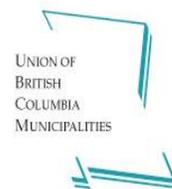


# Local Government Elections Task Force Campaign Financing in B.C. Local Elections

January 2010



# Overview: Campaign Financing

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## Issue summary

The purpose of this paper is to provide an overview of campaign financing in British Columbia local government elections and set the context for subsequent papers on each of the elements of campaign financing. The paper will discuss the key principles underpinning local campaign financing rules; provide an overview of the evolution of local and provincial campaign financing rules in BC; compare campaign financing rules for other Canadian local governments with BC's rules; and provide a summary of campaign finance issues as presented in recent media coverage and expressed in resolutions put forward by the Union of British Columbia Municipalities (UBCM).

Campaign finance can generally be broken down into 5 key elements:



Campaign financing systems in various jurisdictions will typically include rules on at least some of the 5 key elements. Which rules are implemented depends on what principles a jurisdiction is trying to emphasize. Typically, fairness, accessibility, transparency and accountability are the principles underpinning elections and campaign finance rules. Flexibility is an additional concern when looking at local elections. Local governments of different sizes might have differing circumstances, but all local governments and candidates have an interest in administratively workable rules.

BC's local government elections system is primarily focused on three of the elements - campaign expenses (though there are no spending limits), requirements for financial disclosure, and measures for enforcement/compliance. BC's local elections system has no provisions for public financing and while there are rules about what constitutes a contribution and how they can be made, there are no contribution limits. For comparative purposes, some other provinces/territories in Canada have no provincially-mandated campaign finance rules at the local level whatsoever. A couple of them provide local governments with power to set their own campaign finance rules by bylaw. BC's provincial elections system has rules related to all elements of campaign finance, although with regard to campaign contributions, while there are rules around defining and making contributions, there are no limits on campaign contributions.

The differences between rules in different jurisdictions and orders of government stem in part from the complex interplay between principles. For example, a jurisdiction may focus more on limiting campaign spending rather than limiting who can contribute and how much, reflecting a belief that the principle of fairness is best served by regulating candidates and parties rather than donors. Or, a jurisdiction may prefer to focus on transparency, believing that a system based largely on financial disclosure mitigates the need for limits on contributions or expenses because transparency requirements provide an incentive for moderation and balance. Public finance measures (e.g. tax credits, reimbursement of elections expenses) are sometimes present as a measure to improve the accessibility of participating in local democracy, but they may be seen as more relevant for elections based on political party systems (i.e. provincial and federal) than for the generally more individual-focused local government elections.

Ultimately, the five elements of campaign financing are highly interrelated and based on principles that need to be balanced. Changes to rules in one element must be considered in light of their possible impacts on other elements of the campaign financing system.

## Principles of Campaign Finance Rules

A jurisdiction's campaign finance rules reflect the perceived importance of certain campaign finance principles. Emphasizing or favoring one principle may de-emphasize another. Campaign financing rules are usually based on a balance or trade-off among principles. For example, provisions that serve the principle of transparency may give rise to complex recording and reporting rules that may lessen general accessibility for the average citizen. Similarly, advertising expense limits or third party advertising limits may serve the principle of fairness, but the broader democratic principle of free speech may arguably be impinged by those limits. Some key campaign finance principles are discussed below:

### *Accessibility and Fairness*

Local government elections should be fair and open to a broad range of candidates from various backgrounds. However, the ability of candidates to participate in local elections may be impacted by campaign finance rules in relation to contributions, expenses, and third party spending.

Some believe that the principles of accessibility and fairness may be threatened by the fact that local government election campaigns appear to be becoming increasingly expensive, at least in some areas. It may be challenging for some candidates to secure the significant campaign contributions needed to be competitive. As some citizens may have greater means, they may also have an enhanced ability to financially contribute to an election campaign, or to advertise their view on who should be elected outside of a recognized campaign (i.e., third party advertising). To promote equal opportunity to support/participate in election campaigns and prevent potential undue influence on a candidate, some jurisdictions restrict who and how much can be contributed to a campaign or can be spent by third party advertisers. Without spending limits, the candidate with the most funding may have a competitive advantage due to an increased ability to spend more on advertisements and promotions. At the same time, some argue that the principle of accessibility could be threatened by burdensome financial and disclosure rules that are intimidating to some (i.e. a deterrent to participating in elections, especially in small jurisdictions) and may add to the costs of being a candidate.

### *Flexibility and consistency*

It is generally desirable for the same rules to apply to all candidates in local elections, yet, at the same time, different local governments have different circumstances and needs. Accordingly, there is a need

to consider the balance between consistency and flexibility. It is still likely that most elected local government officials in BC spend a relatively small amount on their campaign. For example, during the 2008 municipal election on Bowen Island, successfully-elected candidates spent \$1832 on average. However, it is also true high amounts have been are being spent in some large population centres. For instance, successfully-elected candidates in the 2008 Vancouver municipal election spent on average \$36,246. In Vancouver, the average spending of elector organizations supporting candidates that were elected was \$1,100,233, and the average spending of campaign organizers was \$47,826. Because it is generally only in large centres or hotly contested smaller areas that large sums of money are spent, any proposed legislation could incorporate an element of flexibility. This would ensure that undue restrictions that could threaten accessibility by dissuading potential candidates, are not unnecessarily imposed province-wide. However, there are difficulties with incorporating flexibility in a legislative scheme, particularly where it is difficult to predict which elections will be “hotly contested” or involve questions of undue influence. As well, it is possible that costs of campaigning in large or remote geographies, such as the electoral area of a regional district, could become an issue in the future. Accordingly, campaign finance rules must be reasonable in all circumstances - from Tahsis to Vancouver.

### ***Transparency and Accountability***

The principles of transparency and accountability are central to campaign finance rules. Campaign financing should be transparent so that the electorate are aware of the presence of special interests and other factors that might influence the policies and actions of candidates and parties once in office. Campaign financing rules that require financial disclosure contribute to that awareness. However, it is possible that transparency-related regulations that are onerous could create an incentive for skirting the rules. Consequently, failing to comply with rules designed to ensure fairness and transparency – such as disclosure rules - should have effective consequences or such rules cannot serve the principle of accountability. Enforcement is important if transparency rules are to be effective.

Together, such principles underpin campaign finance legislation in jurisdictions across the country. In practice, such campaign finance regimes achieve a delicate balance of these principles. While these concepts inform all aspects of such legislation, its depth and scope are impacted by whichever principles are emphasized in the overall scheme. Thus, the constituent elements of campaign finance rules, and the way in which they interact, are based on the underlying philosophy of the system.

### **Scope and Depth of Campaign Finance Rules**

The principles of campaign finance rules manifest themselves in five key elements of such legislation: disclosure; contribution limits and restrictions; expense limits; enforcement/compliance; and public financing.

The development of campaign finance rules involves the careful consideration of these fundamental elements. Each individual element is complex and once a decision is made to incorporate a given element, questions remain regarding to what extent it is incorporated in the scheme. In this way, these elements are perhaps better thought of as system variables since each one requires decisions regarding which elements will be included and to what extent. Furthermore, the different elements are highly inter-related. For example, a system that includes expenses limits will impact how the disclosure system works (e.g., are there expenses – such as thank-you parties for volunteers -that do not count towards a spending limit but still must be disclosed?). Similarly, a system that emphasizes enforcement may need corresponding recording and disclosure requirements (e.g. audited financial reports) that enable enforcement to happen.

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In addition to the questions about which elements to include and to what degree, consideration must be given to whom the rules will apply. Do the rules apply only to candidates? What about nomination contestants, elector organizations, or third parties? Do the rules apply to “other voting” (i.e. referendums?).

It is sometimes said that there is no model campaign finance system because which elements are included depend on the outcomes that are desired. Accordingly, different jurisdictions have made different decisions on the range and depth of elements included in their respective campaign finance schemes. For example, the British Columbia local government election system focuses on disclosure elements, with moderate compliance and enforcement mechanisms. The provincial system incorporates disclosure, expense limits, some degree of public financing (income tax credits) and stronger enforcement and compliance mechanisms. As noted below, other provinces have made other choices in regard to their local government elections. Context, history and external events all come into play in shaping which elements are included.

## BC Local Government Elections Campaign Finance Rules

Local government elections are held every 3 years and are conducted by local governments under the *Local Government Act* and under parallel *Vancouver Charter* provisions for the City of Vancouver. These rules also apply to school board elections, elections to several park boards, community commissions and the Islands Trust. In total, these rules are used to fill over 1,600 elected positions for over 250 government bodies. The elections rules generally also apply to local governments’ conduct of “other voting” (e.g. referenda, voting on loan authorization bylaws requiring electors’ assent, etc.). The campaign finance rules, however, are by their nature applicable only to running for office and not to other voting.

This legislation governs general conduct of elections, methods of voting and timing, appointment of officials, and so on. It also encompasses campaign finance rules. Under these rules, all candidates, elector organizations and campaign organizers<sup>1</sup> are required to file disclosure statements. Disclosure statements contain, among other things, campaign contributions totals, details about contributors giving \$100 or more, and election expenses. Currently there are no general or explicit limits on how much a contributor can provide (aside from limits on accepting anonymous contributions), or on how much a candidate, elector organization or campaign organizer can spend.

Rather than imposing general or explicit limits on the amounts that can be contributed to or spent on a campaign, the local elections rules support transparency by requiring recipients of campaign contributions and those that incur expenses to accurately record and disclose them. The rules do not function to control financial behavior (i.e. who can contribute or how much can be spent) but rather to ensure that campaign finances are open and transparent. The provisions enable interested members of

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<sup>1</sup> A campaign organizer is an organization or an individual that undertakes, or intends to undertake, an election campaign and that acts as the election campaign of one or more candidates or of one or more elector organizations, or both, and accepts, or intends to accept, campaign contributions in relation to the campaign from any other individual or any organization.

the public to scrutinize the financial disclosure reports after elections. Accountability is achieved in two ways: 1) public scrutiny of the disclosure reports may reveal the presence of special interest groups or the possibility of undue influence and 2) in cases where a person believes that a candidate did not comply with the campaign finance provisions, the person may make a complaint to the police. The police, in turn, can investigate and recommend charges to the Crown.

#### **Key system attributes:**

- Focus is on openness/transparency (achieved through recording and disclosing contributions and expenses)
- Accountability is achieved through public disclosure
- No limits on who can contribute or how much can be contributed
- Minor compliance controls by imposing some restrictions on *how* contributions are made (rules for *cash* contributions, anonymous contributions and requiring campaign accounts)
- No limits on how much may be spent on a campaign
- Enforcement is achieved via court system (following public complaint to police)

#### **History:**

The local government campaign finance provisions have been updated frequently over the years. The current campaign disclosure rules came into being in 1993 as a part of a greater review of local government election provisions. Since 1993, there have been several targeted reviews of local government campaign finance provisions. These include the 1998 UBCM/Ministry accountability working groups and Ministry-led public forums and a 1999 Ministry of Municipal Affairs discussion paper on campaign expense limits. There have also been several external reviews that looked at campaign financing; these include the 1998 Kennedy Steward and Patrick Smith (SFU) report on Local Government Accountability in BC and the 2004 Thomas Berger report for the City of Vancouver. Some of these reviews led to changes to the campaign financing provisions over the years. For instance, significant amendments to the financing provisions were made in 1999 and 2008.

In 1999, following the King case in Nanaimo<sup>2</sup>, several amendments aimed at strengthening disclosure and improving compliance were made. These amendments:

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<sup>2</sup> The “King” case – in which a councillor on Nanaimo council was accused of filing an incomplete/false disclosure statement in 1996 regarding a \$1000 contribution (which equalled 22% of King’s total campaign contributions) from a development corporation. When the matter came to light some time after the disclosure statement deadline, and after Mr King had voted 3 times on re-zoning applications by the developer, the councillor simply filed a supplementary disclosure statement, correctly disclosing the contribution. The Council disqualified King and the matter went before the Supreme Court for determination. The court, in January of 1999, found that Mr King was not disqualified on the basis of failure to disclose a campaign contribution because he did update his disclosure statement in accordance with the Act but found that he was disqualified on the basis that the contribution formed the basis of an indirect pecuniary interest – placing Mr King in conflict of interest. This *Local Government Elections Task Force*

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- Clarified the rules for filing campaign financing statements and supplementary reports including the process for court relief from filing obligations and actions in circumstances where a candidate or elector organization fail to file or file false documents (i.e., making it clear that it was not acceptable to fail to disclose, then if the matter comes to light , undo the wrong-doing by filing a supplementary disclosure statement);
- Provided a new requirement that all candidates and elector organizations open separate campaign accounts to be used exclusively for the election campaign (using bank accounts for all contributions provides a tracking mechanism and makes it difficult for candidates to “forget” or lose track of contributions);
- Required more detailed recording and reporting of campaign contributions and expenses;
- Required that campaign contributions surpluses in excess of \$500, after repayment of the candidate’s own contributions, be held in trust by the local government for that candidate in the next election (if candidate does not run in next election, the surplus funds become property of the local government), and
- Clarified that all money contributed by a candidate toward his or her own election campaign is a campaign contribution.

Significant amendments were also made in 2008. These amendments

- Broadened the applicability of the campaign finance rules to individuals and groups that manage or finance election campaigns, whether in whole or in part (i.e., third party “shadow campaigns”)
- Brought “campaign organizers” under the campaign finance rules
- Changed requirement for a separate campaign account so that those who do not receive campaign contributions or incur election expenses are not required to open a dedicated campaign account (responding to UBCM’s resolution)
- Improved public access to campaign disclosure statements by allowing for viewing of the documents via electronic means
- Expanded the purposes for which the information in the disclosure statements may be used to include the disqualification and conflict of interest provisions of the *Community Charter* and *Vancouver Charter*

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decision was appealed. In 2001 the Appeal court found that Mr King did NOT in fact have a conflict of interest; but did not consider the issue of whether he should have been disqualified because of his failure to disclose the contribution in the first place.

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- Increased penalties for failing to appoint a financial agent and failing to file a supplementary disclosure statement to match those for failing to comply with the other campaign finance-related offences

While the British Columbia local government elections provisions have evolved over the years with various amendments designed to improve effectiveness and administration, some media commentators have been critical following the 2008 local government election, especially with regard to campaign finance issues. Over the years, suggestions for improvements to local government campaign financing rules have also come from UBCM and its members. (See *Appendices 2 and 3 for a summary of media coverage and a list of UBCM resolutions*). At the same time, compared with most other provinces in Canada, the local government election campaign financing rules in BC are fairly rigorous. (See *Appendix 1 for comparison of rules in other provinces and territories*)

### **BC Provincial Government Election Campaign Financing Rules**

The British Columbia provincial government elections system is governed by the *Election Act*. In certain respects, the *Local Government Act* elections provisions and the *Election Act* are similar. Principles such as transparency, fairness, accountability and the need for public confidence underpin both systems. Both systems require the appointment of financial agents through whom contributions and expenses flow. Both require detailed recording and reporting of financial information and both provide opportunities for public scrutiny.

The *Election Act*, however, differs in terms of campaign finance rules. For example, the *Election Act* imposes spending limits on candidates, political parties and third party advertisers intended to 'level the playing field,' thereby enhancing fairness. In addition, the *Election Act* requires that candidates and parties appoint an auditor. There is a corresponding requirement that audits be performed and reported (if election expenses or political contributions are \$10,000 or more). Another key difference between the two legislative frameworks is that the *Election Act* contains more robust enforcement provisions that allow for public complaints, but also require the Chief Electoral Officer to perform periodic investigations of the financial affairs of parties and candidates. The Chief Electoral Officer may also initiate audits and investigations independently. In addition to court-imposed penalties, the Chief Electoral Officer can impose administrative penalties for specific infractions.

### *Key system attributes:*

- Focus is on: openness/transparency (achieved through recording and disclosing contributions and expenses); fairness (spending limits), and accountability through disclosure
- Some limits on who can contribute – e.g. prohibitions against contributions by unregistered political parties and constituency associations and political parties or electoral district associations registered under the *Canada Elections Act*
- Stronger compliance rules in relation to how contributions are made (rules for cash contributions, anonymous contributions, and contributions made using negotiable instruments; requiring bank accounts and audited statements)
- No limits on how much can be contributed
- Expense limits for registered political parties, candidates, and constituency associations
- Rules apply to nomination contestants and third parties
- Administrative penalties may be imposed by the Chief Electoral Officer for certain infractions (e.g. deregistration of a party or constituency association for failing to file financial reports)
- Enforcement is assisted by the Chief Electoral Officer (following public complaint or independent investigations), who may refer matters to the Criminal Justice Branch for final determination
- Public financing – tax credits may be claimed for political contributions

## **Local Government Election Finance Rules Across Canada**

There are some significant differences between the local government elections system in British Columbia and the regimes in place in other provinces. BC's rules are largely uniform across the province, except for certain procedural matters for which a local government may adopt a bylaw. Alberta, Saskatchewan, New Brunswick, PEI, Yukon, Northwest Territories, and Nunavut do not have any provincially mandated local government campaign financing rules. Alberta and Saskatchewan allow local governments to establish their own bylaws regarding campaign financing, so if campaign financing rules exist at all, they vary from community to community. New Brunswick allows municipalities to impose expense limits and contributions limits by bylaw. Manitoba, Quebec, Ontario and Newfoundland and Labrador require some form of disclosure of campaign contributions and often expenses as well. Those four provinces also have contribution limits and restrictions, though only Ontario and Quebec also have expense limits. (*See Appendix 1 "Inter-jurisdictional Comparison of Local Government Elections Campaign Financing Rules"*)

## **Media Reports**

As noted in Appendix 2 below under "Media Reports," some criticism by media commentators followed the 2008 local government elections. Some incidents arose in specific communities regarding

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enforcement of election rules, particularly related to campaign finance matters. The perceived problems around disclosure by candidates and organizations are portrayed in some media coverage as particularly problematic given the perceived lack of effective enforcement.

### UBCM Resolution Review

Since 1993, there have been four *endorsed* UBCM resolutions on matters related to local government campaign financing. The four endorsed resolutions were as follows:

- two requests that campaign contributions be made tax deductible (in 1994 and 2003);
- a request for anonymous election advertising controls, and
- a request that no campaign bank account be required for candidates that will not be accepting contributions.

As previously mentioned, government acted on the one of the resolutions by removing the requirement for a candidate to open a bank account for campaign expenses if that candidate declared he/she would not be accepting campaign contributions nor paying any campaign expenses.

Additionally, some election resolutions were advanced to UBCM's 2009 convention but did not get debated due to insufficient time. These resolutions have been referred to the Task Force. The campaign finance-related resolutions from 2009 are appended.

## Questions for discussion

- Of the five campaign finance "elements," does there appear to be an imbalance between them at the local level in BC?
- Are campaign finance issues different in small communities than in large communities, and if so, in what ways?
- Should campaign finance rules be the same in every community, or should communities have choice in adopting some elements of campaign finance but not others (as is the case in some provinces)?
- Are there elements of BC's provincial campaign finance rules – like expense limits and enforcement mechanisms – that might be beneficial at the local level? Are there elements that may not be appropriate or relevant at the local level?

## Future Action

More detailed policy papers on each of the five key campaign finance elements will be prepared for Task Force consideration. Specifically, papers will be prepared on the following topics:

- Campaign Contributions (limits and restrictions);
- Financial Disclosure;
- Expense limits;
- Enforcement and Compliance, and
- Public Financing (e.g. tax credits)

It is anticipated that additional papers may be required on specific and discrete campaign finance issues.

## Appendix 1: Inter-jurisdictional Comparison of Elections Campaign Financing Rules

Jurisdiction <sup>3</sup>	Disclosure	Expense limits	Contribution rules	Enforcement	Public financing	Participants	Key principles
BC local government	✓ expenses and contributions	✗	✗ contribution limits  ✗ no prohibitions	Via public complaint, police and courts.  Few compliance features	✗	Candidates; Elector organizations; Campaign organizers	Transparency Accessibility
BC Provincial government	✓ expenses and contributions	✓	✗ contribution limits  ✓ prohibits contributions from federal political parties	Chief Electoral Officer (CEO), via internal reviews, investigations, public complaints administrative and court imposed penalties.  High compliance features	✓ income tax receipts	Candidates, Nomination contestants, Parties (and constituency associations); Third party advertisers.	Transparency Accessibility Fairness Accountability
Manitoba – local government	✓ expenses and contributions	✗	✓ contribution limits  ✓ prohibits contributions	Via public complaint, police and courts.  Few compliance	Optional: Council may by bylaw establish a program that entitles:	Candidates; Parties (and constituency associations); Third parties	Accessibility

<sup>3</sup> Alberta, Saskatchewan, New Brunswick, Prince Edward Island, Yukon, Northwest Territories, and Nunavut do not have any provincially mandated local government campaign financing rules. Alberta and Saskatchewan allow local governments to establish their own bylaws regarding campaign financing. New Brunswick allows municipalities to impose expense limits and contributions limits by bylaw.

Jurisdiction <sup>3</sup>	Disclosure	Expense limits	Contribution rules	Enforcement	Public financing	Participants	Key principles
			from non-residents and organizations	features	contributors to a credit, against taxes; and/or a candidate to reimbursement of a portion of campaign expenses.		
Ontario –local government	✓expenses and contributions	✓spending limit based on the number of electors on the current voters' list	<ul style="list-style-type: none"> <li>✓limits amount to each candidate</li> <li>✓aggregate contribution limit of \$5,000 per contributor for each jurisdiction</li> <li>✓Prohibits out of province contributions from individuals, corporations or trade unions; federal and provincial parties prohibited</li> </ul>	<p>Via public complaint, police and courts.</p> <p>High compliance features</p>	Optional: A municipality may, by bylaw, provide for the payment of rebates to individuals, corporations or trade unions that made contributions to candidates for office.	Candidates, donors	<ul style="list-style-type: none"> <li>Accessibility</li> <li>Transparency</li> <li>Fairness</li> <li>Accountability</li> </ul>
Quebec – local government	✓expenses and contributions	✓	✓limits amount to each candidate; and only electors of	CEO, via public complaint, police and courts.	<p>Tax credits for contributions</p> <p>The municipality</p>	Candidates; party; leader of the party; official representative;	<ul style="list-style-type: none"> <li>Accessibility</li> <li>Transparency</li> <li>Fairness</li> <li>Accountability</li> </ul>

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Jurisdiction <sup>3</sup>	Disclosure	Expense limits	Contribution rules	Enforcement	Public financing	Participants	Key principles
			the municipality can make a contribution  ✓ prohibits contributions from all other than (individual) residents	High compliance features	reimburse 50% of the electoral expenses of a party or a candidate, if they receive at least 15% of the vote	official agent; private intervener	
Newfoundland and Labrador – local government	✓ Contributions only  Municipalities may by bylaw expand to include expenses	✗	✗	Via public complaint, police and courts.  Few compliance features.	✗	Candidates; election agents	Accessibility
Nova Scotia – local government	✓ Contributions only	✗	✗ contribution limits  ✗ no prohibitions	✗	✗	Candidates	Accessibility

## Appendix 2: Analysis of media treatment of local government election issues in BC, November 08 – November 09

The Ministry compiled and analyzed news articles regarding local government elections issues in BC for the period November 2008-2009. Approximately 32 articles were reviewed.

**Campaign financing issues dominate the media discussion.** Here are the issues that received the most media attention over the last 12 months. (Graphs representing the results are below):

1. Whether there is sufficient *disclosure and transparency of candidate and campaign financing* under current local government election laws and practices.
2. Whether *there* is adequate *oversight of election proceedings and enforcement of the applicable financing provisions*.
3. The issue of the *amount of money being spent to finance campaigns* and whether this leaves elected officials susceptible to undue influence, especially under a regime where candidates and their supporters appear to be able to violate disclosure obligations without consequence.
4. The issue of whether *spending limits* are necessary.

The most common theme is that several elected local officials throughout B.C. were allegedly supported by campaign organizations, many unincorporated and with no clearly identified principals that did not register or make financial disclosure.

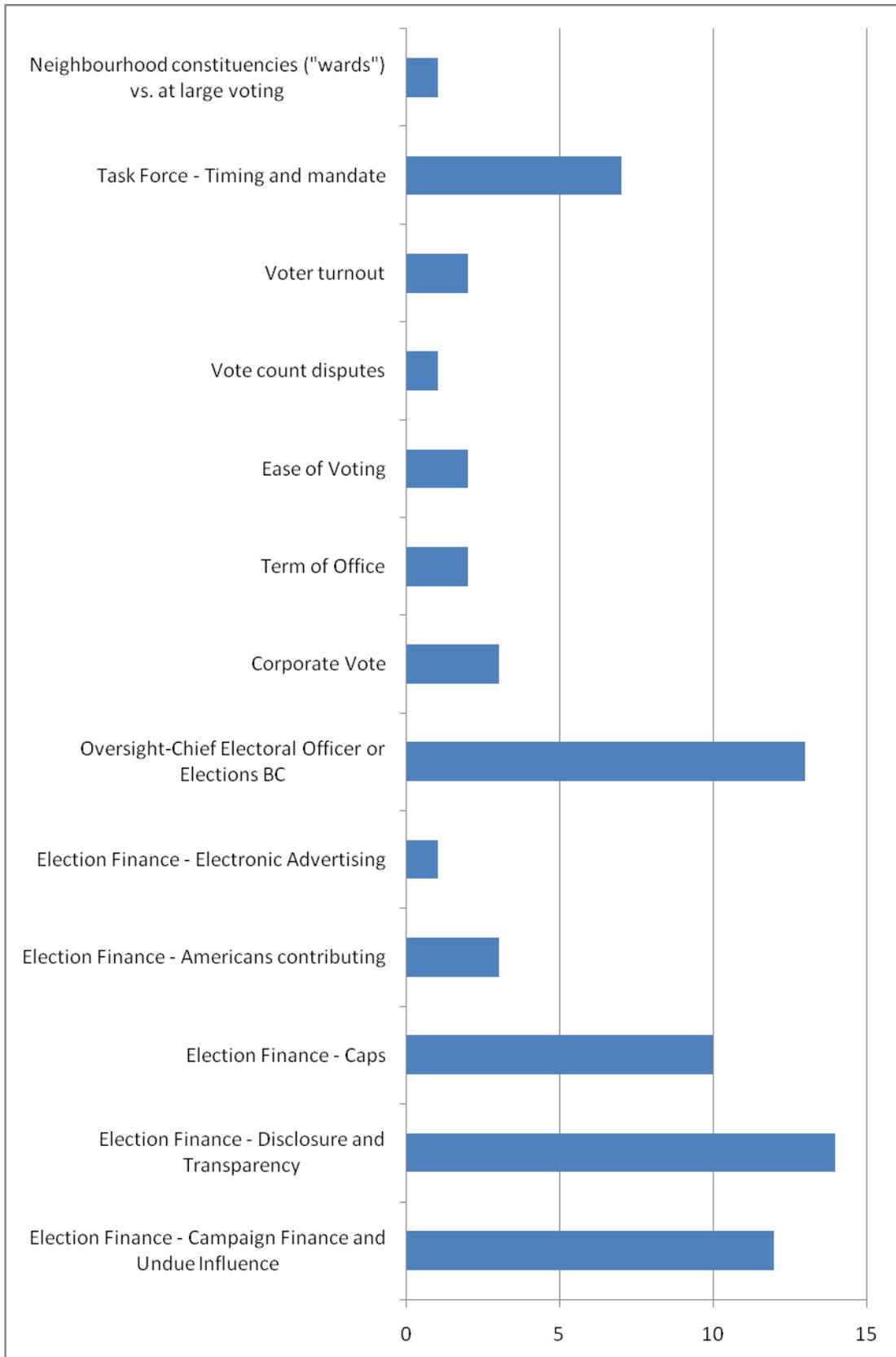
Another common refrain throughout the articles is that “the policing of local government elections should not be left to private citizens”. The press complains that neither Elections BC (who does not have the authority to investigate allegations of electoral misconduct at the local level) nor the local chief election officers investigate alleged misconduct, that complaints rarely result in police investigations and that even when the police did investigate, prosecutions did not follow.

**Other noteworthy issues:** There are numerous references to recent electoral reforms in other provinces, and at least one article references the challenge of regulating internet campaigning. Some concern was raised about Americans being able to vote in civic elections, mostly in reference to the City of Vancouver civic election.

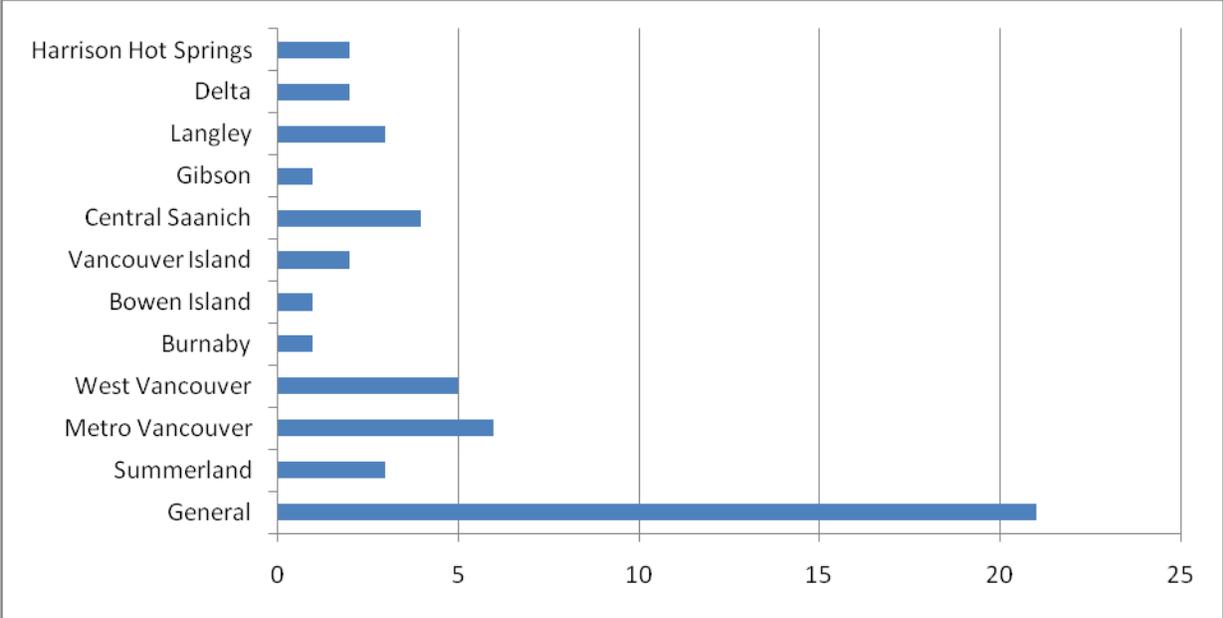
**Impact of location:** News coverage centered primarily on electoral areas where successful candidates or their supporters are alleged to have broken the rules without consequence, especially West Vancouver, Langley, Central Saanich, and Summerland. The exception to this trend is Vancouver, where coverage was focused on the issues of the size of campaign budgets and spending limits. Of the 3 articles we located raising the corporate vote issue, 2 were from Vancouver Island papers and tied the issue implicitly to the pulp mill tax dispute.

**Publication/scope considerations:** Roughly half of the articles came from the Vancouver Sun. Also, the compilation process was not robust and there is a possibility that some coverage from other locations has been missed.

**Graph 1: Number of News Articles Discussing Each Issue**



**Graph 2: Locations Discussed in News Articles**



## Appendix 3: UBCM Resolutions Related to Campaign Finance

### 2009 campaign finance resolutions – not yet debated by UBCM; no UBCM policy position

#### 2009-B103 Requirement for Disclosure on “Other Voting” Campaigns

WHEREAS matters forwarded for the opinion or assent of the electors (*Vancouver Charter*, Part II, Other Voting) do not require that interest groups campaigning for either the “yes” or “no” side of the voting disclose campaign contributions or expenses;

AND WHEREAS the public should be entitled to know the source, amount and nature of all contributions to these campaigns:

THEREFORE BE IT RESOLVED that the UBCM petition the provincial government to amend the *Local Government Act* and the *Vancouver Charter* to amend the definition of “campaign organizer” to explicitly apply to the provisions of Part II Other Voting;

AND BE IT FURTHER RESOLVED that any amendments to the disclosure laws be made before the 2011 general local elections.

*Recommendation: No Recommendation*

*Resolutions Committee comments:*

*The Resolutions Committee advises that the UBCM membership has not previously considered a resolution calling for amendments to the Local Government Act and Vancouver Charter to amend the definition of “campaign organizer” to apply explicitly to the provisions of Part II Other Voting.*

*The Committee recognizes the importance of transparency and accountability in referenda and “other voting” processes; however, the Committee wonders about the implications of additional disclosure laws on the capacity of local government staff when administering such processes.*

#### 2009-B104 Limits on Campaign Contributions and Expenses

WHEREAS the funds used to campaign for elected office have grown exponentially by both elector organizations and individual candidates, thereby potentially limiting the ability of many citizens to run for office;

AND WHEREAS some contributions to campaigns for elected office in Vancouver were received from outside of Canada during the 2008 general local elections;

AND WHEREAS the Premier, during the 2009 provincial election campaign, stated that he is waiting for the Union of British Columbia Municipalities to make a request on campaign contribution reform before taking action:

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THEREFORE BE IT RESOLVED that the UBCM petition the provincial government to amend the *Local Government Act* and the *Vancouver Charter* to:

- set limits on the annual amount of contributions that can be given by an individual or organization to an elector organization, campaign organizer, or an individual seeking elected office;
- limit the amount of money that may be spent annually by an elector organization, campaign organizer, or an individual seeking elected office during a general local election campaign; and
- disallow contributions to an elector organization, campaign organizer, or an individual seeking elected office, from sources outside of Canada;

AND BE IT FURTHER RESOLVED that any amendments to the disclosure laws be made before the 2011 general local elections.

*Recommendation: No Recommendation*

*Resolutions Committee comments:*

*The Resolutions Committee advises that the UBCM membership has not previously considered a resolution calling for amendments to the Local Government act and Vancouver Charter to:*

- *set limits on the annual amount of contributions that can be given by an individual or organization to an elector organization, campaign organizer, or an individual seeking elected office;*
- *limit the amount of money that may be spent annually by an elector organization, campaign organizer, or an individual seeking elected office during a general local election campaign; and*
- *disallow contributions to an elector organization, campaign organizer, or an individual seeking elected office, from sources outside of Canada.*

*The Committee notes that spending limits exist for political parties and candidates in both provincial and federal elections.*

## **[Previous campaign finance resolutions endorsed by UBCM](#)**

### **1994 A 16 Local Election Campaign Contributions**

WHEREAS Canada is the only modern industrialized society which does not allow donations for local election campaigns to be eligible for tax refunds as is the case at the provincial and federal level:

THEREFORE BE IT RESOLVED that the Union of BC Municipalities request that the provincial and federal governments amend legislation to make donations towards local election expenses tax deductible as per federal and provincial practice.

### **2003 B 56 Tax receipts for local election campaigns**

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THEREFORE BE IT RESOLVED that the Union of BC Municipalities lobby the provincial government to allow tax receipts for candidates who run in municipal elections, similar to that provided to candidates who run provincially or federally.

## **2000 A5 Anonymous Election Advertising**

WHEREAS during the most recent municipal election some communities had anonymous election ads placed in local newspapers;

AND WHEREAS without the identity of the sponsors in such ads the electors may have been unable to obtain additional relevant information:

THEREFORE BE IT RESOLVED that the UBCM request the Minister of Municipal Affairs to review the Local Government Act to address the issue of anonymous election advertising.

## **2000 A6 Election Campaign Accounts**

WHEREAS Bill 88 enacted wide-reaching changes to the Municipal Act, including the elections provisions which applied to the 1999 General Local Elections;

AND WHEREAS in rural areas of the Province, the positions for elected office are frequently filled by acclamation;

AND WHEREAS in rural areas of the Province, it is not unusual for election campaigns to be conducted on a "zero" dollar expense basis:

THEREFORE BE IT RESOLVED that UBCM request that the Local Government Act be amended so that a candidate need not open a campaign account if the candidate declares that he or she will not be accepting campaign contributions, and where there is no campaign account, to remove the requirement to pay all campaign expenses from such an account.