

## Ontario Political Parties in the Neo-Liberal Age.

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### *Introduction*

There are signs that political parties in Ontario are changing and by some measures becoming even less relevant to citizens' lives. Voting rates are dropping sharply. From a recent high of 73.5 % in 1971, turnout has fallen to below 60% in the last three elections and just 52.1% in 2007 breaking an all time low of 54.7% in 1923. Political party membership, as far as it can be determined, is also declining. Fewer people and probably fewer young people are attracted to party membership preferring to pursue policy change through social movements or deciding that parties and politics have no relevance to their lives. On the evidence available, many constituency associations, the local organizations of political parties, appear to be moribund with little activity between elections. Parties increasingly rely on a small and transient group of inside strategists drawn from the world of marketing, advertising, lobbying or business. They frequently employ the techniques of product marketing in advertising, fund-raising and in selling policy choice. Politicians and journalists talk about parties with market terminology, party labels and ideologies become party brands, citizens become consumers or taxpayers, the needs of individuals and groups become demographics and political discussion becomes advertising or focus groups. Over the past 25 years, parties have become increasingly centralized, exerting control over membership, communications, policy determination, and campaign direction reducing local parties and membership to administrative and party maintenance punctuated by declining campaign activity and local fund-raising.

Could these changes within parties and citizens' reactions to parties be connected to the emergence of neo-liberalism as the dominant policy framework espoused by Ontario parties? Political parties are not just proponents of ideas but are themselves shaped by them. As organizations working to advance or react to the dominant ideas of the period, parties are not immune to the prescriptions of those hegemonic ideas.

I want to begin to show in this paper how the spread of neo-liberal ideas has affected the parties that advocated for them and the parties that opposed the ideas but inevitably had to adapt to some of the effects of them. I will argue that neo-liberal ideas have been absorbed into the fabric of parties and local parties in particular

This is not a paper about the adoption of neo-liberal policies by Ontario political parties. That trend has been well documented by others such as Blizzard, Ibbitson, Walkom, Ehring and Roberts, and a host of articles on specific policy shifts<sup>1</sup> Rather it is about how the neo-liberal ideas affected parties.

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<sup>1</sup> The journal *Studies in Political Economy* contains many such articles.

In what follows, I have assembled some evidence about how aspects of Ontario parties have changed in the era of neo-liberalism. Parties have always been secretive about internal matters. As a result, the evidence is fragmentary but still adequate to suggest party changes that mesh with the core ideas of neo-liberalism.

*How does neo-liberalism affect the constitution of political parties?*

Neo-liberalism is a set of ideas that support the extension of the principles of the free market to as many social practices as possible. It is the belief that markets “are a better way of organizing economic activity because they are associated with competition, economic efficiency and choice” (Larner, 5). This means turning into commodities to be traded in the market many (advocates would say all) aspects of our lives that are currently conducted outside it. Many things we need to flourish individually and collectively are supplied by us through political decisions to tax ourselves and provide the goods to all rather than leaving individuals to purchase them in the market. The use of streets and highways is free reflecting collective provision, though the number of toll roads is growing.

The idea that all of our wants and needs should be provided by markets has led to a whole series of interconnected arguments that have worked their way into policy. State regulation of industries has given way to self-regulation, in effect deregulation, in the interest of opening up markets to other competitors with the supposed reward of greater efficiencies and lower costs. Among other things, neo-liberal governments have privatized many state supplied services; they have lowered taxes and “put more money in consumers’ hands” so that they can choose which newly privatized services they need and can afford; they have made it more difficult for workers to organize collectively and have celebrated “workers’ freedom” from supposedly rent-seeking unions; they have tried to reduce the size of the state and reduce the areas of our lives that are subject to collective decisions arrived at through democratic representative politics and to redistribute “wealth and decision-making power *away* from the politicians and the bureaucrats, [and] returning it to the people themselves.” As the aggressively neo-liberal manifesto of the Ontario Progressive Conservatives in the 1995 election stated, “*That’s what the Common Sense Revolution is all about!*” (5).

This is no more than a précis of the policy directions emerging from neo-liberalism’s core ideas and it is not my intention to explore these further. Rather, I want to pick out a few important strands and follow their affect on parties.

A core idea of neo-liberalism is the devaluing of politics which I understand to be the achieving of collective goals through democratic processes and through the representation of needs by political parties. If all such needs can theoretically be met in the market, there is no place for the time-consuming and costly procedures that are, in the eyes of neo-liberals, open to manipulation and capture by special interests: the less politics the better. This does not only translate into a reduction in the scope of decisions open to democratic politics but to the constricting of opportunities for the expression of needs through politics.

In one of the few studies of politics at the local level in Canada, Carty and Eagles focus almost exclusively on federal electoral politics and using some information originally gathered in the late 1980s and early 1990s for the Royal Commission for Electoral Reform and Party Finance argue that grassroots politics during election campaigns is alive and well. Their work focuses exclusively on national election campaigns, the high point of local member activity. It also lacks some of the longer data series presented here. They are also not inclined to look for explanations or clues in wider changes such as the growth of neo-liberalism.

### *Rationing representation*

Arguably, one of the most important obligations of political parties is the preservation of democratic political capacity. By that I mean the democratic infrastructure necessary to represent the needs and opinions of voters as they are voiced between elections. This means not just maintaining or improving an agreed on or realistic ratio between electors and representatives but such things as political staff, space and time to meet, a commitment to regularly listen, to debate and to represent the needs of constituents both through elected representatives and through political parties.

One of the most promoted planks in the *Common Sense Revolution*, (CSR) the Mike Harris led Progressive Conservative's 1995 election platform, and what became the *Fewer Politicians Act*, was the reduction of members in the Legislative Assembly from 130 to 103 and an average increase of 26% in the number of people to MPPs. This change would eventually mean that Ontario had a higher number of people to elected officials than any other political jurisdiction in Canada: "In 2004, Ontario MPPs in the provincial legislature represented on average 120,317 Ontarians; Ontario MPs in the House of Commons represented 116,912; and Canada wide, federal MPs represented an average of 103,721 people. In the next largest Canadian legislature, the Quebec National Assembly, MNAs represented 60,342 people on average" (Pond, fn 48; See also Pilon and Docherty). This sudden rationing of representation was a dramatic increase in what had already been an upward trend in the ratio between voters and representatives that had seen an increase of 33% between 1970 and 1995 and a further increase after the turn of century as a result of rapid population growth in southern Ontario.

There are several ways to think about the reduction in representatives and the longer trend to allow the ratio of voters to representatives to more than double in the space of 30 years. No discussion of redistribution should ever go without a consideration of political advantage. The case could certainly be made that the *Fewer Politicians Act* shifted seats into the suburbs of Toronto and other large cities and away from city cores where the Conservatives had little representation. Courtney argues that the adoption of Federal districts in Ontario upset the preservation of a community of interest in the design of constituencies where communities that relate to provincial powers, for example school districts, have relevance to provincial members but very little to Federal ones (Courtney, 212).

David Pond's comprehensive article on the origins and responses to the *Fewer Politicians Act*, connects it to the Conservatives neo-liberal understanding of representation. He

argues that the Conservatives successfully reframed Ontario as a “polity defined as an aggregate of taxpayers ... [that] implied limits to the permissible range of state involvement largely incompatible with any significant reversion to the Keynesian redistributionist paradigm“ (176). The neo-liberal understanding of representation, Pond argues, is essentially Burkean, one that does not require a representative to be constantly in touch with the represented and certainly not as a delegate that re-presents their needs. There is still room for public consultation but this should be over the heads of elected members through referendums on the most important issues like tax increases. Apart from these rare instances of consulting taxpayers, elections give governments mandates to carry out specific promises. Subsequent elections hold them accountable for those promises and representation in between is reduced to demonstrating to electors progress on a checklist of promises made and kept.

While I agree with Pond’s reading of the Conservative’s understanding of representation, and I have truncated his argument in the recounting, it may not fully explain the drastic reduction in representation. The Harris government, as Pond notes, characterized the reduction as a cost saving and an important symbolic sharing of the public pain of cutbacks in servitude to a balanced budget. However, in describing opposition to the Act, Pond notes that the opposition argued that:

...the new ridings were too large for MPPs to perform as effective ombudsmen on behalf of their constituents. Under the terms of Canadian federalism, MPPs, and not federal MPs, dealt with most of the government programmes affecting constituents in their daily lives, such as health care, education, welfare, occupational health and safety, family support payments, public housing, consumer problems, MPPs needed to be more locally accessible than federal MPs, in order to assist their constituents in their dealings with the provincial bureaucracy (183-4).

Pond’s reading of the Government’s motives does not sufficiently allow for the possibility that the driver behind the reduction in representation was the neo-liberal goal of devaluing politics and decreasing representation as a way of shrinking the sphere of democratic decision-making. That was certainly a theme that the name of the *Act* and comments about it played upon. The *CSR* platform cast politicians as a needlessly expensive and self-serving lot, and having fewer would lead to more savings for taxpayers:

You have told us we have too many politicians ... Not only does each politician draw a salary and an expense allowance, but we must also pay for their office staff at Queen’s Park and in their riding. ... As well, we will end the sweet deals politicians have created for themselves ... They will be paid a straight salary just like ordinary Ontarians (*CSR*, 8)

The growth in the geographical area of constituencies has surely affected local party associations as well. Some northern and near northern constituencies have become so large that members are unlikely to meet frequently or ever and the co-ordination of anything resembling local activity has become more difficult. The local organization of parties has become substantially more difficult outside urban areas and the capacity to

represent constituents' views declined with fewer members and no proportionate increase in their staff , budgets and other political infrastructure. The end result was a rationing of the capacity to represent both within constituency organizations and within the legislature and has surely contributed to the decline of local parties. Interestingly, Pilon and Docherty show that the three provinces that have experienced the most extreme and prolonged neo-liberal administrations, BC, Alberta and Ontario, have also seen the most severe declines in representation (6).

*Where have all the members gone?*

Membership in Ontario political parties is difficult to track. Parties are not forthcoming about membership totals and usually refuse requests for totals. We can be certain that memberships are not a significant source of money for parties: Liberal and PC memberships cost just \$10 a year and an NDP card is \$25 and it seems likely that income from memberships is certainly less than 10% of total party income and probably less than 5% for the Liberal and PC parties.<sup>2</sup> Without any corporate funding, the NDP certainly relies more heavily on its members but it is impossible to separate member from non-member contributions .

Table 1. Membership totals 1988 to 2009

Party	Members	Year
NDP	25,000	2009
NDP	23,000	1996
NDP	27,000	1988
PC	43,600	2009
PC	8,500	2008
PC	61,104	2004
PC	104,569	2002
PC	140,000	2001
PC	32,000	1990
Lib	12,500	2004
Lib	21,737	1996
Lib	23,000	1990

Note: This table was constructed from newspaper sources, membership totals for universal ballot leadership contests and members estimates from delegated leadership conventions. The number of Liberal members in 2004 was

<sup>2</sup> In 2004 the Liberal's financial statements show that less than two percent of their income came from membership fees. Tracing membership through financial statements is difficult because of the ways and where (local or central party) membership income can be reported. Without getting into accounting details, parties can choose to treat membership fees as contributions that attract a tax credit or as other income and can report it in both the association or central party returns

determined by adding up all income from memberships reported by local associations and the central party and dividing that number by the cost of a membership.

Judging by the numbers of members and their fluctuation shown in Table 1, parties do not make concerted and sustained efforts to find new members and renew old ones.<sup>3</sup> The data in the table is a limited view of membership totals over the past 20 years but there is enough of a pattern for all three parties to suggest that membership, if not in steep decline in absolute terms, is certainly in decline in relation to population growth. Party members (taking the closest figure from Table 1 to 2006) as a percentage of Ontario 2006 population made up less than 0.8 % of the population. While the NDP numbers appear to have held up, the 2009 figure was much improved by the recent leadership convention and must have been much lower prior to it. That percentage of members across all parties is likely to fall further as the political activity of the large proportion of older members begins to decline and is not replaced by younger members.

Membership totals increase dramatically during leadership selection processes where the number of new members a candidate can sign up is a factor in success. But these larger totals seldom translate into enduring involvement sometimes for even as long as leadership voting day. During the 2002 PC party leadership race that selected Ernie Eves to replace Mike Harris, the party membership was said to be 104,569 but just 42 percent of the members cast a ballot in the first round and by the second and last round, that had fallen to 33 percent.

The reasons for the decline of party membership in Ontario are no doubt complex and I cannot offer evidence from surveys of members to clarify them as I am not aware of any research. However, the spread of neo-liberal ideas, the devaluing of collective political action in the attainment of social needs and the re-writing of citizens as consumers, taxpayers and providers of their own needs has surely contributed to the decline of interest in local parties.

#### *The sources of political finance.*

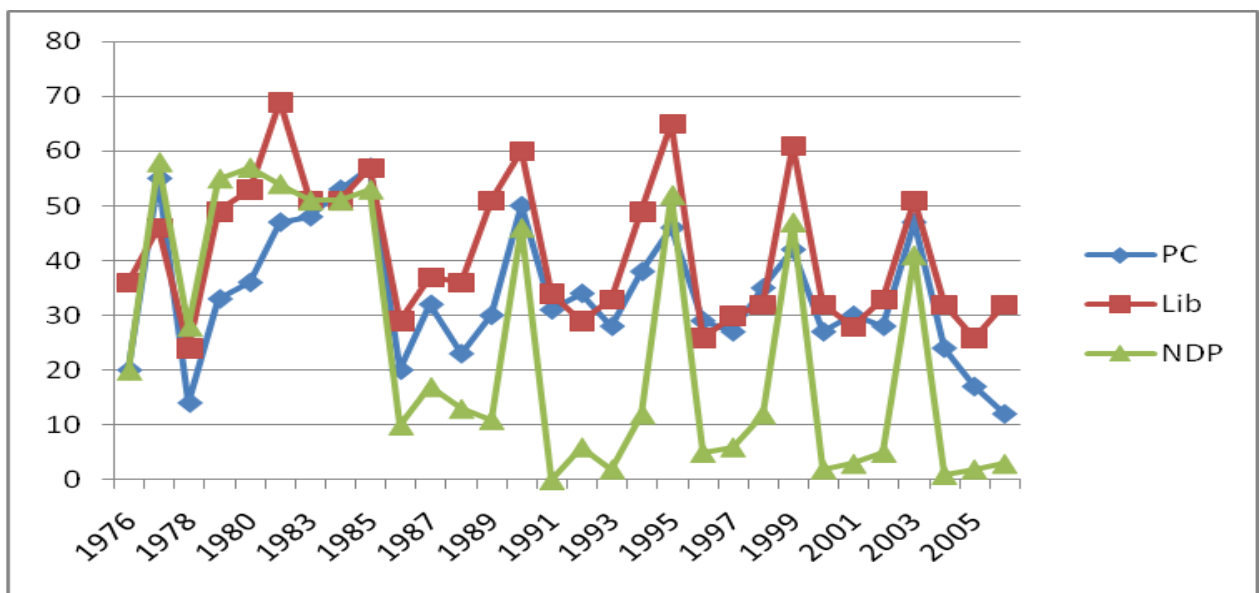
The decline of membership and of local party activity is reflected in the fall of local fund-raising. Figure 1 shows the total amount of money raised at the local level as a percentage of total funds raised by the party. The peaks coincide with election years when local associations are stirred into activity. But this election year pattern takes place within a gradual downward trend for all parties with local fund-raising in 2006 falling to just over 30% of total funds for the Liberals, just over 10% for the Conservatives and less than 5% for the NDP. Local party members may be diverting their giving to the central party under the constant barrage of central party fund-raising mail-outs, phone calls and email appeals but simply means that fewer resources are available at the local level. Figure 1 is no doubt partly a product of intra-party financing rules. For several years, the NDP central party has taxed away most local fund-raising providing a perverse incentive

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<sup>3</sup> The time consuming process of renewing members often eats up a lot of the energy of local associations.

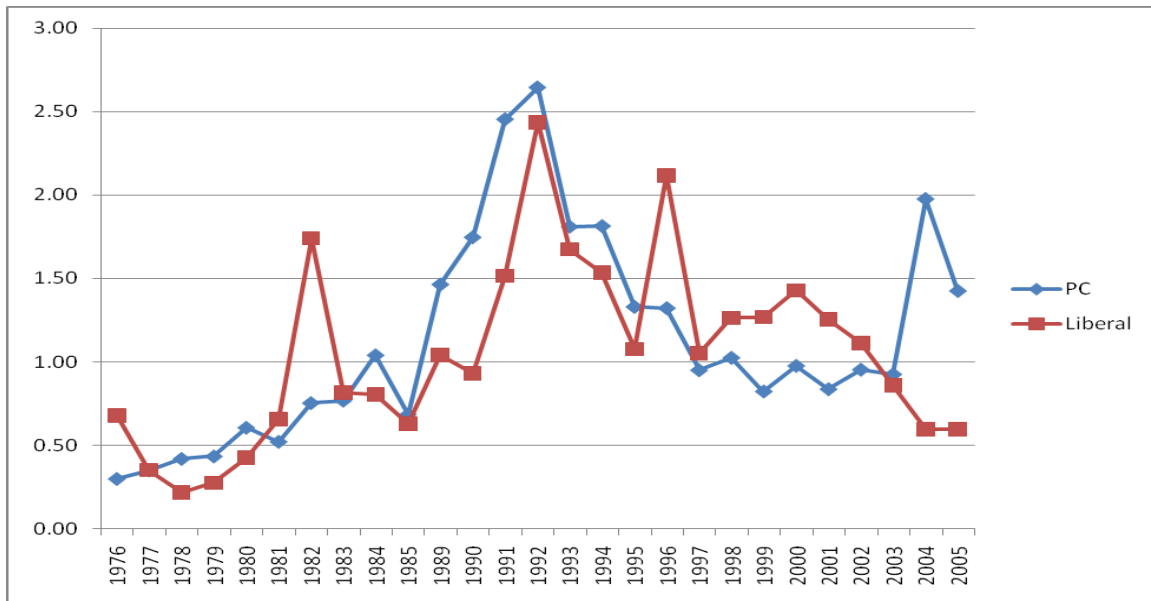
to local members to stop giving until a campaign begins and all contributions stay within the riding. As a result, most local NDP parties have few resources between elections.

Figure 1. The percentage of total party funding for the three main parties reported by local associations and candidates in Ontario, 1976-2006.



Contributions to local and central parties from individuals as opposed to corporations and trades is similarly in decline underlining once again disappearance of funding from local members and supporters.

Figure 2. The ratio of total contributions from individuals to those from corporations and trade union in each year for the Ontario Progressive Conservative and Liberal parties, 1976 to 2005.



Note: The Ontario election Finances Commission did not provide breakdowns of contribution sources for the years 1986, 1987 and 1988.

The lines in Figure 2 show the ratio between contributions from individuals and the sum of contributions from corporations and trade unions. The NDP is excluded from the chart because the party has always relied heavily and sometimes almost exclusively on contributions from individuals and the inclusion of those figures would make the pattern of changes for the other two parties almost imperceptible.

The dramatic rises and falls in Figure 2 are again a result of election years when individual funding increases in support of local candidates.

The dominant pattern in the chart is a rising ratio of contributions from individuals to those from almost entirely corporations, followed by a falling pattern as money from corporations and to lesser extent trade unions to the Liberals, drives down the importance of the money from individuals. In the first half of the chart can be explained by the beginning of campaign finance legislation in Ontario. The 1975 Election Finances Reform Act radically changed the way parties were funded in Ontario (Johnson). Prior to the reforms, which among other things implemented financing disclosure rules, annual reporting, campaign expenses subsidies and tax credits to encourage contributions from individuals, the Camp commission concluded that "fully 90 percent of the Conservatives' and the Liberals' financial support came from limited corporate sources, while nearly 40 percent of NDP financing came from a few major trade unions" (Johnson, 41).

The first half of the chart displays the effect of parties using the tax credit system to increase contributions from individuals. The expectation of a tax credit encouraged more and larger contributions from individuals. The second half of the dominate pattern, where from about 1990 the ratio begins to trend downward, coincides with the upsurge of neo-liberal ideas, the Harris government period in office and the growth of funding from corporations in relation to funding from individuals. Towards the end of this period, funding from corporations had climbed over 50% in several years and while it cannot be



seen in the chart, it was well over that in central party election campaign fund-raising accounts.

### *Are local parties still alive?*

Parties have increasingly centralized activities that were once performed at the local level and partly as a result of this, local constituency parties, with a few exceptions, appear to be largely inactive. Even the local parties of sitting members do not appear to have active constituency parties if the evidence of websites is a measure.

There is very little research on websites use by central and local parties, candidates or even elected representatives at the provincial or municipal levels and work at the federal level seems to be limited to internet campaigning during elections.<sup>4</sup> Most of the research in Canada and elsewhere is driven by supposed success of the internet in US Presidential campaigns rather than its potential to broaden democratic discussion and involvement between elections where the potential to create active political communities seems much greater and has been realized in countless examples of social movement internet organizing.

I selected a sample of 14 electoral districts and looked for websites for provincial constituency associations of the three main Ontario parties. The Liberal central party website did list riding association presidents and included email addresses while the PC website included the names of presidents and an email address but only for those ridings with elected PC MPPs. The Ontario NDP website allowed people to send an email to the riding association through the website but there was no listing of presidents or association contact information.

Just nine of the 42 constituency associations had websites and seven others had sitting MPP websites that did not refer to local party matters. Of the nine local associations for which websites were located, one was for the governing Liberal party and its last sign of activity was from 2006. Two of the 14 PC associations had websites but one of those was under construction. Six of the NDP associations had websites but five of those were sites that combined Federal and Ontario associations, something made easier by the identical electoral district boundaries and unlike the other two parties, by the close relationship of the Ontario and National NDP organizations.

This low level of internet use by local parties is surprising given the spread of web skills and the ease with which parties could provide website templates as they do for candidates during election campaigns. For many social and political movements websites are often the only or at least the easiest way of announcing themselves to the world and attracting people to a political project. For organizations with slight financial resources, and many local party associations are in this category, websites are also a cheap way of keeping in touch with members and creating the appearance of activity and importance. The cost

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<sup>4</sup> Carty, Cross and Young have a discussion of web use by central parties during the 2000 federal election. Tamara Small's three recent articles likewise limit themselves to federal parties during elections and mostly to central party websites.

and volunteer time involved in mailing or phoning members on a regular basis make websites very attractive. Additional features such as blogs, newsletters, discussion groups, information, fund-raising and so on make them seem even more imperative.

### *Conclusion*

Neo-liberalism is not only an agenda for expanding markets and shrinking the state, it is also a renovation of the practice and meaning of representation. The partial and incomplete information assembled in this brief paper provides some evidence of the decline of local parties in Ontario that is consistent with forcing individuals to meet their own needs in the market rather than through collective political action. On the public evidence available, party membership is declining only to be periodically and partially revived by universal ballot leadership selection that isolates members from local discussion and debate. Parliamentary representation has been drastically reduced and the capacity for MPPs and local constituency parties to discover and enunciate the needs of citizens is ebbing away. Individuals, party members and supporters are less inclined to back candidates and the local associations of parties they apparently see as less relevant to their lives. Corporations, many of whom have a direct financial interest in neo-liberal policies that promote the contracting out of services are once again becoming the largest financial supporters of parties that promote these ideas. There is very little evidence of local party activity. Even websites, a first order political communication and organizing tool are not used by most of the associations in a sample of constituencies and those that do have them display very little evidence of any activities.

There are other indications of the demise of local party organization that have not been discussed extensively. More and more functions of parties are now controlled at the central level by party workers including fund-raising, the control of membership lists, and the management of local election communications. An increasing proportion of central party budgets go to the cost of fund-raising, opinion polling, advertising and member and supporter tracking technology and less to maintaining viable local organizations or promoting local political discussion and involvement. The changeover to a permanent electoral register and the professionalization of election officials has removed the capacity of local parties to control petty patronage. With more research we could track some of these patterns closely and begin to understand their effects on parties.

The demise of a commitment to the collective provision of needs through politics, as seen here in the demise of local parties and changes in central parties in Ontario, fits a neo-liberal ideology that creates an idea of an individual who is able to meet their needs in the marketplace. But that will be a delusion rather than reality for most citizens. So if the great success of neo-liberalism has been changing rather than meeting expectations, there is still some room for reviving political engagement through what will probably be new political formations rather than a return to old discredited ones.

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