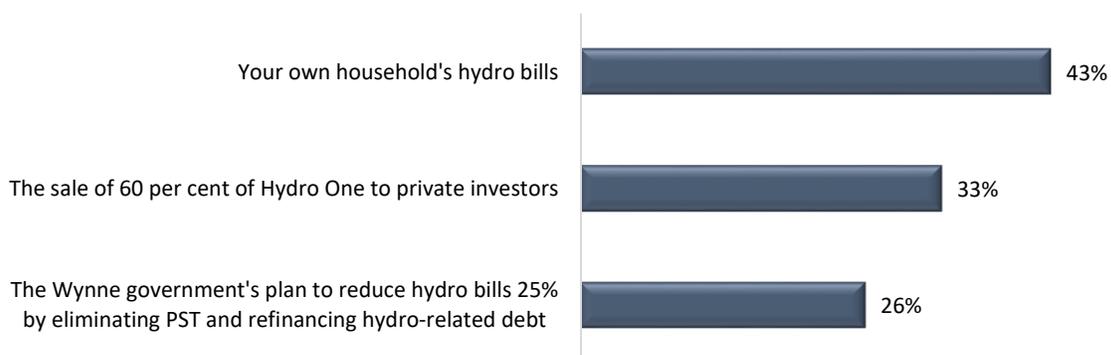
On closer inspection, however, it appears the rate cut may not a political magic bullet. Two other hydro-related issues – the partial sale of Hydro One to private investors and the high price of one’s own household electricity bills – are more likely to move the needle for voters than the Wynne government’s plan, as seen in the following graph:

How much of a factor do you expect each of these issues to be for you when deciding who to vote for in the 2018 provincial election?



The relative significance of each of these issues comes into starker relief when looking only at the percentage of Ontarians who say each one will be among the most important factors in deciding which party's candidate to select on their ballot:

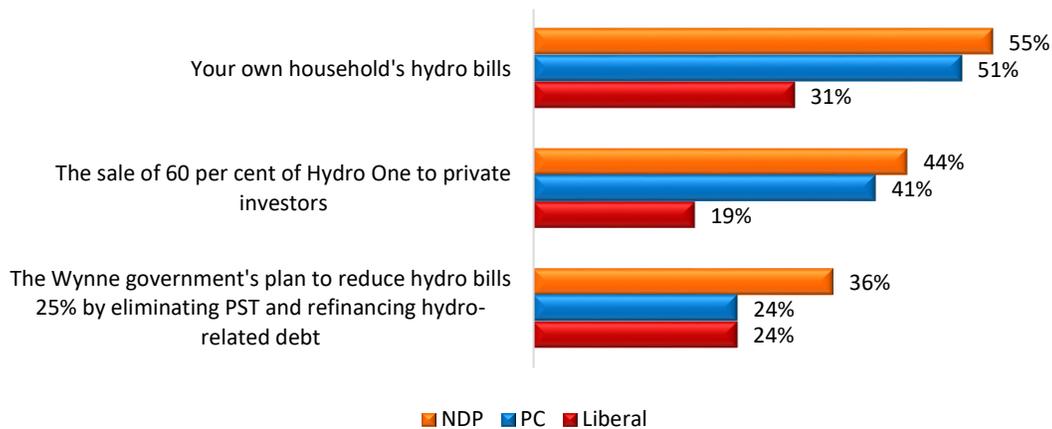
How much of a factor do you expect each of these issues to be for you when deciding who to vote for in the 2018 provincial election? (Those saying 'One of the MOST important factors' shown)



It's also not clear that those who say the government's plan to reduce hydro rates is an important factor in their vote feel this way because they intend to vote for the Liberals. As seen in the graph that follows, relatively fewer people who say they would cast a ballot for the Liberals if an election were held tomorrow see any of these issues as "one of the most important factors" in their decision, while would-be PC and

NDP voters are considerably more motivated by these hydro-related issues than supporters of the governing party:

**How much of a factor do you expect each of these issues to be for you when deciding who to vote for in the 2018 provincial election?
(Those saying 'One of the MOST important factors' shown)**



One school of thought suggests that if voters are motivated by their own household's electricity bills, they will respond positively if the Wynne government is successful in reducing those bills.

Another school of thought, however, suggests that the Wynne Liberals are already too damaged by the issue to regain trust on it. If this is the case, those who say they are motivated by the government's rate relief plan may be feeling that way because they view it as too little, too late.

*The **Angus Reid Institute (ARI)** was founded in October 2014 by pollster and sociologist, Dr. Angus Reid. ARI is a national, not-for-profit, non-partisan public opinion research organization established to advance education by commissioning, conducting and disseminating to the public accessible and impartial statistical data, research and policy analysis on economics, political science, philanthropy, public administration, domestic and international affairs and other socio-economic issues of importance to Canada and its world.*

Summary tables follow.

| What do you think is the most important issue facing Ontario today? | |
|---|-------------|
| (Unweighted sample size) | Total (804) |
| Energy/Electricity | 27% |
| The Economy | 16% |
| Leadership | 12% |
| Health Care | 9% |
| Poverty | 7% |
| Housing | 5% |
| Tax relief | 5% |
| Environment | 5% |
| Homelessness | 3% |
| Crime/Public Safety | 2% |

| How would you describe the amount your household pays for electricity? | | | | | | |
|--|-------------|-----------|-------------|---------------|---------------|-----------|
| (Unweighted sample sizes) | Total (804) | Gender | | Age | | |
| | | Men (441) | Women (363) | 18 – 34 (305) | 35 – 54 (373) | 55+ (126) |
| Very reasonable | 3% | 3% | 3% | 6% | 1% | 1% |
| Fairly reasonable | 12% | 14% | 10% | 18% | 8% | 12% |
| Fairly unreasonable | 21% | 20% | 22% | 25% | 21% | 15% |
| Very unreasonable | 53% | 52% | 54% | 34% | 62% | 62% |
| Really don't know | 11% | 11% | 12% | 16% | 8% | 10% |

| How would you describe the amount your household pays for electricity? | | | | |
|--|-------------|-----------------|---------------------------|------------------|
| (Unweighted sample sizes) | Total (804) | Income | | |
| | | <\$50,000 (274) | \$50,000 - \$99,999 (256) | \$100,000+ (141) |
| Very reasonable | 3% | 3% | 3% | 4% |
| Fairly reasonable | 12% | 18% | 10% | 10% |
| Fairly unreasonable | 21% | 19% | 25% | 21% |
| Very unreasonable | 53% | 48% | 55% | 61% |
| Really don't know | 11% | 12% | 7% | 4% |

| How would you describe the amount your household pays for electricity? | | | | |
|--|-------------|---------------------------|-----|---------|
| (Unweighted sample size) | Total (804) | Provincial Vote Intention | | |
| | | NDP | PC | Liberal |
| Very reasonable | 3% | 2% | 1% | 8% |
| Fairly reasonable | 12% | 10% | 10% | 22% |
| Fairly unreasonable | 21% | 18% | 20% | 21% |
| Very unreasonable | 53% | 55% | 65% | 40% |
| Really don't know | 11% | 15% | 4% | 9% |

Based on whatever you may have seen or heard about the Hydro One sale, what effect, if any, do you expect it to have on the price of electricity in Ontario?

Do you think it will ...

| (Unweighted sample sizes) | Total (804) | Age | | |
|---------------------------|----------------|------------------|------------------|--------------|
| | | 18 – 34 (305) | 35 – 54 (373) | 55+ (126) |
| Increase hydro rates | 76% | 63% | 81% | 85% |
| Have no effect | 17% | 28% | 13% | 10% |
| Decrease hydro rates | 7% | 9% | 6% | 5% |

What is your opinion on the sale of shares in Hydro One to private investors?

Do you ...

| (Unweighted sample size) | Total (804) | Provincial Vote Intention | | |
|--------------------------|----------------|---------------------------|-----|---------|
| | | NDP | PC | Liberal |
| Strongly support it | 2% | 0% | 4% | 2% |
| Moderately support it | 15% | 6% | 12% | 20% |
| Moderately oppose it | 33% | 31% | 25% | 48% |
| Strongly oppose it | 49% | 63% | 58% | 30% |

How much of a factor do you expect each of these issues to be for you when deciding which party's candidate to vote for in the 2018 election?

| (Unweighted sample size) | Total (804) | Provincial Vote Intention | | |
|--|-------------|---------------------------|-----|---------|
| | | NDP | PC | Liberal |
| The sale of 60 per cent of Hydro One to private investors | | | | |
| One of the MOST important factors | 33% | 44% | 41% | 19% |
| One of a few somewhat important factors | 43% | 41% | 39% | 46% |
| Not much of a factor | 17% | 10% | 15% | 27% |
| Not a factor at all | 7% | 5% | 5% | 8% |
| Your own household's hydro bills | | | | |
| One of the MOST important factors | 43% | 55% | 51% | 31% |
| One of a few somewhat important factors | 34% | 26% | 29% | 37% |
| Not much of a factor | 15% | 14% | 15% | 22% |
| Not a factor at all | 8% | 5% | 5% | 11% |
| The Wynne government's plan to reduce hydro bills 25% by eliminating PST and refinancing hydro-related debt | | | | |
| One of the MOST important factors | 26% | 36% | 24% | 24% |
| One of a few somewhat important factors | 36% | 34% | 30% | 47% |
| Not much of a factor | 24% | 17% | 26% | 26% |
| Not a factor at all | 14% | 13% | 20% | 3% |