

How Canada's 42nd federal election all adds up

The Conservatives' early election call boosts spending limits for political parties and candidates, making it longest and most expensive in Canadian history.

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OTTAWA—The true cost of an extra-long campaign goes beyond what the national political parties can spend on advertising and airplanes, because it also allows their candidates another \$73.6 million nationwide.

A Star analysis of preliminary election expenses limits released by Elections Canada — newly calculated to reflect the 78-day campaign leading up to the Oct. 19 vote — shows that candidates on the ballot are able to spend up to 114 per cent more than they could have had Conservative Leader Stephen Harper kicked off the election later.

That would be in addition to the record-breaking \$54.5 million that could be spent by political parties running candidates in all 338 federal ridings, up from the \$25 million allowed in a 37-day campaign.

Much has been said about how much of an effect higher spending limits could have on the national campaigns, with many observers giving the advantage to the Conservatives. But it could also affect the ability of local candidates to compete in communities against better-financed opponents.

“(This) has been like peeling an onion in terms of awareness of one after another after another of the impacts of Mr. Harper’s decision to call the election early for an extra-long campaign,” said Alice Funke, who analyzes elections and financing as publisher of PunditsGuide.ca.

“The candidates are in a far more difficult position than the parties in terms of being able to finance competitive campaigns, and one of the reasons is that the federal parties can finance their campaigns using the collateral of their assets,” said Funke, who noted the Fair Elections Act, of which she has been highly critical, has also made it much harder for local campaigns to secure loans, which are often crucial to cover the start-up costs of a campaign.

It’s unlikely that all 338 candidates for a party would reach their spending limit, or fundraise enough to cover the costly run, but ridings with deep pockets could outspend their less prepared and poorer competition.

“I think you might start to see some advertising buys from some of the campaigns that might have the effect of creating an unlevel playing field,” said Funke, who also has experience managing local campaigns for the NDP.

Funke also noted that campaigns that had been spending money to boost their candidates in the pre-writ period would welcome the longer campaign, because the money they had expected to spend anyway will now be subject to reimbursement.

That taxpayer rebate for candidates' spending will likely set a record, with tens of millions of dollars flowing back to individual campaigns after the election.

Harper did not shy away from the fact that his party will benefit from the longer campaign and increased spending limits on Sunday, minutes after calling the early election.

"In terms of the advantages this party has, in terms of the fact that we are a better-financed political party, a better-organized political party and better-supported by Canadians, those advantages exist whether we call this campaign or not," Harper told reporters.

"What we do by calling this campaign is making sure we are all operating within the rules and not using taxpayers' money directly."

But the Conservatives and other parties have the opportunity to use taxpayers' money indirectly by getting a cash rebate of 50 per cent of their eligible campaign spending after Oct. 19, so long as they receive 2 per cent of the national vote if they are running candidates in all 338 ridings, or 5 per cent of the vote if they are not.

Individual candidates, meanwhile, are entitled to have 60 per cent of their eligible expenses reimbursed by Elections Canada, so long as they receive 10 per cent of the vote.

That threshold can be harder to meet for candidates from smaller parties, which compounds the problem of the larger amount of money required to finance a longer campaign.

It is impossible to predict the final public tab for the rebate, as it depends on how much parties and candidates spend over the 11-week campaign, as well as the final results.

But the total bill came to \$60 million in 2011 — a campaign half as long with tighter spending limits.

The Liberals have been highly critical of Harper's decision to call the campaign early. But the party — and everybody else — will benefit from the same reimbursements as the Conservative Party.

Still, neither the New Democrats nor the Liberals are expected to spend as much as the Conservatives.

Jane Hilderman, the executive director of civic engagement group Samara, said the issue of political financing has not been as extensively studied in Canada as it has in the U.S., where presidential candidates fundraise and spend hundreds of millions every four years.

“We’ve generally relied on the rule of thumb that our money doesn’t matter as much north of the border than it does south of the border, and have been happy to sort of live with that general rule,” Hilderman told the *Star* Wednesday. “But this election being longer, I suggest it’s perhaps worth a closer look.”

Hilderman said there’s the bigger picture issue of how political parties and candidates finance their campaigns. While Canada has a generous reimbursement system, Hilderman noted, there still could be barriers for less well-heeled candidates to raise funds, or even take 70-plus days away from their jobs to run a campaign.