



# Report of the Local Government Elections Task Force

Local Government Elections Task Force  
May 28, 2010



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May 28, 2010

Honourable Gordon Campbell  
Premier  
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Chair Harry Nyce  
President  
Union of British Columbia Municipalities  
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Dear Premier Campbell and Chair Nyce:

As co-chairs of the Local Government Elections Task Force (Task Force), we are very pleased to deliver the Report of the Local Government Elections Task Force (Report). The Report includes 31 recommendations to make targeted but significant improvements to local government elections.

The Task Force has truly been a joint endeavour by representatives from the Union of British Columbia Municipalities (UBCM) and the Province of British Columbia. This Report reflects the consensus of the Task Force, achieved through the dedication and hard work of all members. For their thoughtful and respectful participation, we would like to extend our sincere thanks to: Councillor Barbara Steele, UBCM First Vice-President; Her Worship Mayor Mary Sjostrom, UBCM Third Vice-President; Chair Robert Hobson, UBCM Past President; Ms. Donna Barnett, MLA, Cariboo–Chilcotin; and Mr. Douglas Horne, MLA, Coquitlam–Burke Mountain. We would also like to thank staff from the Ministry of Community and Rural Development and the UBCM for their support to the Task Force.

Most of all, we would like to thank the local governments, organizations and individuals throughout British Columbia who took the time to share their views with the Task Force. The Task Force received well over 10,000 written indications of opinion on the topics it reviewed and on other aspects of local elections. That feedback was key to giving the Task Force a full picture of the successes and gaps in the local elections process, the complexity of the issues involved, and the diverse and strong views they produce.

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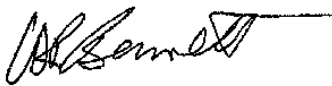
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These recommendations propose a significant yet balanced set of changes to improve local government elections by ensuring accountability; enhancing transparency; strengthening compliance and enforcement; increasing accessibility; and, expanding education and advice. The vast majority of local elections are effectively administered; these recommendations focus on the area where the Task Force found gaps—namely, campaign finance rules. The recommendations include: imposing expense limits on local election campaign participants; requiring registration and disclosure by third party advertisers; requiring sponsorship information on all election advertising; making campaign finance disclosure statements available earlier and in an electronically searchable form; establishing a key role for Elections BC in enforcement of campaign finance rules; and, enacting a separate Act for campaign finance rules.

The Task Force recognizes there is much challenging and collaborative work to do if these recommendations are to be implemented for the 2011 local government elections—work of legislative development, education and training, and establishment of processes and procedures. The Task Force also recognizes that not everyone will agree with all of the recommendations—some thinking they do not go far enough and others thinking they propose too much change. However, the Task Force strongly believes that if implemented, these recommendations would make a positive difference to local elections in British Columbia.

Sincerely,



Bill Bennett  
Minister of Community  
and Rural Development



Harry Nyce  
President  
Union of British Columbia Municipalities

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## Executive Summary

### Origin and Purpose

In his October 2, 2009 address to the Union of British Columbia Municipalities (UBCM) annual convention, the Honourable Gordon Campbell, Premier, announced the creation of a joint provincial-UBCM Task Force to recommend changes to local elections legislation. The Local Government Elections Task Force (Task Force) members were appointed in December 2009.

The Task Force was asked to submit its report to the provincial government and the UBCM by May 30, 2010, with the goal of making recommendations for legislative changes that could be introduced in the Legislature before the 2011 general local elections.

The Task Force's terms of reference outlined specific local government elections issues for consideration:

- campaign finance, including contribution/spending disclosure and limits, and tax credits;
- enforcement processes and outcomes;
- role of the chief electoral officer (B.C.) in local government elections;
- election cycle (term of office);
- corporate vote;
- other agreed upon matters (e.g. matters raised in UBCM resolutions, such as candidate eligibility of volunteers).

### Task Force Process and Input

The Task Force wanted to hear from a wide variety of individuals, local governments and organizations across B.C., as efficiently as it could. The website [www.localelectiontaskforce.gov.bc.ca](http://www.localelectiontaskforce.gov.bc.ca) was an important resource for the Task Force's consultation efforts. The website invited written submissions, which were then posted to the website. Discussion papers the Task Force reviewed and considered in the course of developing its recommendations were also posted. The discussion papers thoroughly explored the issues being considered by the Task Force, including providing context on B.C.'s current rules and rules in other provinces.

The Task Force's work generated a significant amount of interest. In total, well over 10,000 indications of opinion were received by the Task Force. Submissions reflected a diversity of opinion on elections issues, and came from individuals, local governments and organizations in all areas of the province.

As the Task Force considered the many and varied submissions suggesting changes to local elections, balancing the principles that underpin elections systems was one of the Task Force's key objectives. Principles like consistency, flexibility, transparency, accessibility, fairness, honesty and balance among interests of local government, the provincial government and the public, were considered, as was the practicality of possible changes. Ultimately, the Task Force's recommendations reflect a balance of these principles.

## Perspectives and Analysis

As the Task Force conducted its deliberations, some key themes or findings emerged. These messages informed the Task Force's approach to developing its recommendations. For example, local elections cover everything from large urban and small rural local governments, to board of education elections, to parks boards and other special bodies. Changes to the rules need to work across B.C.'s diverse communities, and in these very different contexts. Scale - the large number of candidates for the large number of local electoral offices - should also be considered when contemplating changes.

In the last general local election in 2008, 3,050 candidates ran for 1,660 offices in 250 local bodies. Despite this immense scale, the vast majority of local elections are generally run successfully. Relatively few concerns about the actual procedural conduct of local elections were raised in submissions to the Task Force. Feedback to the Task Force and the experience from the 2008 elections indicated that the most pressing issues for consideration related to campaign finance rules. The Task Force focused on finding practical and targeted ways to fill these real "gaps" in the local elections rules – areas where improvement was needed.

Elections issues generate a lot of interest, but very diverse views. Given the different values and strong perspectives people hold on elections rules, it is unlikely that all will agree on every recommendation. Ultimately, however, there were some clear areas of consensus amongst the public, local governments and organizations, such as the importance of enhancing transparency.

## Recommendations

The Task Force recommends changes in five key areas to improve local government elections, with 31 specific recommendations for change under each area. The Task Force also recommends no change on three topics. The following list summarizes the major recommendations. For a complete list of specific recommendations, see the corresponding sections of the report, or Appendix 1.

### 1. Ensure accountability

- Require third party advertisers to register and to disclose what they spent on ads and who contributed to them, and prohibit advertising by unregistered third parties
- As part of their solemn declaration when filing nomination papers, require candidates to attest that they understand specified requirements for running for office
- Establish a separate Act dealing with campaign finance rules in local elections

### 2. Enhance transparency

- Require campaign finance disclosure statements (in standardized forms) to be submitted no later than 90 days after general voting day
- Require campaign finance disclosure information to be published online and made centrally accessible through Elections BC
- Require all election advertising to disclose who sponsored (paid for) the advertising, and make it an offence to publish ads without required sponsorship information
- Establish that the recommended third party advertising rules for election campaigns also apply to referendums
- Ban anonymous contributions

### 3. Strengthen compliance and enforcement

- Extend the time period for investigation of an alleged offence to one year from when the alleged contravention is brought to the attention of elections administrators/enforcers
- Clarify powers, duties and status of local Chief Election Officers
- Establish a key role for Elections BC in enforcing campaign finance rules in local elections, focusing on:
  - Publication and compliance review of campaign finance disclosure statements;
  - Provision of guidance on campaign finance rules during elections;
  - Response to campaign finance queries and complaints after elections;
  - Management of preliminary investigations and, when required, referral to the appropriate law enforcement bodies

### 4. Increase accessibility

- Implement expense limits for all campaign participants (e.g. electors, elector organizations and 3rd party advertisers)
- Extend the term of office for local elected officials to four years
- Clarify the eligibility of volunteers to run for office in their local governments

### 5. Expand education and information

- Strengthen commitment to collaborative local elections education by establishing a more formalized process for guiding development of elections education and involving more participants in its development
- Provide education and advice on new topics resulting from implementation of Task Force recommendations, for new audiences, in new ways

#### Recommendations to maintain the current rules

- Do not implement general contribution limits or restrictions
- Do not implement public financing (tax credits or rebates for campaign contributions or campaign expenses)
- Do not establish a corporate vote

## Next Steps

The Task Force recognizes that it has recommended targeted, yet significant changes.

Given the intention for changes resulting from the Task Force's recommendations to be in place for the 2011 general local elections, legislation must be developed for consideration by the Legislature at the earliest reasonable opportunity (which is expected to be in the year of the next general local elections).

The Task Force recognizes that much intensive work on policy development, relationship-building, legal analysis, legislative drafting, and education must be undertaken to give effect to the intended objectives of the recommendations. As a result, the proposed changes, if implemented, may look somewhat different in implementation than they do as recommendations. In the Task Force's view, what matters is that the intent or objectives of the recommendations be met in the way that works most effectively to ensure that local elections are fair, honest, accessible and transparent, and that those involved in them are accountable and informed.



## Origin and Purpose

In his October 2, 2009 address to the Union of British Columbia Municipalities' annual convention, the Honourable Gordon Campbell, Premier, announced the creation of a joint Task Force to recommend changes to local elections legislation.

The Honourable Bill Bennett, Minister of Community and Rural Development, and Harry Nyce, President of the Union of British Columbia Municipalities (UBCM), were appointed as co-chairs of the Local Government Elections Task Force (the Task Force).

In December 2009, other members were appointed to the Task Force by UBCM and the Province:

- **Barbara Steele**, Councillor, City of Surrey, First Vice-President of UBCM
- **Mary Sjostrom**, Mayor of Quesnel, Third Vice-President of UBCM
- **Robert Hobson**, Chair, Central Okanagan Regional District, Past President of UBCM (alternate)
- **Donna Barnett**, Member of the Legislative Assembly, Cariboo-Chilcotin
- **Douglas Horne**, Member of the Legislative Assembly, Coquitlam-Burke Mountain

Working from the Premier's direction to make recommendations for changes that will improve the fairness, accountability, and transparency of local elections, the Task Force adopted a terms of reference that outlined the specific local government elections topics the Task Force would consider:

- campaign finance, including contribution/spending disclosure and limits, and tax credits;
- enforcement processes and outcomes;
- role of the chief electoral officer (B.C.) in local government elections ;
- election cycle (term of office);
- corporate vote;
- other agreed upon matters (e.g. matters raised in UBCM resolutions, such as candidate eligibility of volunteers).

The Task Force was asked to submit its report to the provincial government and the UBCM by May 30, 2010, with the goal of making recommendations for legislative changes that could be introduced in the Legislature before the 2011 general local elections.

## Background

### B.C. Local Elections - Scope and Scale

Over 1660 elected positions on over 250 government bodies are filled through local elections. In 2008, over 3,050 candidates ran for these offices.

Local government elections are currently held every three years and are conducted by local governments under the *Local Government Act*, and for the City of Vancouver, under parallel provisions in the *Vancouver Charter*. These provisions apply to general local government elections, by-elections to fill vacated seats, and to “other voting” (i.e., non-election voting, like referendums).

The local government election provisions govern elections for municipal elected office (mayors and councillors) and for electoral area directors to represent unincorporated areas on regional district boards. The *Vancouver Charter* provisions apply to the election of the mayor, councillors and the Vancouver Parks Board.

Under the *School Act*, board of education elections rely mostly on the *Local Government Act* election provisions. The vast majority of board of education elections are conducted by municipalities and regional districts. The Islands Trust elections also rely on the *Local Government Act* provisions, as do the Cultus Lake Park Board elections and the elections of local community commissions in some regional districts.

Because there are small and large communities in B.C., the scale of individual local elections varies, with some having one or only a few voting places and a few officials presiding, and others having many candidates running and multiple voting places supervised by large numbers of local government election staff. The magnitude of campaigns in local elections also varies across communities and from election to election. Generally, smaller communities see smaller amounts of money spent by candidates. For example, in the 2008 municipal election, successfully-elected candidates on Bowen Island spent \$1,832 on average, whereas in Vancouver, successfully-elected candidates spent on average \$36,246, the average spending of elector organizations<sup>1</sup> supporting candidates that were elected was \$1,100,233, and the average spending of campaign organizers<sup>2</sup> was \$47,826. The nature of electoral competitions also varies widely – elector organizations are found in a few communities, while most others feature primarily or exclusively independent candidates.

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<sup>1</sup> “Elector organizations” are entities like political parties. They are groups that directly promote a candidate (or group of candidates), exist for at least two months before the election, have at least 50 qualified electors as members, and have their endorsements of candidates appear beside candidates’ names on the ballot.

<sup>2</sup> A “campaign organizer” is person or organization that undertakes an election campaign that supports (or operates in place of) a candidate or elector organization’s campaign, and that conducts political activity such as advertising or collecting campaign contributions. “Campaign organizer” typically includes what are commonly termed “third party advertisers” - people or groups not directly connected to candidates but advertising on their behalf. Campaign organizer rules established in 2008 applied transparency requirements (e.g. campaign finance disclosure rules) to people or groups that previously essentially functioned as elector organizations without being subject to the same transparency requirements as elector organizations.

## Current Rules

### Administration

Local elections in B.C. are currently run by local governments themselves. Each local government appoints its own Chief Elections Officer and all local governments in B.C. simultaneously conduct elections on general voting day (the third Saturday in November every three years).

Local governments are responsible for every aspect of their local election, from administration of the election, to oversight of the rules. Examples of administration of the election include setting up voting places, registering electors to vote, and counting votes. Oversight of the rules includes activities such as collecting information required of candidates (e.g. names of candidates' financial agents; campaign finance disclosure statements), responding to complaints and providing public reports regarding candidates not filing disclosure statements.

While local governments are responsible for their elections, the rules under which local elections are conducted are established in provincial legislation, and are generally uniform across communities. Local governments cannot adopt bylaws to vary key elements of the electoral system such as voter eligibility, voting requirements and election offences. Local governments have some authority to adopt bylaws about certain administrative or procedural matters. For example, local governments can choose to offer mail voting or not, or provide additional advance voting opportunities beyond the required number.

### Campaign finance and enforcement

Currently, the key purpose of campaign finance rules in local elections is to promote transparency. All candidates, elector organizations and campaign organizers must file disclosure statements within 120 days after the election. Disclosure statements contain information such as campaign contribution totals, details about contributors giving \$100 or more, and election expenses. Currently there are no contribution limits (aside from limits on accepting anonymous contributions over \$50), nor limits on how much a campaign participant can spend. There are restrictions on *how* contributions are made and handled (e.g. rules for cash contributions; requirements to have a bank account for campaign transactions).

Ultimately, the objective is to ensure that campaign finances are open and transparent by enabling the public to have access to the campaign finance disclosure statements after elections. It is also important for scrutiny of elected officials' decisions. Elections rules link to the accountability requirements elected officials must meet (i.e. once in office, rules such as conflict of interest, restrictions on accepting gifts and other ethical standards apply).

Rules without penalties would not be effective. Accordingly, there are offences that can lead to fines, and for those found guilty of serious offences (e.g. vote buying, intimidation, advertising on election day, tampering with ballots), imprisonment could result. Disqualification from voting in or running in local elections (or being de-registered, in the case of elector organizations) are also potential consequences. For example, candidates who file a false or incomplete campaign finance disclosure statement, or fail to file that statement, are disqualified from running again for a period of time. More seriously, elected

candidates can lose their seats for failing to meet disclosure requirements if they do not obtain relief from the court. As well, there are other automatic or administrative penalties (e.g. late filing fee of \$500 for those who file a disclosure statement after the normal deadline).

Local elections legislation lays out roles and responsibilities of a variety of “players” in the elections system, from the campaign participants, to those responsible for administration and oversight of the elections rules. Encouraging understanding of (and compliance with) these roles and responsibilities is a collaborative effort. The Ministry of Community and Rural Development develops educational guides, provides advice and evaluates on an ongoing basis the possible need for changes to the rules<sup>3</sup>. The Local Government Management Association<sup>4</sup> provides training and manuals for local government staff on their roles as elections administrators. In relation to enforcement, the police investigate complaints of alleged elections violations. Based on police investigations, Crown Counsel determines whether to lay charges, and prosecutes offenders in court when charges are laid. The public and campaign participants also play a role in enforcement by bringing matters to the attention of police and, sometimes, taking concerns directly to the courts for determination (such as requests to the court to invalidate election results).

B.C.’s current local elections legislation has evolved over time, with the last comprehensive review in 1993. That three-year review process resulted in many improvements to the legislation, from improving accessibility of polling places, to instituting campaign finance disclosure rules. Since that review, the legislation has been monitored and updated. However, areas where improvements can be made have emerged.

## Emerging Issues

Emerging issues needing legislative change have generally not been related to local governments’ administration of elections. Rather, calls for change have tended to centre around the rules for candidates and other campaign participants (like third party advertisers). As an example, in 2008, rules to regulate “campaign organizers” were implemented in response to concerns raised about organizations conducting political activity in support of candidates. This change was important to increasing transparency of individuals and organizations running “shadow” campaigns (by requiring them to disclose expenses and contributions in the same way as candidates and elector organizations).

In the vast majority of communities, the general local election in 2008 was free of problems or controversies. However, in a few communities, there were incidents which captured much public and media attention. While small in number, these were serious incidents that led to significant public concern and questions about the effectiveness of B.C.’s local elections rules – particularly campaign finance rules.

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<sup>3</sup> The Ministry of Education and the BC School Trustees Association also provide information and education specific to boards of education elections.

<sup>4</sup> The Local Government Management Association is a professional organization formed to provide local government administrators in B.C. with professional development and training opportunities.

Common to several of the incidents were concerns about the conduct of third parties (e.g. people advertising on behalf of candidates, or providing contributions to candidates)<sup>5</sup>. It became apparent that the 2008 changes to regulate third party advertisers and “shadow campaigns” were not clearly understood by some in the 2008 general local election. For different reasons in each case, none of the “third party” related controversies went to court, which itself led to some criticism of the effectiveness of enforcement in B.C.’s local elections system. Where matters did go to court,<sup>6</sup> errors made were found to be inadvertent or insufficient to invalidate the election. Yet all of these incidents left lingering questions about gaps in B.C.’s local elections.

In addition to questions raised about specific incidents, questions about what some saw as growing trends in campaign finance. For example, the amount of money spent by some campaign participants on campaigns in places such as Vancouver generated public and media attention.

There has also been public dialogue on other issues unrelated to the campaign finance rules or issues stemming from the 2008 elections. The UBCM’s annual process of developing policy positions based on resolutions from local governments has generated ideas for changes to elections rules. For example, the length of term of office for local elected officials has been a topic of debate at UBCM’s annual convention, and some members of UBCM have suggested that the eligibility of employees and volunteers to run for and hold office should be examined. Members of the business community have also voiced a longstanding interest in allowing businesses to vote in local elections.

## Context – Comparing B.C. Local Elections to Other Systems

### B.C. provincial elections

The provincial system sees the election of representatives to *one* government, with elections overseen and conducted under a single body (Elections BC) that is funded by the province. There are 85 Members of the Legislative Assembly elected every four years in B.C. This is in contrast to local elections where over 1660 representatives are elected to over 250 government bodies and local governments run and pay for their own elections.

Elections BC is an independent office of the Legislature. The provincial Chief Elections Officer is appointed by unanimous vote of the Assembly. Elections BC’s independence assists its role of promoting compliance with the rules, and undertaking enforcement measures (such as applying administrative penalties, conducting investigations, and referring matters to the police and Crown Counsel where charges may be warranted).

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<sup>5</sup> In Central Saanich, West Vancouver, Summerland and the Langley school district, issues related to third party support (through contributions or advertising) for candidates created controversy; three police investigations resulted, with recommendations for charges in two cases, though the matters did not proceed to court.

<sup>6</sup> A board of education trustee in Victoria and one in Mission had to apply to court for relief of disclosure-related requirements; in both instances, the courts found that the candidates had made errors in good faith and were entitled to assume office. A case related to the handling of ballot boxes in the municipal election in Gibsons was heard by the court; the court found that while procedural errors were made, they were not sufficient to invalidate the election.

The provincial *Election Act* has detailed rules premised on the existence of political parties – for example, registration and financial reporting of political parties and constituency associations. The *Election Act* also contains rules about campaign financing and election advertising, some key features that do not currently exist at the local level (e.g. expense limits for candidates, parties and third party advertisers).

These major differences aside, the provincial *Election Act* is based on similar principles and covers a similar range of issues as local government elections legislation. Fairness, accessibility, transparency and honesty are principles vital to both systems. Reflecting the importance of those principles, rules exist in both systems for matters such as protecting the secrecy of the ballot, challenging election results in court, and disclosing contributions and expenses of candidates.

### **Local elections in other provinces and territories in Canada**

The general rules for local elections in provinces and territories in Canada are similar in many respects, reflecting the commonly accepted principles of democratic electoral systems. For example, electors are generally required to be citizens of Canada and residents of the community, and procedural rules to ensure accessibility of voting and integrity of the process exist. Local elections are generally conducted in those other jurisdictions as they are in B.C. – by local governments themselves.

Beyond those basic rules, local election systems across Canada vary fairly widely. For example, in Quebec, New Brunswick and Prince Edward Island, the province's Chief Election Officer has a role in aspects of local elections.

Campaign finance rules are another significant point of difference among local elections systems in Canada. Some provinces and territories have no campaign finance rules at all. For example, candidates face no requirements to file disclosure statements revealing what they spent on campaigns or who contributed. The provinces that do have campaign finance rules vary as to what must be disclosed and when, whether there are expense limits, who is allowed to contribute and how much, and whether public money – whether local or provincial – is available as a credit or rebate for campaign contributions or expenses.

Other rules vary as well – for example, the term of office for local elected officials varies between three and four years, although the trend nationally is toward four year terms. These different systems and rules present opportunities for B.C. to learn from the experiences of others, and other provinces' approaches have informed the Task Force's recommendations. However, every local government system is different (e.g. the number and nature of local governments; the extent of provincial supervision or local autonomy), so approaches from other places cannot be taken "off the shelf" and applied to B.C. For more information on other jurisdictions' rules, see Appendix 4.

## Principles

Under the Task Force's terms of reference, these principles have guided the Task Force's work:

- *consistency* with provincial and federal election rules, where practical;
- *flexibility* to accommodate particular attributes of local government elections and balance *consistency* with the unique needs of local governments;
- *transparency, accessibility, fairness and honesty* are hallmarks of democratic elections, to be preserved and promoted;
- *efficiency* of the elections process, both in cost and operational resources needed;
- *balance*, among the interests of local government, the provincial government and the public.

These principles have guided changes to local elections legislation in the past, and remain relevant today. Fairness, accessibility, transparency and honesty are examples of the universal principles that underpin democratic elections. Principles such as flexibility underpin B.C.'s approach to the legislative framework for local governments generally, and so are relevant to changes to local elections.

These principles can be promoted in different ways – for example, fairness and honesty are furthered by ensuring accountability, and by strengthening compliance and enforcement. However, in applying these principles to any issue, a balance must be sought. For example, accountability of campaign participants is essential, but must be balanced against considerations such as the right to freedom of expression - an issue of particular importance when looking at rules for election advertising by third parties. Flexibility – allowing local rules to vary according to community needs – is important, but must be balanced by other principles like consistency, to ensure that basic democratic standards are the same and candidates and electors are treated fairly across communities. The practical effect of principles should also be considered, as they need to be workable to be effective.

In considering the many and varied submissions from the public, local governments and organizations, balancing these principles was a key objective of the Task Force's deliberations. Ultimately, the Task Force's recommendations reflect this balance.

## Work of the Task Force

### Topics for review

The Task Force's examination of local elections issues was a targeted review. Based on the 2008 local elections experience, and information such as media reports and written submissions, the most pressing issues for Task Force consideration were related to campaign finance (e.g. regulation of third party advertisers, campaign finance disclosure, investigation of complaints about campaign finance matters, and information and education about election rules).

Under each of the general topics in the terms of reference, there were complex, interconnected elements to be explored and challenging, often conflicting, considerations to be balanced.

#### **Campaign finance, including contribution/spending disclosure and limits, and tax credits**

- Under the general category of “campaign finance,” the Task Force considered a range of issues such as campaign finance disclosure statements (e.g. the time period for filing disclosure statements, access to disclosure statements); expense limits; contribution source and amount limits (including rules for anonymous contributions); application of campaign finance rules to referendums; and public financing. All campaign finance issues were interrelated, with changes to one aspect of campaign finance affecting the other aspects, as well as issues such as enforcement and the role of Elections B.C.

#### **Enforcement processes and outcomes**

- The Task Force considered the continuum of compliance and enforcement approaches. Approaches explored by the Task Force ranged from education (publishing guides and training materials and providing advice); to general compliance (monitoring campaign finance disclosure statements and following up on possible contraventions); to complaint response (reviewing and responding to complaints; undertaking preliminary investigations); to legal action and punishment (police investigation of potential offences/prosecution by Crown Counsel). Roles in compliance and enforcement – for local Chief Election Officers, the police, the courts, Elections BC, and the public - were also discussed.

#### **Role of the chief electoral officer (B.C.) in local government elections**

- The possible benefits of having an independent, neutral body (the provincial Chief Elections Officer) involved in aspects of local elections (e.g. enforcement) were discussed and considered. Important to that discussion was the need to effectively balance local government autonomy with the neutrality of a central agency and to clearly establish “who does what” on which aspects of local elections. How the scope and scale of local elections compared to provincial elections, and possible impacts around costs and effectiveness of a role for Elections BC, were also important points of deliberation.

### **Election cycle (term of office)**

- Advantages of a longer term were discussed (e.g. spreading costs of setting up a new council/board over four years; allowing for a longer planning cycle for local governments to implement their vision and prepare/execute their plans). These advantages were considered relative to arguments in favour of three-year terms (e.g. time commitment for potential candidates especially in smaller or rural communities; opportunity for electors to use the ballot box to express opinions on the performance of their local elected officials).

### **Corporate vote**

- Significant policy questions around a corporate vote (such as who is eligible and for how many votes) were discussed, as were principles such as “one person, one vote” and “taxation without representation.” Whether a corporate vote could be designed that is equitable and administratively reasonable, but is not open to abuse, was a question for the Task Force. Contextual factors, such as the UBCM’s policy position against the corporate vote; the absence of a corporate vote federally, provincially or at the local level in other provinces; and the concerns expressed by businesses on matters such as property tax rates, were also considered.

### **Other agreed upon matters (e.g. matters raised in UBCM resolutions, such as candidate eligibility of volunteers)**

- The Task Force considered some issues raised by resolutions proposed by UBCM members, such as whether employees of local governments should be eligible to hold office while maintaining their employment or volunteer position with that local government or a related local government. In relation to candidate eligibility, encouraging participation in local government (especially in small communities) was discussed and considered against the context of other important factors such as avoiding conflicts of interest.

See Appendix 2 for more detailed summaries of each of the subject areas reviewed by the Task Force.

### **Task Force process**

Each of these topics generated significant interest and a diversity of views. The Task Force wanted to hear from a large variety of individuals, governments and organizations across B.C., as efficiently as it could. For this reason, the Task Force’s primary method of public engagement was through written submissions. The Task Force solicited written input through letters to all local governments and interested stakeholder groups; public outreach through the media and by stakeholder organizations themselves; and individual Task Force members’ own day-to-day activities.

The website [www.localelectiontaskforce.gov.bc.ca](http://www.localelectiontaskforce.gov.bc.ca) was an important resource for the Task Force’s consultation efforts. The website invited written submissions, which were then posted to the website. The website also featured background information on local elections

in B.C., such as guides produced by the Ministry of Community and Rural Development to assist voters, candidates and others to understand the elections process.

In the interests of transparency, the Task Force also chose to post on the website the discussion papers developed for the Task Force's review and consideration. Discussion papers on each of the major topics under the Task Force's terms of reference were developed by Ministry of Community and Rural Development staff in collaboration with UBCM staff, and with advice from elections experts and practitioners from the Ministry of Attorney General, Ministry of Education, BC School Trustees Association, Elections BC, and the Local Government Management Association. The Task Force felt it was important to share with the public the same information the Task Force would be considering in making its recommendations.

Between December 2009 and May 2010, the Task Force held 11 days of meetings to review discussion papers, consider feedback and deliberate on possible recommendations. The Task Force heard presentations from: academic experts Dr. Patrick Smith and Dr. Kennedy Stewart; the Local Government Management Association; Elections BC; the BC School Trustees Association; and the Leader of the Opposition and the Opposition critic for the Ministry Community and Rural Development.

Task Force members were invited to a consultation session with local governments organized by the UBCM on March 12, 2010. This session gave interested local government elected officials and senior staff the opportunity to discuss the issues under the Task Force terms of reference and share their opinions. The Task Force co-chairs and other Task Force members also accepted invitations to meetings of UBCM's Area Associations to discuss the Task Force's work and hear from UBCM members.

## **Input to the Task Force**

The Task Force's work generated a significant amount of public, media and local government interest. In total, 10,374 indications of opinion were received by the Task Force. The Task Force received 920 written submissions, 802 of those from individuals, 58 from local governments and 60 from organizations. Four organized 'campaigns' provided further indications of opinion to the Task Force: 972 "local campaign finance reform needed now" emails (promoted by Think City) argued for contribution and expense limits; 89 "choice of voting system should be top priority" emails (promoted by FairVoting BC) argued for voting system reform and other accountability measures; 2,354 people joined a Facebook group against the corporate vote; and the Canadian Federation of Independent Business submitted a petition signed by 6,039 people in favour of the corporate vote.

Submissions received reflected a diversity of opinion on elections issues, and came from individuals in all areas of the province; from organizations of all kinds (e.g. labour, business and civic groups); and small, medium and large local governments.

Of the topics specifically included under the Task Force's terms of reference, the corporate vote and campaign finance issues (such as disclosure, expense limits and contribution limits,) garnered the most written submissions. The next leading category of feedback received was on "other" topics not included in the terms of reference. Suggestions received were numerous and diverse, relating to everything from changing the date of the election,

to implementing alternative voting systems (such as proportional representation), to ideas for enhancing accountability of local elected officials.

Because election topics are so interrelated, it was often difficult to separately count comments as being on particular topics. For example, while the overall numbers indicate that “enforcement” was not a topic of greatest interest, comments on campaign finance or the role of Elections BC often brought up enforcement-related themes – e.g. suggestions for more disclosure to make the system more transparent so that enforcement would be easier by a neutral third party. Similarly, transparency was a strong theme in many submissions, even if they did not specifically identify the need for “more disclosure.”

Overall, there were no obvious significant divergences between general trends for local governments, organizations and individuals, though there were some differences – for example, a few more individuals opposed tax credits; and a higher proportion of individuals’ and organizations’ submissions than local governments’ submissions favoured contribution limits.

On some issues, there was some difference of opinion evident between smaller and larger local governments. Two examples of small/rural and large/urban differences were term of office length and eligibility of volunteers (e.g. firefighters) to hold elected office, although even on those issues, the lines were not clear (e.g. a number of small communities supported a four-year term).

See Appendix 3 for a more detailed summary and breakdown of the results of the submissions received.

## Perspectives and Analysis

Some key themes emerged as the Task Force reviewed and deliberated on all the topics. These themes or findings have informed the Task Force's approach to developing its recommendations:

- **Scope and scale of local elections are significant** – B.C. communities are diverse, and local elections cover everything from large urban and small rural local governments, to board of education elections, to parks boards and other special bodies. Changes to the rules need to work in these very different contexts. Consistency is important, but consideration of the effect on communities, both large and small, is also important. Scale – the large number of candidates for the large number of electoral offices - should also be considered when contemplating changes to the system (e.g. in oversight and enforcement).
- **Elections issues are interconnected** - Potential changes need to be considered carefully in light of their connection to other rules. For example, new transparency requirements need to be accompanied by rules for enforcing compliance; changes in election rules may have impacts on rules for officials once elected, such as conflict of interest. There is rarely a single rule change that will address complex issues such as campaign finance. Various targeted changes taken together will be most effective. Further, legislation is not always the answer. Non-legislative approaches (such as education) are also vital.
- **Principles should be balanced with practicality** - Changes to elections rules need to reflect fundamental democratic principles; however, they must also be practical in order to be effective. Rules need to be reasonable to administer. Consideration must also be given to practical consequences of rules – for example, establishing overly restrictive rules around making, accepting and disclosing contributions could have unintended outcomes, such as providing incentives to work around the rules. Similarly, having certain limits or requirements apply to campaign participants in only some local governments would be challenging to make effective considering that political activity often does not recognize geographic boundaries (e.g. some groups may want to promote awareness of an issue in multiple communities, and different rules in each would present difficulties).
- **Promoting accountability involves all participants** – B.C.'s local government system is highly collaborative, and the elections system is no different. Education and advice are currently provided by the Ministry of Community and Rural Development and the Local Government Management Association. The collaborative approach can bring many strengths to administration and oversight of local elections, but campaign participants must also take responsibility for being accountable “players” in the system. Accountability should be shared, and the public should not be solely responsible for monitoring whether rules are followed.

- **Administration of local elections is generally successful** – Very few concerns about the actual procedural conduct of local elections were found. Local governments are generally administering elections successfully. If administration issues do arise, it is important that local Chief Election Officers and other local administrators have the training, education and advisory support they need to respond.
- **There are gaps in some key areas** – feedback to the Task Force and the experience from the 2008 elections indicated that the most pressing issues for Task Force consideration related to campaign finance (e.g. regulation of third party advertisers; campaign finance disclosure; investigation of complaints about campaign finance matters; and information and education about campaign finance rules). The Task Force felt that practical and targeted ways to fill these real “gaps” in the local elections rules should be the priority focus.
- **Elections issues generate a lot of interest, but very diverse views** – given the different values and strong perspectives people hold on elections issues, it is unlikely that all will agree on every recommendation.
- **Public perception matters** – Despite diverse views on some issues, there were some clear areas of agreement amongst the public, local governments and organizations. Transparency was a common value. It is not enough for local elections to be fair, honest and open; they must also be seen to be so. Ultimately, achieving that transparency – whether by ensuring accountability, strengthening compliance and enforcement, or increasing accessibility -- is the essential ingredient for public confidence in local elections.

## Recommendations

The Task Force makes 31 substantive recommendations to improve local elections in five key areas.

- Ensure accountability
- Enhance transparency
- Strengthen compliance and enforcement
- Increase accessibility
- Expand education and advice

The Task Force also recommends maintaining the current rules on three topics.

Some of the specific recommendations to improve local elections are for changes to the local elections legislation. Some recommendations are non-legislative, recognizing the importance of education of campaign participants, elections administrators, and the public alike. Some recommendations would result in major changes to the local elections rules. Others are more minor, but play an important part in making sure the recommendations are effective.

There are recommendations related to each of the topics the Task Force reviewed. The following list is organized according to the Task Force's five key objectives. For a list summarizing the recommendations organized according to topic areas, see Appendix 1.

### Ensure Accountability

*Elections involve many people and groups, from administrators who run the elections, to candidates and elector organizations and their supporters, to the voting public. Each of these participants has roles and responsibilities for which they need to be accountable. In some cases, these accountabilities can be improved.*

#### Third party advertising

Third party advertisers can have a significant impact on democratic debate in a community, but the current rules do not provide sufficient clarity on obligations of third party advertisers. The existing "campaign organizer" rules established in 2008 regulated for the first time in local elections what are commonly termed "third party advertisers," as well as people or organizations that undertake a campaign to support a candidate or elector organization's campaign, and that conduct political activity such as collecting campaign contributions. While the "campaign organizer" changes were an important step for transparency, they seemed to cause confusion. Many of the issues that occurred in the 2008 local elections related to third party advertising. A large number of submissions to the Task Force argued for more disclosure generally and some specifically identified a need for changes to the rules for third party advertisers. Some submissions pointed to specific incidents in the 2008 local elections as evidence of the need for more accountability.

Rules specifically dealing with third party advertising would make local elections rules more consistent with provincial rules. This recommendation would ensure that third parties are required to be accountable, much like candidates and elector organizations.

At the same time, in addition to regulating third party advertisers directly, there remains a need to continue to regulate people or groups not directly connected to candidates but essentially functioning as elector organizations (collecting contributions, etc.).

#### **Recommendations:**

- Establish that third party advertisers must register and must disclose what they spent on ads and who contributed to them (possibly for advertising expenditures over a certain threshold)
- Prohibit advertising by unregistered third parties
- Explore establishing some automatic (administrative) penalties for failure to comply with third party advertising rules, such as exceeding expense limits or failing to file a disclosure statement.
- Continue to regulate people or organizations (currently referred to as “campaign organizers”) that undertake election campaigns that support (or operate in place of) a candidate or elector organization’s campaign and conduct political activity such as collecting campaign contributions.

### **Candidates’ solemn declaration**

Obligations on candidates reflect the shared accountability in local elections. Candidates must be responsible for meeting the requirements of running for office. Candidates currently must make a solemn declaration when filing nomination papers in order to run for office.

Candidates’ solemn declarations could be enhanced to help ensure candidates are aware of obligations associated with running for office, thereby reducing inadvertent errors and misunderstandings regarding some requirements such as opening a bank account for the campaign and filing a campaign finance disclosure statement. This recommendation would involve adding some new statements to the existing solemn declaration candidates make when filing their nomination papers. This recommendation is also connected to the recommendations on education, as candidates could be provided with or made aware of educational materials and resources at the time they make their declaration.

#### *Related issue – oath of office*

As a related issue, the Task Force suggests reviewing the key statement of accountability of elected officials – namely, the oath of office. While municipalities have the authority to set the oath for their councils, most use the standard oath set by regulation. While it is not directly part of the elections process, the Task Force heard concerns that that standard oath does not positively describe the nature of the commitment and integrity that elected officials should bring to office. It also heard from regional districts that want the same authority as municipalities to customize the oath for their communities.

**Recommendation:**

- Require candidates to make a solemn declaration when filing nomination papers, attesting that the candidate understands the requirements for running for office; for example, requirements to
  - appoint a financial agent
  - open a separate bank account for campaign finances
  - file a campaign finance disclosure statement within 90 days<sup>7</sup>
  - meet eligibility criteria

**Separate Local Elections Campaign Finance Act**

Currently, some of the elections rules in the *Local Government Act* and the *Vancouver Charter* regulate the conduct of elections by local governments generally (procedures, administration, etc.), while others directly regulate campaign participants, such as candidates, elector organizations and campaign organizers (i.e. third party advertisers). Separating the rules that directly regulate campaign participants may raise the profile of campaign finance rules, and create an obvious “go-to” place for campaign participants to more fully understand their obligations.

A separate Act focused on campaign finance rules would assist in providing clarity regarding Elections BC’s recommended role in enforcement of campaign finance rules in local elections, and could provide greater clarity for candidates for bodies other than local governments (e.g. boards of education, whose elections are currently conducted under the *Local Government Act* rules).

**Recommendation:**

- Establish a separate Act dealing with campaign finance rules in local elections

**Enhance Transparency**

*B.C.’s current local elections rules emphasize transparency, an essential principle in promoting honesty, fairness and ultimately public confidence in local elections. But more could be done. These recommendations suggest additional transparency measures in B.C. local elections.*

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<sup>7</sup> Under its “campaign finance disclosure” recommendations, the Task Force is recommending that campaign finance disclosure statements be disclosed 90 days after the election, rather than the current 120 days.

## Campaign finance disclosure

Campaign finance disclosure statements provide the foundation for transparency and accountability in local elections. Currently, disclosure statements must be submitted within 120 days after the election, there is no standard form for presenting the required information, and while many local governments choose to make the information available online, they are not required to.

Many submissions suggested that 120 days is too long to wait for disclosure reports, and that the public should be able to access disclosure information sooner and more easily. Given the Task Force's related recommendations on Elections BC's role in overseeing local campaign finance rules, it is suggested that Elections BC act as a central repository of campaign finance disclosure statements. Standardizing disclosure statement forms is of practical importance if the statements are to be published online and centrally available, and would help members of the public, media and academia analyze the information.

The Task Force considered whether further disclosure provisions (e.g. audit requirements; pre-election disclosure of campaign contributions) should also be added. The Task Force balanced those considerations against the recognition that the changes it is recommending – such as expense limits, third party advertising rules, and an enforcement role for Elections BC – are significant and will already increase the administrative burden for campaign participants, local Chief Election Officers and Elections BC in the 2011 local elections. Additional provisions, or the idea of applying such rules only in some communities, could lead to lack of clarity about which rules apply where and to whom (with resulting enforcement implications). The relatively limited changes introduced before the 2008 elections caused confusion for some. Given the magnitude of potential changes coming out of this review of the elections rules, it is important to focus on priorities (i.e. addressing gaps highlighted in the 2008 local elections) and devote efforts to avoiding the kind of inadvertent confusion experienced in 2008.

### Recommendations:

- Require campaign finance disclosure statements to be submitted no later than 90 days after general voting day
- Require campaign finance disclosure information to be published online and made centrally accessible through Elections BC
- Develop standard campaign finance disclosure statement forms

## Election advertising

Election advertising, whether by candidates, elector organizations or third party advertisers, constitutes a significant form of political activity during campaigns. However, there are currently no requirements for advertising to contain information as to who sponsored and paid for it.

More rigorous election advertising rules would promote transparency and make it easier for those responsible for enforcement to track advertising and monitor compliance with rules, such as prohibitions against election day advertising.

Specifying that the language of the sponsorship information should be the same as the language of the advertisement itself and in English would prevent people from working around meaningful disclosure of advertising sponsorship by providing the sponsorship information in another language.

Further, there should be consequences for failing to comply with the rules. Administrative penalties (such as financial penalties or de-registration) for election advertising rule violations exist in provincial elections, and might be appropriate and effective in the local context as well.

**Recommendations:**

- Require all election advertising to disclose who sponsored (paid for) the advertising
- Sponsorship information should be in English and the language of the advertisement
- Make it an offence to publish ads without required sponsorship information
- Explore establishing some automatic (administrative) penalties in relation to election advertising (e.g. for failing to comply with the proposed requirement for advertising to include sponsorship information)

**Anonymous contributions**

Anonymous contributions are contributions for which the candidate receiving the donation does not know by whom it was contributed. Currently, anonymous donations of less than \$50 may be accepted by candidates. The total amount of anonymous contributions received and the total number of contributors from whom they were received must be disclosed by candidates. In provincial elections, anonymous contributions are more limited – they may be made only at fundraising events, and may not exceed \$50 each; political parties and candidates may accept no more than a total of \$10,000 or \$3,000 respectively in anonymous contributions per year, and additional accounting requirements must be met. Many provinces ban anonymous contributions in local elections.

Anonymous contributions are not consistent with the principle of transparency in local elections. Banning anonymous contributions takes transparency in local elections an additional step forward.

**Recommendation:**

- Ban anonymous contributions

## Other voting (referendums)

Non-election voting (e.g. referendums) is an important part of local democracy - the decisions being voted on (such as multi-year borrowing bylaws and boundary extensions) often have long-term impacts on the community and consequently garner much public interest.

“Campaign-like” activities are often undertaken by individuals and organizations advertising for or against proposed actions of the local government, but are currently not subject to the campaign finance rules. The public has an interest in knowing who has sponsored advertising for or against a referendum issue.

### Recommendation:

- Apply “third party advertising” rules for election campaigns to referendums by requiring
  - individuals and groups taking out referendum-related advertisements to register
  - advertisements to include sponsorship information
  - disclosure of contributions received and expenses incurred by registered third party advertisers to be made after the referendum

## Strengthen Compliance and Enforcement

*Measures to ensure compliance with elections rules, and consequences when rules are not followed, are essential to ensuring honesty and fairness – critical principles in democratic elections. These recommendations respond to calls for more effective enforcement in B.C. local elections.*

### Offence Act limitation on investigations

The current *Offence Act* limitation gives the police six months from the time of the alleged contravention of local election rules to investigate an allegation. This is not enough time, especially since contraventions of the rules may not come to light for some time after they occur, given that candidates and elector organizations currently have 120 days to file a disclosure statement (plus a potential late filing period of another 30 days).

Some submissions to the Task Force cited the example of the 2008 election in Summerland, where police indicated they were unable to complete an investigation due to the *Offence Act* limitation. A submission from the Royal Canadian Mounted Police specifically mentioned the six-month *Offence Act* limitation period as an obstacle to completing police investigations of alleged elections infractions.

While the Task Force also recommends that the disclosure statement filing period be shortened from 120 to 90 days, even 90 days could still run up against the current six-month *Offence Act* limitation. Under the provincial *Election Act*, the time period for laying a charge is one year after the facts on which it is based first came to the knowledge of the Chief Electoral Officer.

**Recommendations:**

- Override *Offence Act* limitation for investigation of an alleged local elections offence, extending it to one year instead of the current six months
- Specify that the one year period starts from when the alleged contravention is brought to the attention of local elections administrators / enforcers

**Local Chief Election Officer duties and powers**

Local Chief Election Officers are required to ensure so far as possible that the elections rules are being complied with; however, they may need additional powers to give meaning to this duty. For example, if a Chief Election Officer does not have explicit authority to enter onto property to take down a non-compliant sign on election day, that official cannot meaningfully enforce the prohibition against election-day advertising.

Local Chief Election Officers generally act with great integrity and impartiality. All local election officials are required to make a solemn declaration to act impartially in carrying out the powers and duties associated with their positions, but the Chief Election Officer's position itself is not statutorily defined to be impartial. Clarifying the status of the position may highlight to the public, campaign participants and local government officials the neutrality on which a Chief Election Officer's actions must be based, and give those officials additional, statutorily-recognized status.

These recommendations are connected to the recommended role for Elections BC in campaign finance enforcement as local Chief Election Officers will continue to play a central role in enforcement of elections rules during the campaign period and on election day.

**Recommendations:**

- Provide local Chief Election Officers with additional powers for enforcement during the campaign; for example, to
  - enforce rules against election-day advertising (e.g. provide clear authority for Chief Election Officers to enter on private property to remove unauthorized campaign signs on election day)
  - seek injunctions in order to enforce rules, such as stopping unauthorized advertising
- Clarify the status of the local Chief Election Officer by statutorily establishing that position as impartial

## Disclosure – notice of filing deadlines

Encouraging compliance with local elections rules is an important “front-end” enforcement approach. Requiring local governments to provide notice to candidates who have not met the campaign finance disclosure filing requirements by the end of the 90-day deadline (recommended by the task force – the current period is 120 days) is one tool for compliance that could be used before more formal enforcement measures need to be taken. Such notice, along with recommendations such as the solemn declaration for candidates and enhanced education materials, should help avoid situations where a candidate may claim to be unaware of the filing deadline.

### **Recommendation:**

- Require local governments to use best efforts to provide notice of the remaining 30-day late filing period to those candidates who have not filed at the end of initial filing period

## Role of Elections BC

Based on the experience in the 2008 general local elections, an external entity could play an important role in strengthening compliance and enforcement of campaign finance rules. Campaign finance is a topic for which concerns were highlighted (e.g. misunderstanding of the rules; difficulties in pursuing complaints; awkwardness for local government staff being enforcers after the election); accordingly, the Task Force is recommending additional rules (such as expense limits and third party advertising regulation). Campaign finance rules can only be effective if the process for compliance and enforcement of those rules is strong.

Elections BC is a recognized neutral agency with a reputation for effective enforcement. Given the scope, scale and nature of local elections, however, the Task Force believes that it is important to marry Elections BC’s enforcement expertise with the practical, on-the-ground presence and knowledge of local Chief Election Officers to create the most effective approach to compliance and enforcement of campaign finance rules. For example, during the campaign and election, a candidate in Pouce Coupe would expect to look to staff in the municipal hall down the block to file their documents and provide advice, rather than to Victoria. And that frontline advice can be supported by expertise from Elections BC and by education materials developed in collaboration with other local government experts, such as the Ministry of Community and Rural Development and the Local Government Management Association. After the election, however, it is important that there be follow up on campaign finance disclosure documents, consistent access to those documents, and review and investigation of complaints about campaign finance rules being breached to determine if police involvement is warranted. That role can best be played centrally by a neutral agency.

The Task Force recognizes that there will be costs in establishing such a role for Elections BC in local government elections, and that the scale of those costs will affect the extent to which this recommendation could be implemented.

### **Recommendations:**

- Establish a key role for Elections BC in enforcing campaign finance rules in local elections, focusing on:
  - Publication and compliance review of campaign finance disclosure statements;
  - Provision of guidance on campaign finance rules during elections;
  - Response to campaign finance queries and complaints after elections;
  - Management of preliminary investigations and, when required, referral to the appropriate law enforcement bodies.
- Continue a role for local government in enforcing campaign finance rules, focusing on local CEOs as frontline contacts and responders on certain compliance issues that arise during a campaign.
- Build mechanisms to clearly define the responsibilities and relationships of those involved in campaign finance enforcement; support collaborative development of training and education materials, standard forms and provision of guidance; and provide Elections BC and local governments with the authority they need to effectively fulfil their roles.

## **Increase Accessibility**

*Accessibility involves substantive questions about how open the electoral process is to participation by both voters and candidates. The Task Force suggests a range of recommendations dealing with accessibility, reflecting that accessibility involves issues from candidate eligibility, to measures to keep the costs of running for office from becoming prohibitive.*

### **Expense limits**

The task force believes that expense limits could increase accessibility and fairness by levelling the playing field among candidates; encouraging candidate participation; and reducing the need for large contributions to fund expensive campaigns. Expense limits are expected to be more effective than contribution limits in promoting accessibility. Unlike contribution limits, expense limits reduce the need for large contributions, yet they do not limit the democratic discourse and the variety of voices that can be heard in an election.

In light of the recommendation to establish expense limits, also applying limits to third parties is important to ensuring that third party advertising cannot be used to work around restrictions on campaign spending (and accordingly, transparency).

The task force recognizes that the actual design of the expense limits will take significant work. Accordingly, the Task Force identifies some key considerations that might help guide that work to ensure it results in effective and fair limits. For example, some written submissions suggested a per capita formula for expense limits, such as \$1 per capita, but

this would result in candidates in Vancouver being able to spend \$628,621, but those in Zeballos only \$161. Careful consideration of the design of the limits is needed to ensure the limits work in B.C.'s diverse communities. As well, limits for candidates would not be effective without limits for elector organizations. However, it is important that design of the expense limits not skew the choices that candidates make to participate in elector organizations or not (i.e. elector organization expense limits should not by themselves create an incentive to form such organizations by allowing candidates to access a much higher spending limit than if they ran independently).

**Recommendations:**

- Implement expense limits for all campaign participants (e.g. electors, elector organizations and third party advertisers)
- Development of the expense limits should be guided by some key considerations:
  - Expense limits should be high enough for campaign participants to mount reasonable campaigns and express their views, but not so high as to allow a few participants to dominate election discourse
  - Expense limits need to work in different-sized communities (i.e. formula cannot be based only on an amount per number of electors or population)
  - Expense limits for elector organizations should have a neutral effect on decisions to create elector organizations or not (i.e. formula should be based on the number of candidates supported)

## **Term of office**

Local elected officials' term of office is currently three years. A longer term would allow more time for councils and boards to do long-term planning and implement their vision, and would bring local governments in line with the more familiar provincial and federal systems. Some argue that this would strengthen citizens' recognition of local government as a government of importance, equal to the provincial and federal governments.

Additionally, it is argued that extending the local government election cycle to four years would ultimately reduce the number of elections across all three levels of government, thereby reducing the potential for voter fatigue over time.

The UBCM's policy position is in favour of extending the term length for elected officials. Holding elections every four years makes the local term of office consistent with the term of office federally and in many provincial legislatures, including British Columbia's. Nationally, the trend is toward four-year terms for local governments.

### *Related issue – date of election*

During the Task Force's work, changing the date of general voting day was suggested fairly frequently. Written submissions argued that moving the date to October would make better weather for voting day more likely; increase accessibility of voting for some people who travel during the winter; and provide longer daylight hours for campaigning candidates and their supporters. The UBCM's current policy position is against changing general voting day; however, if a new policy in favour of moving the date is endorsed by UBCM members at their annual convention, moving the date should be considered. That move should be effective for the 2015 general local election (assuming a four-year term from 2011), to give all affected sufficient time to adjust. A resolution seeking to move the date to the third Saturday in October was endorsed by the Lower Mainland Local Government Association (one of the UBCM Area Associations), and is expected to go forward for debate at the September 2010 UBCM convention.

#### **Recommendation:**

- Extend the term of office for local elected officials to four years

### **Eligibility of employees**

The current rules making employees of local governments ineligible to hold office in the local government that employs them, or a related<sup>8</sup> local government, are not an unreasonable limitation on the ability to run for and hold elected office because an employee *can* run for office by taking a leave of absence to campaign and resigning from his or her employment if elected. Elected employees would need to make decisions that impact services the person delivers as an employee. For example, an employee of a regional district elected to the council of a member municipality, or a volunteer firefighter who is akin to a paid on-call employee, would be in a real or perceived conflict when making decisions affecting budgets for services, including the one he or she delivers.

However, a 2008 court case<sup>9</sup> created some confusion about whether true volunteers – those who receive no remuneration – would be considered employees (and therefore ineligible to hold office while volunteering) simply because they do things such as work set hours, use

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<sup>8</sup> Related local government refers to the relationship between regional districts and their member municipalities. Examples of employee ineligibility include: employee of a regional district may not be elected to the council of a municipality that is a member of that regional district; a municipal employee may be elected to the council of a neighbouring municipality, but could not be appointed by that municipality as a municipal director on the board of the regional district of which both municipalities are members; an employee of a municipality could not be elected as the electoral area (rural) director to the board of the regional district of which the municipality is a member.

<sup>9</sup> In October 2008, Cultus Lake Park Board's Chief Election Officer applied to court for a judicial order to determine whether a volunteer firefighter was eligible to be nominated for election to the Park Board Commission. The court held that the volunteer firefighter was an employee for the purposes of the election provisions of the *Local Government Act* and thus disqualified, as he had not taken a leave of absence.

local government equipment and are provided WorkSafe BC coverage. It is important, especially in small communities, that such civic-minded volunteers not be barred from becoming candidates. As is currently the case for any other elected officials, volunteers would be required to maintain their eligibility to hold office throughout their term – in this case, by remaining unpaid volunteers throughout their terms.

**Recommendation:**

- Clarify that volunteers who receive no direct monetary compensation are not considered to be “employees” for the purposes of determining eligibility to run for, and hold, elected office while continuing to volunteer

### **Valuing and disclosing “in-kind” campaign contributions**

The rules for local elections require that property used by a volunteer for purposes of providing volunteer service in relation to a campaign be valued and disclosed as a contribution – e.g. depreciation of a volunteer’s car being used in relation to volunteer service (like door-knocking) is technically required to be valued and disclosed as a contribution. The provincial rules state that “political contributions” do not include the value of property of a volunteer or a candidate if it is provided or used in relation to the services of the individual as a volunteer or a candidate, and thus the value of the property used need not be calculated and disclosed.

Removing the requirement to value the use of volunteers’ property used in relation to their volunteer service will simplify the calculation and disclosure of campaign contributions, something particularly important for small campaigns and campaigns where much support is provided “in kind.”

**Recommendation:**

- Make the rules for disclosing volunteer and candidate “in-kind” contributions consistent with the provincial rules

### **Expand education and advice**

*Education and advice help ensure roles, responsibilities and rules in local elections are understood by all participants. Education and advice are essential for promoting compliance with the rules and, ultimately, for ensuring elections are fair, honest, accessible and transparent, with participants who are accountable and informed.*

The Ministry of Community and Rural Development and the Local Government Management Association (LGMA) already work collaboratively to produce cost-effective, practical and comprehensive educational materials and to provide advice; however, this collaboration is relatively informal and could be enhanced through involvement of other experts, like the UBCM, the Ministry of Education and BC School Trustees Association, Local Government Leadership Academy (LGLA), municipal lawyers, and Elections BC.

New rules, roles and responsibilities will be introduced very close to the 2011 general local elections. Educational materials, training and advice will be very important in promoting compliance with the new rules, and understanding of the new roles and responsibilities. This is important in light of the issues that occurred in the 2008 general local elections which seemed to be the result of lack of understanding (rather than any deliberate intent to break rules).

Education on existing rules could also be improved. For example, in relation to campaign finance, confusion around how to complete campaign finance disclosure statements sometimes results from the difference in requirements for disclosing *contributions* received (which must be disclosed even when received outside of election years), and disclosing *expenses* (which must only be disclosed when made in an election year). As well, training for elections administrators is, and will remain, important in order to ensure procedural and administrative issues do not occur, or can be effectively dealt with if they do arise. Collaborative, targeted and effective education for all involved in local elections is essential to the smooth functioning of those elections, and to the perception of local elections as fair, honest and open.

**Recommendation:**

- Strengthen commitment to collaborative local elections education
  - Establish a more formalized process for guiding development of elections education
  - Involve more participants - organizations such as LGMA, UBCM, Elections BC, Ministries of Education and Community and Rural Development, LGLA.
  - Ensure all involved commit staff and/or financial resources to education and advice
- Provide education and advice
  - On **new topics** resulting from implementation of Task Force recommendations (e.g. third party advertising rules)
  - For **new audiences** (e.g. candidates' financial agents, third party advertisers, other campaign participants)
  - In **new ways** (e.g. webinars, "candidate schools," advice line for election administrators on general voting day)
- Enhance education and advice in a phased approach
  - Focus first on materials to assist in understanding of new rules, roles and responsibilities for the 2011 elections
  - Expand to cover other issues based on feedback from 2011 elections

## Recommendations to maintain the current rules

There are a few issues for which the Task Force recommends no change to the local elections rules.

### Contribution limits

The Task Force is not recommending establishing general limits on contribution amounts or sources. Political contributions are a way for people to participate in the democratic process; further, they allow participation by those who may not be eligible to vote but are affected by local government decisions – e.g. members of the community who are not Canadian citizens; community, environmental and other groups; out-of-town property owners; and businesses. It is important that a diversity of views be heard in local elections.

Campaign finance disclosure rules ensure the public knows who made donations to candidates and how much, and candidates are ultimately accountable to the public for the donations they accept and from whom. Almost two-thirds of B.C.'s municipalities have fewer than 10,000 people, with the majority of those having fewer than 5,000 residents, suggesting that contribution limits are not really necessary in most B.C. communities where campaigns are small.

At the same time, it would not be practical to have contribution limits only in one or a few communities. For example, the Task Force considered the option (suggested by the City of Vancouver) of implementing contribution limits only in the City of Vancouver. While that approach would promote local choice and recognizes that contribution issues have been highlighted in Vancouver, it poses some real challenges – for example, questions about how rules unique to one community would be enforced and by whom. Would it be reasonable to have a system where accepting a contribution from a prohibited source in Vancouver could result in significant automatic penalties (e.g. disqualification of an elected candidate), while accepting that same contribution in Burnaby would bring no consequences? Given the reportedly regional nature of contributions to local government candidates in the Lower Mainland, there would also be resulting confusion – for candidates, contributors and the public; confusion which could potentially lead to non-compliance with the rules and resulting enforcement issues. As a result, the Task Force considered the principle of consistency to be very important in relation to the issue of contributions.

As well, there are other recommendations made by the Task Force that can address many of the interests behind contribution limits. The recommendation for earlier (90-day) campaign finance disclosure, more accessible disclosure forms and the ban on anonymous contributions will ensure transparency of contributions. Further, expense limits would reduce the need for large contributions to finance expensive campaigns and help level the playing field among candidates. Existing conflict of interest and other ethical conduct rules set a standard of behaviour for candidates once elected.

The Task Force acknowledges that there was significant interest in contribution limits in the submissions it received. At the same time, the Task Force believes it is vital to evaluate implementation of the significant changes it is recommending – in disclosure, expense limits and enforcement – before considering whether further changes are needed in areas such as contribution limits.

## Public financing

The Task Force's proposed reforms are significant, especially in recommending a new role for Elections BC in enforcement of campaign finance rules in local elections. While the UBCM's policy position is in favour of tax credits in local elections, Task Force members felt it would be advisable to give priority to ensuring the financial costs of implementing the recommended changes can be met rather than exploring public financing in local elections.

## Corporate vote

While the UBCM's policy position is not to support the corporate vote, the Task Force deliberated long and hard on the issue and carefully considered the many views it heard. Of all the issues the Task Force looked at, the corporate vote generated the most input, and also the most passionate comments from both those against the corporate vote and those in favour of it.

Balancing the interests of businesses, local governments and the public is an essential consideration when contemplating a corporate or business vote. There was no approach evident to the Task Force that would ensure fairness among businesses, equity for electors and administrative workability. There is no corporate vote in provincial or federal elections in Canada, or in local elections in other provinces. The only example of a corporate vote in local elections was found in the City of London, England.

As a result of its deliberations, the Task Force recommends maintaining the existing voter eligibility rules on this issue and not establishing a corporate vote.

At the same time, based on the submissions received, it is clear to the Task Force that some business owners are concerned about issues such as property taxes, and want their concerns to be heard. Accordingly, the Task Force recommends exploring non-electoral approaches to addressing the concerns of businesses.

Local governments and businesses have shared interests in ensuring a competitive property tax climate to encourage investment and support a sustainable, strong and diversified tax base for communities. The Task Force recommends that UBCM, the Province and business groups work together to recognize the issues expressed to the Task Force, and to encourage effective local ways to engage with business, further strong relationships and foster a competitive business climate.

## Next Steps

The Task Force recognizes that it has recommended some significant changes. The Task Force recommendations propose some major changes in campaign finance, such as expense limits, direct regulation of third party advertisers, earlier and more accessible campaign finance disclosure, and banning anonymous contributions. Further, a key innovation recommended by the Task Force is a role for Elections BC – uncharted territory in B.C. local elections. These are targeted, but major, changes.

Given the intention for changes resulting from the Task Force's recommendations to be in place for the 2011 general local elections, legislation must be developed for consideration by the Legislature at the earliest reasonable opportunity. Because of the complexity of the proposed changes, and the need for time to develop effective legislation, it is likely that changes to the legislation will be made in 2011, the same year as the next local election. Government should consider whether there are any practical or technical barriers to implementing all the proposed changes in that time period. For example, had contribution limits been recommended, it would have been virtually impossible to implement them for 2011 as many contributions would already have been accepted. Government should consider whether similar challenges exist in other areas.

It is also vital to consider the time needed to educate elections administrators, campaign participants and the public prior to the 2011 local elections. Information and education on the legislative changes is essential to a positive elections experience – ensuring misunderstanding and enforcement challenges are mitigated and implementation of the new rules runs as smoothly as possible.

Many of the recommendations suggest an objective, and outline some ideas for how the objective could be met - for example, strengthen compliance and enforcement by establishing a role for Elections BC in enforcement of campaign finance rules. The Task Force recognizes that much intensive work on policy development, relationship-building, legal analysis, legislative drafting, and education must be undertaken to give effect to the intended objectives of the recommendations. As a result, the proposed changes, if implemented, may look somewhat different in implementation than they do as recommendations. In the Task Force's view, what matters is that the intent or objectives of the recommendations be met in the way that works most effectively to ensure that local elections are fair, honest, accessible and transparent, and that those involved in local elections are accountable and informed.

The Task Force also recognizes that its recommendations are not the last word on local elections. As has been done in the past, the legislative framework will be reviewed, adjusted and refined in the future. If its recommendations are implemented, the Task Force encourages monitoring of the 2011 local elections and ongoing assessment of the effectiveness of the changes made, and the need for additional changes or changes in new areas.

## **Appendices**

**Appendix 1: Summary of Recommendations by Subject Area**

**Appendix 2: Topic Summaries**

**Appendix 3: Summary of Feedback Received**

**Appendix 4: Summary of Key Rules in Other Provinces/Territories**

## Appendix 1: Summary of Recommendations by Topic Area

### Campaign finance

#### Expense limits

- Implement expense limits for all campaign participants (e.g. electors, elector organizations and 3<sup>rd</sup> party advertisers)
- Development of the expense limits should be guided by some key considerations:
  - Expense limits should be high enough for campaign participants to mount reasonable campaigns and express their views, but not so high as to allow a few participants to dominate election discourse
  - Expense limits need to work in different-sized communities (i.e. formula cannot be based only on an amount per number of electors or population)
  - Expense limits for elector organizations should have a neutral effect on decisions to create elector organizations or not (i.e. formula should be based on the number of candidates supported)

#### Contribution limits

- Ban anonymous contributions
- Do not implement general contribution limits or restrictions

#### Election Advertising

- Require all election advertising to disclose who sponsored (paid for) the advertising
- Sponsorship information should be in English and the language of the advertisement
- Make it an offence to publish ads without required sponsorship information
- Explore establishing some automatic (administrative) penalties in relation to election advertising (e.g. for failing to comply with the proposed requirement for advertising to include sponsorship information)

#### Third party advertisers

- Establish that third party advertisers must register and must disclose what they spent on ads and who contributed to them (possibly for advertising expenditures over a certain threshold)
- Prohibit advertising by unregistered third parties
- Explore establishing some automatic (administrative) penalties for failure to comply with third party advertising rules, such as exceeding expense limits or failing to file a disclosure statement.

- Continue to regulate people or organizations (currently referred to as “campaign organizers”) that undertake election campaigns that support (or operate in place of) a candidate or elector organization’s campaign and conduct political activity such as collecting campaign contributions.

#### **Other voting (referendums)**

- Apply “third party advertising” rules for election campaigns to referendums by requiring
  - individuals and groups taking out referendum-related advertisements to register
  - advertisements to include sponsorship information
  - disclosure of contributions received and expenses incurred by registered third party advertisers to be made after the referendum

#### **Public Financing**

- Do not implement public financing (tax credits or rebates for campaign contributions or campaign expenses)

#### **Campaign finance disclosure**

- Require campaign finance disclosure statements to be submitted no later than 90 days after general voting day
- Require campaign finance disclosure information to be published online and made centrally accessible through Elections BC
- Develop standard campaign finance disclosure statement forms
- Require local governments to use best efforts to provide notice of the remaining 30 day late filing period to those candidates who have not filed at the end of initial filing period
- Make the rules for disclosing volunteer and candidate “in kind” contributions consistent with the provincial rules

#### **Separate Act**

- Establish a separate Act dealing with campaign finance rules in local elections

### **Enforcement processes and outcomes**

#### **Roles and responsibilities of local Chief Elections Officers (CEOs)**

- Provide local Chief Election Officers with additional powers for enforcement during the campaign; for example, to
  - enforce rules against election-day advertising (e.g. provide clear authority for Chief Election Officers to enter on private property to remove unauthorized campaign signs on election day)
  - seek injunctions in order to enforce rules, such as stopping unauthorized advertising

- Clarify the status of the local Chief Election Officer by statutorily establishing that position as impartial

### ***Offence Act***

- Override *Offence Act* limitation for investigation of an alleged local elections offence, extending it to one year instead of the current six months
- Specify that the one year period starts from when the alleged contravention is brought to the attention of local elections administrators/enforcers

### **Candidate responsibilities**

- Require candidates to make a solemn declaration when filing nomination papers, attesting that the candidate understands the requirements for running for office; for example, requirements to
  - appoint a financial agent
  - open a separate bank account for campaign finances
  - file a campaign finance disclosure statement within 90 days
  - meet eligibility criteria

### **Role of the provincial Chief Election Officer**

- Establish a key role for Elections BC in enforcing campaign finance rules in local elections, focusing on:
  - Publication and compliance review of campaign finance disclosure statements;
  - Provision of guidance on campaign finance rules during elections;
  - Response to campaign finance queries and complaints after elections;
  - Management of preliminary investigations and, when required, referral to the appropriate law enforcement bodies.
- Continue a role for local government in enforcing campaign finance rules, focusing on local Chief Election Officers as frontline contacts and responders on certain compliance issues that arise during a campaign.
- Build mechanisms to clearly define the responsibilities and relationships of those involved in campaign finance enforcement; support collaborative development of training and education materials, standard forms and provision of guidance; and provide Elections BC and local governments with the authority they need to effectively fulfil their roles.

### **Election cycle**

- Extend the term of office for local elected officials to four years

## Corporate vote

- Do not establish a corporate vote
- The Task Force recommends exploring non-electoral approaches to addressing the concerns of businesses. Local governments and businesses have shared interests in ensuring a competitive property tax climate to encourage investment and support a sustainable, strong and diversified tax base for communities. The Task Force recommends that the UBCM, the Province and business groups work together to recognize the issues expressed to the task force, and to encourage effective local ways to engage with business, further strong relationships and foster a competitive business climate.

## Other agreed upon matters

### Candidate eligibility of employees

- Clarify that volunteers who receive no direct monetary compensation are not considered to be “employees” for the purposes of determining eligibility to run for, and hold, elected office while continuing to volunteer

### Education and advice

- Strengthen commitment to collaborative local elections education
  - Establish a more formal process for guiding development of elections education
  - Involve more participants - organizations such as LGMA, UBCM, Elections BC, Ministries of Education and Community and Rural Development and LGLA.
  - Ensure all involved commit staff and/or financial resources to education and advice
- Provide education and advice
  - On **new topics** resulting from implementation of Task Force recommendations (e.g. third party advertising rules)
  - For **new audiences** (e.g. candidates’ financial agents, third party advertisers, other campaign participants)
  - In **new ways** (e.g. webinars, “candidate schools,” advice line for election administrators on general voting day)
- Enhance education and advice in a phased approach
  - Focus first on materials to assist in understanding of new rules, roles and responsibilities for the 2011 elections
  - Expand to cover other issues based on feedback from 2011 elections

## Appendix 2: Topic Summaries

### Campaign Contribution Limits

Contribution limits are restrictions on one or both of who can contribute and how much can be contributed in relation to an election campaign. Currently in B.C. (for both provincial and local elections), there are no general limits on the amount that a donor may contribute and virtually anyone may contribute (provincially, a few specific entities are limited from contributing, such as charities); both provincially and locally, anonymous contributions are limited (e.g. locally, only anonymous contributions of \$50 or less may be accepted). Both the provincial and local election systems focus on disclosure – rules about *how* contributions are made, accepted, recorded and disclosed. Some argue, however, that contributions should be limited in local elections.

Across Canada, some jurisdictions have no provincially-mandated local government campaign finance rules (e.g. Saskatchewan, New Brunswick, PEI, Yukon, Northwest Territories, and Nunavut). Some jurisdictions give local governments the choice of imposing contribution limits by bylaw (e.g. Toronto and Winnipeg; all municipalities in Saskatchewan). Other jurisdictions, (e.g. Manitoba, Ontario, Quebec and Alberta) impose mandatory limits on campaign contributions. Five provinces ban anonymous contributions in local elections. Federally and provincially, there is a trend towards contribution amount limits and source restrictions.

There are no endorsed UBCM resolutions on this matter. However, in 2009, the City of Vancouver proposed a resolution calling for contribution amount limits, limiting contributions from sources outside of Canada, and expense limits for all campaign participants. The resolution was referred to the Local Government Elections Task Force.

#### Source limits:

The arguments in favour of limiting the source of contributions include: it increases transparency as to who is contributing; it limits influence by those from outside the community, as local governments should respond to local electors only; it prevents certain types of organization (e.g. unions; corporations) from ‘crowding out’ the voices of individuals; and it limits the possibility of undue influence by donors once candidates are elected.

The arguments against limiting the source of campaign contributions include: such measures simply encourage ‘workarounds’ to conceal contributions; it is unfair to “pick and choose” by imposing contribution restrictions on some entities but not others; it is important that all types of voices be heard in local elections; such limits may remove an opportunity for certain entities to influence the selection of a government that can directly impact them (e.g. union representing the workers at the town’s only mill); and there are conflict of interest and other ethical standards rules in place for elected officials to address any concerns of undue influence. The argument is made that it is more effective to focus on transparency of contributions (e.g. disclosure; banning anonymous contributions).

## Amount limits:

The arguments for limiting the amount of campaign contributions include: limits broaden the support base for candidates as they engage with the community as whole not just with a small number of large donors; it enhances fairness and accountability by reducing the likelihood of undue influence; and it is done in some other provinces.

The arguments against limiting the amount of campaign contributions include: such limits simply encourage “workarounds” to circumvent the rules; they would add unnecessary administrative complexity, especially in small communities where large campaigns are not typical; the variation in size and campaign costs in different B.C communities would make it difficult to design practical and fair formulas; and ethical conduct rules are in place to deal with concerns about undue influence on elected officials. As well, it is important to consider the connection with other elements of campaign finance – for example, if expense limits were put in place, there would be less incentive to seek large contributions.

Some might suggest that contribution limits could be made a matter of local choice or only be required in large urban jurisdictions such as the City of Vancouver. Some provinces do provide choice on whether to impose limits (e.g. Winnipeg; municipalities in Saskatchewan), however there are challenges in regions with numerous adjacent municipalities. For example, would it be appropriate for receiving a contribution from a corporation or union result in severe consequences in Vancouver, including disqualification of an elected official, yet have that same contribution be permitted in Burnaby and Richmond? Given the fluid nature of social connections in a region, would it be fair to someone who lives in Burnaby yet has a business in Vancouver to be limited from contributing to political activity in Vancouver?

## Campaign Expense Limits

There are currently no expense limits in B.C. local government elections. Candidates, elector organizations<sup>10</sup> (parties), and campaign organizers<sup>11</sup> may spend as much money as they wish during a campaign. Some are calling for expense limits in local government elections noting that while it is true that many candidates still spend relatively low amounts on their campaigns, it is also true that campaign expenditures are increasing, especially in larger urban areas.

Other Canadian jurisdictions impose, or allow local governments to impose, expense limits in various ways. Quebec and Ontario impose limits provincially. Manitoba requires expense

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<sup>10</sup> Elector organizations are formed for the purposes of directly promoting a candidate or a point of view in a local government election. Elector organizations are occasionally referred to as civic political parties, and must meet specified criteria (e.g. 50 members). The endorsement of the elector organization may appear on the ballot beside the names of candidates that the organization has endorsed.

<sup>11</sup> Campaign organizers are groups or individuals that create and implement local government election campaigns that augment the election campaign of one or more candidates or elector organizations. A campaign organizer may do this by promoting or opposing a candidate or an elector organization, or a course of action advocated by a candidate or elector organization. A campaign organizer need not identify itself to the chief election officer unless it incurs campaign contributions or election expenses greater than \$500.

limits but provides municipal choice as to the amounts, while Newfoundland and Labrador, and Saskatchewan allow municipalities to choose whether to impose expense limits. Alberta does not impose expense limits in municipal elections. Federally and provincially, expense limits are common, with only Alberta and Yukon not imposing such limits. B.C. provincial elections have expense limits for candidates, registered political parties and third party advertisers.

There are no endorsed UBCM resolutions on this matter. However, in 2009, the City of Vancouver proposed a resolution calling for contribution amount limits, limiting contributions from sources outside of Canada, and expense limits for all candidates, elector organizations and campaign organizers. The resolution was referred to the Local Government Elections Task Force.

Arguments for expense limits for local government election campaigns include: such limits would enhance accessibility and fairness, by ensuring that rising campaign costs do not erode the ability of ordinary citizens to run for office; limits encourage participation as candidates, thereby allowing all points of view to be expressed in local elections (not just those of candidates with greater means); expense limits are in place in B.C. provincial elections; limits may reduce the need for large donations and the accompanying possibility of undue influence; and limits encourage candidates to pursue grass roots approaches to building support instead of relying on more expensive advertising.

Arguments against expense limits include: such limits would restrict the means by which ideas can be communicated, thereby indirectly limiting free speech; and they are not necessary in many communities, therefore making it difficult to justify the additional administrative burden for campaign participants.

There would be challenges in designing a formula that takes into account the variation among B.C. communities and campaign costs (i.e. a limit based purely on an amount per elector or population would result in limits so low as to be unworkable in very small communities). As well, it is important to consider the connection with other elements of campaign finance – expense limits only for candidates or elector organizations could create an incentive to direct contributions towards third party advertisers who may be harder to monitor.

### **Third Party Advertising**

The regulation of third party advertisers generally involves limiting the amounts that third parties can spend on advertising during an election campaign and/or requiring third party advertisers to comply with rules designed to make such advertising more transparent. In B.C. provincial elections, there are rules to make third party and other election advertising more transparent including restricting who can undertake election advertising (i.e. registered third party advertisers) and requiring all advertisements to include sponsorship information. Third party advertisers are also subject to expense limits<sup>12</sup> and must file disclosure reports after the election.

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<sup>12</sup> In 2009, the BC Supreme Court found provincial elections' expense limits on third party advertising during the 60 day pre-campaign period to be an unjustified infringement on the right to freedom of expression. The limits during the 28 day campaign period were upheld.

Across Canada, only Quebec limits third party advertising in local government elections (i.e. only certain authorized groups or electors may incur publicity expenses of up to \$300). In

Saskatchewan, there are no third party advertising expense limits but there are rules to make advertising more transparent (e.g. all election advertising must include the name of the person authorizing its printing, display and distribution).

In B.C. local government elections, third party advertisers are not specifically regulated but most third party advertisers fall within the definition of “campaign organizer”. Campaign organizers are defined as those who promote or oppose candidates or elector organizations or points of view promoted or opposed by candidates or elector organizations. They must register with the local Chief Election Officer if they receive contributions or incur expenses greater than \$500 and are required to comply with the same campaign finance rules as candidates and elector organizations. Unlike the provincial system, however, there are no restrictions in local elections on who can sponsor election advertising or how much may be spent by third parties on advertising, nor are there requirements that sponsorship information be indicated in election advertising in local government elections.

In the 2008 local government elections, several incidents highlighted the issue of third party advertisers. Those arguing in favour of clearer and stronger third party advertising rules point to some of these experiences. For example, it appears the rules were not fully understood by some (i.e. they did not perceive themselves as “campaign organizers”), and it was not always easy to track down who was responsible for an ad (since election advertising does not require sponsorship disclosure). Such issues may be seen as real gaps, along with the lack of control over who can sponsor election advertisements. Also, it is important to consider the connection with other elements of campaign finance – i.e. if candidates are subject to an expense limit, third party advertisers should also be subject to an expense limit to ensure not only that all third party advertisers have a reasonable opportunity to have their message heard, but also that spending is not reallocated to third party advertising to “work around” the rules.

Arguments against enhanced third party advertising rules include: there could be court challenges by those who believe such legislation violates the right to freedom of expression as protected by the *Charter of Rights and Freedoms*; and such rules are unnecessary for the smaller-scale local government election campaigns in most B.C. communities.

In 2000, the UBCM endorsed a resolution asking the Province to address the issue of anonymous election advertising and in 2009, the City of Vancouver proposed a resolution calling for contribution amount limits, limiting contributions from sources outside of Canada, and expense limits for all campaign participants including campaign organizers. The resolution was referred to the Local Government Elections Task Force.

## **Campaign Finance Disclosure**

Campaign finance disclosure is the dissemination of information about campaign contributions and election expenses. Some have called for more stringent disclosure rules, while others have questioned the need for such rules for small campaigns.

Disclosure requirements currently apply to candidates, elector organizations and campaign organizers in all local elections. Expenses, contributions, surpluses and deficits must be

disclosed 120 days after the election (with a further 30 day disclosure period on payment of a late filing penalty). There are various rules for how much detail must be disclosed (e.g. names of those contributing over \$100, and total amount and number of contributors for contributions under \$100). Disclosure statements are filed with local governments, who must provide public access to the statements for seven years. Those who fail to disclose are publicly listed and face automatic disqualification from office and candidacy, in addition to other potential penalties. In addition to disclosure statements, campaign participants must meet a number of other requirements (e.g. appointing a financial agent; fully recording all contributions and expenses; and opening a separate campaign account if they receive contributions or make expenditures).

B.C.'s local government election disclosure rules share many features with B.C.'s provincial election rules, such as post-election disclosure, but there are also differences, such as lack of centralized compliance oversight or audit requirements. Across Canada, some provinces have no provincially-mandated disclosure rules for local elections at all; others authorize local governments to establish their own disclosure rules; and some require disclosure of contributions (e.g. Nova Scotia; Newfoundland and Labrador) or both contributions and expenditures (e.g. Manitoba; Ontario; Alberta and Quebec).

In 2000, UBCM endorsed a resolution seeking to exempt those candidates who accept no contributions from the requirement for a separate campaign account and, in 2008, the Province legislated that exemption.

Arguments for more disclosure rules include: the current rules are not rigorous enough (e.g. the need for auditing requirements for disclosure statements, disclosure requirements for nomination contestants regardless of whether they become candidates, and annual reporting for elector organizations); the disclosure period is too long (if there are questions surrounding elected candidates' disclosure, these should be resolved before they participate in making key decisions); and campaign finance disclosure statements need to be more accessible to the public (e.g. electronically published and searchable). On the other hand, arguments against more disclosure rules include: the current rules are already too complicated for some election participants, resulting in confusion and honest mistakes that draw down enforcement resources; and more rules are too burdensome for small campaigns, becoming a barrier to participation. It is also important to consider the connection with other elements of campaign finance – i.e. how many new campaign rules can be imposed at the same time without overwhelming campaign participants, election administrators and enforcers, and the public?

## Other Voting

"Other voting" refers to voting on a bylaw or other matter for which assent of the electors is required or sought (e.g. a referendum on matters that must have electors' approval, such as a municipal boundary extension or a loan authorization bylaw; a referendum to seek the opinion of municipal voters on a matter of interest to the community). The *Local Government Act* specifies that other voting be conducted in the same manner as an election; however campaign finance rules (e.g. required disclosure of expenses and contributions) do not apply. Some people argue that campaign finance rules should apply to referendums (i.e. persons advertising for or against what a local government is proposing

should be required to include sponsorship information on their ads and should disclose their expenses and contributions after the campaign).

Campaign finance rules exist for provincial and local government elections in B.C., specific provincial referendums and under the provincial *Recall and Initiative Act*. In other provinces that have “other voting” rules locally, only Ontario imposes campaign finance rules on local referendum campaigns. In 2009, the City of Vancouver proposed a resolution for disclosure requirements for “other voting”. This resolution was referred to the Local Government Elections Task Force.

Arguments in favour of applying campaign finance rules to other voting include: the need for transparency for matters that can be as high profile and controversial as elections; and the benefit for electors in their future decision-making of seeing patterns of support and opposition for various community initiatives. Arguments against applying campaign finance rules to other voting include: most other voting matters are non-controversial, so making such voting too administratively complex will reduce participation; and campaign finance rules are more relevant to elections, as a candidate can be subject to meaningful consequences if he or she fails to comply (e.g. potential disqualification from office).

## Public Financing

Public financing of local government elections refers to governments providing some form of funding to local government candidates, elector organizations, and/or contributors. Generally, jurisdictions that provide public financing for local elections do so through reimbursements of candidates’ election expenses and/or tax benefits to those who make political donations.

Reimbursements compensate candidates for a portion of their election campaign expenses and are generally only available when a candidate meets certain criteria, such as attaining a set percentage of the vote. Only Quebec requires that municipalities provide some reimbursement for local elections, while Manitoba municipalities have that choice (although they have not used it). Tax benefits, in the form of tax credits or rebates, provide a tax reduction for members of the public who contribute to local election campaigns. Quebec mandates such tax benefits, while Manitoba and Ontario give local governments the choice to implement them by bylaw. The source of funding for tax credits is typically connected to the government providing the benefit – e.g. tax benefits for contributions to local government elections are usually deducted from municipal property taxes. Only Quebec provides that contributions to both provincial and municipal elections are eligible for provincial income tax credits.

Currently, there is no public financing for local government elections available in B.C. For provincial elections, public financing is available in the form of income tax credits for eligible political contributions. The UBCM endorsed resolutions in favour of income tax credits for contributions to local government elections. The provincial government’s response noted the complexity and expense of the proposal, and questioned the appropriateness of providing provincial funding for a program that does not provide a direct province-wide benefit.

Arguments for public financing include: it augments candidate access to local government elections by making it easier to run for elected office; reimbursements can reduce the financial inequalities among candidates by creating a base level of financial support; tax

benefits encourage members of the public to donate, thereby increasing the fundraising capabilities of candidates and broadening candidates' bases of public support beyond a few larger donors.

Arguments against public financing include: it should be the candidate's fund raising capabilities, not the public purse, that bears the cost of participation in elections; public financing may inhibit access to the electoral system by providing funding only to candidates that meet certain eligibility rules (e.g. funding only "serious" candidates rather than "fringe" candidates); it may create the need for more stringent accounting and auditing requirements (e.g. more onerous expense disclosure rules) that could discourage candidate participation; and most importantly, regardless of which government provides public financing, it creates financial pressure in the form of foregone tax revenue and administration that is difficult to justify given its effect on enhancing local democracy is unproven. As well, it is important to consider the connection with other elements of campaign finance – e.g. by reducing the cost of elections, expense limits may reduce financial barriers to candidate participation, thereby diminishing the argument for reimbursements.

## Enforcement

Enforcement is not just about the process of investigating and prosecuting those who commit offences; it is also about preventing violations by encouraging understanding of the rules and compliance. Based on experience in the 2008 general local elections, some have noted the need to address a number of pressure points in enforcement.

Enforcement is a continuum consisting of: education (e.g., publishing guides and training materials, and providing advice); general compliance (e.g. monitoring campaign finance disclosure statements; following up on possible contraventions); complaints compliance (e.g. reviewing and responding to complaints; undertaking preliminary investigations); and legal action and punishment (e.g. police investigation of potential offences/prosecution by Crown Counsel). A number of parties are involved in enforcement of both election administration and campaign finance rules, including local governments and the Province who provide education, police who investigate complaints, and the public and campaign participants who bring potential offences to the attention of police or take concerns directly to the courts (i.e. seeking to invalidate an election).

Across Canada, enforcement is similar to B.C., however some jurisdictions have introduced additional players in the process. For example, in Quebec the provincial Chief Election Officer provides advisory information on campaign financing; can investigate matters such as campaign financing compliance, on complaint or of its own accord; and may institute legal proceedings for violations. In Ontario, each municipality must appoint an Elections Compliance Committee to investigate an elector's complaint and institute legal proceedings if it determines a violation has occurred. Saskatchewan enables a local government to establish an Election Disclosure Complaints Official to investigate electors' complaints and refer a matter to council with a recommendation to consider whether prosecution is warranted.

In B.C. provincial elections, Elections BC (an independent office that reports to the Legislature) administers the elections and also provides oversight to ensure enforcement of the rules (e.g. reviewing and following up on campaign finance disclosure statements;

undertaking preliminary investigations; referring serious matters to the police and Crown Counsel for investigations/decisions on whether to prosecute alleged offences).

During the 2008 election campaign, several enforcement issues were highlighted, especially on campaign finance. Arguments for more or different enforcement include: lack of understanding of campaign finance rules indicating the need for more, and more targeted, information; a need for clearer and more active efforts to ensure general compliance before complaints arise (i.e. following up on campaign finance disclosure statements); a need for more tools (e.g. more automatic (administrative) penalties for those not in compliance; and reduction in real and perceived barriers to enforcement (e.g. redistributing some of the burden currently on the public to bring complaints to the attention of law enforcement; lengthening the time available for investigation of potential election complaints). Others would point out that, given the scope and scale of local elections, the number of incidents was quite small and so any changes to the nature of enforcement or who is involved should be carefully considered for their cost, impact and effectiveness.

## **Role for Elections BC**

Currently, local governments are responsible for every aspect of their own elections. Each local government appoints its own Chief Elections Officer and all local governments in B.C. simultaneously conduct their own elections every three years on general voting day. The scope and scale of these elections is significant<sup>13</sup>. The vast majority of local governments are successful in administering the conduct of their elections. However, in the 2008 general local elections, there were a small number of serious incidents, resulting in criticism from some media commentators, academics, and members of the public, particularly on campaign finance issues and enforcement. Some argue that, in order to address these issues, an independent, neutral body, such as Elections BC, should have a role in local elections (e.g. enforcing campaign finance rules).

Across Canada, there is some precedent for the central elections body that runs provincial or territorial elections having a role in local elections. In the Yukon, municipalities run their own elections, but Elections Yukon runs school governance bodies' elections. In Prince Edward Island and New Brunswick, the central elections body runs local elections. Elections Quebec has a targeted role - municipalities administer their own elections, but Elections Quebec is significantly involved in advice and training for municipal elections administrators, and in overseeing campaign finance rules.

Arguments for a role for Elections BC include: the challenges facing local Chief Election Officers/local government staff in enforcing campaign finance rules (e.g. seeking compliance with disclosure rules from their newly elected bosses); the need for a central database to address inconsistent and uneven public access to campaign finance disclosure statements across the province; the lack of clear understanding of the campaign finance rules (e.g. who is a campaign organizer); and the burden on members of the public in pursuing complaints directly with the police regarding alleged violations of such rules (e.g. campaign participants failing to file disclosure statements). The argument is that Elections BC is a recognizable, neutral agency with expertise and a reputation for effective enforcement, and so could play

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<sup>13</sup> Over 1660 elected positions on over 250 government bodies are filled through local elections. In 2008, over 3,050 candidates ran for these offices.

an important role in such areas (i.e. conducting preliminary investigations of complaints and referring serious allegations to the police/Crown counsel).

Arguments against a role for Elections BC do not discount the expertise of the agency, but note the challenges for both Elections BC and local governments in such a relationship (e.g. the need to effectively balance local government autonomy with the neutrality of a central agency; the need to clearly establish “who does what” on which aspects of local elections not just between local governments and Elections BC but also with others such as the Ministry of Community and Rural Development and the Local Government Management Association). The scope and scale of local elections is significantly different than provincial elections, which raises questions of the cost and impact of a role for Elections BC (i.e. what type of compliance follow-up is appropriate for campaigns as diverse as those in Zeballos and Vancouver?).

### **Election Cycles (Term of Office)**

The election cycle, or term of office, refers to the number of years an elected official serves between general elections. In British Columbia, the term of office for local government officials<sup>14</sup> is three years (with general elections held every three years on the third Saturday in November). In recent years, there have been some calls to extend that term to four years.

The three-year term was enacted in 1987, effective in the 1990 general local election; prior to that, mayors were elected biennially and councilors annually. The reasons for the change to three years were to reduce costs, help increase voter participation and bring British Columbia in line with other local elections cycles across Canada. UBCM members put forward resolutions for the term length change.

Across Canada, the term of office varies from three to four years but in the past 10 years, there has been a trend towards four year terms. Most recently, Saskatchewan, Manitoba, Ontario, New Brunswick and Prince Edward Island have changed their local government term of office from three to four years.

The constitution requires that a provincial legislature or the House of Commons sit for no longer than five years before holding an election, but governments can legislate a shorter election cycle. B.C., some other provinces, and the federal government have legislatively-fixed election days, with elections every four years.

Over the past decade, UBCM members suggested extending the term of office to four years in four resolutions. One resolution was not endorsed, two were not admitted for debate, and one was endorsed in 2007. In response, the Province stated that extensive consultation would be required and suggested that local governments interested in the issue should hold a referendum during the 2008 local elections. Four local governments held referendums on the matter; they passed in three communities (Port Moody, New Westminster and Trail) and failed in one (Merritt).

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<sup>14</sup> As with virtually all other local election rules, the term of office applies not only to municipal council members, but also to other locally elected representatives (e.g. regional district electoral area directors, board of education trustees; Islands Trust trustees).

Arguments for increasing term of office length include that a longer term: provides cost savings by reducing the number of elections and spreading costs of setting up a new council/board over four years; increases accessibility by reducing voter fatigue from too frequent elections; allows for a longer planning cycle for local governments to implement their vision and prepare/execute their plans; gives more time for new councillors to learn and conduct their duties of office; and offers consistency with their provincial and federal counterparts, thereby strengthening the interest in local government as a significant form of government.

Arguments against extending the term of office note longer terms: are a barrier to participation (i.e. three years may be a more attractive time commitment for potential candidates especially in smaller or rural communities); may lead to more intervening by-elections and referendums, thus eliminating cost savings achieved by holding fewer general elections; and provide electors less opportunity to use the ballot box to express opinions on the performance of their local elected officials.

### **Corporate Vote**

The “corporate vote” refers to the ability of businesses to vote in local government elections. At times in B.C., certain types of corporations have been permitted to vote in local government elections. Historically, participation in local democracy in B.C. was generally more closely linked with property ownership and the payment of property taxes. As such, prior to 1973, there was unrestricted eligibility for corporations to vote (i.e. no residency restrictions for corporate owners; corporations could own or lease property; and there was an unrestricted number of votes - one vote for every corporation regardless of how many corporations the same individual owned).

In 1973, the corporate vote was discontinued, primarily because of a desire to apply the ‘one person, one vote’ principle. However, after 1976, the corporate vote was reinstated with narrower eligibility requirements (e.g. an individual could vote only for one of his/her corporations; no corporate vote and resident vote in the same jurisdiction; and only closely-held corporations were eligible, not publicly traded companies). In 1993, the corporate vote was discontinued once again due to complexities in administering the system and the potential for abuse. This was supported by UBCM.

British Columbia is consistent with all other provinces/territories and every other jurisdiction except the City of London, England in not having a corporate vote in local elections. There is no corporate vote in provincial or federal elections. However, the debate over whether corporations/businesses should have a vote has continued in B.C. since 1993.

Business owners and representative organizations in particular have argued for a business vote on principle because: businesses pay significant amounts of property tax (higher than residents) but cannot vote for their local representatives; local decisions regarding tax rates, user fees, services, zoning, and business regulation/licensing all directly affect businesses; local elected officials’ decisions tend to reflect the interests of voting residents rather than other, non-voting taxpayers such as businesses; and the business vote symbolically recognizes the importance of businesses to communities.

On the other hand, others argue against a business vote on principle, saying it is undemocratic for a voter to have more than one vote; and the right to vote should be an individual right, not one extended to legal entities like corporations. They question the effectiveness of a corporate vote in addressing businesses' concerns about taxes, noting that businesses have many other ways to bring these concerns to the attention of local government (i.e., voting is only one tool for local accountability). In addition, a business vote raises very complex and challenging design and implementation issues related to administration and enforcement (e.g. what businesses would be eligible; how would eligibility be verified; how would abuse be prevented?).

## Eligibility of Candidates

Currently, employees of a local government are ineligible to hold office in that local government or in a related local government<sup>15</sup>. However, they may hold elected office if they take leave of absence before seeking office and, if elected, resign their job. Some have suggested that exceptions to this rule be made in relation to volunteer firefighters and local government employees seeking elected office in a related local government.

In 2009, two resolutions seeking such exceptions were proposed to UBCM. First, a resolution sought to respond to a 2008 court ruling which found that a volunteer firefighter in Cultus Lake was an employee of the local government and so was ineligible for office. Second, a resolution sought to respond to the 2008 situation where a regional district employee was ineligible to become a mayoral candidate in a member municipality. These resolutions were referred to the Local Government Elections Task Force.

The ineligibility of local government employees is based on issues of conflict of interest. Prior to 1993, anyone who received money from a local government or had any interest in a contract with or for a local government was disqualified from office, subject to specified listed exceptions. In 1993, financial dealings with a local government generally no longer disqualified a person from holding office because conflict of interest disclosure rules for council/board meetings were significantly strengthened (i.e., all elected officials who consider that they have a direct or indirect financial interest cannot participate in the meeting or voting process). However, employees continue to be ineligible because of the many actual and perceived conflicts they would face if elected to their local government (e.g. being decision-maker over services they deliver).

Arguments for an exception to these ineligibility rules include: the conflict of interest rules are strong enough to deal with conflicts as they arise (i.e. regional district employees are not directly connected to decision-making in the member municipality); volunteer firefighters should be treated as volunteers, not employees; volunteer firefighters are part of a limited pool of civic-minded individuals in many small communities so they should be encouraged

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<sup>15</sup> A related local government is one to which another local government is connected (i.e. the relationship between a regional district and its member municipalities). Examples of employee ineligibility include: employee of a regional district may not be elected to the council of a municipality that is a member of that regional district; a municipal employee may be elected to the council of a neighbouring municipality, but could not be appointed by that municipality as a municipal director on the board of the regional district of which both municipalities are members; an employee of a municipality could not be elected as the electoral area (rural) director to the board of the regional district of which the municipality is a member.

to run for office; and some other provinces make exceptions for specified types of volunteers, such as volunteer firefighters.

Arguments against an exception to ineligibility include: conflict of interest is inherent in employment positions, meaning that virtually every action of the person as an elected official would be perceived to be biased; such inherent conflicts of interest create problems for both the elected official and the council/board as a whole (e.g. cost and uncertainty created by need for constant legal advice); regional district and municipal service relationships are so that the inherent perceived conflicts of interest remain; the vast majority of volunteer firefighters in B.C. are not actually “volunteers”, but rather paid, on-call employees (i.e. the firefighter in the Cultus Lake court case received approximately \$18/per hour in remuneration); drawing lines to make some types of employees eligible and others not would create concerns about equity as well as administrative workability. There may, however, be a need to clarify the difference between volunteers and employees in light of the court case.

## Appendix 3: Summary of Feedback Received

### Sources of Feedback<sup>16</sup>

- 10, 374 indications of opinion, based on written submissions and written input from collective campaigns.
- total of 920 written submissions, comprising 58 from local governments<sup>17</sup>, 60 from organizations<sup>18</sup> and 802 from individuals.
- written input from four collective campaigns:
  - 972 “Local Campaign Finance Reform Needed Now” e-mails for contribution and expense limits, promoted by Think City;
  - 2,354 member Facebook page against the corporate vote;

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<sup>16</sup> As of May 26, 2010. While April 15, 2010 was the suggested deadline date for submissions, feedback was received after that date. The vast majority of submissions were substantive; only a very small number were enquiries regarding Task Force process or other procedural matters.

<sup>17</sup> Substantive submissions received from the following local governments: Abbotsford; Ashcroft; Burnaby; Burns Lake; Campbell River; Chetwynd; Coquitlam; Dawson Creek; Delta; Duncan; Grand Forks; Granisle; Greenwood; Highlands; Hudson’s Hope; Kamloops; Kaslo; Kelowna; Kent; Kimberley; Kitimat; Lake Country; Langley (City); Midway; Mission; New Westminster; North Cowichan; North Vancouver (City); Port Coquitlam; Port Edward; Port Moody; Richmond; Squamish; Surrey; Taylor; Trail; Tumbler Ridge; Vancouver; View Royal; West Vancouver; White Rock; Williams Lake; Bulkley Nechako Regional District; Central Kootenay Regional District; Fraser Valley Regional District; Greater Vancouver Regional District; Regional District of Okanagan Similkameen; Peace River Regional District; Skeena-Queen Charlotte Regional District; Strathcona Regional District; Islands Trust.

<sup>18</sup> Substantive submissions received from the following organizations: Association of BC Landowners; Association of Citizens of Summerland; Association of Kootenay Boundary Local Governments; B.C. & Yukon Territory Building & Construction Trades Council; BC Chamber of Commerce; BC Civil Liberties Association; B.C. Federation of Labour B.C. Government and Service Employees Union; BC Teachers' Federation; B.C. Trucking Association; British Columbia School Trustees Association; Burnaby New Westminster Citizens for Voting Equality; Business Council of BC; Canadian Federation of Independent Business; Canadian Labour Congress; Canadian Office and Professional Employees Union; Canadian Taxpayers Federation; Canadian Union of Public Employees - BC; Capilano University; Centre for Civic Governance; Citizens for a Livable Cranbrook Society; Downtown Vancouver Business Improvement Association; Dunbar Resident Association; Duncan Business Improvement Area Society; Elections BC; Fair Voting BC; Green Party of B.C.; Green Party of Vancouver; Hastings North BIA; Nanaimo Duncan & District Labour Council; Neighbourhoods for a Sustainable Vancouver; New Democratic Party (Official Opposition); Non-Partisan Association; North Central Local Government Association; RCMP Commercial Crime Section; Residents & Owners Association of Galiano; Saanich Civic League; School District 63 - Saanich; Simon Fraser University – Patrick Smith & Kennedy Stewart; Sooke Teachers Association; Sunshine Coast Labour Council; Surrey Civic Coalition; Think City; Vancouver Chinatown BIA Society; Vancouver Public Space Network; VoterMedia.org; West End Residents Association; West Kelowna Community Advocates Association; Westside Residents' and Business Association.

- 6,039 petition signatures for the corporate vote submitted by the Canadian Federation of Independent Business; and
- 89 “Choice of Voting System should be Top Priority” e-mails for voting system reform and other accountability measures, promoted by FairVoting BC.
- Two written submissions from Think City advising of the results of two on-line surveys:
  - April 15 – 3,689 participants, covering issues ranging from automatic registration of students to term of office, to various aspects of election financing
  - May 26 – 1,025 participants, covering issues of contribution limits, public funding and expense limits
- feedback from UBCM-sponsored March 12 workshop for its members (over 100 local government elected officials and staff attended)
- feedback from four Area Association-sponsored workshops (Association of Vancouver Island and Coastal Communities; Association of Kootenay and Boundary Local Governments; Southern Interior Local Government Association; Lower Mainland Local Government Association)
- presentations by: Leader of the Opposition; BC School Trustees Association; Elections BC; Local Government Management Association; and Professors Kennedy Stewart and Patrick Smith

## Nature of Feedback

- 71% of the 920 written submissions commented on the corporate vote, with campaign finance being the topic of next greatest interest. Many submissions touched on a wide range of other election-related topics – from alternative voting systems to the date of the vote to elected officials’ accountability.
- The following identifies the general trends in those 920 written submissions:<sup>19</sup>
  - **Corporate vote** – *total*: 223 for; 428 against
    - *Local governments*: 8 for; 23 against
    - *Organizations*: 11 for; 29 against
    - *Individuals*: 204 for; 376 against
  - **Election cycle (term of office)** – *total*: 61 for four-year term; 93 for three-year term
    - *Local governments*: 18 for 4 year term; 19 for 3 year term
    - *Organizations*: 3 for 4 year term; 11 for 3 year term
    - *Individuals*: 40 for 4 year term; 63 for 3 year term
  - **Contribution limits** -- *total*: 134 for; 31 against
    - *Local governments*: 6 for; 6 against

<sup>19</sup> The numbers presented give a good indication of trends, but should not be considered statistically strong (as submissions were often unclear on specifics – i.e. an indication “for limits” would not necessarily indicate the nature of limits sought).

- *Organizations:* 19 for; 5 against
  - *Individuals:* 109 for; 20 against
- **Expense limits** -- *total:* 83 for; 21 against
  - *Local governments:* 8 for; 3 against
  - *Organizations:* 21 for; 2 against
  - *Individuals:* 54 for; 16 against
- **Campaign finance disclosure** – *total:* 120 for more disclosure; 14 against more disclosure
  - *Local governments:* 14 for; 5 against
  - *Organizations:* 24 for; 3 against
  - *Individuals:* 82 for; 6 against
- **Role for provincial Chief Election Officer** – *total:* 66 for; 12 against
  - *Local governments:* 8 for; 2 against
  - *Organizations:* 20 for; 2 against
  - *Individuals:* 38 for; 8 against
- **Public financing (e.g. tax credits)** – *total:* 48 for; 36 against
  - *Local governments:* 11 for; 3 against
  - *Organizations:* 13 for; 3 against
  - *Individuals:* 24 for; 30 against

## Appendix 4: Summary of Key Rules in Other Provinces/Territories

### General

|                       | Term Length                                      | Election Date  | Corporate Vote  | Employee Eligibility                                 | Enforcement Role  |
|-----------------------|--|----------------|-----------------|--|---|
| <b>B.C.</b>           | 3  | 3rd Sat. Nov   | ✗ Not permitted | ✓ Not eligible                                       | ✓ Local Government  |
| <b>AB</b>             | 3  | 3rd Mon. Oct   | ✗ Not permitted | ✓ Not eligible; exception for specified volunteers   | ✓ Local Government  |
| <b>SK</b>             | 2 - Rural<br>4 - Urban, Northern & School Boards | 4th Wed. Oct   | ✗ Not permitted | ✓ Not eligible                                       | ✓ Local Government<br>✓ May appoint "Election Disclosure Complaints Official" |
| <b>MB</b>             | 4  | 4th Wed. Oct   | ✗ Not permitted | ✓ Not eligible; employee does not include volunteers | ✓ Local Government  |
| <b>ON</b>             | 4  | 4th Mon. Oct   | ✗ Not permitted | ✓ Not eligible; exception for specified volunteers   | ✓ Local Government<br>✓ Must appoint "Compliance Committee"                   |
| <b>QB</b>             | 4  | 1st Sat. Nov   | ✗ Not permitted | ✓ Not eligible; exception for specified volunteers   | ✓ Provincial Chief Electoral Officer<br>✓ Oversight of campaign finance       |
| <b>NB</b>             | 4  | 2nd Mon. May   | ✗ Not permitted | ✓ Not eligible                                       | ✓ Provincial election agency runs local elections                             |
| <b>NS</b>             | 4  | 3rd Sat. Oct   | ✗ Not permitted | ✓ Not eligible; exception for specified volunteers   | ✓ Local government  |
| <b>NFLD &amp; LBR</b> | 4  | Last Tues. Sep | ✗ Not permitted | ✓ Not eligible; exception for specified volunteers   | ✓ Local government  |
| <b>PEI</b>            | 4 - Charlottetown,                               | 1st Mon. Nov   | ✗ Not permitted | ✓ Charlottetown -                                    | ✓ Provincial election   |

|            | Term Length   | Election Date   | Corporate Vote   | Employee Eligibility   | Enforcement Role               |
|------------|---|---|--|--|--------------------------------|
|            | Summerside,<br>Stratford &<br>Cornwall<br><br>3 – Remaining until<br>2012, then 4 |   |  | Not eligible<br>✓ In other<br>municipalities<br>must declare<br>conflict of interest | agency runs local<br>elections |
| <b>NV</b>  | 3 or 2 – Municipal<br>Choice  | 3rd Mon. Oct –<br>incorporated<br><br>2nd Mon. Dec –<br>remaining | ✗ Not permitted  | ✓ Not eligible   | ✓ Local government             |
| <b>NWT</b> | 3 or 2 – Municipal<br>Choice  | 3rd Mon. Oct –<br>incorporated<br><br>2nd Mon. Dec –<br>remaining | ✗ Not permitted  | ✓ Not eligible   | ✓ Local government             |
| <b>YK</b>  | 3   | 3rd Thurs. Oct  | ✗ Not permitted in<br>general elections<br>or plebiscite<br><br>✓ Permitted in<br>binding<br>municipal<br>referendums<br>(must be<br>property owning<br>corp.) | ✓ Eligible with leave<br>without pay   | ✓ Local government             |

## Campaign Finance

|             | Expense Limits | Contribution Limit Amounts & Source  | 3rd Party Advertising  | Disclosure   | Public Finance   |
|-------------|----------------|--|--|--|--|
| <b>B.C.</b> | ✓ None         | <ul style="list-style-type: none"> <li>✗ None</li> <li>✓ Anonymous contributions limited to \$50</li> </ul>  | <ul style="list-style-type: none"> <li>✗ Indirectly regulated</li> <li>✓ Classified as "campaign organizer"</li> </ul> | <p><b>Time Limit:</b></p> <ul style="list-style-type: none"> <li>✓ 120 days following election</li> </ul> <p><b>Information Required:</b></p> <ul style="list-style-type: none"> <li>✓ Expenses &amp; Contributions</li> <li>✓ \$100+ contributions require disclosure of contributor</li> </ul> <p><b>Access:</b></p> <ul style="list-style-type: none"> <li>✓ Available for public inspection</li> </ul>   | <ul style="list-style-type: none"> <li>✗ None available</li> </ul> |
| <b>AB</b>   | ✓ None         | <p><b>Amount:</b></p> <ul style="list-style-type: none"> <li>✗ \$5000 maximum per year</li> </ul> <p><b>Source:</b></p> <ul style="list-style-type: none"> <li>✓ Alberta residents, Corporations, Trade Unions, Employee Organizations</li> <li>✓ Registered candidates</li> <li>✗ Anonymous contributions banned</li> </ul> | <ul style="list-style-type: none"> <li>✗ Not regulated</li> </ul>  | <p><b>Time Limit:</b></p> <ul style="list-style-type: none"> <li>✓ On or before March 1 following election, roughly 130 days</li> </ul> <p><b>Information Required:</b></p> <ul style="list-style-type: none"> <li>✓ Expenses &amp; Contributions</li> <li>✓ \$100+ contributions require contributor disclosure</li> </ul> <p><b>Exception for Self Funded Campaigns:</b></p> <ul style="list-style-type: none"> <li>✗ Disclosure not required</li> </ul> | <ul style="list-style-type: none"> <li>✗ None available</li> </ul> |

|           | Expense Limits   | Contribution Limit Amounts & Source  | 3rd Party Advertising                          | Disclosure  | Public Finance   |
|-----------|--|--|--|---|--|
|           |  |  |  | unless self-funding \$10 000+<br><br><b>Access:</b><br>✓ Available for public inspection  |  |
| <b>SK</b> | ✓ Municipal Choice   | ✓ Municipal Choice<br>✗ Anonymous contributions banned   | ✓ Partly regulated<br>✓ Sponsorship disclosure | ✓ Municipal Choice  | ✗ None available   |
| <b>MB</b> | ✓ Required, Municipal Choice as to amounts<br>✓ <i>City of Winnipeg</i> limits: Mayor \$0.30/elector; Council \$0.75/elector in a ward           | <b>Amount:</b><br>✓ Municipalities: \$1500/person maximum for Mayor and Council elected at large \$1500; \$750/person for Council elected in a ward<br>✓ <i>City of Winnipeg</i> limits: \$750 to council candidate; \$1500 to mayoralty candidate<br><br><b>Source:</b><br>✓ Manitoba residents<br>✗ Anonymous contributions banned<br>✗ Trade unions, organizations and corporate contributions banned | ✗ Not regulated                                | <b>Time Limit:</b><br>✓ Municipal choice but no more than 210 days following election<br><br><b>Information Required:</b><br>✓ Expenses & Contributions<br>✓ \$250+ contributions require disclosure of contributor<br><br><b>Access:</b><br>✓ Available for public inspections | ✓ Municipal Choice – municipal tax credit or rebate to contributors and reimbursement of candidate expenses<br>✓ <i>City of Winnipeg</i> – provides up to \$1000 rebates to contributors |
| <b>ON</b> | ✓ Applies to all municipalities and the City of Toronto:<br>✓ Mayor \$7500 base plus \$0.85/elector<br>✓ Council \$5000 base plus \$0.85/elector | <b>Amount:</b><br>✓ Municipalities: \$750-\$1500<br>✓ City of Toronto limits \$750 for council candidate and \$2,500 for mayoralty candidate<br><br><b>Source:</b><br>✓ Ontario residents, corporations, trade unions  | ✗ Not regulated                                | <b>Time Limit:</b><br>✓ Last Friday in March following the election, roughly 145 days   | ✓ Municipal Choice: municipal rebates to contributors<br>✓ <i>City of Toronto</i> : provides municipal rebates up to   |

|    | Expense Limits   | Contribution Limit Amounts & Source   | 3rd Party Advertising   | Disclosure   | Public Finance   |
|----|--|---|---|--|--|
|    |  | <ul style="list-style-type: none"> <li>✗ Federal and provincial political parties</li> <li>✗ Constituency associations</li> <li>✗ The Crown</li> <li>✗ Municipalities or local boards</li> <li>✗ Anonymous contributions banned</li> <li>✓ The <i>City of Toronto</i> bans contributions from: <ul style="list-style-type: none"> <li>✗ Corporations</li> <li>✗ Trade unions</li> </ul> </li> </ul> |   | <b>Information Required:</b> <ul style="list-style-type: none"> <li>✓ Expenses &amp; Contributions</li> <li>✓ \$100+ contributions require disclosure of contributor</li> </ul> <b>Access:</b> <ul style="list-style-type: none"> <li>✓ Published via website/internet or another electronic format</li> </ul>   | <ul style="list-style-type: none"> <li>✓ \$1000 to contributors</li> </ul>   |
| QB | <ul style="list-style-type: none"> <li>✓ Applicable to all municipalities with population over 5,000</li> <li>✓ Mayor base \$5400 plus <ul style="list-style-type: none"> <li>+ \$.042/person with pop. &lt;20,000</li> <li>+ \$.072/person with pop. 20,000-100,000</li> <li>+ \$.054/person with pop. &gt;100,000</li> </ul> </li> <li>✓ Councillor base \$2,700 plus \$0.42/person</li> </ul> | <b>Amount:</b> <ul style="list-style-type: none"> <li>✓ \$1000</li> </ul> <b>Source:</b> <ul style="list-style-type: none"> <li>✓ Elector may only make contributions to candidates the municipality in which they live</li> <li>✓ Anonymous contributions limited to 20% of total contributions</li> </ul>   | <ul style="list-style-type: none"> <li>✓ Regulated</li> <li>✓ Registration and disclosure required</li> <li>✓ \$300 maximum publicity expenses permitted</li> </ul> | <b>Time Limit:</b> <ul style="list-style-type: none"> <li>✓ 90 days following election</li> </ul> <b>Information Required:</b> <ul style="list-style-type: none"> <li>✓ Parties</li> <li>✓ Expenses during campaign; contributions and expenses in annual report</li> <li>✓ Independent candidate in communities of &gt;5000:</li> <li>✓ Expenses &amp; Contributions</li> <li>✓ \$100+ contributions require disclosure of contributor</li> </ul> | <ul style="list-style-type: none"> <li>✓ Provincial tax credits to contributors</li> <li>✓ 50% expense reimbursement from municipality to candidates who receive 15%+ of vote</li> </ul> |

|                       | Expense Limits     | Contribution Limit Amounts & Source  | 3rd Party Advertising | Disclosure  | Public Finance   |
|-----------------------|--------------------|--|-----------------------|---|------------------|
|                       |                    |  |                       | <ul style="list-style-type: none"> <li>✓ Individual candidates in communities of &lt;5000 who receive contributions of \$100+ require disclosure of contributor</li> </ul> <p><b>Access:</b></p> <ul style="list-style-type: none"> <li>✓ Records are public</li> </ul>   |                  |
| <b>NB</b>             | ✗ None             | ✓ Municipal Choice   | ✗ Not regulated       | ✗ No requirements   | ✗ None available |
| <b>NS</b>             | ✗ None             | <ul style="list-style-type: none"> <li>✗ None</li> <li>✗ Anonymous contributions banned</li> </ul>                       | ✗ Not regulated       | <p><b>Time Limit:</b></p> <ul style="list-style-type: none"> <li>✓ 60 days following the election</li> </ul> <p><b>Information Required:</b></p> <ul style="list-style-type: none"> <li>✓ Contributions</li> <li>✓ \$50+ contributions require disclosure of contributor</li> </ul> <p><b>Access:</b></p> <ul style="list-style-type: none"> <li>✓ Available for public inspection</li> </ul> | ✗ None available |
| <b>NFLD &amp; LBR</b> | ✓ Municipal Choice | <ul style="list-style-type: none"> <li>✓ Municipal Choice</li> <li>✓ Anonymous contributions limited to \$100</li> </ul> | ✗ Not regulated       | <p><b>Time Limit:</b></p> <ul style="list-style-type: none"> <li>✓ Municipal Choice</li> <li>✓ In the absence of bylaw, defaults to 90 days</li> </ul>  | ✗ None available |

|     | Expense Limits | Contribution Limit Amounts & Source               | 3rd Party Advertising | Disclosure  | Public Finance   |
|-----|----------------|---|-----------------------|---|------------------|
|     |                |   |                       | <b>Information Required:</b><br>✓ Expenses – Municipal Choice<br>✓ Contributions<br>✓ \$100+ contributions require disclosure of contributor<br><br><b>Access:</b><br>✓ Available for public inspection |                  |
| PEI | ✗ None         | ✗ None<br>✗ Anonymous contributions not regulated | ✗ Not regulated       | ✓ No requirements   | ✗ None available |
| NV  | ✗ None         | ✗ None<br>✗ Anonymous contributions not regulated | ✗ Not regulated       | ✓ No requirements   | ✗ None available |
| NWT | ✗ None         | ✗ None<br>✗ Anonymous contributions not regulated | ✗ Not regulated       | ✓ No requirements   | ✗ None available |
| YK  | ✗ None         | ✗ None<br>✗ Anonymous contributions not regulated | ✗ Not regulated       | ✓ No requirements   | ✗ None available |



**Report of the Local Government Elections Task Force**

**May 28, 2010**