He Who Pays The Piper Calls The Tune At City Hall

Last week, Jan Harder resigned from Chair of Planning Committee amid allegations of conflict of interest with the Ottawa developer community. This is only the latest in an ongoing series of issues rooted in corporate influence.

Three weeks ago, Ottawa councillors approved a zoning amendment to allow an enormous warehouse in North Gower - against the wishes of 4,000 locals and their councillor.¹

In 2020, City Council voted to expand the urban boundary, with elements of the developer industry the clear winners, while taxpayers bear the cost of future infrastructure increases.

Other examples abound: Over 500 renovictions by Timbercreek, while City Council looks on, unmoved. Lansdowne Park. Locating our new hospital at Dow's Lake, rather than in soon to be redeveloped Tunney's Pasture.

One has to ask whether the public interest is really top of mind with City councillors. How are decisions made and what other forces are in play at City Hall? The unavoidable answer: "He who pays the piper calls the tune." And no industry is more invested in piper-paying and tune-calling than is Ontario's development industry, a major contributor during our municipal election campaigns.

Almost half of Ottawa City Counsel, including our mayor, received most of their contributions from developers. And the Chair of Planning Committee received 96% of her donations from people tied to the development industry.²

Corporations have no right to meddle in election campaigns. We have laws that give legal expression to that principle. Corporate contributions were banned from federal campaigns in 2007.³ They were banned from Toronto's City elections in 2009. And in 2016, the Wynn Liberals banned them in provincial and municipal campaigns. But the flow of corporate dollars into municipal campaigns continued unabated. Studies in Toronto and Ottawa by the Toronto Star⁴ and Horizon Ottawa⁵, respectively, have shown corporate donations funnelling through company executives and their families. In Ottawa's 2018 municipal election, successful campaigns received, on average, 46% of their donations from the development industry.⁶

The more development activity occurring in a municipality, the more developers spend on election campaigns.⁷

² Horizon Ottawa

⁵ Follow The Money

⁶ Follow The Money report pg. 3

¹ Ottawa Citizen

³ Federal Political Financing in Canada

⁴ Toronto Star

⁷ Claire Malcolmson testimony, Campaign Fairness Report 2016

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Undue corporate influence did not start yesterday. Multiple studies of Ontario's municipal elections going back to 2003⁸ show corporations dominating municipal election contributions for the last two decades.

Voters have noticed. According to Democracy Watch, "Surveys show that a large majority of Canadians believe governments are driven by wealthy interest groups, especially corporate donors, and that governments regularly act unethically to help their business friends and are not doing enough to stop corruption. Surveys also show that a large majority of Canadians support placing strict limits on the influence of wealthy interests in politics."

Fortunately, the problem is not insurmountable. And Ontario is not alone in grappling with its democratic deficit. Other jurisdictions have successfully curbed corporate power in government, using donations transparency and public funds for small donor fundraising. We need to reform Ontario's Municipal Elections Act, so that undue corporate influence is eliminated from municipal government.

⁸ Cullen Report 2005, Cullen Report 2007, Cullen Report 2014, Campaign Lake Simcoe Report 2010, Campaign Fairness 2016, Toronto Star 2016, Horizon Ottawa 2020

⁹ Democracy Watch

¹⁰ Brennan Center