

Freedom's Last Gleaming: Reforming Campaign Finance

intro blurb:

Andrew Coyne's book, "The Crisis of Canadian Democracy"¹, argues that Canada's system of government is a long way from a fully functioning democracy and that among countries with Westminster systems, Canada has the least functional lower house of parliament.

The need for change

Our legislators are elected by an archaic and unrepresentative first-past-the-post electoral system. Upon their arrival in the House of Commons, do they propose and give serious discussion to legislation? Do they represent the constituents who so recently elected them? Coyne contends that they do nothing of the sort. It would seem that in Canada, parliament is merely a circus, full of sound and fury, signifying nothing.

Whether Liberal, Conservative, NDP or Bloc, our MPs must vote and deliver messaging as their party leaders direct. They are as straying hounds, whipped-in to the fox hunt by the party whip. Time allocation (the closure of debate), omnibus bills and the spurious labelling of everything as a "confidence vote" have completed the task of stripping from our MPs the power to represent their constituents.

The speed with which Bill C-5, a massive omnibus bill, was bulldozed through the House in just five days last month illustrates the powerlessness of MPs when attempting to provide appropriate legislative oversight.

This year began with parliament going dark for three months. On January 6, Prime Minister Trudeau advised the Governor General to prorogue Parliament until 24 March while his successor was determined. He stated that "despite best efforts to work through it, Parliament has been paralyzed for months." The current legislative session did not begin until March 26, then after four weeks recessed for the summer break. This during a trade war with our closest trading partner, in which Canadian sovereignty is on the line!

But did anyone care that Parliament has been largely absent at a time of national crisis and looming recession? Our lack of concern is further evidence of how inconsequential parliament and its members have become in the eyes of Canadians. And parliamentary committees have become "essentially rubber stamps and toothless talk shops"².

If disempowered MPs are at the root of our dysfunctional parliament, we need to reform electoral finance so that it yields MPs motivated first by their constituents' interests, above party loyalty - MPs who will stand up and take back the power the Westminster system has granted them but that has dissipated over many decades here, as power flowed into the hands of party leaders and the PMO.

Reforming Campaign Finance in Quebec

In 1977, René Lévesque started the reform of Quebec political financing by abolishing corporate and union donations and placing a limit on individual contributions.

In 2013, after revelations of widespread political corruption associated with the construction industry, Quebec's PQ government introduced dramatic changes to provincial and municipal

¹ Andrew Coyne (May, 2025): [The Crisis of Canadian Democracy](#)

² The Munk Debates (May 13, 2025): [Munk Dialogue with Andrew Coyne: The Crisis of Canadian Democracy](#)

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election finance law by turning to small donor public funding.³ The maximum contribution was reduced from \$1,000 to \$100, the cap on campaign spending came down and the provincial tax credit for political contributions was abolished. In its place, dollar matching at the rate of \$2.50 in public funds for every \$1 donated was introduced for qualifying parties, up to prescribed limits.⁴ Political contributions must now be made to the chief electoral officer instead of directly to parties.⁵

According to Quebec's chief electoral officer, "Electoral reforms that have lowered maximum contributions to provincial parties ... have gone a long way in terms of cleaning up financing", "made great strides in eliminating 'straw man' schemes used to channel political contributions by special interest groups" and "have helped restore citizens' faith in our democratic institutions."⁶

Reform in New York State

Small donor public funding has had a longer history in the U.S. than in Quebec. Here's a take from NYU School of Law's Brennan Center For Justice: "It is also critical to lift up the voices of everyday citizens, ideally in ways that deepen elected officials' ties to their own constituents. One of the most powerful reforms that would do that is small donor matching, in which small, private contributions are matched with public funds. This policy makes it possible for candidates to raise the money they need to compete without depending on the biggest donors, as we have seen in New York City, which has had a matching system for decades. The version that recently went into effect in New York State, which offers a very high match for in-district donations, is especially appealing because it incentivizes state legislative candidates to raise money primarily from their own voters."⁷

In 2024, New York State followed Maine in offering a statewide publicly funded campaign finance program. Inspired by New York City's success with dollar matching, the state opted to put small donors at the centre of campaign fundraising. The decision came after skepticism was expressed by citizens - including many elected officials - about the increasing role of large donations in politics. According to the Brennan Center For Justice, "After just one cycle, the transformation in candidates' fundraising shows that the program is working as intended."⁸

Candidates relied much more on small donations. The number of small donor donations (donations less than \$250) doubled from 2020 and 2022. Publicly funded candidates (the program is optional) were not overwhelmed by super PAC campaigns. 328 candidates applied for the program and 192 of those qualified (by receiving the required minimum number and

³ Lexology/Dentons (Jan. 2, 2013): ["Quebec Political Financing Changes Come Into Force"](#)

⁴ Note: Each dollar raised by a political party is now matched by \$2.50 in state financing, to a limit of \$20,000, followed by a match of 1:1 to a limit of \$200,000. Each candidate receives \$2.50 for every dollar of contribution they receive, up to a maximum of \$800 of contributions per year. The subsidy is doubled in election years, ref. ["Quebec Political Financing Changes Come Into Force"](#)

⁵ Montreal Gazette (Sept. 5, 2014): ["DGE wants even stricter rules on campaign financing"](#)

⁶ Ibid.

⁷ Brennan Center For Justice (July 24, 2024): ["A Changing Campaign Finance Landscape"](#)

⁸ Brennan Center For Justice (Feb. 6, 2025): ["New York State's Public Campaign Financing Program Empowers Constituent Small Donors"](#)

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dollar amount of small donations). “Participation by candidates and small donors alike showed clear enthusiasm for this reform.”

Before the program was implemented, a commission to investigate public corruption found that “access to elected officials comes at a price, and that the fight over legislation is often between entities with vast financial resources at their disposal.”⁹

As with all successful small donor programs reviewed in this space, the program is combined with donations transparency (campaign donations and expenditures must be disclosed during the campaign period, allowing journalists, community groups and voters to “follow the money” before voting) and “features a strong compliance and enforcement regime.”¹⁰

Reform in Denver

Denver’s Fair Elections Fund looks to reduce the role of big money in politics, give regular candidates a chance to run competitive campaigns and improve public participation in its municipal elections. As of the 2023 elections, it provided public funds to qualifying candidates at the matching ratio of 9:1 for donations up to \$50; i.e. a donation of \$50 provided the candidate’s campaign with \$500.¹¹

“The FEF (Fair Elections Fund) also changed some power dynamics. Voters told us they felt like their contributions really mattered this year, thanks to the big matches, and candidates said suddenly they felt empowered to seek support from regular people, instead of courting bankrolled funds or companies.”¹²

Reform in New York City

In 1987, spurred by a construction industry scandal that would be echoed 25 years later in Quebec, New York City was the first U.S. jurisdiction to introduce the small donor public funding model and combine it with donations transparency.

In the 2021 elections, the dollar match ratio was increased from 6:1 to 9:1. The electoral system was also changed from first-past-the-post to ranked-choice voting, seeking to reduce the effectiveness of negative campaigns and create “new norms of campaigning as candidates seek second-choice votes from voters who may support their opponents.”¹³ (And results were nothing short of eye-watering. For more on that election, see my report “Publicly Funded Campaign Finance - A 2022 Update” in this space.¹⁴)

⁹ Ibid.

¹⁰ Ibid.

¹¹ Denver Gazette (Feb. 20, 2025) [“Denver amends campaign finance ordinance to ban anonymous donations”](#)

¹² Denverite (Mar. 2, 2023): [“Denver’s Fair Election Fund: Everything you need to know”](#)

¹³ BallotPedia: [“Ranked-choice voting”](#)

¹⁴ Guy Talevi (April 18, 2022): [“Publicly Funded Campaign Finance - A 2022 Update”](#)

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Reform in other U.S. jurisdictions

In 2019, the U.S. House of Representatives passed the For The People Act, calling for dollar matching at 6:1 for congressional and presidential elections.¹⁵ (The Act was subsequently defeated by the Republican Senate.)

San Francisco, Portland Maine, Baltimore and three Maryland counties have all recently introduced matching funds programs for small donors, “recognizing the power that regular people can have in elections.”¹⁶

A return to democracy

Canada has had a relatively easy ride over the last century and a half, enjoying the security and wealth afforded by our geography. But the world is becoming smaller, geopolitics less certain, Earth’s ecosystems more fragile and Canada’s very existence now threatened by our once-reliable neighbour. So we should expect an ever-increasing pace of crises. Will our government be up to those challenges?

Canada is beset with a style of government approaching one-man rule, with policy formation increasingly concentrated in the office of the Prime Minister. This is not a recipe for well deliberated solutions, acceptable to the many factions of this conflicted, contentious country.

Bill C-5 threatens Indigenous rights, may have a severe impact on climate change and is likely to fundamentally reshape the Canadian economy - all with little oversight from our MPs.

We need a return to a truer democracy. There was a time when our House of Commons more closely resembled those of other countries using the Westminster style of parliament, in which MPs representing the diverse views of their constituents are free to faithfully represent those views and participate in the forming of legislation. If Canada is to meet the challenges on our horizon, if we are to find strength through diversity, we must free our MPs to actively represent their constituencies and take a more meaningful role in government.

Guy Talevi
July 21, 2025

¹⁵ Congress.Gov : [“H.R.1 - For The People Act of 2019”](#)

¹⁶ Brennan Center letter to San Francisco Board of Supervisors (Sep. 5, 2019): [“In Support of Enhancements to Public Financing”](#) ; [San Francisco’s Dollar Matching Program](#) ; [Maine's first clean elections program](#) ; [Baltimore’s publicly financed elections](#) ; [Maryland matching program for counties](#)