

**Party Building by a State Dependent Party:
The Case of the Green Party of Canada**

by

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Recent decades have witnessed an increase in state subsidies to political parties. This trend has led to a debate among both academics and policy-makers about the effects of state subventions on political competition and party organization. One of the central criticisms of subsidies is that they lead parties to centralize and professionalize their operations, leading parties to neglect the development of party membership and mass organization and participation. In this paper, we assess this argument through a case study of the Green Party of Canada (GPC) after 2004. In that election, the GPC qualified for the generous state subsidies established on January 1, 2004 when Bill C-24 came into effect. The Canadian Greens are an emerging political party that is heavily dependent on state funding to finance their operations. As such, they are an ideal case study to examine the extent to which these predictions of the effects of state subsidies are justified. After reviewing the literature on the effects of state subventions on political parties, we will examine the rise of the Green Party and the way it has responded to the incentives to professionalize and centralize their operations. Finally, the paper will assess whether the party's strategy has been electorally successfully.

State Subventions and Party Organization

There is a lively debate among political scientists about the effects of state subventions on the organizational and electoral behaviour of political parties (see: Katz and Mair, 1995; Williams, 2000; Young, 1998; Jenson, 1991; Katz and Mair, 1996; Nassmacher, 1993). Some have argued that the emergence of direct subsidies to parties is recognition of the special role that parties play in organizing a country's democratic life while others have argued that direct state subsidies to parties fundamentally change the way that parties, the state, and civil society interact. The most serious effect of state subventions to parties has been identified by Katz and Mair as the emergence of the cartel party (Katz and Mair, 1995). The cartel party, with its characteristic weak membership, professionalized core, and centralized structure is evidence of the weakening of the party's ties to civil society (see: Pierre et al., 2000 and van Biezen, 2004).

Although Katz and Mair identify many causes for cartelization, the provision of direct state subsidies to political parties is one of the central reasons for cartelization (Katz and Mair, 1995: 15). The cartel party disengages from its members and supporters because as the party receives an increasing proportion of their income from the state, its need for contributions from supporters is reduced. As parties become more rewarded for engagement with the state than engagement with the electorate, it can turn away from ties to civil society and those ties wither. The cartel party is also more concerned with maintaining its relationship with the state than its relationship with civil society. Party members become disillusioned and parties become unresponsive, as they no longer

¹ The authors gratefully acknowledge the research assistance of Ashley Haughton and the helpful advice of Munroe Eagles and Melanee Thomas.

require subscription fees and donations to contest elections. As a result, the party system becomes less competitive as parties begin to collude with one another to maintain and enhance the system of state funding on which they have become dependent.

This marginalization of party members means that they are less involved in campaign activities; parties increasingly turn to professional staff to develop and implement professional advertising campaigns. The cartel party, then, becomes professionalized. Cartel parties also tend to centralize their operations as the grassroots becomes less involved in elections. The electoral campaign becomes a professionally managed affair directed by a small core of staff in the central office. The nature of party politics changes with cartelization because parties are no longer the product of a group of like-minded individuals but have become a specialist organization aimed at the electorate in order to maximize votes and maintain state subsidies.

The extent to which parties succumb to the pressures that come with significant amounts of state funding can vary. One important predictor of the extent to which parties become dependent on state funding is the party's ideology and ties to civil society. Nassmacher notes:

Among parties, there is an increasing dependence on public subsidies. However, this differs by country (due to the overall financial regimes) and by party (due to their political legacies). Workers' parties are less dependent on public financing (mainly because of income from dues and unions), while bourgeois parties (in France and Sweden) and Green parties (in all European countries) receive more than 80 per cent of their income from state funds. Conservative parties, which in former times depended on large donations, now have problems getting along without public subsidies because their traditional source of funds is questioned publicly (2006: 449).

Another factor may be the party's relative age. Although subventions may strain any party's ties to civil society, their effects may be particularly pronounced in situations where the party is emerging and has yet to form vibrant ties. As van Biezen notes, "early financial dependence on the state appears to have removed one of the key incentives to establish a more structural relationship with society" (2004: 711). In the case of new or emerging parties, state subsidies might not just prevent parties from maintaining ties with civil society, they might prevent them from getting established in the first place.

These developments have coincided with a noticeable shift in the public's expectation of political parties from the time they were created (see van Biezen, 2004). Initially parties were seen, at best, as voluntary and private institutions that could play a role in public institutions of democracy. Now, parties are seen to be essential to the healthy functioning of a democracy and the parties have become public institutions themselves. While public subsidies to parties have ensured the widest scope of parties participate in the political life of a country, they have also entrenched the political party as a democratic necessity.

The Green Party of Canada as a case study

Canada has provided some public financing to political parties since 1974 through tax credits, free broadcast time and election expenses reimbursements. In 2004, however, Canada began to provide direct subsidies to parties when Bill C-24, *An Act to amend the Canada Elections Act and the Income Tax Act (Political Financing)*, came into effect. Parties that had achieved more than 2% of the national vote share (or 5% in the ridings the party contested) were eligible for a per vote subsidy paid quarterly to the central party. The Act limited corporate and union donations substantially but the rich public subsidy more than made up for the reduced corporate and union donations.²

Cross was troubled by the amount of subsidy provided to parties in Canada as he noted “parties are no longer dependent on raising funds from their supporters” and are in danger of becoming “wards of the state” (2004: 156). The evidence is ambiguous at best. Early indications are that this may not be occurring in Canada. As much as parties have substantially benefited from public subsidies they have not abandoned donations from their supporters as a source of income. In one of the first studies of C-24, Young et al. found, in the first year and a half of the C-24 funding scheme, little evidence of cartelization amongst the large parties but some tendency towards cartelization among smaller parties (2005: 19). In particular, the Bloc Québécois and the Green Party receive substantial funding from the state. The extent to which Canadian political parties are reliant on state funding is shown in Figure 1. Although Figure 1 shows the extent of state reliance from 2004 to 2006, the key year is 2005. In 2004 and 2006, state funding also included election expense reimbursements. Although these are obviously an important source of party finances, 2005 is a better indicator of the extent to which Canadian parties are state dependent. This demonstrates the extent to which parties rely on state funding in non election years.

Figure 1 shows that a significant proportion of all parties’ funds comes from state sources. However, the vast majority (70-80%) of the funding for the GPC and the BQ comes from state sources. This is substantially different from the funding patterns for other parties. Hence, we consider both the BQ and the GPC to be state dependent parties when it comes to finances.

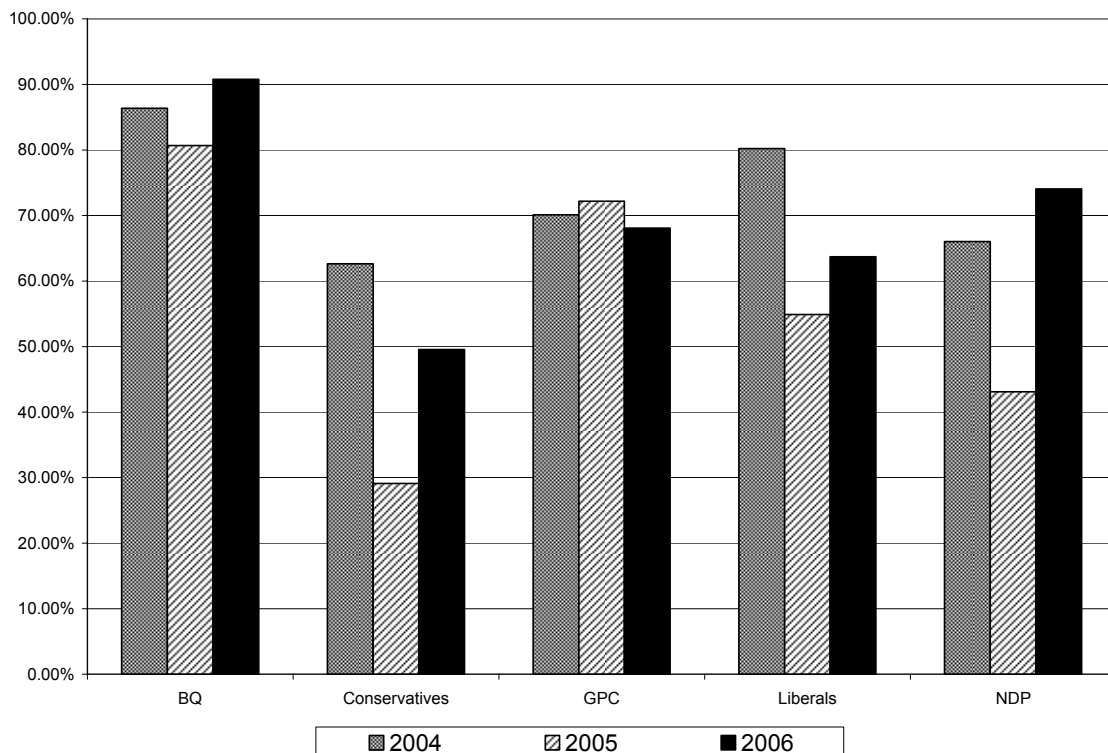
The GPC’s transformation from perennial “also ran” to a relatively well-funded and increasingly popular part of the Canadian partisan landscape is remarkable. Before 2004, the Greens were relatively unknown and inconsequential, never even reaching 1% of the popular vote in a federal election. The party had never run more than 111 candidates for any federal election. Realizing the potential of C-24 for the Greens, leader Jim Harris led a drive for the party to recruit and run 308 candidates for the 2004 federal election, with the idea that it would be easier to earn 2% of the vote in 308 districts than to meet the more onerous 5% hurdle (Jansen and Lambert, 2006). Harris’ gamble paid off when the

² The corporate and union donations have been eliminated recently with the passing of the *Accountability Act* 2006.

party earned 4.3% of the vote and qualified for more than a million dollars annually in subsidies.

The Green Party of Canada thus provides an unusual case of state dependence. The GPC has a small membership, is state dependent, lacks any significant history of ties to civil society and has never elected a member to the House of Commons. After the 2004 election, the party now received a substantial influx of public funding after it had subsisted on a fraction of that money previously. The GPC was particularly susceptible to the pressures of centralization and professionalization predicted in the literature on the effects of state subvention.

Figure 1
Percentage of income derived from state subventions for five main parties
2004-2006



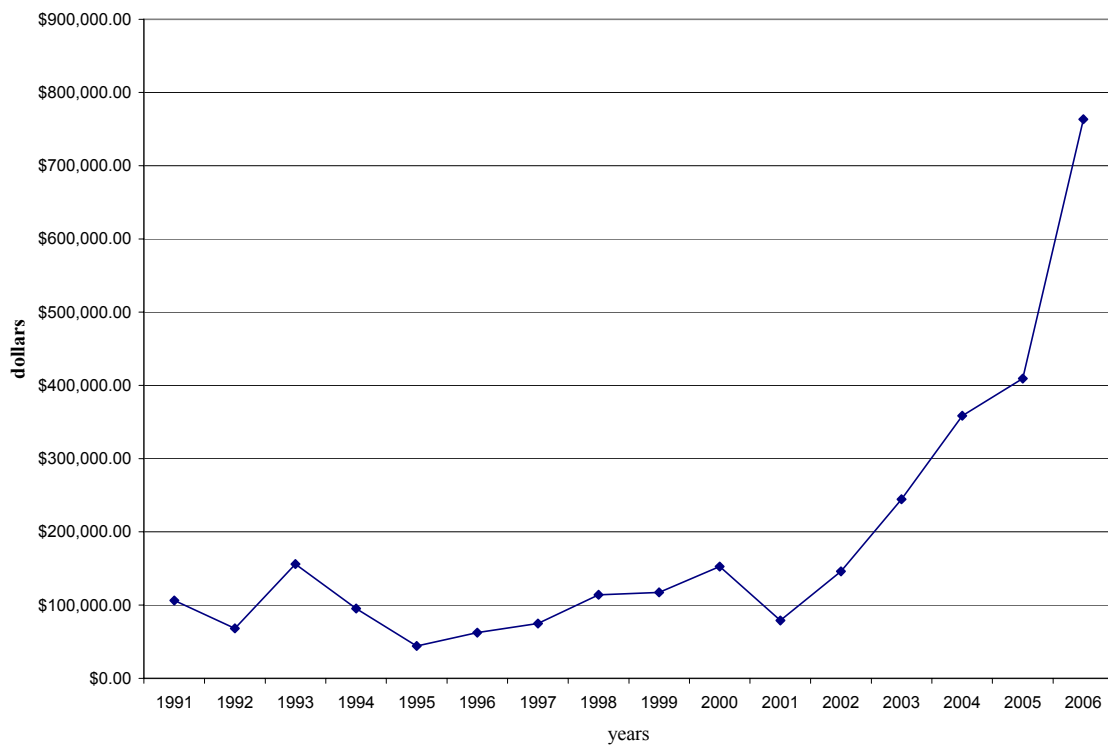
Source: Data compiled from Elections Canada reports

Centralization and professionalization of the GPC

Although all parties had to adapt to the changes brought about by the influx of public money under C-24, arguably no party has seen as much of a windfall and experienced so much unexpected growth as the Green Party of Canada. The GPC has benefited more

from C-24 than any other party in Canada. The party's organizational capacity has improved, membership has increased, and fundraising has been promising. Before the 2004 election the party membership was estimated to be below 800 (Personal interview, April 13, 2006) but by May 2007 that number had ballooned to over 10,000 (GPC Newsletter May 2007). Fundraising, too, ballooned. Figure 2 shows the dramatic increase in fundraising that the GPC experienced after C-24 was implemented.

Figure 2
Value of contributions to GPC 1991-2006
(in 2005 dollars)



Source: Elections Canada reports

After the GPC secured state subventions, the party began to organize itself differently. While once the party had relied on volunteers to do the bulk of the administrative work in their basements, it began to hire numerous staff to work in a central Ottawa office. The party invested in computers, a larger office space, and hired its first Executive Director. The Federal Council, a board that is ultimately responsible for the party, went from being a working board to a governance board, which reduced the volunteer hours of council members from 50 hours a month to 5. The GPC hired provincial organizers to recruit candidates and to help form electoral district associations (EDAs). The party also began

to pay its national leader so that the position became a full time one.³ The money from state subventions allowed the party to borrow money for election campaigning and pay it back within 18 months of the election. While the party had always spent its media efforts on trying to get attention, it had to hire people in 2006 to respond to the many media requests. The party's organization was centralized and professionalized in the Ottawa office and staff.

The centralization and professionalization in the GPC between 2004 and 2006 was unprecedented in the party but followed the pattern of other parties that had emerged in Canada. In the GPC the pattern of professionalization was fast-tracked as a result of the state subventions. What may have taken place over many years in other parties took place in a year within the GPC. The pace of change put a great strain on the internal resources of the party that was evident for most of 2005 when the party faced a series of crises that nearly led to its implosion (Personal Interview, April 11, 2006). The crises were all within the Federal Council and involved the hiring and firing of staff and the firing of volunteer Council members. At the heart of much of the crisis in 2005, though, was the party's rapid professionalization and centralization. "Professionalization loses the grassroots but a lot of members want the professionalizing," noted one senior member of the party (Personal interview, April 10, 2006). Another recalled that some older members were suspicious of staff: "There was a minority of old Greenies who called for the entire staff to be fired and replaced by volunteers as they would not have the hidden agendas of staff members" (Personal interview April 11, 2006). Many of those who were suspicious of staff agendas left the party between 2004 and 2006. Eventually in 2006, the party's internal affairs were calmed and the party was able to elect a new leader and gain unprecedented public attention. In August 2006, the party successfully held its largest ever convention, with over 400 delegates, at the Congress Centre in Ottawa. "We had no green outtakes at the meeting," explained a relieved senior member of the party after the event (Personal interview Sept, 12, 2006). The party's professionalization had become the norm and few of the members could remember the party any other way.

Centralization in the GPC has not followed the same path as professionalization. While the party has consistently professionalized since 2004, it has made some steps towards centralization, especially prior to 2005, but has also taken some steps towards decentralization. Decentralization, for a Green party, is one of the important principles of the party. (GPC Platform 2006: 21) Greens see decentralization as one of the main ways to organize in a community. Decentralization, then, becomes an important way to organize the party, as well, so that the people most affected by decisions get to make those decisions. "Distant administrations cannot be responsive," explains the Green Party of Ontario about the need for decentralization (www.greenparty.on.ca).

Before 2004 the GPC had Electoral District Associations (EDAs) in nearly a third of the ridings in Canada. Given that the party membership before 2004 was less than 800 this is a remarkable feat. EDAs have grown fairly consistently since state subventions were

³ Former leader Jim Harris had maintained, throughout the 2004 election, his full time work as a consultant on top of his unpaid work as leader of the GPC.

introduced. The party, though, sees EDAs as “the building block” of the party and has made creating EDAs an important goal: "We want to build EDAs and we want to share the national database of supporters with those EDAs" (David Scrymgeour, ID/GOTV workshop, August 25, 2006.) The centralizing features of C-24, though, have affected the GPC as much as the other parties.

In Canada, concerns about state subventions have focused on the effect they will have on Canadian parties' balance of power between the periphery (grassroots) and the centre (national office). Political parties in Canada are generally decentralized with shared power between the centre and the periphery, a notion developed more fully in Carty's franchise model of Canadian political parties (2002). In many ways, political parties in Canada, suggested Carty, are structured like Canadian federalism with each unit having some autonomy. C-24 changed that balance of powers because it provided the annual allowance to the central party. Some analysts worried that providing money to the central party would cause them to grow in size and power, compared to the peripheral units of the parties, the Electoral District Associations (EDAs).

The reporting requirements and the registration of EDAs were also thought to give the central party additional powers at the expense of the local Electoral District Association. Graham Fox interviewed party officials for his discussion paper on the future of political parties in Canada and found that the more onerous reporting requirements of C-24 creates work for a new breed of party staffer, the compliance staff:

They [parties] argue that the compliance requirements and the bureaucratic burden of the reporting procedures are too onerous on organizations that remain essentially volunteer ones – even for those with a professional central office...it is leading to the professionalization of a number of party functions dealing with compliance, which drives up costs both at the national level and in the riding (Fox, 2005:13).

The centralization of parties, though, is not strictly a result of the reporting requirements. There are other features of C-24 which have caused centralization and have infringed on what Carty (2006) has called the “old franchise bargain” between the local party (the EDA) and the central party (6). That old franchise bargain meant that EDAs could choose their candidate, conduct fundraising, maintain their books, and be somewhat autonomous of the central party and leader. As a result of C-24, electoral district associations must register and report annually to Elections Canada as well as secure the party leader's sanction to register. Should the leader's sanction be withheld, an EDA is deregistered by Elections Canada. A party may ask Elections Canada to deregister an EDA after it has been registered if the party no longer has confidence in the EDA. Will this feature of C-24 lead to a more centralized party structure with the focus on the national offices and additional power being held by the leader and his professional, electorally-focused staff at the expense of the local associations? Carty (2006) argues that it will:

Parties are being transformed from popular organizations through which active citizens can control the state, into centralized institutions, independent of their

supporters and dependent on parliamentarians' willingness to give them access to the state's purse.... [The registration requirement of EDAs] tilts the balance of power within the parties, to the considerable advantage of the leader, and threatens partisans' longstanding autonomy and authority within their own local associations (Carty, 2006:6).

There is little doubt that the Green Party is not immune from these tendencies and the increased professionalization has centralized the party's bureaucracy. One of the most important developments, though, has been the party's decision to decentralize the revenue earned from the quarterly state subsidy.

The GPC Revenue Sharing Agreement

During the lead up to the 2004 election, GPC leader Jim Harris traveled the country asking for EDAs to help the party to garner the 2% vote share threshold needed to secure quarterly state subventions. His request came with a promise: help the party secure 2% and we will share the state subvention with the EDAs. It was an easy promise to make but when the party did secure the funding it became a tougher promise to keep. But EDAs had been made a promise and many of the original members of the party held strongly to the notion of decentralization. Some of the party leadership, though, was opposed to the idea of spreading out the state subvention to hundreds of EDAs. Their fear was that this would weaken the party's ability to develop and run professionalized media-intensive campaigns. In order to resolve the issue, a committee was struck at the 2004 Annual General Meeting held in Bragg Creek, Alberta. The committee, chaired by political scientist and long time Green Andy Shadrack, was charged with reviewing all the possible revenue sharing suggestions and recommend one for a vote by the membership. The committee eventually recommended a three-way split that divided the state subvention between central office, provincial division and EDA. Most of those opposed to the RSA pointed to the practical benefits of having a strong, well funded central party (Manley, 2005) while those in favor of the RSA liked that it was developed "with the core values of the Green Party in mind" (White, 2005: 1). The only party members, though, that would be eligible to vote were those that resided in a riding with an established EDA. The RSA was narrowly accepted in a vote of the eligible members in August 2005.⁴

In effect, the Revenue Sharing Agreement (RSA) decentralizes the party. One member noted with some delight that the Greens were "doing the exact opposite of the spirit of the legislation. C-24 was meant to centralize parties and here we are using it to further decentralize ours" (Anonymous interview #15). The Revenue Sharing Agreement decentralizes the money that comes from the state subvention because just one third of the money stays with the central office.⁵

⁴ Party rules required the vote have 60% in favour to pass. The RSA received 61% approval.

⁵ While the RSA designated one-third of the money to provincial divisions (PD), most provinces do not have provincial divisions. The money that would go to those PD

The controversy about the RSA raises many issues. Those in favor of RSA see the agreement as a way of developing EDAs because the formula for the money that flows to EDAs is based on three things: a flat rate for any registered EDA, a portion allotted based on vote share in the riding during the last election, and a portion based on the last quarter's membership in the EDA. The formula arguably provides an incentive for EDAs to build membership and maximize the vote:

People who want the money in central office fundamentally misunderstand something. Who helped raise this money we got from the government anyhow? Central party did a bit but the people who organized the campaign here were the ones that got out the votes. It was the EDAs that did the groundwork for the money...they deserve a portion of it. The agreement also provides two incentives to EDAs. One is to be organized and the other is to be developing membership. (Personal interview, October 7, 2006)

For those opposed to RSA, the idea of sharing money meant for central parties to replace large individual, corporate, and union donations is just counterproductive. They argue that giving money to an EDA is a handout that will "remove the imperative for EDAs to fundraise" (Manley, 2005: 2). One member, who opposed the RSA, did not oppose the sharing of other revenue sources:

It would be healthier for the organization if the Revenue Sharing was for fundraising. In other words if we raise a buck in your EDA we'll send you a quarter. Instead we went with Revenue Sharing on C-24 money (Personal interview, April 13, 2006).

The RSA is one of the ways that the party has deviated from the path of creeping centralization. The party did centralize quite a bit between 2003 and 2005, but once the RSA was in place the party's centralization began to decelerate. As long as the RSA is in place the central party will not be able to keep the entire state subvention to the party and will have to provide much of it to the provincial divisions and the EDAs. This action will ensure that the EDAs remain solvent and it will prove to be an incentive for groups to build new EDAs in the many ridings that lack a GPC EDA.

Along with the party's principle of decentralization, there is a Canadian tradition of strong local autonomy for EDAs. While national parties may be able to direct national electoral campaigns, the local EDA decides who the candidate will be. It is also the EDA that puts in much of the effort towards getting out the vote on Election Day. It was for this reason that Carty and Eagles (2005) predicted that EDAs would begin to seek a share in the state subvention to parties. But the central-local party balance is at risk of being altered by the introduction of C-24. Not only did the legislation provide state subventions

remains with the central office. Alberta, which has a provincial division, has twice voted to return the money to the central office. So, in practice, the central office keeps nearly two thirds of the state subvention. It has used this money to hire provincial organizers.

to the central party, it required EDAs to register with Elections Canada and it required the party leader's signature on a candidate's nomination forms. While the registration of EDAs may strengthen and professionalize these organizations somewhat, the fact that the national leader signs a candidate's nomination forms allows for an increase in centralization. The effect of these requirements has been telling in the GPC. For central party staff the requirements for EDAs meant that the party had an ally in their attempts to organize EDAs: Elections Canada. "Paper EDAs" that consisted of "a guy and his wife just issuing tax receipts" (Personal interview, April 13, 2006) were now required to register, have annual meetings, and submit annual reports. On the other hand, the central-local party balance was affected by the requirement for party leaders to sign the candidates' nomination forms:

(C-24 has the) potential to significantly affect the central-local balance in parties and campaigns. In some respects, these changes further entrench local party organizations by requiring them to establish a permanent formal structure and to file annual financial reports.... On the other hand, the new regulatory regime will challenge local parties' ability to maintain their autonomy. The quarterly payments to qualifying political parties go to the parties' central offices, not to their riding associations (Carty and Eagles, 2005:178).

While reviews of Revenue Sharing appear mixed, it has seemed to trigger an increase in the number of registered EDAs in the GPC. In March 2007 Elections Canada had registered 152 EDAs for the GPC. Twenty percent of these were created after 2004. An internal party document following the 2004 election showed that in the EDAs registered at that time there were few that had more than a handful of members.

Although to some extent the debate over revenue sharing pits those Greens with an ideological commitment to decentralization against those could be considered to have an "electoral-professional" orientation, many in the party believe that building membership and establishing EDAs – in other words, building the trappings of a mass party – is key to the party's future electoral success. In the words of one Green activist, "If you don't have a strong membership you won't win. 50 people in an EDA is ridiculous. We need a 1000 in an EDA and 250,000 across the country" (Anonymous interview, October 26, 2005).

Is local party organization the road to success?

To what extent are the GPC's electoral prospects improved by the presence of EDAs and membership? There are a number of ways to assess this. One would be to look at individual voting behaviour data. However, the relatively small number of GPC voters picked up in survey research such as the Canadian Election Study makes it difficult to use this tool to understand Green strength and voting patterns in Canada. Instead, we use ecological analysis, looking at the variation in Green support at the district level. Besides helping us avoid the problem of small numbers of GPC voters, ecological analysis also works well in this case because we are interested in organizational properties of the party at the district level (Eagles, 2002).

We developed a model that we expected would explain Green Party support in Canada. The dependent variable is the percentage of votes that the GPC earned in each district in the 2006 election, from the low of 0.63% in St. John's to the 12.9% of the vote the party earned in Grey-Bruce-Owen Sound. Our choice of independent variables is limited by data availability. Our central independent variables are two measures of GPC organizational strength. The first measure is the number of party members in each district. Our data are limited to mid-2005, the date of the party referendum on the revenue-sharing agreement. Thus, these numbers do not capture the actual number of Green Party members in each district at the time of the 2006 election. However, we do not expect that the number of members would have changed substantially in the intervening half year. Although in most parties, we observe an increase in membership around election time due to an influx of transient members around nomination (Cross, 2004) most GPC nominations are uncontested. Furthermore, since our variable measures the party's membership at a point between elections, we believe it is a better indicator of the party's committed membership base. The second measure of GPC organization is the presence of a registered EDA at the time of the 2006 election. Using Elections Canada data on registered EDAs, we measure this as a dummy variable, with a "1" indicating the presence of an EDA. One related variable that we also included in the model is the spending by the party in that district in the election. This information is taken from Elections Canada's reports of candidate spending.⁶

Our model also included some control variables that we believed would help to shape Green Party support in Canada. Although information on the voter support for the Canadian Greens is sparse, we hypothesized that the GPC is supported largely by urban post-materialists. Since there are no census data on the prevalence of post-materialist attitudes in Canada, we used socio-economic status as a proxy variable. Following Carty and Eagles (2005), our measure of SES is a factor score, which we derived from a principal components factor analysis of the average family income, the proportion of the population having university degrees, and the proportion of the population owning homes in each electoral district, as reported in the 2001 census. Higher scores indicate higher socio-economic status. To measure urbanization, we used population density based on the 2006 census figures. However, urbanization proved to be statistically insignificant, so we dropped it from the model.

Our other control variable is the competitiveness of the district. Our hypothesis was that support for the Greens would increase if the district was less competitive. We suspected that potential Green Party voters might succumb to pressures to vote strategically in close contests. Furthermore, we suspected that in districts where a voter's vote cannot contribute much either to a winner winning or have much effect on the other candidate's chances, voters might be more willing to cast a vote for the Greens.

⁶ We used the spending reported by the candidate, not the data verified by Elections Canada, as the verification process appears to be incomplete. Some GPC candidates did not provide their spending reports; this is why $N < 308$ in the analysis below.

When we ran an OLS regression analysis on support for the Green Party of Canada, we found that the presence of an organized EDA was not statistically significant and did not contribute substantially to explaining variance (Beta = 0.085). We excluded it from the final model, which is reported in Table 1.

The first thing to be noted from the results of our analysis is the relatively poor performance of the model. This combination of variables explains only about half of the variance in the Green Party vote in 2006. There are two possible reasons for this. First, it is possible that we are excluding variables that might be important predictors of the vote. Carty and Eagles, for example, include the number of volunteers on local campaigns in their models and find this to be significantly related to the vote (2005: 127). We simply lacked those kinds of data for the GPC.⁷ The second possibility is that much of the Green Party's vote is simply idiosyncratic and unstructured. Give the party's spotty presence across Canada and the challenges a small party faces in running 308 candidates, let alone recruiting quality candidates for those seats, we believe that this is a major part of the reason for the relatively poor performance of the model.

Table 1
Regression on Green Party Vote Share, 2006 federal election

	Unstandardized Coefficients		Standardized
	B	Standard Error	Coefficients
(Constant)	2.769	0.151	Beta
GPC Membership	0.034	0.008	0.263
GPC local candidate spending (1000s)	0.182	0.028	0.391
Margin of victory (%)	0.037	0.005	0.304
Socio-economic status factor score	0.336	0.083	0.176

All are significant at $p < .001$

$N = 303$

$F = 76.123$

Adjusted $R^2 = 0.498$

⁷ Furthermore, our indications are that most GPC local campaigns have few, if any volunteers. At a session on voter identification/getting out the vote at the party's 2006 AGM, party strategist David Scrymgeour said, "We have about 50 ten person campaigns" (August 25, 2006).

It is worth noting that the inclusion of regional dummy variables can improve the performance of the model in explaining variance. An additional 10% or so of the variance can be explained through the inclusion of dummy variables for Alberta, British Columbia and Atlantic Canada. A Green Party candidate running in Alberta will earn an additional 2% of the vote above the effects of the variables included here. We chose to exclude these from the model because these regional dummies do little to explain *why* Alberta GPC candidates are more likely to be successful while those running in Atlantic Canada do worse.

When we look at the results of the regression analysis, we find that local candidate spending emerges as the most important factor influencing Green Party performance in the 2006 federal election. To some extent, this is a measure of campaign effort at the local level and it is an important influence on Green Party success. We estimate that the highest spending candidate in 2006 (Ottawa Centre's David Chernushenko) earned approximately 5.75% greater share of the vote because of his spending than those 65 GPC candidates who spent nothing on their campaigns.

The second most important explanation for the vote is the margin of victory in the district. As we hypothesized, the Green Party does better in contests that are not especially close. Although we cannot draw conclusions about the behaviour of individual voters from aggregate data, these results are at least consistent with the explanation that voters are more willing to support the Greens when the contest is not a close one.

Membership is the third most important predictor of the vote and is positively associated with the Green party's success at the EDA level. From this model, our estimate is that every additional 30 members is associated with a 1% increase in the vote for the Greens in 2006. Considering that only a fraction of districts had 30 or more Green Party members in 2006, this may be an area where the Green Party can indeed improve.

Finally, our socio-economic status variable is, as predicted, positively associated with support for the Greens. The party does seem to do better in districts dominated by people with university degrees, higher incomes, and who own their own homes. However, of the variables in the final model, this one is the weakest predictor of the vote.

Our analysis, then, leads to the conclusion that the translation of a vibrant local GPC presence has not unambiguously translated into electoral success for the party. The most interesting finding is that the presence of an organized electoral district association is not significantly associated with increased vote for the Greens. Although it might be desirable for the party to build EDAs for other organizational reasons, from the narrow standpoint of electoral success, this is not critical. It is important to note that this analysis only explains the vote in 2006. This does not mean that the presence of EDAs might not turn out to be important electorally at some point in the future. Building party membership, however, has contributed to the Green Party's electoral fortunes thus far. Local campaign spending was the most important determinant of GPC electoral success in 2006, but this may reflect candidate resources and not necessarily the vibrancy of local

GPC organizations. As Sayers (1999) has demonstrated, we cannot simply assume that candidates are extensions of a local EDA.

Conclusion

The case of the Green Party of Canada does show that state subvention creates considerable pressure for parties to professionalize and to centralize. As we have seen, the influx of massive amounts of public money (at least by Green Party standards), has led the party to professionalize its operations. Paid staff now do what was previously done by volunteers and party members. A certain amount of this professionalization was inevitable as the party became more and more successful electorally. The provision of the public subsidy hastened the movement in this direction.

The record on the centralizing tendencies of the quarterly subsidy is far more interesting and appears to contradict to some extent the predictions of the state subvention literature. The Green party was particularly well situated to develop along centralized lines. As an emerging party, the GPC had few local associations or provincial divisions to resist a move to centralize the party. Nevertheless, the party chose to endorse a policy of sharing the money derived from the quarterly money among the three constituent parts of the party. In defiance of the pressures to centralize, the party has embraced a model that sees the development of strong local presences as the key to the party's future development.

The Green Party's response to the pressures exerted by the quarterly subsidy reveals that, although the pressures to professionalize and centralize are immense, parties retain a degree of flexibility in how they choose to respond. In the case of the Greens, a commitment to decentralization has shaped how the party chose to distribute the money from the quarterly subsidy. Instead of further centralizing the party, the Greens have chosen to build a local party apparatus where none previously existed. The case of the GPC also shows that the tendency in the literature to link centralization with professionalization may be somewhat misplaced: one need not necessarily accompany the other.

As for the future of the party, the combination of the financial support from C-24 with increasing environmental concern for Canadian voters has created an ideal opportunity for the party to develop further. Our analysis, however, reveals that the electoral payoff from building formal local party organization is limited. Membership, however, is an important contributor to the success of the party. Recently, the Greens have reported significant increases in membership in some districts. These developments bode well for the future of the party.

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