

The Honourable Chandra Pasma MPP,  
Critic, Poverty and Homelessness Reduction

Dear Ms. Pasma,

Thank you for your recent work in publicizing the challenges faced by people living on ODSP. I am sure you will agree that, as well as ODSP payments which are half what is needed, the high cost of housing is a key driver of poverty in OW-N and in many other places across Ontario.

There is no single cause for Ontario's housing affordability crisis and municipal governments have a limited range of options to deal with it. According to Catherine McKenney's Housing Affordability platform, "For every new unit of community housing we build in Ottawa we lose another seven in the private market, resulting in the loss of housing for many through renovictions and demovictions." Without effective, unbiased regulation, the development industry will continue to build for profit, with the public interest served as an afterthought, if at all. For City Hall to effectively regulate the industry, free from undue corporate influence, developer-connected donations to municipal campaigns must be brought under control.

I first saw the phrase "developer funded politics" in one of Councillor Sean Menard's newsletters. What an apt description for the problem! Horizon Ottawa in their 2020 [Follow The Money report](#) points out that almost half of Ottawa's Councillors, including the Mayor, received most of their campaign funding from developer industry-connected individuals in the 2018 election.

The problem is not recent and it is not only in Ottawa. Alex Cullen's municipal election reports of [2014](#), [2007](#) and [2005](#) show that developer funded politics has been with us for at least two decades. Reports by [Prof. Robert McDermid](#) and the [Toronto Star](#) show that the problem exists in many Ontario municipalities. To address this problem, Ontario clearly needs to improve donations transparency and provide better public funding for municipal campaigns.

**Improving donations transparency:** Donations information should be available to voters, journalists and community organizations during the campaign, well before voting day, rather than five months after we vote, as is now the case. Examples abound in U.S. jurisdictions such as [FEC](#), [Connecticut](#), [Maryland](#), [California](#), [DC](#), [Berkeley](#) and [New York](#). Looking at New York City's "Follow The Money" system, in operation since 1987, there are 16 donations reporting periods. Additionally, as the election nears, candidates are required to make daily disclosures of contributions and expenditures in excess of a certain threshold during the two weeks leading up to an election.

**Better public funding for campaigns:** In 2018, only 8 of Ontario's 444 municipalities chose to offer rebates. Ottawa was one of them and our rebate system did nothing to solve the problem of developer funded politics. A tax credit system like the one used for provincial elections would make the problem worse, by allowing the wealthy half their

donation back. We need a system of small donor public funding. In the U.S., at last count there were 27 states, counties and municipalities using small donor public funding to finance campaigns.

**Most small donor programs share these characteristics:**

- qualifying thresholds: to ensure that only serious, competitive candidates have access to public funds, all candidates must first demonstrate public support for their campaign by collecting a minimum number and dollar amount of donations.
- reduced contribution limits: candidates who choose to participate in a small donor funding program must agree to limit the maximum size of contribution they will accept, to keep the big money out.
- a cap on public funds: each participating candidate can earn public funds up to a limit, but can continue raising private funds thereafter.

**Small Donor Public Funding addresses public apathy:**

- in a [2016 report](#), Prof. Robert MacDermid found that among 13 Lake Simcoe municipalities, “less than half of one percent of the population contributed to a campaign.”
- [Municipal election voter turnout](#) is low and declining in Ontario. From a high of 49% in 1982, the 2018 election saw our lowest turnout yet at 38.3%.
- since instituting a [Democracy Vouchers program](#), the percentage of Seattle residents who donate to campaigns tripled in 2017 and almost doubled again in 2019 to 7%.
- democracy vouchers allowed Seattle's grassroots to [defeat \\$4M spent by Amazon](#) in the elections.
- Connecticut has a [system of grants](#) for qualified candidates for State Assembly. “In 2018, an extraordinary 99% of the campaign funds used by legislative candidates came from individuals. This stands in sharp contrast to pre-program practices when less than half of the contributions made to political candidates came from individuals. For example, in 2006, nearly half of the \$9.3 million raised by candidates came from lobbyists, PACS and other entities.”
- a [hybrid program](#) combines grants with dollar matching in Washington, DC. As a result of the program, “more than 13,700 District of Columbia residents contributed to a candidate running for a seat on the Council — more than double the number of donors in previous election cycles.”

**By empowering small donors, SDPF leads to a more engaged electorate and a more diverse field of candidates:**

- NYC has a dollar matching program for council and mayoral candidate campaigns. In 2021, “New York City voters ... elected a record number of women to the City Council, increasing the number of women to 29 of the legislature’s 51 members, up from 14 currently. The incoming City Council class also features a record number of people of colour, with 35 members identifying as such, up from 26.” A [new report](#) from the Brennan Center for Justice finds that the share of women on the City Council will surpass the 52% of the city’s population made up by women, and people of colour on the Council will nearly match their share of 68% of city residents.

In any of the above forms, small donor public funding is worthy of consideration for municipal elections in Ontario. Each Ontario municipality could be allowed to choose from among them.

references

- Video: The Faces of Small Donor Public Financing [https://www.youtube.com/watch?v=H\\_JkDiEwA-4](https://www.youtube.com/watch?v=H_JkDiEwA-4)
- Publicly Funded Campaign Finance - A 2022 Update <https://unpublishedottawa.com/letter/386377/publicly-funded-campaign-finance-2022-update>
- New York City's Campaign Finance System: A Comparative Study <https://unpublishedottawa.com/letter/347878/new-york-citys-campaign-finance-system-comparative-study>

Ms. Pasma, would you please consider sponsoring a bill to improve donations transparency and provide Ontario's municipal election campaigns with a system of small donor public funding?

Thank you!

Regards,  
Guy Talevi  
Ottawa West-Nepean