

**Submission by IntegrityBC  
to the Ministry of Community, Sport and Cultural Development  
on the Discussion Paper on Expense Limits in Local Elections**

## Introduction and discussion

As Daphne Bramham wrote in the Vancouver Sun (Why you should care about reforming municipal elections, 29 January 2014), this is “not rocket science.” It is unfortunate that it seems to have become so in the discussion paper.

IntegrityBC has serious reservations regarding the credibility of the data and information provided in the paper and some of the conclusions reached from that data. The paper's scope and analysis are insufficient for stakeholders to provide valid and relevant opinions to the questions posed.

What might the paper have considered that would have been beneficial to stakeholders in the preparation of their responses?

- a. How many of the B.C. campaigns exceeded the limits already established in Quebec, Ontario, Manitoba and Saskatchewan and, if so, by how much?
- b. How many of the campaigns would have come in under a reasonable “base” limit before taking into account an additional top-up for the number of electors, as is done now in Quebec, Ontario and some cities outside both provinces?
- c. What percentage of the 31 per cent of candidates that spent less than \$2,000 were elected and of the eight per cent who spent more than \$50,000?
- d. What percentage of the candidates were incumbents seeking re-election?
- e. What percentage of the candidates were women, what percentage of them were elected, and how did their expenses compare to the median?
- f. What percentage of the candidates were members of minority communities, what percentage of them were elected, and how did their expenses compare to the median?
- g. How did campaign expenses break down by category (telephone, advertising, printing, etc.) and what was their respective percentage of total expenses among the candidates?

At the provincial level, there are set limits for both the pre-campaign period and the campaign period. However,

we note that the discussion paper does not indicate the period in which local expense limits would apply.

We also note that the paper does not seem to have reviewed the campaign expense reports of candidates who ran for the post of school trustee restricting our ability to comment on limits for candidates running for a Board of Education.

Finally, we are not satisfied that the methodology used to identify what the paper terms as “contenders” is as statistically valid for these purposes as would be the reports of candidates who exceeded a set percentage of the popular vote. As a result the paper's data may also be skewed.

Without a better analysis of the data that is cited in the discussion paper (regarding B.C. campaign expenses), our comments and responses to the questions posed in the paper are limited.

However, please note that IntegrityBC opposes limits that would be set on a per resident basis if – *by this term* – the government means per capita. If it means “voting resident” or “elector” we support such limits subject to the amount of the limit.

We still believe that limits could be in place for the 2014 local elections if the government chose to act.

We also support legislated limits on the amount a donor can give and to restrict the type of donors who are eligible to contribute.

Despite our concerns with the discussion paper, IntegrityBC has responded to the questions posed in the discussion paper to the best of our ability based on the limited information provided and our concerns with some of that information.

We have reproduced the questions from the discussion paper below and inserted our answers beneath each question.

**Notes:**

1. A glossary of terms used in the discussion paper would have been useful.
2. We have answered the discussion paper's questions not from the perspective of a candidate, but from the perspective of a province-wide organization.

## Discussion questions

### Questions about campaigning

🕒 **In your community, do you think the cost of campaigning is a deterrent to people considering running for office?**

We believe that the cost of campaigning is a deterrent to people running for local office across B.C., particularly for female candidates and candidates from minority communities who both remain under-represented on local councils.

We draw issue with the discussion paper's conclusion that “overall, spending is fairly low” (page 7). Without a direct comparison between the expenses of B.C. candidates with the legislated limits in other provinces, it is inappropriate to form such a conclusion.

🕒 **What are the most significant cost pressures in local campaigns?**

Advertising, printing and staff.

🕒 **Are campaign finance issues different in small communities than in large communities, and if so, in what ways?**

Yes. The size of the electorate and the media market will both have an impact on a candidate's expenses.

🕒 **Are campaign finance issues different for board of education elections than for local government elections?**

Yes.

🕒 **Do you think social media will impact (raise or lower) campaign spending? Why or why not?**

While social media may reduce advertising costs, it is too early to tell whether candidates and elector organizations will find it an effective alternative to traditional media.

### Questions about the policy “starting point” for expense limits

The Task Force provided some policy guidance on expense limits, suggesting that limits

- o be high enough to allow reasonable campaigns, but not so high as to allow a few participants to dominate,

- o need to work in different sized communities (i.e. a formula-based approach would make sense, but a straight per resident formula would not be effective), and

- o should have a neutral effect on candidates' decisions to run independently or to create/join elector organizations.

🕒 **Do you think that these objectives are a reasonable starting point for expense limits? Is there anything you would change about these objectives, or anything important missing?**

They are a reasonable starting point for *a discussion* on expense limits.

However, as they are expressed above, they may not be an entirely accurate reflection of the Task Force's

guidance.

For instance, we would note that the term “per resident” does not appear in the Task Force's final report, while “per capita” and “voting residents” both do.

The two times that the term “per capita” is used in the Task Force's 68-page report both occur in the same sentence and strictly in an illustrative capacity of suggestions made to the Task Force, not as recommendations made by the Task Force itself.

Both of the terms – “per capita” and “voting residents” – have distinct meanings which may differ from the discussion paper's use of “per resident.” The use of various terms for what may or may not be the same thing raises serious concerns.

🕒 **Page 2 shows the key policy concepts coming out of the Task Force’s guidance. Would you change any of these?**

A broader discussion on how expense limits would apply to an elector organization should be considered.

We note at both the provincial and federal levels there are candidate expense limits and party limits. Elector organizations may have unique expenses that are distinct from those of an independent candidate and, if so, a reasonable allowance may need to be made for those expenses.

However, such an allowance should not be so high as to deter candidates from running outside of an elector organization.

### **Questions about possible expense limits models**

🕒 In the two other provinces where the provincial government sets expense limits for local elections, the limit is established by a formula with a “base” amount and additional amounts for each elector. For example, in Ontario, the limit for a mayoral candidate is \$7,500, plus 85 cents per elector and \$5,000 plus 85 cents per elector for council candidates. The same formula for all communities results in different *limits* in each community depending on population.

**o Does the concept of a base amount, plus additional “per resident” amounts, seem like a reasonable approach in BC?**

A base amount plus a “per elector” amount is reasonable. Since the discussion paper did not calculate B.C. expense illustrations on a “per elector” basis (as the other provinces cited in the paper are) it is difficult to discuss what either the base or “per elector” amounts should be.

**o Or are there other, simpler models to consider? For example, would “tiered” limits (the same limit for all communities under 5,000 or so people, a higher limit for all communities of 5,000 to 10,000 people, and so on) be a better approach?**

We would caution against a pure tiered limit approach. The base plus “per elector” amounts does not exclude a tiered option in a modified form. Again, “per elector” and “people” are not the same term and without a proper analysis of the B.C. data it is impossible to discuss what the amounts could be set at before this model could be discussed further.

We note that Quebec has a tiered system that also takes the number of electors into account. And we also draw issue with the idea that this approach would be a “simpler” model.

🕒 **If a model were established that resulted in different limits in each community (such as a base**

**plus per resident model), would you support the Province making things simple for candidates and local governments by calculating the limit in each community and providing notice of the limits?**

Yes. But on a “per elector” basis. However, the ambiguity of this question itself raises even more issues.

⌚ **Are there other, additional factors beyond population that should be taken into account when setting expense limits?**

If a tiered approach is adopted to limits, no. If a universal “per elector” limit is considered, an argument might be made that campaigns in some isolated communities might require a higher base limit to account for additional campaign costs.

However, before this is considered, an analysis would have to be undertaken of past spending in those specific communities.

⌚ **How should board of education candidate limits be set? Should they be connected to the limits for council candidates (i.e. the same as a council candidate’s limit)? If so, what happens when the boundaries of school districts do not line up with municipal boundaries?**

Limits should be set on a “per elector” (registered voter) basis and be relative to the limit set for a candidate running for local council. An analysis of past candidate expenses would be helpful to a discussion as to what the limits might be set at.

If limits are set on a “per elector” basis, differences in boundaries would not be an issue, even if limits included some form of a tiered approach.

⌚ **Would it make sense for third party advertisers’ limits to be connected to the limits for candidates in the community where the third party is conducting advertising?**

Third-party limits should follow a “per elector” model. If by “connected to” the government means to be applied against, then the answer would be no. If the government means “based on some ratio of” then the answer would be yes.