

# The Local Underpinnings of Electoral Competition in Canada, 1979-2008\*

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**Abstract.** In this paper we explore the capacity of political parties to contest general elections by examining the patterns of candidate spending in individual electoral districts. The data allows us to compare and assess differences across national political parties, over time (including both third and post-third party system periods), and during different electoral finance regimes.

**Keywords.** Electoral competition; party finance; constituency organization.

**Résumé.** Dans cet article, nous explorons la capacité des partis politiques à contester les élections générales, en examinant les caractéristiques des dépenses des candidats dans des circonscriptions électorales particulières. Les données nous permettent de comparer et d'évaluer les différences entre partis politiques nationaux, au cours d'une période donnée (en incluant les périodes de système de tiers et post-système de tiers), et durant différents régimes financiers électoraux.

**Mots clefs.** Compétition électorale; finances des partis; organisation locale.

Single-member plurality electoral systems highlight and often privilege the local dimension of electoral competition by forcing political parties to nominate and campaign for candidates on a district-by-district basis. In this paper we seek to measure and assess the place of local electoral district campaigns in Canadian national general elections to consider how, if at all, they have altered in recent decades in the face of a transformation in the structure of the party system and a rewriting of election and party finance legislation. By mapping the capacity of partisan campaign strength in the country's individual local electoral districts we explore the immediate face of party competition experienced by voters as they come to mark their ballots.

We begin by framing the organizational character of party competition in Canada and the party system(s) that it has spawned. In managing their campaign activities the political parties are constrained by political finance regimes constructed by parliament. This requires we also consider how election and party finance law shapes the local-national balance in the parties' campaign efforts. Having set these frames, we utilize public accounts of party candidates' election spending to explore the strength and patterns of constituency level campaigning in Canada over the last three decades. This will allow us to ask how, if at all, significant

changes to both the party system and election law are altering the place of local campaigning.

## Elections and Party Organization in Canada

Elections in Canada are simultaneously national, regional and local events. These three dimensions are all reflected in the organization of the political parties that structure the country's political competition. As is the case in most contemporary democracies, Canada's politics are highly nationalized. For well over half a century, an extensive mass media has allowed Canadian party leaders to make direct appeals to the national electorate at election time. Party leaders are the public face of their party, and the national election is in some respects synonymous with the various parties' leaders' tours crisscrossing the country to enact staged media-oriented events. Televised debates between the party leaders – generally one in each of the country's two official languages – are key turning points in the trajectory of the national campaign, and defining events for the national election.

It is, however, a misnomer to talk about "the" national campaign in the Canadian context. In reality, each Canadian general election encompasses two national elections: one in its English, the other in its French-speaking areas. These campaigns progress largely in parallel with one another,

intersecting only periodically. Each of these sub-national elections has its own narrative, as parties develop different messages to deliver to each electorate, often emphasizing different issues and pursuing different themes. Although both the English and French leaders' debates are broadcast across the country, their impact is generally limited to the electorate sharing the language of the debate.

As a geographically vast country comprised of regions with distinctive identities, economic interests and historical relationships to the national government, Canada's politics are characterized by regional patterns of voting and political support that go beyond this simple linguistic divide. Quebec, with its majority francophone population, exists as a distinctive political region, as do the Atlantic provinces and the Western provinces. As the most populous province and the industrial engine of the national economy, Ontario has historically been characterized as defining the national interest, but it too is increasingly coming to be seen as a distinctive political region. These regions are not themselves fully cohesive entities, but ongoing differences in their broad voting patterns and the character of their political representation continue to shape the considerations structuring the parties' general political strategy and electoral activity.

While national and regional/provincial politics dominate popular conceptions of Canadian election, and play an important role in structuring both the debate and the outcome of elections, the legal and practical reality is that a Canadian general election is comprised of (currently) 308 distinctive contests occurring in individual electoral districts, each of which elects a Member of Parliament. Survey based analyses suggest that while about two-fifths of the electorate have preferences for one local candidate that preference was the decisive factor for only five per cent of Canadian voters (Blais *et. al.* 2002).

These modest proportions should not be taken to mean that local campaigns are largely irrelevant to electoral outcomes. In their analysis of the 1993, 1997 and 2000 elections, Carty and Eagles (2005: 133) demonstrated that "even after discounting for pre-existing popularity, candidates' local campaign spending makes a difference to their electoral success." Similarly, Coletto (2010: 216), examining the 2004, 2006 and 2008 federal elections, found evidence that 'quality' challengers – those with prior political experience or a high profile occupation – won a somewhat higher proportion of the vote share than did similarly placed candidates without these background assets. His findings confirmed earlier analyses showing that candidate spending had a small, but discernible, positive impact on vote share. Thus, although local campaigns may have less influence on voters' choices than their national counterparts, they nonetheless play a role in shaping electoral outcomes. Carty and Eagles (2005: 175) conclude that there is "strong evidence that local political actors are far from passive or powerless in the face of centralizing and homogenizing influences. Instead, drawing on resources available to them, political actors have constructed a party politics that is firmly anchored in their local communities."

Canadian party organization is best described as 'stratarchical' in that the national and local parties enjoy considera-

ble mutual autonomy. Canadian parties have long operationalized this in an implicit organizational bargain which allows local electoral district party associations autonomy in selecting candidates and running local election campaigns while the national party enjoys autonomy in determining party policy at the national level and managing a leader-focused electoral campaign (Carty 2002; Carty & Cross 2010). Carty characterizes this stratarchical relationship as analogous to a franchise arrangement, with parties' central organizations "providing the basic product line (policy and leadership), ... devising and directing the major communication line (the national campaign) and ... establishing standard organizational management. ... Local units ... provide the basic organizational home of most party members and are typically charged with delivering the product, i.e. creating organizations that can find and support candidates as well as mobilizing campaigns to deliver the vote on the ground" (Carty 2004: 11).

Consistent with this model, the selection of candidates for Canadian parties remains primarily the prerogative of the local party association, although there is evidence of national party intervention in a number of individual cases in recent elections (Cross 2006). The selection of the candidate is a significant process and decision, not only because a winning candidate will sit in the party's caucus in Parliament, but also because the candidate's own organization becomes, in many instances, the local campaign organization for the purpose of the election. The candidate, rather than the party organization, appoints the campaign manager and he or she is the focus for attracting campaign personnel and volunteers as well as being central to the local campaign's ability to raise the necessary funds to fight the election (Carty 1991; Coletto 2010). With the national campaign providing little in the way of material support, local campaigns reflect the varied imperatives of the communities in which they are rooted (Carty, *et. al.* 2000, ch 8; Carty & Eagles 2005). There is some evidence that this is changing in some parties. Coletto *et. al.* (2011) examine patterns of fundraising by and transfers within Canadian political party organizations, and find evidence that both the NDP and, to an even greater extent, the Bloc are moving toward a situation in which local campaigns are partially or even almost entirely bankrolled by the central party organization. For both the Liberals and Conservatives, however, this is not the case. Local candidates and local parties remain largely autonomous in raising the funds needed to mount local campaign efforts.

## The Canadian Party System

The Canadian party system has been considerably altered over recent decades. From the mid-1960s until 1993, three political parties – the Liberal Party, the Progressive Conservative Party and the New Democratic Party – dominated Canadian politics. Each of these three parties strove to be "pan-Canadian," by dedicating themselves to creating a national community, both in the content of their messaging and their policy agendas, but also by presenting "consistent and coherent messages to voters in all corners of the coun-

try" (Carty *et. al.* 2000, 21). All parties claimed a national status by running candidates in every electoral district across the country, even in regions and communities where they had (or even expected) little electoral support. Although the three parties adopted differing stances on various public policy questions, they were united in their focus on the creation and protection of a national political community, particularly in the face of disintegrative forces, most notably the election of governments in the province of Quebec dedicated to pursuing that province's separation from the rest of the country.

Although parties consciously articulated pan-Canadian appeals during this era, distinct patterns of regional support were nonetheless very evident. The Liberal Party, which held office for much of this period, had strong support in Central Canada (Ontario and Quebec) as well as the Atlantic provinces, but enjoyed limited electoral success in the Western provinces. The Progressive Conservative party was generally strong in the West and parts of Ontario and Atlantic Canada, but weak in Quebec. This pattern was disrupted in 1984, when the Progressive Conservatives, led by a fluently bilingual Quebec leader, Brian Mulroney, constructed a broad new national coalition that allowed them to win governing majorities in two successive general elections. For its part, the NDP enjoyed pockets of support in Ontario, as well as across parts of the Western provinces, but it was never able to break through to win seats in Quebec.

That pan-Canadian party system collapsed in 1993, when the governing Progressive Conservatives were reduced from a majority government with one hundred and sixty nine seats to a rump with only two seats in the House of Commons. This followed a period of intensive constitutional politics, in which the Conservative government tried to amend the Canadian constitution in a number of significant ways, including a provision that would have recognized Quebec as a distinct society. Although all three of the major parties had backed the proposed constitutional compromise—the Charlottetown Accord—a majority of voters rejected it in a national referendum in 1992. Constitutional politics proved to be the Achilles heel of the Mulroney Conservatives' electoral coalition: much of the party's traditional base in Western Canada defected to the new right populist Reform Party while many of its recently acquired Quebec supporters moved to support the new sovereigntist Bloc Québécois. The 1993 electoral earthquake left the Liberal Party in government, holding seats in urban centers across the country, while monopolizing Ontario and federalist areas of Quebec. The NDP lost most of its seats, as many of its Western voters defected to Reform, leaving the party much reduced in its seat count. This electoral fragmentation marked the end of the third party system and launched a period of instability in Canadian politics. Five parties were represented in the House of Commons with the Liberals left to form governing majorities on a historically low base of national support.

The combination of a fractured opposition and a solid regional base in Ontario and parts of Quebec produced Liberal majority governments 1993 to 2004 but the party's precarious dominance was challenged when a renewed Conserva-

tive Party of Canada (CPC - a product of a merger between the Reform/Canadian Alliance and the Progressive Conservative remnants) made significant electoral inroads into Ontario, reducing it to a minority. The Conservatives were then able to supplant the Liberals and form minority governments of their own after elections in 2006 and 2008. The CPC's regional base of support includes much of Western Canada, parts of suburban and rural Ontario, parts of Atlantic Canada, and a small number of seats in Quebec. The series of successive minority electoral outcomes (2004, 2006, 2008) was, in large part, a function of the continued strength of the Bloc Québécois. The Bloc's continued ability to capture up to 50 of Quebec's 75 seats in the 308 seat House of Commons, and its ideological unacceptability as a coalition partner, made it exceedingly difficult for any other party to form a majority government.

## The Regulation of Political Finance

The period covered in this paper spans two distinct regulatory regimes governing election finance. The first extended from 1974 to 2003; the second the three general elections from 2004. The 1974 election finance regime was established during a period when national parties were only just becoming recognized in Canadian election law (Courtney 1978). Prior to this, the regulation of elections focused solely on local campaigns on the historic principle that national elections consisted simply of a set of local contests that elected individual members of parliament. The 1974 amendments to the *Canada Elections Act* were notable in their recognition of national political parties and their campaigns, yet still focused heavily on local contests as the primary site of electoral competition (Carty & Young 2012).

The 1974 regime contained three key elements: it required that national parties and candidates disclose the size and source of their financial contributions (but did not place limits on either), it established spending limits for both national parties and candidates during the campaign period, and it introduced public funding for candidates and political parties both directly through the reimbursement of election expenses, and indirectly through a tax credit available to donors.

The legislated spending limits for both national parties and candidates warrant particular attention as they represented the parties' (operating through their parliamentarians) definition of the appropriate balance between national and local campaigning. The (indexed to inflation) limits for national *parties* were initially set at \$0.30 per elector in each electoral district in which the party was running a candidate. Spending limits for individual *candidates* were calculated according to a formula based on the number of eligible electors in the district, with the geographic size and accessibility of the district also taken into account.

The direct form of public financial support for parties and candidates comprised reimbursement of a portion of their election expenses. Starting in 1974, parties were reimbursed for 50 per cent of their election expenditures on television and radio advertising. In 1983, Parliament

amended the legislation to reimburse parties for 22.5 per cent of their total election expenses, provided that the party had spent at least 10 per cent of its legal limit. In 1996, Parliament again amended the legislation to require that a party receive either 2 per cent of the valid votes cast nationally or at least 5 per cent of the votes cast in the electoral districts where it ran candidates to be eligible for the reimbursement (Young 2004: 446).

Candidates' eligibility for reimbursement is determined *ex post facto* as a consequence of the electoral support they receive. The 1974 legislation required that a candidate win at least 15 per cent of the vote to be subsequently eligible for election expenses reimbursements. The reimbursement formula was originally tied to the number of eligible electors in the district, but was later set at 50 per cent of the candidate's expenditures.

In 2003 Parliament adopted legislation establishing a new regime governing election finance. In this reformed system both the spending limits and the reimbursements of election expenses were left intact. Candidates continue to be reimbursed 50 per cent of their election expenditures, but the eligibility threshold was dropped from 15 per cent of the vote to 10 per cent, thereby expanding the pool of candidates receiving reimbursements. Parties' election expenses reimbursements were increased from 22.5 per cent to 50 per cent, thereby considerably reducing the cost to the parties themselves of mounting national election campaigns.

The most significant elements of the 2003 legislation were limits on both the size and source of contributions, and introduction of direct funding to national political parties outside of election periods. This legislation allowed only individual contributions to national political parties, to a maximum of \$5000 per donor per party each year. Contributions from corporations, unions or other organizations were permitted only at the local level (to local party associations and candidates), to a maximum of \$1000 per donor per local association or candidate each year. In 2006, further legislative changes limited contributions at all levels to individual donors, effectively banning all corporate or union contributions, and reduced the maximum allowable contribution from \$5000 to \$1000.

To replace the income lost from union and corporate contributions, the legislation introduced a quarterly allowance for registered political parties that had won either 2 per cent of the valid votes cast nationally or at least 5 per cent of the votes cast in the electoral districts where it ran candidates. Eligible parties were to receive \$1.75 (with provisions for inflation adjustments) annually for each vote won in the most recent federal election.

## The Local-National Balance

In this paper, we use election spending as a measure of the strength of local and national party electoral campaign organizations from 1979 through 2008. The data is taken from the official reports to the Chief Electoral Officer that the law requires of both individual candidates and recognized political parties. Some care is required in interpreting campaign

spending in the Canadian context. First, as noted above, candidates must abide by legislated spending limits during the official campaign period, so there is a cap at the upper end of the range of spending. There is, nonetheless, substantial variation in candidate spending, with some campaigns spending only a fraction of their legislated limit and others spending virtually every penny they are allowed.

Second, we rely on reports of spending during the official election campaign, a period that varied considerably during the elections covered by our study (from a low of 36 days in 1997 to a high of 66 days in 1980) and we have no account of spending prior to the campaign period. There is every reason to believe that candidates who spent close to 100 per cent of their legislated limit might well have spent money on campaigning in the weeks and months leading up to the election call, an amount that likely differed from election to election given the disparate campaign periods. As there is no requirement that this be reported we have no measure of spending outside the writ period.

Third, the local campaigns are, for the most part, independent of the national party organizations both in fundraising and in the financial conduct of their local campaigns. Coletto *et. al.* (2011) measured net flows between local associations and candidates, on the one hand, and national parties, on the other. They found that between 2004 and 2007, transfers down from the national party equaled 23 per cent of the total income raised locally for the Liberal party, 31 per cent for the Conservative party, 49 per cent for the NDP, and 80 per cent for the Bloc. Much of that movement occurred in Quebec where the Conservative party is particularly weak and the Bloc heavily reliant on the state subsidy. Those are, however, aggregate figures and it may simply be that national parties were transferring funds to particular candidates in an effort to target marginal seats, a pattern that Pattie and Johnston (2009) identified in their analysis of local campaigns in Britain.

Various sets of societal, political and institutional changes over the three and a half decade span of this study had the potential to affect the relative local-national balance, some toward the national level and others toward the local. Several factors predict that national campaigns should become more important than their local counterparts. Perhaps most compelling, are the array of forces that have shifted politics from a predominantly local to a largely national (or binational) phenomenon over the past century. The emergence of mass media, national television networks and news agencies, the advent of opinion polling and the nationalization of the Canadian political community that was the focus of the pan-Canadian party system all contribute to a nationalization of election campaigns. These forces lend themselves toward what Norris (2000) refers to as the 'modern' nationalized campaign. This argument implies that throughout the pan-Canadian period (to 1993) there would have been a downward movement in the ratio of local to national campaign spending.

Several elements of the 2004 reforms to the election finance regime also push in the direction of greater centralization of campaign expenditures. Increases in public funding are delivered almost exclusively into the hands of the na-

tional political parties: it is the national parties that receive the annual allowance of (now) \$2 per vote won. Although candidates were also faced with the same loss of corporate and union revenue as the national party organizations they did not receive any additional public money to replace it. As a consequence, Liberal and Conservative candidates' total revenues declined from approximately \$18 million (each) in 2000, to just over \$8 million in 2004 (Coletto *et. al.* 2011, figure 14). Compounding this centralizing thrust, the election expenses reimbursement was enriched from 22.5% to 50% for national parties, meaning that national parties were able to join candidates in spending fifty-cent dollars in their campaign efforts.

There are, however, other reasons to anticipate a degree of localization in campaign expenditures. As mass media become more fragmented and it becomes more difficult to reach the public via these channels, parties may come to rely more heavily on targeted local appeals, in what Norris (2000) refers to as the 'post-modern' campaign. Moreover, as detailed data about the geographic location of various targeted segments of the electorate become available to parties, they are better able to identify key electoral districts on which to focus their efforts.

As the party system has shifted from its pan-Canadian national focus to a more regionalized politics, the national campaign may have declined in importance leading parties to focus their efforts on areas of the country where they are electorally competitive. If this was the case, we should not necessarily expect to see a decline in national relative to local spending. Rather, we would anticipate a greater degree of variation within parties in the intensity of their campaign efforts in various regions. The peculiarities of the new national party system Canada entered into in the first decade of the 21<sup>st</sup> century seem to point toward greater local effort, at least in key electoral districts. With the emergence of a 'permanent campaign' (Flanagan 2010), national elections are intensely contested and the resources amassed often exceed what can be legally spent at the national level. As a result some spill over to the local level in targeted ridings. With the electoral calculus governed by the need to create at best a marginal majority of seats (because of the Bloc's removal of so many seats from play), the focus shifts to intense competition in a relatively small number of seats. This speaks more to the degree of variation found within parties rather than to the local-national ratio.

## Local Spending in National Elections

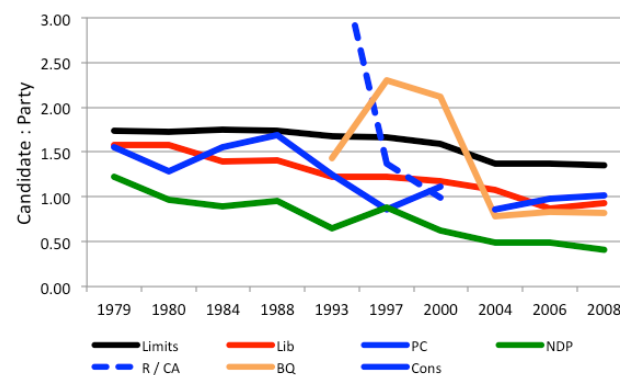
The story of the place and impact of local campaigns in Canadian general elections inevitably reflects the considerable variation – social, economic and political – that characterizes the country's (regularly shifting and growing number of) electoral districts. And given the considerable autonomy traditionally accorded to local associations' campaigns by the franchise model utilized by the county's political parties, one might assume that any common theme is overwhelmed by the dynamics of local idiosyncrasy. However, using the local candidate's election spending as a common metric allows us

to provide a portrait that reveals the changing impact of local campaigns in national electoral contests.

Election expense limits and disclosure regulations have now been in place for over three decades, spanning the last ten general elections. Although the nominal spending limits have grown by about 3.4 times in that period the change has merely accounted for inflation – the real limits have changed hardly at all. But this apparent stability masks an important shift in the local-national balance in favour of the national party over its candidates. In 1979, a full slate of party candidates was entitled to spend 1.74 times as much as the national party campaign on election expenses, by 2008 that ratio had shrunk to 1.35. This slow but persistent shift signals a public acceptance that it is the national campaign that increasingly drives partisan efforts.

This ratio of legislated limits for a party's candidates and national campaign constitutes parliament's definition of the appropriate local-national balance. In fact no party's campaign ever reflects that balance. As Figure 1 illustrates, the parties typically invest less in their local campaigns (taken as a whole) than the law would allow. For the most part this is because they do not come close to spending their allowable limit in many of the electoral districts. That noted, the figure also indicates that, over the period, it was the Liberals who generally came closest to the nationally defined ratio. This is local evidence of their standing as the most national of the parties over the period. The Conservatives did manage to displace the Liberals from office in the 1980s, and again in 2006 and the figure suggests they did so by running stronger local campaigns.

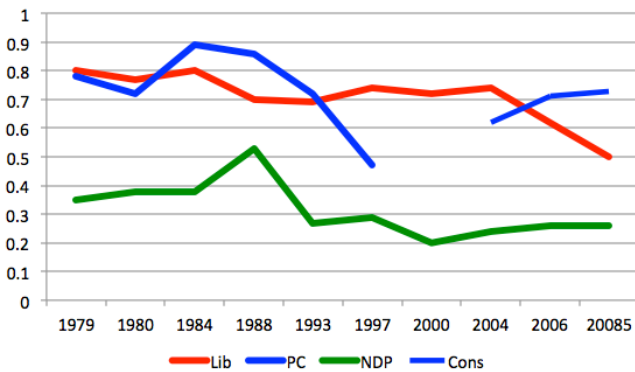
Figure 1. Local Candidate : National Party Spending Limits



While a minor party like the New Democrats can run effective national campaigns they have, at best, only a nominal presence in many electoral districts and so their local-national balance is skewed away from the norm. By contrast, new parties attempting to break into the system may take on a quite different pattern as the Reform party and the Bloc Quebecois did in their early years. As grassroots movements they were able to mount substantial local campaigns before their central organizations had the capacity to conduct equivalent campaigns. With their incorporation into the system as regular players they soon take on the more characteristic patterns of established political parties.

If the inability of a party's candidates to spend to their limit is at the heart of this pattern, the long-term decline in the local-national campaign effort also reflects a similar general decline in the capacity of local candidates to mount full campaigns (Figure 2). The figure also confirms that the average candidate in a winning party (the Liberals in 1979, 1980, 1997, 2000 & 2004; the Progressive Conservatives in 1984, 1988 and the Conservatives in 2006, 2008) spends more than the candidates in the other parties reinforcing a perception that national electoral victories are rooted in broad and strong local campaigns.

Figure 2. Average Candidate Spending as % of Local Limit



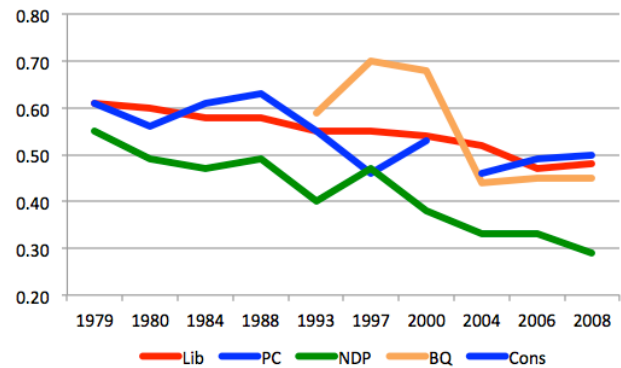
Average local spending among New Democrat candidates peaked in 1988, a year in which the party believed (for a moment) that it had a realistic chance of replacing the Liberals as a major party in the system. With the collapse of the third party system in 1993 local New Democrat campaigns seem to be substantially weakened although this could also simply reflect a more systematic targeting of individual electoral districts. In either case, it does indicate a marked deterioration in the party's position in national political competition over the period.

With local campaign spending shrinking as a proportion of total allowable election expenditures, and local candidates spending as a proportion of their allowable limit also shrinking, it is apparent that local candidate spending as a proportion of all party spending has been in regular and steady decline over the past three decades. This is illustrated in Figure 3. A decade ago Carty Cross and Young (2000: 172) could confidently report that "close to 60 percent of all election-period spending is done by candidates in local contests". By the 2008 general election that was no longer true and, as a new party system emerged, it appears that the campaigns of local candidates were consuming less than half of all partisan spending. While this has varied over time, and across parties, the change does appear to mark a distinctive break with the past and constitutes an important face of parties in the newly emerging party system.

These broad patterns define the general character of the changes altering partisan competition, and the place of the local in it, over recent decades in Canada. But within this framework there has been a great deal of variation both within individual parties and across time. Figure 4 illustrates

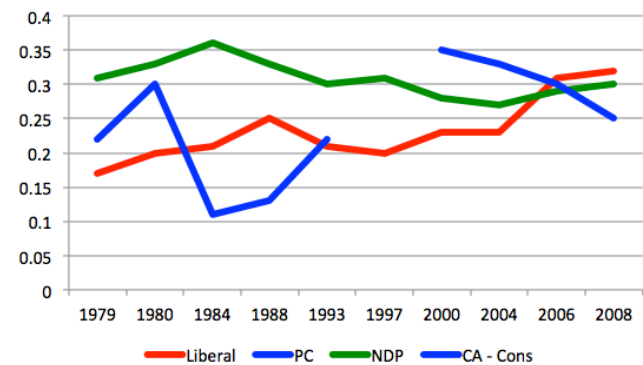
some of this using the standard deviation of the proportion of the limit spent by a party's candidates as a measure of the internal variation in the strength of a party's local campaigns in any given election. Here the story is not so straightforward. There has been a steady increase in the internal variation of local Liberal party campaigns that would appear to reflect (or possibly account for) their slow erosion as a genuine national party.

Figure 3. Local Candidate Spending as % Total Partisan Election Expenditures



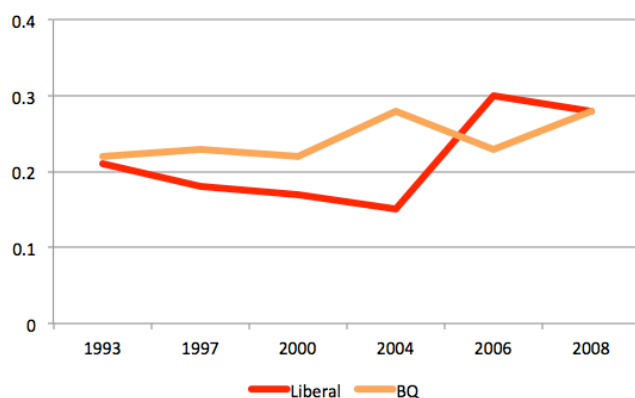
By contrast, there was no such clear transformation in the New Democratic Party's local campaign efforts. The extent of internal variation in them grew in the 1980s only to fall back at the turn of the century before recovering to essentially the same situation that characterized the party three decades earlier. The figure also demonstrates the enormous success of the Progressive Conservatives in the early years of the 1974 election finance regime. The party quickly developed powerful fund-raising machines (Stanbury 1991; Carty 1991) that allowed them to mount strong campaigns in virtually every district (c.f. Fig 2), providing the basis for their great national victories of 1984 and 1988. The re-emergence of a viable and competitive conservative alternative after 2000 surely rests in part on the new party's capacity to shrink the variance in its local campaigns as it strengthens its presence in more districts.

Figure 4. Variance in Parties' Local Campaigns (SD of % limit spent)



Electoral contests in Quebec have always taken on a different hue as the parties have been forced to run distinctive campaigns there, an imperative compounded by the emergence of the Bloc Québécois in 1993 as the party with the largest support in federal elections in the province. Figure 5 traces the variance in the strength of the local Liberal and Bloc campaigns in Quebec over the last two decades. With the exception of the 2006 contest, it has been the Bloc that had the most unbalanced set of local campaigns, a consequence of its making comparatively little effort in the set of electoral districts with substantial Anglophone populations. If anything, that variance appears to have grown over the party's life as the Bloc simply focused on solidifying its base rather than attempting to expand its position in the system by contesting other electoral districts.

**Figure 5. Variance in Local Campaigns in Quebec (SD of % limit spent)**



The last three decades of electoral competition – both local and national – have seen the disintegration of one distinctive party system and the slow emergence of a new one. While that transformation reshaped party competition, it also altered the presence, organization and capacities of the individual parties that make up the system. In doing so it altered the ability of the parties to contest local electoral districts. During the third party system it was usual for all three national parties to run candidates in every district but then, from 1993 through 2000, only the Liberals managed to do so until the system restructured itself in (2004) a way that left the parties again contesting every seat (in the case of the Bloc in Quebec only). With distinctive roles in what was only nominally a national system of competition, the parties' local profiles were shifting over time.

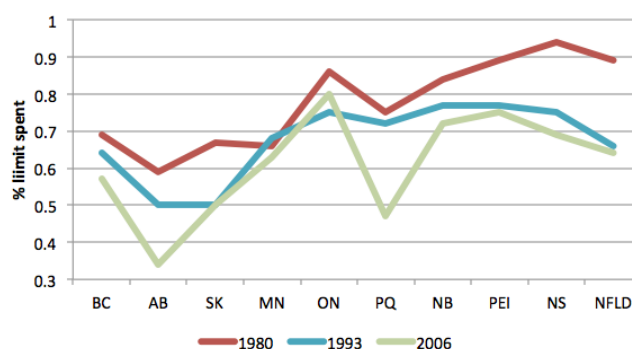
### **The Liberals – the National Party?**

As the country's "natural governing party" the Liberals had long been described as the only genuinely national party capable of a presence in virtually every part of the country. To maintain this status the party sought to mount viable local campaigns in as many electoral districts as possible. The result was that their candidates typically spent more than their opponents and that local campaigns were a more important part of the Liberal's total campaign effort than

was true of other parties (recall Fig 2 & 3). However the last three decades have seen a sustained erosion of the Liberals once easy dominance of Canadian politics, a process that flowed in part from its changed capacity to engage the grassroots. These changes had both a regional and temporal dimension but they also reflected the realities of power in a Westminster parliamentary system.

Despite its claim to being a national party the Liberals have, for the past half-century, had a long-standing and distinctly regional tilt to their base that was characterized by a clear east-west gradient. The consistency of this greater strength in the east is obvious in Figure 6 that records the average campaign strength by province at the beginning, middle and end of the three decades. However the figure also reveals that over the period the party's capacity to fight local campaigns was steadily being eroded. By 2006 not only were local campaigns able to spend less than they had a generation earlier but the interprovincial variation in local contests had grown, evidence of the breakdown of a consistent national campaign.

**Figure 6. Liberal Local Campaign Strength**



Some of this change in the Liberal party's campaign capacity reflected the transformation of the wider party system that was signaled by the earthquake election of 1993. Figures 7a and b illustrate the differential strength of local Liberal district campaigns during the last years of the third party system, and then in its aftermath. They reveal that the restructuring of the system had a powerful effect on the place of the Liberal party in local electoral districts in national general elections. During the third system, while an east-west gradient continued to mark the party's local resources, Liberal partisans were generally able to mount significant campaigns all across the country in a predictable and regular way. That ended with the collapse of the system. Even though the party formed the government, Liberal district campaigns were left weaker and with greater variation, both from province to province as well as from election to election. The Liberals were clearly less of a viably national party although, ironically, with less of an obvious east-west gradient to its campaign capacity.

The Canadian practice of parliamentary government has traditionally given considerable advantages to a government party both institutionally (allowing it to pick election dates) and in terms of its ability to attract the resources necessary

to fight election campaigns. Thus we might expect to see some regular difference in party campaigns in terms of its position in the system at the time of the election. Parties in government ought to be able to organize a set of stronger campaigns in the constituencies. Figures 8a & b allow us to compare the strength and inter-provincial variation in Liberal campaigns during elections in which they were the sitting majority government and those when they were in opposition.

Figure 7a. Liberal Campaigns during Third party System

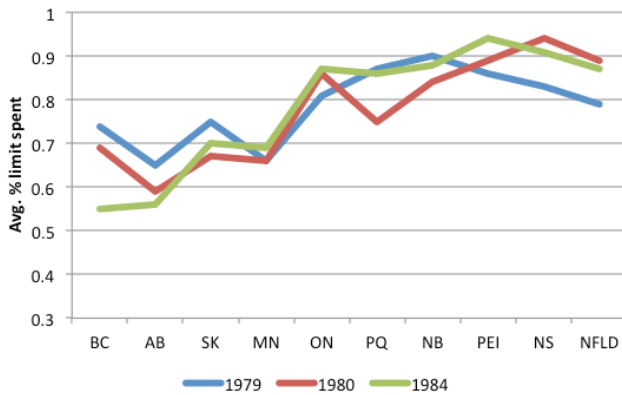
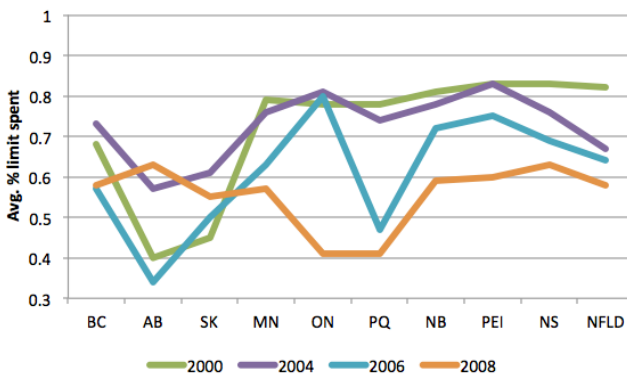


Figure 7b. Liberal Campaigns Post Third party System



They confirm our expectations. The party was able to run generally stronger campaigns when it enjoyed the advantages of office. By 2008, out of office and in a new system, the inability of the Liberal party to run a balanced set of local campaigns indicated it was no longer the national force that had long dominated the nation's politics.

Figure 8a. Liberal Local Campaigns while in Office

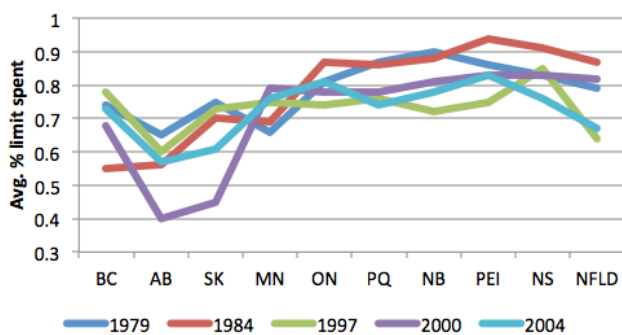
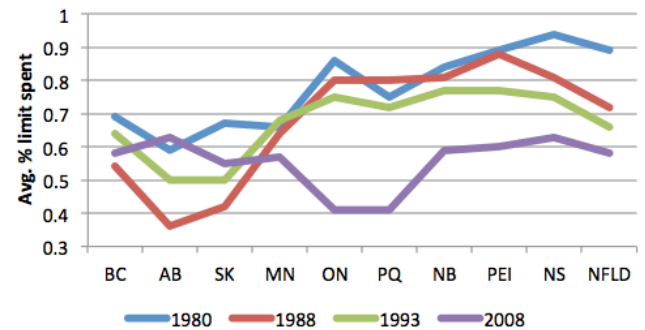


Figure 8b. Liberal Local Campaigns while in Opposition

**The New Democrats – a party of Western Protest?**

Long portrayed as a party of regional (western) protest the

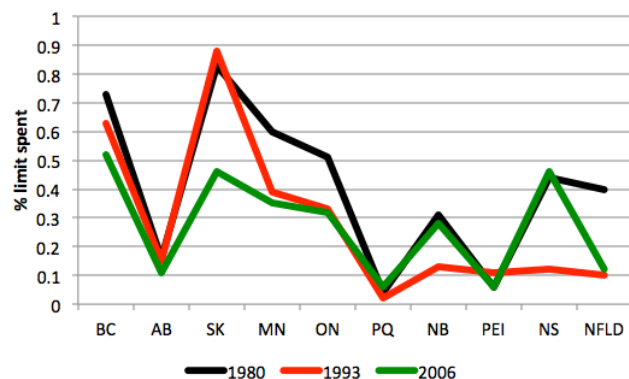


New Democrats have, in the past three decades, sought to emphasize their national campaign at the expense of those in local electoral districts. As a consequence it devoted an increasingly larger share of its campaign resources to its national level campaign (Figs 1 & 3), saw the variance in local campaigns shrink (Fig 4) while, at the same time, the ability of its individual local candidates to spend to their legislated limit was falling (Fig 2).

In Figure 9 we plot the average strength of the electoral district campaigns of NDP candidates by province over the three decades for which we have data. A west-east gradient that long characterized local NDP campaign capacity (rooted in the party's origins on the inter-war prairies) has been eroded as its organizations in the western provinces became a pale reflection of what they had been in the 1970s: thus, in Saskatchewan, long the country's social democratic heartland, NDP district campaigns were only half as strong in 2006 as they had been in 1980. While the party still had virtually no presence on the ground in Quebec, its local campaigns in Nova Scotia were, by 2006, as well financed as those in Saskatchewan.

Figure 9. NDP Local Campaign Strength

In 1988 the New Democrats won a record number of seats in the House of Commons in an election in which their campaign appeared to depend on a number of especially strong





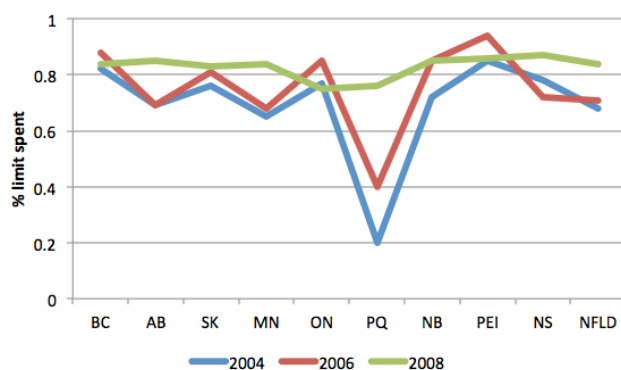
local campaigns (Fig 9). Our portrait of the decades since suggests that the party was being transformed from one rooted in a set of strong electoral district associations capable of organizing strong local campaigns into a more broadly based national organization far more dependent on its national, as opposed to local, campaigns to win its seats.

### **The Conservatives – a National Contender?**

For most of the twentieth century the conservatives were a party of opposition. This was a consequence of the party's inability to sustain locally viable organizations in Quebec after the conscription crisis of 1917, and on the prairies until the realignment of the party system in the early 1960s. Aggressive fund-raising prompted by the new election finance regime of the 1970s allowed the party to build a modern organizational infrastructure and enliven its local associations. As a result the party was able to contest both general elections of the 1980s with the best-financed local campaigns (Fig 2 & 3) displacing the Liberals from office.

The political marriage of Quebec francophones and Western francophobes that the Mulroney Progressive Conservatives put together in the 1980s proved unstable and its implosion proved the catalyst for the 1993 earthquake election that broke the alignments that had governed the third party system. It left that 1980s conservative coalition in three pieces as the Bloc in Quebec, Reform in the west, with the old Progressive Conservative party holding the remainder. And it was this fragmentation of party competition that allowed the Liberals to win three easy victories in a row despite the fact that their campaign organizations had also been disrupted by the system break (Fig 7).

**Figure 10. Conservative Local Campaign Strength**



The western fragment, originating as Reform, began as a profoundly local organization but soon developed a more conventional local-national campaign balance as it morphed into the Canadian Alliance and determined to contest every district (see Fig 1). It wasn't until 2004 that the Alliance and the old Progressive Conservatives managed to come together as a new Canadian Conservative party. In fact it had little local presence in Quebec, having lost most of its 1980s support to other parties – primarily the Bloc. As Figure 10 reveals, the party's moved to quickly establish viable local campaign capacity in the province's electoral districts which

put it in a position to win minority governments in the subsequent two general elections. By 2008, candidate expenditure reports suggest that the Conservatives had the best-financed set of local campaigns although this now appears to have reflected their newly adopted practice of using local allowance limits to cover what were essentially national campaign expenses.

### **Local Campaigns in Contemporary Canadian Elections**

Strong local campaigns remain an essential part of national political parties' electoral activity in Canada's geographically based single member electoral system. Their management and financing by local activists perpetuates the place of the party on the ground in structuring electoral contests and reinforces the diversity that characterizes parties' appeals. Yet some of the idiosyncrasy that Canadian parties' organizational style has long permitted is now being challenged.

The election finance regime itself is increasingly advantaging national as opposed to local party activity. It has increased the state reimbursement rates for national party activity and it presides over a continuing shift in the allowable limits – and hence spending – to the advantage of national as opposed to local campaigns. The parties have responded to these incentives so that local spending as a proportion of total partisan spending has now fallen below 50 percent. The Conservatives, pioneers in most party finance initiatives of the past forty years, have pushed the system further by developing institutional mechanisms that allowed its national campaign organization to cannibalize unused local spending space. Although the legalities of these practices remain to be settled by the courts, they represent a further shrinking of the place and power of the local in national electoral campaigns. They also blur the very distinction between local and national campaign activity, threatening the function of separate legal limits for what may become indistinguishable activity.

In this respect, we can see the effect of external institutional factors – the election finance regime – on the fundamental local-national balance in Canadian electoral politics. But in other respects, we see little evidence that external factors are shaping the patterns within the parties. Although individual party practices governing the degree of internal variation in local spending have shifted there does not appear to be any discernible common pattern that affects all the parties. In particular the two major exogenous shocks do not appear to have had a visible effect: there were not marked increases in the internal variance in local spending in the aftermath of the 1993 deconstruction of the party system, nor do the 2004 election finance reforms appear to have had any immediate significant impacts on local electioneering. Rather, the parties' electoral fortunes are reflected in (and perhaps driven by) their ability to spend at the local level.

If the Liberal party could once legitimately claim to be Canada's natural governing party – its national party – it can hardly do so now. Although the party was distinctly stronger

and capable of running more vital local campaigns through much of the third party system, interprovincial differences have grown, and become more (temporally) irregular, since its collapse. Sitting in opposition has also hurt the party's capacity to maintain a viable local presence in many electoral districts, inhibiting its ability to present itself as a genuinely national electoral force.<sup>1</sup> With the Liberal party no longer anchoring the system as the constant in each district, something of the national has been effectively drained out of local choices. The Conservatives are now attempting to replace this with a "garrison party" (Flanagan 2010) designed to flood all the locals with centrally controlled campaign material. This approach to nationalizing campaigns was once successfully used by the Conservatives in 1930 but collapsed under the pressure of financing it in subsequent elections (Glassford 1992). Whether the new party finance system has strengthened the national organization enough to withstand the loss of local money and personnel likely to flow from a highly centralized structure remains to be seen.

The emergence of a new party system may be altering the local-national dynamics of electoral politics. In this new context the variance in individual parties' capacity to mount local constituency campaigns is likely to increase as they respond to the realities of regional and national party system fragmentation. The consequence of central party organizations focusing on a limited number of local campaigns may lead to nominally national campaigns becoming carriers of the local imperatives that define the contests in their specifically targeted districts. More than a century ago Siegfried reported that "local advantage" was one of "the arguments that tell" in Canadian elections. As a fourth party system emerges it may simply be about to appear in a new guise.

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<sup>1</sup> This speaks to a related story about the importance of party incumbents in maintaining local party organizations and attracting election resources – both money and personnel. It is also part of the account for the collapse of NDP campaign capacity on the prairies. For more on this see Carty 1991: 39-42, 173-77, 201-09.