RATIONALIZING LEGISLATIVE RESTRAINT: THREE CASES OF RULE CHANGE
IN THE CANADIAN HOUSE OF COMMONS

by

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B.A., The University of British Columbia, 2016

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF

MASTER OF ARTS

in

THE FACULTY OF GRADUATE AND POSTDOCTORAL STUDIES

(Political Science)

THE UNIVERSITY OF BRITISH COLUMBIA

(Vancouver)

February 2018

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ABSTRACT

What stops governments from unilaterally changing the rules of parliament? I argue that governing parties fail to unilaterally restrict the rights of the legislative minority due to the expectation that their actions will be perceived negatively by the electorate. Through reference to three episodes of legislative rule change in Canadian history, I show with formal modelling that expectations of audience costs can reduce the likelihood of a government implementing rule changes unilaterally. Using newspaper coverage of the debates over rule change as a measure of audience costs, I show that the government ignores the opposition when audience costs are low and tries to compromise when audience costs are high.
LAY SUMMARY

When a government decides to change the rules of parliament, they consider how the public will react. When the public supports the reform, the government will ignore attempts by the opposition parties to block the rule change. If the public is against the reform, the government will try to compromise with the opposition to improve their standing in the public eye. In three historical cases of rule change, I use newspaper records to estimate public support for the government. I show that the government ignores the opposition when newspapers are divided, and tries to compromise when it receives unified criticism from the newspapers.
PREFACE

As the author of this thesis, Mitchell Bosley conducted all parts of the research. He identified the topic of research, designed the research project, gathered the data, and analyzed the information.
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1. INTRODUCTION

In both 1969 and 2017, Canada’s Federal Liberal government introduced a sweeping set of changes to the standing orders, the rules governing behaviour in the House of Commons. In both cases, the proposed changes would have dramatically reduced the ability of the opposition parties to obstruct the Liberal government’s policy agenda. The opposition parties strongly disagreed with the proposal, and united to obstruct the changes. Even though in both cases the Liberal government could have unilaterally rammed through the proposed changes, they instead allowed the opposition to obstruct their initiative for weeks, and eventually backed off the most controversial reforms. Despite the concessions, the opposition continued to obstruct; in each case the Liberal government eventually passed a diminished set of reforms without consent of the opposition parties.

This situation presents a puzzle: if the Liberal governments ended up passing the rule changes without opposition support, why didn’t they just pass the originally proposed changes unilaterally, as Robert Borden had done with the closure rule in 1913? I argue that the Liberal governments were wary that ramming through the reforms could lead to a costly loss of public support, and compromised on their reforms in order to avoid these audience costs.

This thesis proceeds in five stages. First, I highlight several key theories of change in legislative institutions. Second, I narrate three major cases of rule change to the House of Commons: the 1913 inception of the closure rule, the 1969 inception of time allocation, and the 2017 attempt to limit committee obstruction. Third, I formally model the interaction between the government and the opposition parties, and show that high audience costs can lead governments to compromise even when they strictly prefer their original proposal. Fourth, I survey historical newspaper records to assess whether the governments in each case were subject to high or low levels of audience costs. I show that while coverage was divided along partisan lines in 1913, in
both 1969 and 2017 criticism against the Liberal governments came from both traditionally friendly and unfriendly outlets. Fifth, I summarize my findings, and show that the predictions generated by the model are supported by the evidence. Finally, I conclude with recommendations for future research.
2. THEORIES OF LEGISLATIVE RULE CHANGE

Much of the study of changes to legislative rules comes from research into the evolution of minority rights in the United States House of Representatives and Senate (though see Cox 1987 and Huber 1996 for notable exceptions). Binder (1996, 2006) argues that the reform of legislative rules is a function of the majority party strength: when strong and faced with an obstructionary minority, the majority party will restrict minority rights, while a weak majority will maintain or even expand minority rights. Dion and Huber (1997) claim that rule reform is a function of ideological cohesion: the more ideologically cohesive the majority, the more likely they are to limit the rights of the minority. While both Binder and Dion attribute legislative rule reform to internal factors in the majority party, Schickler (2000) argues that rules change because of changes to the floor median, or ‘the decisive player.’ As Binder (2006) shows, the empirical assessment of these studies shows mixed results depending on the historical context and methodology in use.

There have also been several Canadian contributions to the legislative rules literature. Melrose (2003) argues that reforms to legislative standing orders have over time favoured the ability of the legislative majority to limit obstruction. McDonald (2005) and Locke (2006) attribute the pattern of obstruction and rule changes in the Ontario provincial legislature since 1985 to changes to the internal culture of the legislature. Bill Reid (2009) and Docherty (2011) detail considerable cross-provincial variation of sitting days, question period, committee structure, the length of member statements, and amendment procedure. Linda Reid (2011) describes the pro-minority reforms to standing orders in BC in 2001 and 2005. Plante (2013) shows that reforms to standing orders have been increasingly used to curtail minority legislative rights in Canadian legislatures since the 1970s.
Outside of North America, substantial contributions to the study of legislative rule changes have been made by the Sieberer et. al. research program (2011, 2014, 2015, 2016) which argues that political actors are always engaged in an “…underlying game about how to conduct business,” and must implicitly choose between the status quo and some alternative ruleset (2015, p. 1001).

Drawing from Strøm (1990) and Cox and McCubbins (2005), Sieberer et. al.’s 2011 piece details an informal model of legislative rules where party members pursue substantive policy, office, and vote goals in unison according to a given set of legislative rules that offer majorities legislative advantages. Actors consider reforming legislative rules based on the expected benefit of reform for both current and future periods. Reform can be made more difficult by the strength of second-order institutions, which govern how easily institutions may be reformed (Diermeier and Krehbiel 2003), costs associated with developing and implementing reform (Cox and McCubbins 1994; Cox 2000) as well as audience costs caused by public perception of the reform (Norton 2003).

In general, there is a lack of formal analysis of the interaction between governments and opposition parties in existing theories of institutional change. To address this shortcoming, I construct a simple formal model to explain variation amongst three cases of rule change in the Canadian House of Commons. In doing so, I draw from Sieberer et al (2011)’s informal model, as well as the methodological structure of Ström (1994). I narrate three cases of legislative rule changes below, and then formally present a model where audience costs play a pivotal role in constraining the institutional power of the government.
3. RULE CHANGE IN THREE CANADIAN PARLIAMENTS

In this section, I narrate three episodes of legislative rule change from Canadian history. In each case, the sitting government decided to change the rules of the House of Commons to limit the opposition’s ability to obstruct. According to the rules of the House of Commons, any government that holds a majority of the seats in the House of Commons can change the rules of business if they see fit.

In the first case, the 1913 inception of the closure rule by Robert Borden’s Conservatives, the government changed the rules to stop the opposition party from obstructing its legislative agenda. Despite opposition dissent, Borden’s government unilaterally pushed through closure rule. The second and third cases describe reforms to the standing orders by Liberal governments in 1969 and 2017. Both of these cases took place with a Trudeau as Prime Minister of Canada—in 1968, the father Pierre Elliott, and in 2017, the son Justin. These two cases differ from the inception of the closure rule in that the Liberal governments could have passed their rule changes without concessions to the opposition, but failed to do so. Instead, in the face of an opposition filibuster, both Liberal governments compromised on their initial proposal. Both governments returned several months later with revised proposals that were opposed as vociferously as the originals had been. In the face of continued opposition obstruction, both Liberal governments decided to pass their revised proposals unilaterally.

The puzzle, then, is this: why didn’t the Liberal governments in 1969 and 2017 unilaterally pass their ideal set of reforms, as Borden’s Conservatives had done in 1913? Why did they choose to submit to opposition pressure and compromise if they had the institutional power to change the rules unilaterally?
3.1. The Naval Aid Bill and the Inception of the Closure Rule

The events that would lead to first major change to the rules of the House of Commons began in December 1913, when “…Prime Minister Robert Borden introduced in the House of Commons a bill that would send a $35 million contribution to Great Britain’s Royal Navy” (Melrose 2003, p. 9). The opposition Liberal party, led by Wilfred Laurier, vehemently disagreed with the proposed bill and heavily obstructed its passage. For months, the government was unable to pass the bill. The opposition’s filibustering was effective: by “…moving amendment upon amendment and debating each motion to the fullest extent allowed under the rules of procedure” (p. 9), they were able to grind the government’s legislative agenda to a halt.

In the face of this obstruction, “[o]n 9 April 1913, Borden introduced a resolution to change the rules of procedure in the House of Commons. The new rules would allow the government to exercise greater control over bringing debates to timely conclusions (p. 9).” Opposition leader Wilfred Laurier emphatically denounced the changes. He argued that when he had been Prime Minister two year prior, he could have changed the rules to halt the obstruction of the then Conservative opposition, but instead decided to call an election. While he ultimately lost the election, he claimed that he “would rather stand here to-day, defeated in opposition by that appeal to the people than stand over there in office by the power of the gag” (Melrose 2003, p. 10). Laurier’s argument that Borden should call an election rather than change the rules fell on deaf ears, and after two weeks of debate, Borden’s government passed the closure rule and put it to use immediately to pass the Naval Aid bill.
3.2. Pierre Elliott Trudeau and the Introduction of Time Allocation

In September 1968, Prime Minister Pierre Elliott Trudeau’s Liberal Government proposed a set of reforms to the standing orders of the House of Commons. In the previous election, all parties had campaigned on the promise that they would modernize the procedures of the House of Commons, and there was a consensus that the rules of parliament should be changed. Trudeau’s Liberal government recommended that a series of potential reforms should be studied by a committee, after which the House would debate on the ultimate passage of the reforms (House of Commons Debates 1969, Vol 4 pp. 432-74).

One of the changes recommended by the Liberal-majority committee was standing order 16A, a time allocation provision modeled after similar rules in the British legislature. Standing order 16A would have expanded the ability of the government to curtail debate by limiting the amount of time that the opposition was given to debate a given bill. The government claimed that time allocation was a more fair and equitable way to curtail debate than the existing closure rule. All three opposition parties—the Progressive Conservatives, the New Democratic Party, and the Ralliement Créditistes—strongly opposed the measure, criticizing it as a restriction on the ability of the opposition to oversee and criticize the conduct of the government (House of Commons Debates 1968, Vol 4. 4004). Despite government insistence that standing order 16A would not be abused, the united opposition was unconvinced, and threatened to obstruct the government “throughout what would normally have been the Christmas recess to make [their] point” (House of Commons Debates 1969, Vol 10., p. 10959). After days of filibustering, and building pressure from the Canadian press, the Liberal government conceded, removing standing order 16A from the proposed suite of rule changes rather than invoking closure to pass the rule unilaterally. After the fact, opposition PC MP Ged Baldwin claimed that “[f]aced with this overwhelming pressure
of public opinion and parliamentary opposition…the government took the abhorrent and repugnant 16A out of the order that was then before the house for approval” (p. 10959). The opposition, satisfied in their victory, nevertheless warned the government that any renewed attempt to pass standing order 16A, or any similar reform, would be met again by united obstruction from the opposition parties (House of Commons Debates 1968, Vol 4, p. 4228).

In June 1969, Trudeau’s government returned with a new set of reforms: standing orders 75A, 75B, and 75C. Standing orders 75A and 75B allocated time for debate when there was either unanimous or majority consent to do so, respectively, and were uncontroversial to the opposition parties. Standing order 75C, however, was almost identical to the previous proposed standing order 16A, except for the fact that its time allocation measure could only be invoked during the actual reading of the bill. While the opposition parties slightly preferred the revised rules to the government’s earlier attempt to impose 16A, they nevertheless unanimously opposed the reform on the grounds that the reform still curtailed the ability of the opposition to hold the government accountable. After days of filibustering by the united opposition, the Liberal government resorted to closure to unilaterally impose the revised rule changes (House of Commons Debates, 1969 Vol 10, pp. 10959-72).

3.3. Justin Trudeau Attempts Reform

The Canadian Federal Liberal Party’s medically assisted dying act, Bill C-14, was tabled on April 14th, 2016. Despite holding a parliamentary majority, the Liberals had earlier narrowly avoided defeat on Bill C-10 after the combined force of the NDP and Progressive Conservative opposition parties had called a snap vote while many Liberal MPs were away from parliament (Smith 2016).
The Liberal government was left keenly aware of the potential costs of an obstructionist opposition.

In response, the Liberals proposed a motion which would temporarily reform the standing orders of the House of Commons. The May 2016 Motion No. 6 proposed “…extending the House sitting to June 23, and would also give a minister or parliamentary secretary the power to adjourn the House until September — on the spot and with no warning to other parties. The proposal [included] strict time limits on opposition motions and would make it difficult for the opposition to call a snap vote” (Maloney 2016), and “…would have stripped opposition MPs of their procedural tools to delay government bills and allowed cabinet to impose round-the-clock sittings to pass legislation such as Bill C-14, the law on doctor-assisted dying” (Stone 2016). While these measures would have been temporary, expiring at the end of the session, the Liberals were clearly sensitive to the obstructionary efforts of the opposition. After an outcry from the opposition and a House of Commons fracas where Prime Minister Trudeau inadvertently elbowed a member of the NDP, the motion was ultimately withdrawn.

Almost a year later, on March 10th, 2017, the Liberal Government proposed a number of reforms to the House of Commons standing orders (Government of Canada 2017). Among the reforms was a measure that would allow MPs to record their vote electronically rather than engage in a lengthy bell-ringing exercise, a limit on the ability of the opposition to obstruct bills by repeatedly raising frivolous motions, and the implementation of time-constraints on committee proceedings.

While the Liberals claimed that these reforms were in keeping with their electoral promises to Canadian voters, both the Conservative and New Democratic parties were highly critical, claiming that the changes would reduce the ability of the opposition to hold the government to
account (Wherry 2017). When the Liberal government moved to adopt these reforms (Aiello, March 13, 2017), the opposition filibustered the Procedure and House Affairs Committee (Aiello, March 21, 2017), using the very obstructionary techniques that the reforms were meant to abolish. Obstruction by a united front of Conservative and NDP MPs delayed the progress of the reforms through the committee stage for over a month, as the Liberals were unwilling to force the reforms through committee without the consent of all parties.

Obstruction by the Conservative and New Democratic parties was intense, as on March 21, 2016 when a committee session was kept sitting until 2:00 AM. The opposition also obstructed the government’s budget to protest of the proposed reforms (CTV News 2017). Despite the fact that the Liberal government could have forced the changes through parliament unilaterally at any point, they eventually yielded to the sustained obstructionary tactics and suspended the committee to alter the proposed reforms (Smith 2017).

In early April, the Liberals returned with a compromise: a reduced proposal to reform the standing orders. Rather than attempt to push through the entire suite of reforms, they proposed that each recommendation be discussed separately in committee. Furthermore, they dropped all proposals to limit obstruction; the proposal was reduced to the implementation of the Prime Minister’s Question period, the regulation of prorogation and omnibus legislation, and a reform of the Estimates process (Ivison 2017). Even these diminished proposals, however, were met with opposition from the Conservative and New Democratic parties. Despite continued opposition, the Liberals signaled that they would push through the reformed rule changes unilaterally, citing their electoral promises to Canadian voters (Wherry 2017). This limited version of the rule changes was passed on June 20, 2017 without the support of either opposition party (Aiello, June 20, 2017).
3.4. A Puzzle of Reform

Why, in both 1969 and 2017, did the Liberal party retract the most divisive aspects of their proposed reforms in response to obstruction, only to later unilaterally implement the reduced rule change when the opposition parties continued to obstruct? Why didn’t they pursue the same strategy that Borden had in 1913, immediately passing their preferred rule changes over the misgivings of the opposition? It seems that both Liberal governments arrived at a sub-optimal outcome: they incurred substantial costs related to developing and attempting to implement reforms, and yet failed to achieve their desired outcome. In the following section, I show with a simple model that the decisions of both Liberal governments can be explained by their desire to avoid audience costs.
4. A GAME OF LEGISLATIVE RULE CHANGE

Using a non-cooperative game, I argue that the Liberal party did not pass the full suite of reforms at the outset of the game due to the constraining effect of audience costs. This model is presented as follows. First, I lay out and justify the model’s foundational assumptions. Second, I present an extended form game to stylize the strategic interaction between the government and the opposition parties. Third, I show possible solutions to the game when audience costs are not considered. Fourth, I introduce audience costs to the model, and show that the decision of a government to compromise is in equilibrium if audience costs are high enough.

4.1. Structural Assumptions

I present a stylized account of the decisions faced by each of the government and opposition parties when a government attempts to reform the rules of legislature. In this section, I explicitly spell out and justify the assumptions undergirding the model.

_A1: Actor payoffs depend on the government’s choice of action._ Actors’ payoffs are a function of their valuation of the government legislating (L), opposition obstruction (C), the government changing the rules (R), and of the government compromising on their proposed rule change (S). Government parties receive some benefit from legislating or changing the rules (modified or not), and some cost from obstruction. Opposition parties see any government action as costly, but receive some benefit from obstruction. Each player has some preference over whether the government legislates, changes the rules without compromise, or changes the rules after compromising. These assumptions are summarized in Table 1.
Table 1: Parameters in Rule Change Game

<table>
<thead>
<tr>
<th>SYMBOL</th>
<th>MEANING</th>
<th>ASSUMPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>L</td>
<td>the value of the government legislating</td>
<td>G &gt; 0; O &lt; 0</td>
</tr>
<tr>
<td>C</td>
<td>the value of opposition obstruction</td>
<td>G &lt; 0; O &gt; 0</td>
</tr>
<tr>
<td>R</td>
<td>the value of the government changing the rules</td>
<td>G &gt; 0; O &lt; 0</td>
</tr>
<tr>
<td>S</td>
<td>the value of the government passing a reduced rule change</td>
<td>G &gt; 0; O &lt; 0</td>
</tr>
</tbody>
</table>

Note: Subscripts denote the value that each party receives from each variable. G = Government, O = Opposition.

A2: The game is played between the government and the united opposition. While the decision of the opposition parties to coordinate is itself a result of strategic interaction, including these interactions makes the model significantly more complex. In the interest of simplicity, I assume that the opposition parties operate as a bloc.

A3: Complete information is assumed. Each player in the game has complete knowledge over the preferences of the other, and can accurately predict the outcome of the game.

A4: The government can change the rules of legislature unilaterally. Although rules are harder to change in some legislatures than in others (e.g., see Sieberer et al 2011), the model is based on the Canadian House of Commons, where a simple majority may change the rules of legislature. While further research should model the impact that supermajority or unanimity rules
have on the passage of legislative reform, I assume here that a government can change the rules unilaterally.

*Figure 1: Extended Form Representation of Rule Change Game*

Note: G = Government Party, O = Coordinated opposition parties. Numerals I through V indicate discrete outcomes.
4.2. Extended Game Representation

Figure 1 represents a stylized interaction between the government and the opposition. The game is comprised of four decision nodes, and can result in five discrete outcomes depending on the path of play. In Outcome I, the government chooses to legislate, and the opposition parties decide to uniformly obstruct. In Outcome II, the government decides to change the rules, and the opposition accepts the changes. In Outcome III, the opposition rejects and obstructs the government attempt to change the rules. The government then ignores the obstruction and passes the changes unilaterally. In Outcome IV, the government relents to obstruction and modifies the proposed rule changes. The opposition then accepts the newly modified rule changes. In Outcome V, the modified rule changes are rejected by the opposition, who continues to obstruct. The government then passes the modified rules unilaterally. Key properties of each outcome are summarized in Table 2, and the payoffs the players receive from each outcome is summarized in Table 3.

<table>
<thead>
<tr>
<th>PROPERTY</th>
<th>OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
</tr>
<tr>
<td>Rules Changed?</td>
<td>NO</td>
</tr>
<tr>
<td>Government Compromise on Rule Change?</td>
<td>NO</td>
</tr>
<tr>
<td>Obstruction Cost Imposed?</td>
<td>YES</td>
</tr>
</tbody>
</table>
4.3. Strategic Interaction Without Audience Costs

The solution to the game can be found through backward induction. I present three possible solutions depending on the government’s preference ordering. Each of these solutions is based on the assumptions that the opposition prefers the status quo to rule change, and prefers the modified change to an unmodified one (i.e. $L_O > S_O > R_O$), and that the opposition gains a positive non-zero benefit from obstructing (i.e. $C_O > 0$). If the government prefers to legislate rather than change the rules, regardless of whether the rules are modified or not, the game results in Outcome I: the government legislates and bears the cost of obstruction. If the government prefers to change the rules without compromise, the game results in Outcome III: the government ignores the opposition obstruction, and changes the rules unilaterally. If the government prefers the modified ruleset to the originally proposed one, and prefers each of these options over the status quo, the game results in Outcome V. These solutions are summarized in Table 4. Proofs can be found in the appendix.
The model therefore provides a potential explanation for the variation in outcomes in the three cases of rule change outlined above, suggesting that the 1968 and 2017 Liberal governments actually preferred the modified ruleset to their originally proposed changes, while the Borden government preferred its original proposed ruleset to any alternative.

However, the explanation that the Liberal governments simply preferred the reduced ruleset is not reasonable. It is difficult to imagine a plausible scenario where, all else being equal, a government prefers a reduced ruleset to their original proposal. Moreover, if a government actually preferred the revised rules to the original proposal, they would simply propose the revised rules from the outset. Knowing that the dominant strategy of the opposition is to obstruct regardless of the content of the rules, the government would achieve the same payoff from introducing the ruleset S immediately and ignoring the opposition obstruction as they would from first introducing

<table>
<thead>
<tr>
<th>GOVERNMENT PREFERENCES</th>
<th>OUTCOMES</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>V</th>
</tr>
</thead>
<tbody>
<tr>
<td>( L_G &gt; R_G &gt; S_G )</td>
<td>X</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>( R_G &gt; S_G &gt; L_G )</td>
<td>–</td>
<td>–</td>
<td>X</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>( S_G &gt; R_G &gt; L_G )</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>X</td>
</tr>
</tbody>
</table>

Note: Opposition preferences are held at \( L_O > S_O > R_O \). X indicates sub-game perfect Nash equilibrium.
ruleset R and then compromising. Strictly speaking, the government would be indifferent between these outcomes. However, if there is an even infinitesimally small opportunity cost associated with the government taking the time to compromise, the government would always choose to propose S immediately rather than initially propose R and take the time to compromise.

By introducing audience costs to the model—the expected reaction of the electorate to the rule change—I provide a more intelligible explanation of the behaviour of the Liberal governments. I show that the game can reach Outcome V even when the government strictly prefers their original proposal to the reduced version. When audience costs are sufficiently high, a government that prefers the original proposal will nevertheless compromise in order to avoid the effect of audience costs.

4.4. Introducing Audience Costs

Following the work of Huber (1996), Huber and McCarty (2001) and Becher et al (2017), I model audience costs as the effect of the majority political preference of the electorate. I conject that audience costs affect the future electability of a political party. That is, a party that defies the will of the majority of the population will be punished in the next election, while a party who acts in alignment with the majority will be rewarded.

Audience costs are denoted as $A_G$ and $A_O$ for their value to the government and opposition, respectively. Audience costs can be either negative or positive, depending on the electorate’s support for the government agenda. If the electorate supports the government’s choice to change the rules, the government will receive a benefit and the opposition will incur a cost as a result of audience costs. That is, $A_G$ will be positive and $A_O$ will be negative. When the electorate
disapproves of the government’s choice to change the rules, $A_G$ will be negative and $A_O$ will be positive.

Audience costs are imposed depending on two factors: whether the opposition chooses to obstruct, and whether either party chooses to compromise. I conject that audience costs are incurred as a result of the opposition’s choice to obstruct the government’s decision to change the rules. Opposition obstruction alerts the electorate to the government’s decision to change the rules by increasing the salience of the issue, and an actor can reduce the salience of the issue and avoid audience costs by attempting to compromise. Thus, audience costs provide incentive for actors to compromise when their agenda is not supported by the electorate, or to reject compromise when they are supported by the public. These assumptions are reflected in the payoff matrix in Table 5.

### Table 5: Payoffs Including Audience Costs

<table>
<thead>
<tr>
<th>PARTY</th>
<th>OUTCOMES</th>
<th>I</th>
<th>II</th>
<th>III</th>
<th>IV</th>
<th>V</th>
</tr>
</thead>
</table>

Recall that in the previous model the assumption $R_G > S_G > L_G$ resulted in Outcome III. In this model, audience costs provide incentives for the government to compromise, even when it prefers the initial proposal (R) over a reduced ruleset (S). Table 6 shows two equilibria that result from different values of audience costs. These solutions are based on the assumptions (a) that the government prefers their original ruleset to a diminished one, but prefers either option to legislating in the status quo (i.e., $R_G > S_G > L_G$); (b) that the opposition prefers the status quo to a change in
the rules, but prefers the modified rule change to the unmodified one (i.e., \(L_O > S_O > R_O\)); and (c) that it is worthwhile for the opposition to obstruct (i.e., \(C_O + A_O \geq 0\)).

### Table 6: Equilibria According to Value of Audience Costs

<table>
<thead>
<tr>
<th>GOVERNMENT AUDIENCE COSTS</th>
<th>OUTCOMES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>I</td>
</tr>
<tr>
<td>(R_G + A_G &gt; S_G)</td>
<td></td>
</tr>
<tr>
<td>(R_G + A_G &lt; S_G)</td>
<td></td>
</tr>
</tbody>
</table>

*Note: Government preferences are held at \(R_G > S_G > L_G\). Opposition preferences are held constant at \(L_O > S_O > R_O\). It is assumed that \(C_O + A_O \geq 0\). X indicates sub-game perfect Nash equilibrium.*

Whether the game results in Outcome III or V depends on whether the government estimates the combined value of audience costs and their originally proposed ruleset to be greater or less than the value they would receive from the reduced ruleset. If audience costs are low enough that the government still prefers their original proposal to compromise (i.e. \(R_G + A_G > S_G\)), the government will ignore the opposition and pass their proposed changes unilaterally, resulting in Outcome III. If audience costs are high enough (i.e. \(R_G + A_G < S_G\)), the government will

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1 If \(C_O + A_O < 0\), the value of audience costs to the opposition is negative, and exceeds the value they receive from obstructing. If this is the case, the opposition’s dominant strategy is to accept the rule change. Although this is an interesting permutation of the model, it is secondary to the primary goal of determining why the government compromises when facing an obstructionist opposition.
compromise and introduce a revised ruleset in order to avoid audience costs, resulting in Outcome V. Proofs for these solutions can be found in the appendix.

Introducing audience costs enriches the original model by providing a more plausible rationale behind the decision of a government to compromise when the dominant strategy of the opposition is to obstruct. In the original model, the government’s decision could only be explained by claiming that they actually preferred the substance of the reduced ruleset to their original proposal. The audience costs model suggests that even if the government strictly prefers to change the rules on its own terms, high audience costs can cause the government to submit to an opposition to avoid the negative effects of audience costs, even when the opposition has no intention of agreeing to the compromised ruleset. The model also suggests that the government will prefer to ignore the opposition’s obstruction and pass their preferred ruleset when they are unconstrained by audience costs.
5. ASSESSING AUDIENCE COSTS

The model predicts that high audience costs constrain the ability of the government to pass its desired ruleset. If this is the case, I expect audience costs to be markedly higher for the Trudeau governments in 1969 and 2017 than for the Borden government in 1913. I look to newspaper reporting to assess audience costs. Historically, newspapers have been responsible for disseminating the bulk of political information to the public, and play a major role in shaping the opinions of their readers.

I measure audience cost as follows. In each case, I survey contemporary newspaper reporting to assess the range of public opinion regarding the proposed rule change. I take the level of homogeneity of discourse across newspaper coverage as an indicator of audience costs. If all newspapers are critical of the proposed changes, I infer that public opinion is united against the government agenda, and that audience costs are high. On the other hand, if a considerable range of opinion exists across the newspapers, I infer that public opinion is divided, and that audience costs are less severe. Furthermore, as I am not able to survey the reactions of every newspaper that was in print during each case, I use the reaction of partisan newspapers as a heuristic tool. That is, if a normally partisan paper (e.g., The Globe and Mail for the Liberals, and The Ottawa Journal or The National Post for the Conservatives)2) criticizes the agenda of the government that it usually supports, I take that as strong evidence that public opinion is skewed against the government and that audience costs are high. If, on the other hand, the newspapers take their usual partisan positions on the issue of rule change, I take that to mean that public opinion is divided, and that audience costs are comparatively low.

2 See ‘Globe and Mail’ and ‘The National Post’ by Potter et. al. in the Canadian Encyclopedia for a discussion of the historical partisan leanings of the major Canadian newspapers.
5.1. Media Division Over Borden’s Closure Rule

Newspaper coverage of the 1913 Naval Aid bill and the introduction of the closure reforms was mixed. *The Globe*, known for its pro-Liberal stance, took on a decidedly anti-Borden tone. In one report, a *Globe* reporter breathlessly described a raucous Laurier-led gathering of over eight-thousand people in Toronto, who assembled to protest the proposed closure rule and the Naval Aid bill as “…retrogressive political maneuvering calculated to turn back young nationhood within the Empire to the old-time colonial status of contribution and dependency” (*The Globe*, May 6, 1913). The closure mechanism was described in similarly dramatic terms: on the eve of the closure-aided passage of the Naval Aid bill, *The Globe*’s report read: “Toryism has lifted its sharpened axe. Tonight the chief executioner, the Prime Minister of Canada, gave notice that its blow would fall automatically at the conclusion of the next sitting of the house…” (*The Globe*, May 9, 1913).

In contrast to *The Globe*, the pro-Conservative *Ottawa Journal* supported the government’s imposition of the closure rule. The day after the passage of closure rule, the *Journal* reported the following:

The adoption of closure by parliament at last night’s protracted sitting is best praised as a triumph of common sense rather than a triumph of any one party over another party. In the debate on this measure which has taken place during the last few days, it has been demonstrated to the satisfaction of non-partisans at least that closure is a step in the right direction…Many will find the best arguments for closure in the long, involved, and tedious speeches which a number of verbose Opposition orators contributed to the closure debate (*The Ottawa Journal*, April 24, 1913).

The *Journal*’s reporting makes it clear that partisan supporters of the government saw the passage of the closure rule in a positive light.
The Ottawa Citizen took a more balanced tone than either The Globe or The Journal. After the passage of the closure rule, The Citizen simply noted that “[t]here is pretty general hope that the house will now get down to business after five months [of delay]” (The Ottawa Citizen, April 24, 1913). The Citizen later described the closure rules as being designed to “…give everyone a chance to speak,” although the paper also acknowledged that “there are some who say the [government] is wrong in [their] interpretation of the rule to the above effect” (The Citizen, May 9, 1913).

That each of these reports was published on the front page suggests that the newspaper-reading electorate was well informed of the debate over the closure rule. Moreover, it is clear that there was no consensus among the major newspapers. Rather, partisan divisions ruled the day.

5.2. Media Reaction to Time Allocation Reform

On December 19, 1968, as the opposition parties were delaying the passage of the proposed rule 16A, Martial Asselin, a member of the Progressive Conservative party, claimed that the Canadian press was on the side of the opposition:

Mr. Speaker, it is in the name of common sense that the newspapers of the country have espoused our cause. If this debate had taken place in committee, the newspapers of the country would not have had the opportunity to follow it as they did here nor to have a rather exact opinion about the debate. It is because of the support of the press and radio that this afternoon the government agreed to dialogue and to negotiate with us. The press is a means of exerting pressure and if it had supported the government since the beginning of this debate, it is quite possible that the latter, with its majority, would have taken the necessary measures to apply closure and pass the amendments
to the standing orders as proposed by the chairman of the committee on procedure. It is because the press fought on our side that the government decided to be reasonable and to negotiate (House of Commons Debates Vol. 4, p. 4174).

Although it is likely that Asselin was exaggerating his party’s position, a survey of *The Globe and Mail* and *Ottawa Journal* newspapers shows that media reaction to the December debate was in fact critical of the government.

While both outlets struck less obviously partisan tones than their 1913 iterations, their positions can still be identified. *The Globe and Mail*, for example, published a letter that had been sent by the NDP to universities, activist groups, and newspapers across the country to galvanize public response against 16A, and did so largely without editorial comment (*The Globe and Mail*, Dec 11, 1968). Further evidence is seen in the writing of columnist George Bain, who chastised the Trudeau government for pressing its majority in order to pass a controversial rule change (Bain, Dec 11, 1968).

Reporting of the proposed changes gave plenty of space for the arguments of the opposition (Seale, Dec 7, 1968; *The Globe and Mail* Dec 17, 1968). This tone persisted in *The Globe’s* reporting on the retraction of 16A, where the Liberal house leader is described as having been “bitterly criticized as a juggernaut trampling on the rights of Parliament” (Dec 21, 1968). The coverage of debate was not unanimously anti-Liberal, however: after 16A was removed from consideration, *The Globe* uncritically amplified Prime Minister Trudeau’s rather disingenuous assertion that “…the Government lured the opposition into a trap in which it accepted most of the radical reforms in the rules without a fight” (Westell, Dec 24, 1968).

*The Journal’s* coverage was a more exaggerated version of that seen in *The Globe*: ostensibly objective reporting that gave plenty of time and space for the opinions of the opposition.
The Journal’s anti-government stance can be seen most clearly in its headlines: “Debate Throttled—MP: New House Rules Bring Storm of Protest” (Dec 6, 1968); “NDP Fears One Minister to Set Rules” (Dec 12, 1968); and “House Rule Changes Will Lead to Serfdom -- Dief”, referring to John Diefenbaker, former Prime Minister; all of these pieces decried the government attempt to change the rules of parliament to impede the ability of the opposition to obstruct.

The Globe and Mail’s hesitance to justify the government’s time allocation rule, along with the Journal’s repeated amplification of the arguments of the Conservative opposition, provide evidence that public opinion over the matter skewed towards the side of the opposition rather than the Trudeau government. However, when the Trudeau government introduced the revised time allocation rule 75C in June 1969, coverage by both The Globe and The Citizen softened considerably. While each paper diligently reported on the renewed obstruction by the opposition parties, the debate was no longer the hot-button topic that it had been the year before. Moreover, The Globe’s coverage began to favour the government’s position more explicitly.

The Globe’s shift in coverage is illustrated in the article “Opposition leaders indicate bitter debate on House rules.” Tucked away on the forty-ninth page, the report described a confident Liberal government choosing to debate “…on the rules package for all the world to see, instead of presenting it as the proposal of an all-party committee” (Burns, June 29, 1969). From the same period, a think piece entitled “How and when closure should apply” (The Globe and Mail, June 23, 1969) was broadly supportive of the concept of a time allocation measure. Another piece, featured prominently on the second page, gave considerable space for Prime Minister Trudeau to rail against the opposition, who he characterized as refusing to ‘keep up with the times.’ In the same piece, Trudeau is quoted as saying that “…he was prepared to let the electorate decide who
respects parliament more—those who want the right to stall legislation, in other words the Opposition, or those who want to get on with the nation’s business” (Seale, July 25, 1969).

The Journal’s coverage of rule 75C was muted compared to the December debate. Rather than continuing to appeal to the people’s sense of democratic fairness, coverage began to emphasize the length of the legislative deadlock. Headlines such as “Predict Long Debate on Rules Proposals” (July 4, 1969), “Bid to Stall Rules Debate Defeated by Government” (July 9, 1969), “No End in Sight for Rules Deadlock” (July 16, 1969), and “Hope Seen for Session’s End: Rules Debate Over?” (July 18, 1969) indicate that the editors and conservative readership of the Journal were growing increasingly weary of the continued obstruction.

5.3. Media Reaction to Justin Trudeau’s Attempt at Reform

By the 21st century, The Globe continued to provide a pro-Liberal take on the news, while The National Post had emerged as the premier right-leaning newspaper in the country. When Justin Trudeau’s Liberals tried to implement Motion No. 6 to limit obstruction, he drew fierce criticism from both papers.

The Globe and Mail generally disapproved of Trudeau’s attempt to restrict opposition obstruction. After Trudeau inadvertently elbowed an NDP MP during a legislative scrum, The Globe described Trudeau’s attempt to pass the debate-limiting Motion No. 6 as an act of “arrogance” (Clark 2016). Another report characterizes Trudeau’s actions as an attempt to “stifle opposition” (Stone 2016).

The National Post predictably criticized Trudeau. One reporter described Motion No. 6 as an “assault on parliament” and a “…shocking assault on the opposition’s ability to function” (The
Another made sure to emphasize that the parliamentary media were “…taking the opposition’s side” on the matter (Tandt 2016).

When Trudeau’s government returned in March 2017 with a new set of reforms, *The Globe and Mail* again expressed disapproval. In an opinion piece, *The Globe*’s Clark Campbell wrote that “[w]hen it comes to reforming the rules, the Liberals should act with more maturity. And on this occasion, Canadians should keep watch on how they do things in Parliament” (Clark 2017). A later report decried the opposition’s histrionics, but claimed that “…we do share [the opposition’s] cynicism regarding the government’s proposals. Some of them are clearly designed to make life easier for a majority government. And that is unacceptable” (*The Globe and Mail*, April 01, 2017). Curiously, *The Globe* made no mention of the substantial compromises offered by the Liberal government only days later.

*The National Post* staunchly opposed the March 2017 reforms. This is clearly illustrated by headlines like “Liberal power grab backfires” (Ivison, March 24, 2017), “Liberal cons just keep on coming; Parliamentary rules changes just one of many” (Coyne 2017), and “Liberals Accused of ‘Despicable’ Tactics; ‘Ram through whatever the … they want’” (Smith 2017). However, in early April, after the Liberal government walked back most of the most controversial changes, *The Post* softened its tone. An April 4th piece actually supported compromise, arguing that “…the Conservatives and NDP have made their point, and would appear obstructionist if they turned down a reasonable offer of accommodation by the government.” After describing the reforms still left to consider, the author asks “[w]hat’s not to like in any of those if you are an opposition MP? Each one of those changes would make the life of the opposition much easier, so why not support them?” (Ivison, April 4, 2017).
Aside from a *National Post* post-mortem of the Liberal’s attempted rule changes (Ivison, June 16, 2017), both *The Globe* and *The Post* essentially ignored the reduced changes, including the eventual decision of the Liberal government to pass the changes unilaterally in the face of continued obstruction.

In this section, I have demonstrated that variation in newspaper coverage anticipates the decision of the government to compromise or to unilaterally impose their proposed changes. In 1913, media coverage of the proposed reforms was divided, and the government ignored the opposition and passed the reforms unilaterally. On the other hand, in 1969 and 2017 media coverage of the proposed reforms was uniformly critical of the government, even from the normally left-leaning *Globe and Mail*. In both cases, the government attempted to compromise with the opposition. In the following section, I assess these outcomes against the predictions generated by the model.
6. DISCUSSION AND CONCLUSION

To explain the variation in outcomes between three cases of parliamentary rule reform, I have constructed a model that identifies audience costs as a key causal variable. According to the model, governments compromise in order to avoid audience costs. Thus, I predicted that cases where the government chose to compromise should be associated with high levels of audience costs, and that cases where the government ignored obstruction should be associated with comparatively low levels of audience cost. I theorized that the homogeneity of newspaper coverage would indicate the level of audience costs. If reporting of the government’s actions was united across newspapers, I took that to indicate unified public sentiment and higher audience costs. If reaction to the proposed changes varied along partisan lines, I took that to indicate a divided public sentiment and lower audience costs. In particular, I argued that a partisan paper criticizing the party that it usually supported was a strong indication of unified public sentiment and high audience costs.

By analyzing historical newspaper reporting, I have shown that during the debate over the 1913 imposition of the closure rule, newspaper reaction was far from homogenous: the pro-Liberal Globe supported Laurier’s obstruction, the pro-Conservative Ottawa Journal supported the government’s reforms, and the more neutral Ottawa Citizen did not place itself firmly in either camp. I then showed that during the 1968-1969 time allocation debate, both The Globe and The Ottawa Journal amplified the concerns of the obstructionary opposition, with the Journal taking a more explicitly critical tone against the government. Coverage from both outlets softened after the Trudeau government compromised on the initially proposed reform, and remained so even after the revised time allocation reform was proposed. Finally, I showed that when Justin Trudeau’s Liberals tried to change the rules in 2016-2017, reporting from both The Globe and Mail and The National Post was critical of the government. Reporting from The Post softened
considerably after the government walked back the most controversial aspects of the reforms, while the *Globe* ignored the compromise entirely. The issue was largely ignored by both outlets thereafter, even when the government passed the severely watered-down rules unilaterally.

These findings support the claims generated by the model. By systematically accounting for the impact that expectations of public opinion have on the government’s decision-making process, I have shown evidence consistent with the theory that high audience costs can stop a government from unilaterally imposing its desired reforms. The analysis suggests that the Borden government judged the audience costs of passing the unaltered closure rule to be inconsequential, while the Trudeau governments, wary of a public outcry, compromised on their proposed changes in order to avoid audience costs.

While this paper provides initial evidence of a relationship between audience costs and the ways that governments go about reforming the rules of legislatures, I suggest three avenues of further research. First, comparative research is needed to determine whether the effects of audience costs on legislative behaviour as predicted by my model occurs in comparable institutional settings. In particular, legislative rule changes in other Westminster parliamentary systems should be analyzed to further test the predictions generated by the model.

Second, further research should investigate how different institutional frameworks affect the interaction between the government and opposition parties. If, for example, changing the rules requires a supermajority, or even unanimity, how does this affect the outcomes generated by the model? What happens if we relax the assumption that opposition parties cooperate as a bloc? Moreover, the conditions that cause governments to change the rules more generally should be more explicitly specified.
Third, the use of historical newspaper coverage as an indicator for public opinion across cases should be established over a larger set of cases. To accomplish this, the causal path from individual opinion at the micro level to aggregate audience costs should be specified in greater detail, and modern text analysis techniques should be used to analyze a larger volume of newspaper data. By continuing research along these lines, we will reach a better understanding of why governments decide to change the rules, and the role that the electorate plays in constraining government behaviour.
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APPENDIX

Proofs for Table 4 using backward induction.

Assume $C_O > 0$ and $C_G < 0$.

If $L_G > R_G > S_G$:

Then $S_O + C_O > S_O$; $R_G + C_G > S_G + C_G$; $R_O + C_O > R_O$; $L_G + C_G > R_G + C_G$ $\therefore$ Outcome I.

If $R_G > S_G > L_G$ or $R_G > L_G > S_G$:

Then $S_O + C_O > S_O$; $R_G + C_G > S_G + C_G$; $R_O + C_O > R_O$; $L_G + C_G < R_G + C_G$ $\therefore$ Outcome III.

If $S_G > R_G > L_G$:

Then $S_O + C_O > S_O$; $R_G + C_G < S_G + C_G$; $S_O + C_O > S_O$; $L_G + C_G < S_G + C_G$ $\therefore$ Outcome V.

Proofs for Table 6 using backward induction.


If $C_O + A_O > 0$ and $A_G + R_G > S_G$:


If $C_O + A_O > 0$ and $A_G + R_G < S_G$: