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**Official Report
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Monday 11 July 2016

**Journal
des débats
(Hansard)**

Lundi 11 juillet 2016

**Standing Committee on
General Government**

Election Finances Statute Law
Amendment Act, 2016

**Comité permanent des
affaires gouvernementales**

Loi de 2016 modifiant des lois
en ce qui concerne
le financement électoral

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES**

Monday 11 July 2016

Lundi 11 juillet 2016

The committee met at 0900 in room 151.

**ELECTION FINANCES STATUTE LAW
AMENDMENT ACT, 2016
LOI DE 2016 MODIFIANT DES LOIS
EN CE QUI CONCERNE
LE FINANCEMENT ÉLECTORAL**

Consideration of the following bill:

Bill 201, An Act to amend the Election Finances Act and the Taxation Act, 2007 / Projet de loi 201, Loi visant à modifier la Loi sur le financement des élections et la Loi de 2007 sur les impôts.

The Chair (Mr. Grant Crack): Good morning, everyone. I'd like to call the Standing Committee on General Government to order. I'd like to welcome all members of the committee—

Mr. Steve Clark: Hello, Chair. Nicely timed.

The Chair (Mr. Grant Crack): Thank you very much—and support staff and all our guests who are going to be appearing this morning. Again, it gives me great pleasure to welcome you back here to room 151. We have a full agenda today.

MR. JEAN-PIERRE KINGSLEY

The Chair (Mr. Grant Crack): It gives me great honour to welcome a gentleman who has roots in Glengarry–Prescott–Russell, Jean-Pierre Kingsley. He was Chief Electoral Officer of Canada from 1990 to 2007.

Just to let you know, you have up to 20 minutes for your presentation, followed by up to 40 minutes of questioning by members of the committee. All members after that, I believe, have 10 minutes for their presentation, followed by 15 minutes of questioning by members of the committee.

Having said that, we welcome you, Mr. Kingsley. You have 20 minutes.

Mr. Jean-Pierre Kingsley: Thank you very much, Mr. Chair. Good morning, everyone. My remarks will take about 10 to 12 minutes at the most. At least, at this time, I think that is what it is. I haven't practised it, but that's what I think.

I wish to express my appreciation to the committee for the opportunity to comment on Bill 201, dealing with money in politics in Ontario.

I've appeared before different bodies and jurisdictions in Canada and other countries, including the US and the UK. However, this is the first time I do so in my home province, so it's with particular pride that I do that. I am from Lowertown Ottawa, born there and raised there, with roots, as you said.

I must commend you, as well, as I did your federal counterparts last week when I appeared before them dealing with electoral reform, for sitting during summer. I know what it is to lead a politician's life. I haven't led it but I was close enough and I know how difficult that is, how burdensome it is, so I commend you for doing that.

Bill 201 is a very good piece of legislation dealing with the toughest nut to crack in all electoral democracies: money—money for campaigns, money for political life between campaigns, for parties, constituencies, associations; the toughest nut to crack.

Established democracies, newly emerging democracies—well, for newly emerging democracies one rarely sees anything about money. For established democracies, the most established ones still are groping with this issue—the UK, France; I mean, you name them. I won't even mention the US. The fact that we in Ontario are doing so is most appreciated.

It is a topic, by the way, on which I'm regularly invited to speak: the Canada experience in political finance, especially the federal one, obviously. Quebec was the first jurisdiction in Canada to establish a thorough political financing regime when René Lévesque was the Premier. He decreed, the government decreed—the Parliament, the Legislative Assembly or the National Assembly of Quebec, I should say—that only individuals residing in Quebec could contribute money up to a reasonable ceiling to political parties and to candidates—not unions, not corporations, not associations and not groupings of people.

The reasoning is simple. Elections are about electors choosing their representatives, not unions choosing their representatives, not corporations choosing their representatives—Canadians choosing their representatives. The constitutional right to vote applies to citizens.

I was the CEO, Chief Electoral Officer, at the federal level when similar legislation was passed by the Chrétien government in the wake of the sponsorship scandal. This is where this started, at the federal level. My office worked closely with the government and with the Department of Justice in the conceptualization and the drafting

of the legislation, and with the committees of both the House of Commons and the Senate, to make sure that everyone understood what it really was all about.

Much of this bill, Bill 201, reflects the provisions that are contained in the Canada Elections Act. I've already dealt with the complete ban on corporate, union and association contributions. I know that your text does not talk about associations, but this is obviously what is meant when only individuals can contribute to political parties, candidates and constituency associations. Those organizations already enjoy ample opportunities to be heard by elected representatives and by the government—the Lobbyists Registration Act attests to that—as does the third-party regime under the elections act, which you are obviously revamping at this time. So that's how corporations, unions and others have more opportunities, because of their importance, to reach out to elected people beyond and over and above elections.

With respect to contribution limits—and I'm talking about different provisions of the bill—one difference with the federal experience relates to the two instances where the federal maximum contribution of \$1,550 is effectively doubled: when it's dealing with more than one candidate of a party, and when it is dealing with more than one constituency association and nomination contestant of a party. This doubling is a provision that does not exist at the federal level. For leadership contests, which allow a candidate to contribute up to \$25,000, which is the same as the federal level—this is to allow, initially, to launch one's campaign—you might wish to consider any surplus in the contributions in that campaign to be applied against the candidate's initial contribution of \$25,000 instead of going to the party at the end. This is not a major point, just a matter that I thought I would raise with you, because \$25,000 is a lot of money, and if there's a surplus, people might wish to consider it fairer, because the normal limit is \$1,550—maybe double for certain instances.

Under Bill 201, the campaign spending limits are being maintained at their existing levels, and I think that is a good thing, because through their elected representatives, through you, Ontarians have said, "We agree that the monies you've put in these initially, for these limits, is enough for you, the political parties, to run your campaign and to get your message out. There's enough money there." This has been borne out through experience. We've had many elections with these limits, and therefore I agree with the bill's provision that they be maintained.

That brings me to the provisions dealing with the significant increase in the ceilings on expenditures during the six months before the launch of an election. This is \$1 million in advertising by political parties and \$600,000 for third parties, including \$24,000 per riding. This will apply for the six months before the launch of a fixed-date election. The first thing to consider is that the money will not be spent evenly over the six months. You're not establishing a monthly ceiling; you're establishing a six-month ceiling. Most of it will be bundled in the last month by most of the intervenors.

This is natural, because the closer you are to the election is when you want to do your advertising, unless you've been involved in a more regular campaign. That, in my mind, makes them quite problematic. The idea that had the six months for the rules to kick in is excellent. We saw what happens when this doesn't occur at the federal level during the last election, where the amounts of monies were more than doubled because the election was officially launched earlier than the 37 days. I've recommended to the federal government that the six-month period apply, which it does not at this time.

0910

So the idea here is excellent, but as for the additional money during those six months to all the intervenors—political parties and third parties; candidates don't exist at that time—I would suggest to you that either one favours granting no money whatsoever and saying the limit that you have for the campaign, which Ontarians have said is enough, applies for the six months before. You want to start campaigning before? Go ahead. You're caught with your ceiling. Or at best, or at worst, double the amounts that apply during an election campaign period, no more than that, so that third parties would wind up having \$200,000 for the whole six months plus 30 days, and political parties would have—instead of the doubling of the amount, the \$1 million would be reduced by five-sixths, which was your intention for a monthly allocation.

With respect to the definition of "collusion," one may wish to add, for greater certainty, that it includes the circumstance where a third party retains or benefits from the services of a person associated with a political party through present or past membership or a contractual arrangement of benefit to him—that that be included, that that be considered collusion immediately. If one demonstrates that, that is collusion. That is in line with a recommendation from my friend and colleague the Chief Electoral Officer of Ontario.

The per-vote subsidy, by the way, which was killed at the federal level—most unfortunately, in my view—constitutes, obviously, from what I've just said, a very positive initiative. Not only will it diminish the significant drop or work against the significant drop or palliate against it in contributions that are above the new ceiling and from banned sources, it will allow parties to count on a regular source of revenue for four years. You, as a political party, will know, "At least I've got this much for each year, for the next four years," assuming one is bound by the legislation, at least the legislation for the four-year phase in which the election takes place.

The parties will then be able to make preparations, to organize for the next campaign and, more importantly, to carry out policy analysis and policy development in accordance with their way of thinking at a planned and sustained level. This is an element which I think was lost by abolishing it at the federal level. The parties then depend on the ebb and flow of contributions coming in because there is no other source at that time.

Now, one comment I would make is that I found no indication, however, of how the \$2.26 for the initial year

per vote was determined. I don't know how it was determined that that would be reduced to what it is. Eventually it will be reduced after four or five years for a review by this or another committee.

As for the public—and I think this is an important consideration—this subsidy, this amount of money, constitutes an investment in the integrity of their elections. We're here because we want to establish and maintain the integrity of our elections. That requires public participation because we're addressing a public concern. The per-vote provision, which is what is tied to the subsidy, reflects the will of the people as expressed at the polls. They're the ones who said that so many votes go to this party. For these two reasons, there is solid reasoning for explaining this to Ontarians.

With respect to the new provisions concerning third parties—the registration of them; the names of the people who are organizers; the name of the third party would be tied to the ad; the reports on contributions, therefore the openness—all of this is most welcome and something that is essential if we're going to have free and fair elections.

I will say one thing—this is, again, a small point but warrants some consideration: Some third parties are not just one union or one corporation. They form themselves in order to attack a particular issue or to favour a particular issue, and they go out and they raise funds. I'm suggesting to you that if this is surplus, because there's a limit on what they can spend, if they pick up more money, then the money should be returned to the contributors pro rata. If I gave \$100 and only \$50 of it was spent because of the ceiling, then \$50 should come back to me from that organization, because it will disappear. Otherwise, what you will have is people creating these organizations and absconding with the funds at the end of them. As I say, it's a small matter to put in a bill, but I think it would have some importance in protecting the public who feel strongly about a particular issue and will contribute to a particular cause.

With respect to the definition of political advertising by third parties, the proposed alternative by the Chief Electoral Officer of Ontario warrants your very serious consideration, as it would apply year-round and require transparency. This is different from the issue-based federal approach, but I would favour it for inclusion in the bill because it is different and it goes a long way towards freedom of expression being respected. But I leave it up to the committee, obviously.

With respect to loans, I've also noted that in the bill you allow financial institutions and individuals to make loans to leadership candidates and so on and so forth. I would suggest to you that you very seriously consider only financial institutions, because what do you do if the loan cannot be repaid to the individual? The maximum contribution is \$1,550. What happens to that person? That dilemma was lived at the federal level. The legislation was not clear; there were no prosecutions. But you have the opportunity to head that off. The one way is not to allow individuals to make loans beyond the \$1,550 that they are able to give during a candidacy.

With respect to volunteer labour, and I know this is an issue that has been raised before, I would recommend that the statute make it clear that there has to be evidence—that for the person who volunteered of his own accord, there's documentary evidence, if there is holiday time, that it is holiday time, that it is not a corporation or a union paying the person's salary while they are doing the work. They would have to demonstrate with documentary evidence that they were on their own time. One has to be very careful about special holiday time during campaigns.

Lastly, I would also recommend that you include travel, research and polling as expenditures that work against the ceiling, as is recommended by the Chief Electoral Officer of Ontario.

Those were my initial comments, Mr. Chair. I'm open to a discussion with the members and with you.

The Chair (Mr. Grant Crack): Thank you very much, Mr. Kingsley. I appreciate your comments.

I'm going to try to equal it out to about 13 minutes apiece. We'll start with Ms. Hoggarth.

Ms. Ann Hoggarth: Thank you, Mr. Kingsley, for your presentation. Your expertise is welcomed at this table. Our government is committed to working with everyone—all parties, stakeholders, experts and Ontarians—to transform the political system so that money is not what controls who is elected.

Our legislation seeks to ensure that more diverse voices will be heard during the election process and before the process by placing limits on how much parties and third-party advertisers can use. It's just a starting point, this bill. We are looking forward to working collaboratively with everyone to strengthen this proposal.

According to a 2015 article on InsideToronto.com, it stated that you supported GreenPAC and, specifically, its goals to implement third-party spending caps and disclosure obligation, in effect at least six months prior to an election, I think. Can you discuss how you believe the proposed legislation addresses this problem and your rationale for supporting limits on third-party and political advertising preceding an election?

0920

Mr. Jean-Pierre Kingsley: As I indicated in my remarks, money is the toughest nut and, as you yourself indicated, money is essential. Let's face it. That's why I agreed that the limits that have been set are okay. This is what you've lived with. That's why I'm saying, is the \$2.26 sufficient? Because if parties don't have enough money, it creates a problem in our system. Democracy is not well served.

The whole idea here was that we had lived through the 2015 general election at the federal level and had seen all of the ceilings more than doubled because the electoral period was set approximately 40 days ahead of the normal amount of time. What I found offensive about that was that the electoral period is supposed to be the electoral period; it's not supposed to be occurring before. What I also found offensive was that it created a lot more money in the system. People who were already planning

on spending a certain amount—parties, candidates—all of a sudden might be facing an opponent, either as a political party or as a candidate, that would have double the chance that they had because they had only picked up enough money to live within the ceiling. So those parties, those candidates that, by whatever means, had more money were favoured because—and I've heard the argument before—it doesn't matter how much you advertise, people advertise because it pays. There's not one car manufacturer that puts out an ad because "I'm a nice guy"—not one of them. And they're not doing it so that they can bring me the latest program. They're doing it to sell me a car. And I recognize this; that does not create a problem for me.

But, as I was also saying to you, the provisions that are in this bill go too far, in terms of the amounts of money. I agree with going back six months. Six months is a good time. I was recommending either four or six; six is good.

I'm also saying that the limits that are set for the official campaign, either they apply for that whole six months as well and you're melding—it becomes a seven-month campaign, end of the issue. Or else, at best, you only take a fraction, one sixth of what is being proposed, and add it to the totals, so that they can spend one sixth of what is proposed in the bill, one sixth of \$1 million, or one sixth of \$600,000 for third parties, and that's what they would be able to spend. I prefer nothing, but that's me. I think the other one would do well because most of it will occur during that last month anyway. As I'm sure, if we were able to tell how political parties spent monies at the federal level, in the campaign—and by third parties—one would see that most of it probably occurred just close to the start of the official campaign.

Ms. Ann Hoggarth: Okay. I know that during your term as the Chief Electoral Officer of Canada, the federal government implemented some of the things that we're talking about: donation limits; banned corporate and union donations. After the changes to the federal laws, do you remember how many individuals donated over the new limits?

Mr. Jean-Pierre Kingsley: I can only think that there were just a very few that donated over the limits once they came in because there were advertising campaigns. Political parties knew what the new limits were and they would not accept a contribution that went beyond that. Some people may have inadvertently given to two candidates without realizing that the ceiling applied. This is where a certain amount of understanding has to come in. You don't expect candidates to be sharing immediately, even within the same party, "These are the people who gave to me." So that may have occurred, but it wasn't a major issue. I don't remember it as a major issue at all.

Ms. Ann Hoggarth: Could you tell me how it compared to the years when there were not changes to the donation rules?

Mr. Jean-Pierre Kingsley: I'm sorry, I'm not getting it. How many—

Ms. Ann Hoggarth: How did that compare to a previous year when there were not changes to the donation rules?

Mr. Jean-Pierre Kingsley: Well, when there were no rules, there was no one exceeding the ceiling, obviously.

Ms. Ann Hoggarth: But it did cut down on—

Mr. Jean-Pierre Kingsley: Oh, it did. You see, what we did—and this is what I meant when I said that we worked with the government and with the parliamentary committees—what Elections Canada did is that we looked at the full electoral cycle and looked at all of the contributions that have come in to candidates and to parties.

All the contributions that exceeded the ceiling proposed by the government: We excluded that from those amounts. The amounts that came from unions and from corporations and from associations: We reduced that as well, because no one is going to be able to give anymore.

We looked at that amount. That's why we wound up with the equivalent of \$1.50 per vote—because we looked at the vote and we said, "This is probably the formula that people will accept. This is what the government was discussing with us." It was \$1.50. The Prime Minister at the time took that to his caucus and the caucus said, "Make it \$1.75." So that's why it was \$1.75 that was set in the legislation.

I don't disagree with that, but I'm saying to you that this is how it was so that the parties could be held relatively harmless. That's why, if I remember correctly, all three major political parties accepted that at the time. I can't swear to that. I don't remember that in detail. But it was the rationale for establishing the amount per vote that was going to come in. It was to hold the political parties harmless to the fullest extent possible.

There was no guarantee. There is no guarantee that someone who has been giving you \$50,000 a year before as an individual will now give you \$1,550. He may feel that it's no longer worth his while. But there was no way that we could know that.

Ms. Ann Hoggarth: My last question is, what proactive communications should parties and Elections Ontario look at to educate voters about the new limits?

Mr. Jean-Pierre Kingsley: Obviously, a lot of it has to come through political parties. At the next election, if the legislation is in place—which it should be—political parties and candidates have a lot of responsibility here.

But also, as Chief Electoral Officer, I remember putting out ads touting the new limits and making sure that people knew. This was 2004, so it was mainly newspapers. There were some television ads, as well. But now that we live, as I said before, at the end of this gizmo and the young people live here, I think that more has to be done to reach out to people through the means that they actually use right now for all ads, whether it's this or anything else dealing with elections or any major changes in the electoral system.

Ms. Ann Hoggarth: Thank you very much.

Mr. Jean-Pierre Kingsley: A pleasure.

The Chair (Mr. Grant Crack): Ms. Wong, you have about five minutes.

Ms. Soo Wong: Five minutes? I've got to talk really fast then. Thank you, Mr. Chair.

Good morning.

Mr. Jean-Pierre Kingsley: Good morning.

Ms. Soo Wong: I know that you have touched upon some of the questions that I would ask in your presentation, Mr. Kingsley, so I want you to elaborate on some of your comments.

As a former Chief Electoral Officer for the federal government, I wanted to hear your opinion with regard to the unions setting out to deal with the campaigns. In your opinion, how do you enforce this? I know that in your comments you talked about the fact that you don't believe that the union should be compensated by the union in terms of working on a campaign. But how do you enforce this?

Mr. Jean-Pierre Kingsley: Well, you wait for the complaints. A candidate or a political party that benefits from labour like that: This becomes known by the opponents. That's where we've got complaints.

We don't set out to do this. We did provide publicity and instructions to different intervenors, which would include unions, but we don't know which ones want to intervene or not and which ones will want to support that.

Frankly, we didn't go out and police this. It's something that came our way when your opponent would complain about you or you would complain about your opponent, because you would see this person or your people would see this person working for another campaign and you would say, "Jeez, that person is so-and-so from that union or so-and-so from this bank." That's how we would then investigate and find out if there is documentary evidence.

We also require documentary evidence, by the way, from political staff. Political parties have political staff and candidates have political staff. We require documentary evidence that this person was actually taking his or her holidays in accordance with the rules, the human resources rules of that office, so that when there was a complaint, that's what we would be looking for. But we did not seek out. Did we look at every campaign? Not at all. Did we look at who's working for this party or that party? Not at all. That's not necessary. There's a good check and balance through you.

0930

Ms. Soo Wong: Time is limited. I have more questions, but I want to focus on the issue of the per-vote allowance.

I wanted to get your opinion with respect to the per-vote allowance piece. As you heard, Ontario is proposing the per-vote allowance at \$2.26 per vote. It's meant to help parties transition to the new fundraising rules. This amount will be reduced by 25% over five years and then reviewed. In your opinion, is this proposal too high or too low, and why?

Mr. Jean-Pierre Kingsley: With respect to the adequacy of the amount, whether it's too high or too low, I

would have to see what kind of exercise was done, because I don't know what that was.

What I find surprising is that the amount is reducing so rapidly. If the \$2.26 is what is warranted, why would one assume that that should fall so rapidly—to I think it's \$1.13 or something like this—after so many years? I'm wondering if the parties are not being squeezed unnecessarily and with great difficulty.

It's not evident that more and more people would want to contribute to you because you now have less leeway in picking up money. It's going to be hard to rationalize that with people and say, "You should give because the unions no longer give. You should give because corporations no longer give." This is a pattern. People give to parties and candidates as a pattern.

I can't comment beyond that about the adequacy of the amount. I saw nothing to justify \$2.26.

Ms. Soo Wong: Okay. Just to further elaborate on your comments, should the per-vote allowance be made permanent or only be temporary?

Mr. Jean-Pierre Kingsley: Oh, I think it should be made permanent. The amount that that should be set at is something that has to be arrived at to equate to what has been taken out of the system. But I think it should be permanent because what I said about what parties need for permanent financing—this is something that is innovative in Canada. It sustains political party life. This is an essential element. Healthy parties are good for democracy.

The Chair (Mr. Grant Crack): Final comment.

Mr. Jean-Pierre Kingsley: Okay. That's it.

Ms. Soo Wong: Thank you.

The Chair (Mr. Grant Crack): Thank you very much. We'll move to Ms. Fife.

Ms. Catherine Fife: Thank you very much, Mr. Kingsley, for being here this morning and for sharing your thoughts on Bill 201.

You will know that we're here primarily because a very direct connection was drawn between government policy and folks who were donating to the government, to the Liberal Party. So our work here—the electoral officer has challenged us to put the elector at the centre and to bring forward some rules that will actually instill some confidence back into the electoral process.

To that end, though, we see some major loopholes in this piece of legislation, everything from conflict of interest to disclosure to potential collusion as well. One of our key concerns, which we have heard, is around the imbalance of power. I think that's what we're talking about in going forward and how we have to try to right that balance. This primarily is around the stipulations and the restrictions around issue-based advocacy. Groups that are coming forward who have concerns on autism or environmental issues or wind farms, what have you: This piece of legislation severely restricts those voices and their ability to publicly criticize the government through advertising.

The electoral officer in his report stated, "What separates issue advocacy and political advocacy is a line in the sand drawn on a windy day." That's from a United States

Supreme Court finding on this very difficult issue. He contends, “During an election, it is impossible to make a principled and consistent distinction between what is campaign advertising and what is issue-based advertising.”

You had referenced the six-month period prior to an election. The electoral officer has recommended that the definition of political advertising proposed in the bill apply only during writ periods, not during that six-month period prior. In other words, it would not apply prior to a general scheduled election.

He also says that he sees this bill, therefore, as inevitably requiring that Elections Ontario regulate issue advertising. I’m not sure if you are aware of the changes that the government has made on the other side through the Government Advertising Act. In 2015, the Auditor General said that they gutted that act, and we have seen more and more partisan advertising in the province of Ontario.

So you have Bill 201, which potentially would restrict the voices of citizens versus government advertising, which really gives great leeway and flexibility on the definition of “partisan.” What do you think? How does that impact the issue of confidence in our electoral system?

Mr. Jean-Pierre Kingsley: I attribute a lot of importance to the right of third parties to participate in the electoral process. There’s a lot of importance, in my mind, to third-party advertising, but the limits that were set, the conditions under which they were set—everything was approved by the Supreme Court of Canada. There was a challenge by the National Citizens Coalition that worked its way through the courts, and the Supreme Court said, “These amounts are very good.”

In terms of the amount for Ontario, it amounts to about 40%—which is the population of Ontario—of the federal ceiling. In terms of that ceiling, I think that is well protected by the Supreme Court ruling, as it is at the federal level.

I said that what the Chief Electoral Officer of Ontario recommended warranted your serious consideration—because I liked the fact that there’s also advertising between elections. There are not going to be controls on the amounts by them, but it will deal with political parties and with leaders, and people will know who’s involved. During the electoral period, it’s another matter.

I alluded to the fact that the issue-based approach also warrants consideration. It’s more difficult, but it is not impossible. This is something the committee will have to weigh.

In terms of government advertising, what happens at the federal level—and I’ve recommended through the media that what I’m going to say also applies to the six months before a writ—is that government advertising be suspended unless it deals with public health, public security or a time-sensitive announcement; in other words, “You need to apply for this benefit by this date or you’re not going to get it.” Those were the three main grounds at the federal level where advertising by the government was prohibited by rule, not by law, and this was respected. But I recom-

mended that this also apply to the six months before, and I would recommend the same thing here.

My personal view is that there should not be any government advertising at any time unless it fits one of those three rules. But that’s me, and—

Ms. Catherine Fife: So that would be one of your recommendations to this committee?

Mr. Jean-Pierre Kingsley: Well, I would certainly recommend that you consider it seriously.

Ms. Catherine Fife: Manitoba does that, as well. They do not allow any government advertising during an election period.

Mr. Jean-Pierre Kingsley: This would also apply to agencies of the government, by the way.

Ms. Catherine Fife: As it should.

Mr. Jean-Pierre Kingsley: Yes.

Ms. Catherine Fife: Just to clarify: The electoral officer recommended to this committee around three policy objectives—and that’s really to respect and level the playing field, which I don’t think this act does right now, and that’s to strike a balance between the competing concerns of freedom of speech and electoral equality. That’s sort of where we’re going.

This is only at first reading, so we have the ability to amend this piece of legislation extensively and, certainly, we’re going to try, but it is a majority Liberal government. We’re going to do our best, though, to respect the voices that we hear throughout the committee.

One of the key pieces for us, which was touched on, is the monitoring and oversight of any legislative changes that we do make. Part of that process relies on disclosure of donations. We haven’t heard too much about this, but as you know, the new donation cap is \$7,750 in an election year, with \$6,200 of that going to candidates if there’s a by-election, and constituency associations or nomination campaigns.

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The issue is that, for that \$7,750 contribution, we’re sort of trying to get to the point of, what would the real-time disclosure be? Perhaps we could learn from the federal government, because I think it’s important for us to track very closely which corporations and which unions are meeting with cabinet ministers, for instance, and how much they have donated. So can you speak to the importance of disclosure, particularly around the issue of real-time?

Mr. Jean-Pierre Kingsley: Okay. I will reiterate what I said during my presentation: You’ve effectively doubled the maximum that exists under the federal statute by making it \$7,000-whatever and by including different bodies. I won’t repeat what I said.

With respect to disclosure, what you will learn from the federal government, unless things have changed, is that disclosure is late on contributions. We should have a quasi-daily disclosure during electoral periods. We could have very tight, cyclical disclosure. I would almost say this with regret, but this is not hard to achieve. Just put it on the Web as it comes in. Obviously, it requires changes to the statute, but this would be helpful for people to

understand what is happening in the game, because then they could relate the information, as you say, coming out of the Lobbyists Registration Act, if that information is being put out rapidly as well. You're reviewing the Lobbyists Registration Act, so it's good that you might consider doing that at the same time. Make both quasi-instantaneous. This is something where the Americans do excel, by the way—probably the only place.

Ms. Catherine Fife: Is that the only good place—

Mr. Jean-Pierre Kingsley: That's about it.

Ms. Catherine Fife: The other issue, of course, is the amount. There is, without exception—including former cabinet minister John Gerretsen, who came to this committee. He reported that the levels for contribution that are outlined in Bill 201 are very high. Like, \$1,550 is still a lot of money to a lot of Ontarians to contribute to a political party. As I indicated, in any given year it could potentially be \$7,750. Would you contend that that's still big money?

Mr. Jean-Pierre Kingsley: I've alluded to the fact that \$7,000 sounds excessive to me.

Ms. Catherine Fife: It sounds excessive.

Mr. Jean-Pierre Kingsley: Yes. The amount, though, of \$1,550 does not sound excessive to me, because in my mind the test here is, does this buy particular access to a party or to a candidate?

Ms. Catherine Fife: And you don't think it does?

Mr. Jean-Pierre Kingsley: I don't think \$1,500 does, not when you have a whole slew of people donating \$1,500. I thought it did when you could give \$50,000. If I were a candidate or a party, that caught my eye, but not \$1,500. I know Quebec has gone with \$100, and you say to yourself, well, they've had to supplement this with a lot more public funding.

Ms. Catherine Fife: Well, we're sort of following in the footsteps of Quebec. There's a reason why this committee is meeting. Quebec had many issues around money for access to governments that was directly tied to infrastructure and construction contracts. We did actually ask research at the last committee to look at Quebec's political contributions, particularly around the matching funding for political contributions. Do you want to comment on that?

I have to tell you that most of the citizens who have come here have said to us that \$1,550 is a lot of money, and the average contribution in Ontario is \$300, so why set the bar so high? And they have strong opinions on the per-vote subsidy as well.

Matching funding: Do you want to comment on Quebec's model? We just got a research study on it.

Mr. Jean-Pierre Kingsley: A significant part of the Quebec problem was not only related to the graft aspects, but was also related to the fact that lawyer firms, contractor firms and associations were contributing by—"lending names" is what the scandal was called in French: "prête-nom." If that had been controlled, if it had been possible to control that—and I think it is possible to control that. Then you may not need to go as far as they went to solve that particular issue. That's my view.

Ms. Catherine Fife: Okay. Thanks very much.

The Chair (Mr. Grant Crack): Mr. Clark?

Mr. Steve Clark: Thanks, sir. It's nice to have you here. I appreciate your comments.

I think Mr. Hillier and I have a number of questions that jump around a bit.

One of the things that we received today was from the Information and Privacy Commissioner about that American requirement that makes folks disclose their name, their mailing address, their occupation and their employer for donations of over \$200. There has been some discussion by deputants about our system including at least the name and the employer. I'd like to hear your comments about the American law with that level of detail versus what's happening in Canada.

Mr. Jean-Pierre Kingsley: Well, the American law is difficult to comment on favourably in one sense because there are so many dark—or black—contributions now that you can circumvent those rules so easily. If you don't want to be known, you just find a way to go with the super PACs and you've got it made.

The whole issue here of having a unique identifier beyond the name is with merit. We have to consider that. I'm a little concerned about revealing the name of the employers. There is something a little bit—that would allow us the same amount of certainty but without having to go through the employer. But the advantage of the employer is that you get to that point about whether or not an employer is effectively getting, "How come all of those people who work for that employer are all contributing to one party?" That type of thing. And you can look into that.

So there may be an advantage in having the employer name as a minimum. I haven't thought through—is there another unique identifier that would serve the same purpose and achieve the same objective? I don't know that.

Mr. Steve Clark: One of the reasons why I asked you that is because of your comments regarding the volunteer labour during campaigns, where you talked about documentary evidence. I've spoken to Mr. Essensa about the amount of complaints that his office gets during a writ as opposed to the amount of complaints that they get outside of the writ. I'd like to hear your comments about how we would set up this protocol with associations, employers and lobbyist firms to provide that documentary evidence well in advance. There are groups, corporations, that have people right on the leadership buses of the leaders during an election. It's well known that there are campaign schools that different associations and unions have during an election.

I'd like to hear a little more meat on the bone in terms of what you think should be put in place for that documentary evidence for labour during an election.

Mr. Jean-Pierre Kingsley: Through your comments, you've come up with more than what I was indicating. I view favourably an initial look at what you're saying. Get these firms whose employees are being loaned on their own time—have these firms report that. It's some-

thing I've not thought of but it's something that should be achievable because there are not that many firms that do it. And if there are, then let them reveal it and then we'll know, and then we'll publish that as well so people will know that these employees are all on their own time, but these are the employers. People will be able to draw conclusions about that.

I had not thought of going that far, but I think it's something that can be easily sustained where we want openness and transparency to apply to a regime. It would be an innovation, one which I think I would welcome.

Mr. Steve Clark: Ms. Fife earlier talked about the advertising. Certainly, there is a chorus of voices out there that suggest that the Auditor General should get back her power to review government advertising. Ms. Fife mentioned Manitoba, where I believe it's three months that they ban government advertising other than in some of your categories that you talked about: public safety and public health. I think they include tenders and employment advertising through some of their government agencies. Again, it's been done in other jurisdictions, so I'm very interested in having you comment about that again—that you don't feel that the six months would be a hardship under those circumstances.

Mr. Jean-Pierre Kingsley: I don't think six months would be a hardship because I don't think it should be a hardship at any time during the life of any government, even between elections. I don't think there should be advertising unless it's for public health, public safety or a time-sensitive issue. As I said, that's a personal view relating to how I feel about how my tax dollars are spent. I see no purpose to it—and that applies to agencies of government as well—unless it really serves a public purpose where that knowledge is important for people to possess.

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I have no problem, when a building is being built, if there's something that says, "This is being built. It's going to cost so many dollars. It will be finished by this date." That's enough. That's all I need to know. As a matter of fact, I wish they would do that.

Mr. Steve Clark: And on that six-month period, you talked about an interesting proposal that I'd like you to speak about again, about this monthly ceiling over that six-month area. I believe you said at one point that for the campaigns you would double it for the 30 days. Can you just reiterate that proposal? Because it is quite different than other presenters that we've heard so far—the limited amount of presenters we've heard from so far.

Mr. Jean-Pierre Kingsley: What I've said is that Ontarians have said, "This is all the money you need"—and you voted this. "This is the amount of money you need to organize yourself and to run a campaign," as political parties. Okay? "We agree with that. You've done it. We agree with that." Just because it's a fixed-date election campaign doesn't mean you should increase that amount; that's what I'm saying, basically. In order to ensure that, make it that the official start of the campaign remains, but six months before that, you apply the rules, and the rules on the ceilings apply immediately, six months be-

fore the official launch of the campaign. And you keep those amounts.

Now, if people feel at the committee that there should be some additional monies, I'm saying make it one sixth the amounts that the bill proposes. That's all I'm saying. So instead of \$1 million for parties, one sixth is enough you will want to add, because most of the advertising will occur during the last month anyway. But I prefer the zero option so that political parties will have to think it through.

You see, when we authorized—when Parliament or the Legislative Assembly agreed to a fixed-date election, we didn't agree that the amount of money should be increased. We just said we wanted a fixed-date election. It's through the workings of a political party, whatever, the fact that we know when the date is, that we started to say, "Oh, let's spend the money before." I'm saying you should be bound by the same amount that was approved for the 30 days of the campaign or the 37 days of the campaign.

Mr. Randy Hillier: Thank you, Mr. Kingsley, for being here today.

You started off your presentation by recognizing the need and the actions that happened with Quebec, and you mentioned that no groupings, no associations, no corporations and no unions can be involved in political contributions and election financing.

You mentioned that this is a very good bill. However, this bill does apply to unions and corporations, but it still permits groupings and group contributions and associations to be engaged in financing of the election process. That's under section 21, I believe. If not today, maybe some other time we can have a discussion about that section, Mr. Kingsley.

But during your presentation—I think Ms. Fife from the NDP mentioned why we're here, and why we're here is the public exposure to what some might call an abuse of political contributions, or activities that appeared to be distasteful, where ministers were inviting businesses and unions who are under their legislative jurisdiction to private fundraisers with significant admission rates.

You've had some experience at the federal level. We want to make sure that the loopholes and the back doors are closed, that there will not be abuses down the road, as much as possible, and that these seedy or shady or distasteful actions are not enabled.

You've said \$1,500 won't buy access, but, of course, this bill allows much more than that. It also allows, through the group contributions, other activities or other loopholes. But also—and I think my colleague here was going on about the disclosure. Without disclosure—and Elections Canada had this experience itself in the courts, of people, corporations or organizations providing money to individuals. It was still corporate contributions, but organizations providing money to others who would then contribute.

So without full disclosure of the employer or the occupation or some other unique identifiers, the back doors remain with this bill. Would you agree with that, that

those back doors are still there? Although it's not \$1,500, there is a level that maybe would be able to buy access.

Mr. Jean-Pierre Kingsley: Quite rapidly, I agree that the amounts you will have to consider—because you're more than doubling the double at the federal level. You're doubling the doubling at the federal level, from \$1,500 to \$3,200. At a moment in time, you start to say, "Is this gaining access?" Because \$7,000 or more starts to pique your curiosity: Who is this person?

What this is really all about is, because we're a sophisticated democracy, because we are a sophisticated electorate, there comes a time when we say to ourselves that something may not be wrong, that there's nothing going on, but it does not pass the test of credibility with the people. That's why we say to ourselves that we have to address these issues to either eliminate the reality or to eliminate the perception.

Mr. Randy Hillier: What about the practice, if you might comment, in some jurisdictions of preventing those companies and individuals who are engaged in a business relationship—preventing those people or individuals or directors or officers of the company from providing or making political contributions individually? We've seen a lot of discussion on this. I think we need to beef up significantly a number of elements of this bill—but those jurisdictions that say, "Mr. Kingsley, you've got a company, you're engaged with contract work, looking for a wind development project or trying to get a new pharmaceutical listed. You can't provide \$7,700, and if you do, we take you out of the running for that contract."

Mr. Jean-Pierre Kingsley: I think the answer to that, in my view, is through the ceiling and not through preventing someone from contributing because they're in a contractual relationship with any organization. How do you interpret that and why should an individual be prevented from having the right to make a contribution just because of the fact that they're president of a union, for example, or president of a corporation? I don't see that. It's an individual right. But I do see the need to look at that \$7,000 ceiling significantly.

Mr. Randy Hillier: What about the practice—and I know federally they have a guideline that lays this out. Ministers of the crown, under the guideline, are not permitted to fundraise directly from their stakeholders. This bill is absent on that. Any comment on the benefit, the value, the merit of preventing ministers of the crown from purposely—even at \$1,500—targeting their stakeholders for fundraising?

Mr. Jean-Pierre Kingsley: That is not an easy issue, I will grant you. That is not an easy issue to resolve. I'm wondering if the lobbyist legislation should be the one to address this more particularly, more directly, so that you can satisfy Ontarians on that front. I'm not sure that it's the Ontario election act that should prevail in this case.

Mr. Randy Hillier: Okay. Thank you very much.

Mr. Jean-Pierre Kingsley: Thank you.

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The Chair (Mr. Grant Crack): Thank you to all members for staying within the time limit. Mr. Kingsley,

we really appreciated you coming before committee this morning. We wish you all the best, and have a great day.

Mr. Jean-Pierre Kingsley: Thank you. I take your wishes for the best. I enjoy that. Thank you for this opportunity. If I can be of further help, don't hesitate to call.

Le Président (M. Grant Crack): Merci beaucoup.

M. Jean-Pierre Kingsley: Merci.

The Chair (Mr. Grant Crack): À la prochaine.

We have, I believe, a former Chief Electoral Officer of Ontario with us this morning, Mr. John Hollins. We welcome you as well to be here watching the proceedings.

Also, before we move to the next one, I'd like to wish our committee member Vic Dhillon a happy birthday. We'll give you a nice card here.

NONE OF THE ABOVE PARTY

The Chair (Mr. Grant Crack): Next we have on the agenda, from the None of the Above Party, Mr. Greg Vezina. He is the leader and president. We welcome you, sir. How are you today?

Mr. Greg Vezina: Thank you very much, Mr. Chairman.

The Chair (Mr. Grant Crack): Good. According to the orders from the House, you have 10 minutes for your presentation, followed by 15 minutes of questioning from the party members.

Mr. Dhillon, to start, comments?

Mr. Vic Dhillon: No, I just wanted to put my name on the list.

The Chair (Mr. Grant Crack): Very good. Thank you.

So again, you have 10 minutes, sir. Welcome.

Mr. Greg Vezina: Thank you very much. Je préfère parler anglais. Mon français n'est pas très bon. I prefer to speak English in this deputation because my French is not very good.

Good morning Mr. Chairman, members of the committee, Chief Electoral Officer and other people present.

I provided the Clerk a copy of a book I wrote in 1993 with John Deverell, former Toronto Star reporter, called, *Democracy, Eh?: A Guide to Voter Action*. This book was endorsed by multiple political parties and leaders from opposite sides: Mike Harris, Julie Davis, Mel Hurtig and Judy Rebick. It was the first political book written in Canada where partisans put aside their partisan beliefs and actually looked at process. Mike Harris's quote was, "Essential reading for anyone who believes that governments no longer serve the people who elect them."

Before we get into the specifics of election finance reform, there is a very important point about the right that Ontario's voters have to decline their ballot. The process for declining your ballot ignores the United Nations International Covenant on Civil and Political Rights, which Canada ratified in 1976, because you must do so publicly at the poll.

Article 25 of the ICCPR gives every citizen the right to vote and the opportunity, without unreasonable restrictions, “To vote and to be elected at genuine periodic elections which shall be by universal and equal suffrage and shall be held by secret ballot, guaranteeing the free expression of the will of the electors;”

But to decline your ballot in Ontario, you must state publicly, “I decline,” when the returning officer hands you your ballot and you turn it back. This means your ballot is not secret; everyone within earshot of the polling station knows you exercised your franchise to not vote, and your right to a secret ballot is lost.

Declined ballots are important enough that they’re counted separately and they count towards the subsidies which mostly go to the major parties. Indeed, if the people who don’t vote went out to vote and declined their ballots, nobody would reach the 15% threshold and get subsidies—very, very few.

In the 2014 Ontario election, 31,399 voters declined their ballots compared to just over 2,000 in 2011. That’s the highest number since it became a legal option in 1975.

None of the Above is a growing worldwide movement that, through various mechanisms, allows voters to protest the status quo and/or vote for candidates they believe truly represent democracy.

In Poland’s 1989 election, voters were allowed to cross out the single candidate’s name on the ballot, often the ruling Communist Party, and they defeated the Prime Minister and dozens of leading Communists.

When people are given a chance to protest, to say they’re upset and that they’d like something different, they show up in droves and they throw out even single-party governments.

In Nevada, the 2014 Democratic gubernatorial primary was won by “none of the above,” out of all candidates. The same thing happened at the Republican primary in 1976.

In 2014, the Supreme Court of India ordered an option of “none of the above” on the ballot based on the United Nations convention for secret ballots. In the first election: 1.1% of the vote.

A NOTA candidate has actually been elected and is serving in Parliament.

In some places, “none of the above” is not a candidate; “none of the above” is a vote for no party and no candidate. In other places, it’s an actual party.

In Ontario, the NOTA Party supports the three Rs of direct democracy:

- citizen-initiated referenda;
- recall or some form of term limits; and
- electoral and legislative reforms to bring about transparency and accountability, including the end of corporate and union contributions and all government partisan advertising.

In our debut election, we received just under 1% of the vote in eight ridings, but 21% of all new votes cast for smaller parties and independents across 107 ridings, and 13% of all new votes cast in the four Mississauga ridings we ran in.

If this bill contains a provision for voters to vote for “none of these candidates,” the None of the Above Party will change its name to something else and allow people a negative option. But there must be one proviso: If “none of the above” wins a riding, then second place doesn’t get appointed; there’s a new election, and no candidate or party that fielded candidates in that election can run in the by-election because they were defeated.

Notwithstanding protestations otherwise, there’s little doubt about the influence of money in politics. The more public funding available and the less corporate and large, wealthy contributors, the more democratic and the less corruption you’ll have.

There have been dozens and dozens of studies. I quote a recent OECD study that studied nine countries and found the same thing. The case studies involved Canada, Chile, Estonia, France, Korea, Mexico, United Kingdom, Brazil and India. It concluded that political finance needs tighter regulation and enforcement and that many economically advanced countries are failing to fully enforce regulations on political party financing and campaign donations or are leaving loopholes that can be exploited by powerful special interest groups. That is the case in this bill, and it has been pointed out. I’ve seen it today.

A similar report by the Australia Institute examined six cases where mining companies made donations to Australia’s major political parties and received favourable legislation for mining projects in the state of Queensland.

Governments in Canada have come to similar conclusions regarding the improper influence of corporate and wealthy donors. There have been changes in federal legislation. Quebec’s response to the findings of the Charbonneau commission was to slash the contribution limit to \$100, establish matching public funds which allocate \$2.50 to the first 20,000 and \$1 for the first 200,000 per party, and cash-for-access events, such as those held in Ontario, are prohibited.

We agree with the Green Party of Ontario’s submission that they like things about the bill, with some revisions. We like some things about the bill. There are some great changes proposed here, and we agree with them on the revisions, certainly, that the legislation should explicitly be clear that paid volunteers are not allowed because that’s a contribution. Any loopholes, as I said, that allow cash-for-access events should be closed. You shouldn’t be able to buy access to politicians. Now, if they want to hold an event and charge you the price of dinner, that’s great. But if it’s the price of dinner plus a political contribution, I don’t think we should do it.

We propose some changes that will deal with some of this. We have our top-10 list. The first is we believe that the maximum personal contribution should be \$1,000. That’s it; no more. That’s 10 times the contribution limit in Quebec. We think the Quebec limit is too low. It prohibits people from participating. So \$1,000 is reasonable.

We’d like to make the tax credits more generous for smaller contributions and less generous for larger contri-

butions. Without going through all the numbers, if you give \$100, you get \$100. If you give \$250, you get \$212.50. If you give \$500, you get \$377. And then if you give more than that, you get very, very little back, so if you give \$750, you only get \$500, and if you give \$1,000, you only get \$85 more. What we want to do is encourage people to make small contributions, in the essence of what we learned from the Bernie Sanders campaign, where he went up against the billionaires and the parties and raised as much money, but raised it through small contributions.

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With that in mind, we think that there should be an anonymous contribution that people can make, up to \$100, on their income tax return, and that the parties don't know who they are, so that people can contribute to the political process and not get on a mailing list, not get inundated with fundraisers and not have who they contributed to published on the Internet. A hundred dollars won't buy any corruption but it will buy privacy and it will buy confidence, so we think that that's an important change. I noticed the discussion earlier about a \$200 limit. If you give a hundred bucks, there's no disclosure if you do it on your income tax return. If you give it to the political party, there's a record.

We think that you should match these special contributions by 100%, to a maximum of \$500,000 for a party and \$10,000 for a candidate, which means \$1 million maximum can be raised this way by a party and \$20,000 by candidates.

We believe that all new or previously registered parties or independent candidates should be allowed to pre-register, the same way that existing parties and candidates are, because under the present system, you can pre-register, the writs drop, and you can have an all-party debate with all the other guys before nominations even open. It's not right.

We think parties and each riding association should get \$1,000 every year for the candidate they ran in the previous election because it costs money to operate riding associations and it costs money to sustain yourself. A few thousand dollars per candidate is not too much to ask so that you don't have to go out and beg, borrow and steal to get the money just to exist as a party or as a candidate.

We think the maximum total annual election subsidy for a campaign and these other subsidies should be \$50,000 for candidates and \$2.5 million for parties, and that the per-vote subsidy should also exist and that it should be at the same limits, so the total would be \$5 million and \$100,000 for candidates. The formula should exist that every cent of it can be raised through contributions or rebates. If you can go out and organize yourself enough, you should be able to fund a \$100,000 campaign without personally paying for it.

We think that now that corporate contributions are illegal, the media giving millions of dollars' worth of free television time to some political parties and not others becomes an illegal contribution. The regulators have ig-

nored this in Canada but I can assure you that you're not going to be able to ignore it for much longer.

The 10% and 15% threshold is unconstitutional. It was ruled unconstitutional by the federal government after the major parties in Ottawa rigged the election laws on a Friday afternoon and prorogued the House. They were found unconstitutional.

The Green Party then went to the government of Ontario and said, "Listen, this is unconstitutional federally. Will you please change the rule?" The government said, "No, no, no. You've got to get a lawyer and sue us. We'll see you in the Supreme Court." He did, and he won.

There is something wrong when you have to sue a government to have a law declared unconstitutional provincially when it has already been declared unconstitutional federally. It's, in fact, an abuse of process to make someone sue you to change the rules. You're supposed to comply with the charter, and all legislation, before it's drafted, is supposed to be vetted to comply with the charter.

We think these changes are absolutely necessary because candidates have a section 3 right to run, and voters have a section 3 right to cast an informed vote. No Legislature can overturn those rights. The rights to freedom of the press, freedom of speech or freedom of association, or any rights in section 2 or sections 6 to 15, can be overturned by Parliament, but the right to run and the right to inform voters cannot be overturned by anybody, and they are overturned on a daily basis in Canada.

Our election commissioners go to other countries to implement election and broadcast rules to make them fair and comply with the UN rules—for example, equal time, not equitable—and yet in Canada, we allow abuses that used to only exist in the Communist Party in the USSR.

Finally, I'd like you to know that I've been fighting this battle since 1981, when I was first kept off a debate when I ran in the first election for the Green Party of Canada. We filed complaints federally and we filed complaints in Ontario with the commission on election finances—I'm almost done—and they ignored us. So we went to court.

A new Premier got elected and disbanded the commission on election finances because of bias. The commission was supposed to have a bencher from the Law Society of Upper Canada named. They refused to name one for seven years before that because of bias of the commission, so the commission was gone.

I have a complaint under the Ontario Human Rights Code over the Whitby by-election, where a debate was held with four candidates, two of whom were sitting local council members in the Whitby town hall council chambers. I filed complaints; nobody cares. Well, I can tell you who cares: The courts of Canada care. It's a conflict of interest for a city councillor receiving a salary municipally, running in a provincial election, to receive a contribution from city hall of the benefit of a debate on city property. It's an illegal corporate contribution.

No contributions that promote or oppose a candidate are allowed unless they're given to everybody else and

declared. We allow millions and millions of dollars in free time given by the media only to major parties. All the other rules that you have don't matter a hill of beans, because the most important event in the whole campaign is the debate, and the second most important event in the whole campaign is the nightly news. When the news starts with "The three parties" and "The three leaders" in every newscast, and the CRTC refuses to enforce the balance and fairness requirements and the requirement that broadcasters enhance the political fabric of the nation, we have become a banana republic. Thank you.

The Chair (Mr. Grant Crack): Thank you very much. We're going to start with Mr. Clark.

Mr. Steve Clark: Thanks, sir. I've never heard you speak before, and you're very passionate, to say the least.

Mr. Greg Vezina: Thank you.

Mr. Steve Clark: I've got a lot of questions about many things, but anyway, I'm going to try to stick to one session.

I don't understand how this \$100 anonymous donation works. I'd asked the question earlier of Mr. Kingsley about the American system, where you can basically search name, address, occupation, employer, and I'm not particularly sure how your hundred bucks would work. I could give it to, let's say, my party, the Conservative Party, but I wouldn't have to disclose it?

Mr. Greg Vezina: You can't give it to the party. It's a checkoff on your income tax return.

Mr. Steve Clark: So you just automatically get a \$100 donation and—

Mr. Greg Vezina: If I could answer? On your tax return, it says, "Do you want to make a political contribution?" Yes. "Name the parties that you want it to go to, one or more, or the candidates of the parties, one or more, or to an independent candidate." And you check that off. That data is held by Revenue Canada, and they give the parties a list of the annual contributions they receive, let's say 90 days, at the end of the tax year, but they don't give the parties the name and the address of the contributor. The idea of this is that you can give \$100 to a political party and nobody gets to know.

We had a \$20 limit for cash contributions that hasn't been changed in, what, 28 years, 29 years? Okay. Well, look: It's a hundred bucks, an anonymous contribution, but it's not anonymous to the regulator. It's not anonymous to Revenue Canada. They'll tell you if all the employees of Del Mastro electric gave \$1,000—and you have a problem with this, by the way, stopping people from giving money to employees to then give it to political parties. It's very difficult to get a conviction for breaking that rule. That's why we said the \$1,000 aggregate limit, because if I have 15 employees and I give them each a \$1,000 bonus to make political donations and don't tell them how to make them, that amount of money isn't going to affect an election. And again, you reach a limit. That's sort of my answer.

Mr. Steve Clark: Any comment on government advertising prior to a writ?

Mr. Greg Vezina: Yes. There shouldn't be any government advertising, period. I was very pleased with Premier McGuinty when he changed the advertising rule. It was a beautiful thing—no partisan advertising, no spending taxpayers' money spreading BS of any kind, good or bad. The only time is emergency management or crisis management—you know, there's a flood, there's this or that. That's different. But no, I don't need you to tell me that the pension plan is a great idea if I can jump over a magic bridge.

Mr. Steve Clark: So you support us changing it back to having oversight by the Auditor General?

Mr. Greg Vezina: I actually wanted no oversight, it's not allowed, period, except for emergencies, except for essential services. Because if it's not allowed, we don't have to ask permission, do we? We don't have to sneak around and get under this. "Okay, we'll use pink and green instead of red, because those aren't our colours. But if you look at it in the mirror sideways, folded over, there's the red. You can find it. It's hidden."

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Look, I've been in this game as long as many of you have, okay? If there is a way to do what we're not allowed to do, we're going to do it, and that's just the truth, all right?

Mr. Steve Clark: Thanks, Chair.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: Mr. Vezina, I'm not sure you needed that microphone.

Mr. Greg Vezina: I'm one of nine kids and deaf in one ear.

Ms. Catherine Fife: One of our challenges here is to right some wrongs that are contained within this bill, to instill some confidence back in the electoral system, and that's very much connected to money, obviously.

Mr. Greg Vezina: Yes.

Ms. Catherine Fife: How did you come up with this \$1,000, that that's an acceptable level? You referenced Quebec, which is \$100. We are looking at Quebec as well because of their matching funding for political contributions. You said something about the \$100 wouldn't buy you corruption, but \$100,000 would prevent it. I just want to get a better sense of how you came up with your numbers, sir.

Mr. Greg Vezina: I don't think that we have to go as far as Quebec, and I'm just being honest here. We didn't have Premier Duplessis and we didn't have an inbred culture of corruption for generations in Ontario. That's the reality. The problems in Quebec were ignored to the point where it was so criminal that people went to jail, much like the province of Saskatchewan under the Grant Devine government.

But it's clear from the OECD study and it's clear from other studies that contributions of \$1,000 or less generally do not influence policy, but contributions of much more than that do; they start to. I don't think it's right to tell someone that they can only contribute \$100. For example, if I'm running, as I did in Whitby–Oshawa, and my personal expenses at the end of the campaign have to

be declared as a personal contribution—well, I got myself in trouble in Whitby–Oshawa because at the end of the day, what ended up as my personal contributions were very, very close to the limit, and I almost went over.

If I can only put \$1,000 into the game and I know I can only put \$1,000 into the game, period, start to finish, for me, I know what I'm doing as a candidate. To go raise money, if I can only ask for \$1,000 total over the period or the year and I know you've already been hit up for \$500 for this—we think it's a reasonable enough number that it doesn't too restrict the ability of candidates to raise money, parties to raise money or people to participate in the democratic process.

Ms. Catherine Fife: Thank you for your comments on government advertising. We have heard concerns. People get angry when their money is being spent. This should apply for all parties and all governments going forward, particularly during an election period, wouldn't you say?

Mr. Greg Vezina: The Ontario government violated the Canada Elections Act by doing partisan advertising during the federal election. I filed a complaint with the Chief Electoral Officer.

Ms. Catherine Fife: Did you?

Mr. Greg Vezina: They ignored me. Unfortunately, there is no obligation on the part of the Chief Electoral Officer to deal with a complaint or to deal with an exigency, although in Ontario there is a provision in the Election Act that allows the Chief Electoral Officer in an exigency to make any ruling he chooses, which cannot be appealed to any court. They don't have that right in Russia for the Chief Electoral Officer. We gave it to ours, but he doesn't use it because he can't be compelled to use it.

Ms. Catherine Fife: You referenced the federal election. Are you referring to the money that was spent on the ORPP advertising?

Mr. Greg Vezina: Yes, and it was during the writ period. According to federal legislation, it promoted or opposed a candidate or party, and therefore it becomes a campaign contribution and an expense. The Liberal Party was over the campaign limit and they got around it—and no regulator will do anything about it, by the way, members here who are not from the governing party.

Ms. Catherine Fife: And you filed a complaint?

Mr. Greg Vezina: Yes, and, “Oh, that's not our issue. We don't deal with that.”

Ms. Catherine Fife: So there's no place to formally address that?

Mr. Greg Vezina: I'm going to court. I'm on the way.

Ms. Catherine Fife: You're on your way to court?

Mr. Greg Vezina: Oh, no, I've got a human rights complaint over this before the Human Rights Commission and I have legal documents that are going to get served in a few—no, no, this is all—no, I've had enough. I've been doing this for 38 years. Do you know how many times I've appeared before legislative committees? I've actually donated this book to this Legislature seven times.

Ms. Catherine Fife: Well, I'll take a copy. Thank you very much.

Mr. Greg Vezina: Thank you.

The Chair (Mr. Grant Crack): Thank you very much. We'll move to the government side. Mr. Dhillon.

Mr. Vic Dhillon: This committee has heard from presenters that Ontario should follow the Quebec donation limit of \$100, with matching public funding. What would this mean for your party?

Mr. Greg Vezina: It's a very good question, thank you. There's a couple of things. Smaller or newer parties can never compete with the major parties. We just can't, right off the bat. That's why we're proposing \$1,000 per candidate that you ran in the previous election and that you can nominate candidates right away for the next election. We propose a regime where there's at least something for a political party to pay a CFO, to rent a mailbox and pay for Internet, that there's some kind of minimum. But to totally tie the funding of small parties to matching contributions—what that doesn't do is ameliorate the discrimination against a charter class. Fringe parties—according to polls, 98% of Ontarians classify fringe parties as a class of citizens. It's covered under the Human Rights Code and it's covered under international law.

Party finance rules under international law do not allow you to favour one party over another, but they do allow you to put in any limits you want. So the answer to your question is, we don't want a regime that's put in place because you think you have to help us. We can help ourselves. We want a regime that allows us to raise enough money to compete if we run in 122 ridings. We don't think the \$100 limit will do it. If you think about what it would take, the reason we used \$1,000 is that there's some magic numbers in here. It takes 5,000 \$100 contributions to reach the \$50,000 limit for candidates. It takes 50,000 to reach it for parties. If your party's got 50,000 contributors, you deserve the matching funding—but only to the maximum point. That's my answer.

Mr. Vic Dhillon: Thank you. The Green Party doesn't have representation in the Legislature but their leader, Mike Schreiner, met with the party leaders. Were you part of that meeting?

Mr. Greg Vezina: We were not invited.

Mr. Vic Dhillon: You were not invited.

Mr. Greg Vezina: We had to sue the Ontario election finances commission to get invited to an election finances commission meeting and we won, but we haven't sued the Ontario Legislature because they haven't let us in to have a say in legislation. Look, it wouldn't be a big deal for when the government did this to invite all the parties. I came anyway and the other party leaders are going to come anyway. But before the bill is even tabled, you don't just invite your friends. And that's what happens, to be honest. All 20 registered, accredited parties should have been invited to make submissions before we got here and then to come back after those submissions were made. I believe that's fair.

Mr. Vic Dhillon: Okay, thank you very much.

Mr. Greg Vezina: Thank you very much.

The Chair (Mr. Grant Crack): Ms. Wong, you have about a minute.

Ms. Soo Wong: A minute. Wow. I'm going to have to speak really fast. Thank you very much for being here today. I just want to get your opinion with regard to the donation limits, especially for independent candidates. As you heard, the proposed Bill 201 sets a limit of \$1,550 to a candidate and a maximum of \$3,100 for all the party's candidates. So, in your opinion, should the proposed limits for independent candidates match those of candidates of parties—a donation limit to \$1,550 for the candidate as well as a maximum of \$3,100 to all independent candidates? Why or why not?

Mr. Greg Vezina: Charter of Rights: Everybody's entitled to equal benefit of the law without discrimination—race, creed, political thought, belief. You can't have a different rule—look, the Supreme Court of Canada said, in Figueroa, that the present political regime we use and the party control of that is not constitutionally protected and that, in fact, challenging it is constitutionally protected. And then we throw up all these barriers to make sure that no independent candidates will get elected, no new parties will get heard, unless you want to run in 35 elections and then you might get a chance. So the answer is that you can't be part equal. We're either going to be fair or we're not going to be. There's my answer.

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Ms. Soo Wong: Thank you.

Mr. Greg Vezina: Thank you.

The Chair (Mr. Grant Crack): Thank you very much, and thank you, Mr. Vezina, for coming before committee this morning. I appreciate your comments.

Mr. Greg Vezina: Thank you, Mr. Chairman.

The Chair (Mr. Grant Crack): You're welcome.

MR. LOUIS KAN

The Chair (Mr. Grant Crack): Next on the agenda, we have Mr. Louis Kan. We welcome you, sir.

Mr. Louis Kan: Thank you very much.

The Chair (Mr. Grant Crack): How are you today?

Mr. Louis Kan: I'm doing very well.

The Chair (Mr. Grant Crack): Good. You have up to 10 minutes for your presentation, followed by 15 minutes of questioning from members of the committee. The floor is yours, sir.

Mr. Louis Kan: Thank you very much. Good morning. My name is Louis Kan. Thank you for the opportunity to speak with you this morning about Bill 201.

A little background about myself: I am a chartered accountant who has served as riding president and CFO, as well as campaign CFO, at both the federal and provincial levels. In addition, I worked at Elections Ontario and managed the election finances branch during the 2003 general election. Finally, I spent almost nine years at CPA Ontario, where I led the publication of the Ontario election auditors' guidelines. My comments will be informed by these experiences and will primarily be

focused on the administrative aspects of the bill, so I hope you don't find it too boring.

Overall, I believe that Bill 201 generally strikes a fair balance by making the individual the primary source of political contributions, while putting in place a transitional funding mechanism that cushions the initial shocks to the participants resulting from some of the proposed changes. However, I would like to bring to your attention the following opportunities for improvement.

My first comment relates to the nomination contests and, specifically, to treatment of surplus funds. Currently, subsection 12.1(7) of Bill 201 reads as follows:

“Surplus funds

“Where, after the candidate is selected for the electoral district, there is a surplus in the funds raised for the purposes of the nomination contestant's campaign, the contestant shall pay the funds over to the relevant constituency association, except that if the nomination contestant is selected as the candidate for the electoral district, he or she may pay the funds into his or her depository for contributions as a candidate.”

I see two problems with this. First, it appears that the nomination candidates who are unsuccessful must—and I read “shall” to mean “must”—transfer any surplus to the constituency association, while the successful candidate is not required to. This seems hardly equitable.

Moreover, the successful nomination candidate may pay the surplus funds into his or her depository for contributions as a candidate. This goes against one of the founding principles of our electoral finance system: that one must only contribute one's own funds. Indeed, this requirement is mentioned several times in this bill and the current Election Finances Act. As currently written, the successful nomination candidate may contribute surplus funds that are not or not entirely the candidate's own and, as a contribution, receive a tax credit receipt for it.

My recommendation is to require that all nomination surpluses be transferred to the constituency association and that none are considered contributions. This is simple and provides a clear trail.

My next comment relates to subsection 30(3), “Guarantee as contribution,” which repeals the current subsection 35(8) of the Election Finances Act and reads as follows: “The amount of a guarantee made by a guarantor who is entitled to make a contribution is a contribution for the purposes of this act.”

I have significant concerns with this section. A loan guarantee is a promise by the guarantor to assume the debt obligation of the principal debtor if that debtor defaults. At the time that the loan guarantee is given, one cannot be certain of the likelihood or the amount of any future default and the guarantor is not required to make any payments. To consider the mere granting of a loan guarantee a contribution, which would again entitle the guarantor to a tax credit receipt for the full amount of the guarantee, appears to confer a benefit that is premature. Moreover, to put my accountant's hat on, the accounting for this may be problematic as well.

I therefore recommend that the current subsection 35(8) of the Election Finances Act, “Payment by guarantor as contribution,” be retained. Under the current subsection 35(8), the guarantor must make actual payments in respect of a guarantee and waives the right to recover the payment from the principal debtor before the amount paid can be considered a contribution. In my opinion, current subsection 35(8) is one of the best written in the act. If the concern is transparency, I would like to point out that the current campaign financial returns filed with Elections Ontario require the disclosure of the names of any loan guarantors and the amounts of the guarantees.

Next, I would like to speak to subsection 21(1), which deals with group contributions and reads as follows: “Any contribution to a political party, constituency association, nomination contestant, candidate or leadership contestant registered under this act made through any trade union, unincorporated association or organization, except an affiliated political organization in accordance with subsection (3), shall be recorded by the trade union, unincorporated association or organization as to the individual sources and amounts making up the contribution.”

This subsection, with wording modifications related to trade unions, repeals subsection 26(1) of the current Election Finances Act. In essence, this subsection allows the initial bundling of contributions by certain groups, such as legal or accounting partnerships or trade unions, but requires that individual sources and amounts making up the total contribution be provided for receipting and disclosure purposes.

I think I can best illustrate my concern with this subsection by putting on my CFO hat. During a campaign, I may receive a large cheque from a partnership. The cheque would be in the name of the partnership, and any fundraising listing would only show the name of that partnership. I may then spend days, sometimes weeks, tracking down the names of the individual partners and the amounts of their contributions in order to issue the individual tax credit receipts and report to Elections Ontario.

The key point I want to make is that this is done after the fact, but the name on the cheque and any possible perceived influence attached to that cheque is that of the partnership or the trade union.

This issue is more pronounced in the case of trade unions since under this bill, trade unions will no longer be allowed to contribute. Allowing group contributions appears to be a case of accepting at the side door what cannot be accepted at the front door. I believe that allowing group contributions goes against the spirit of the bill to limit influence by large entities, and I therefore recommend that subsection 21(1) of this bill and the current subsection 26(1) of the Election Finances Act relating to group contributions be repealed.

Next, I want to touch on an issue that has been brought up by a number of previous presenters, and that is subsection 1.1(b), which continues to exclude as contributions services performed by individuals for political par-

ties, constituency associations, nomination candidates, candidates or leadership contestants while being paid by their employers. Given that this bill proposes to prohibit contributions by unions and corporations, it would appear that allowing 1.1(b) to remain is another case of accepting at the side door what cannot be accepted at the front door, and it circumvents both the contribution and expense limits. Moreover, as this bill proposes to place spending limits on nomination contestants and third parties, the reach and effects of 1.1(b) may grow, creating potential uneven playing fields for even more participants.

To take this one step further, if I were to pose the question of whether the current Election Finances Act allows a corporation or a trade union to hire a group of employees solely to work on a campaign and then to terminate them at the end of the campaign period, the reflexive answer would be no. However, I have not found anything in the act that specifically prohibits this arrangement. I therefore recommend that the committee consider whether retaining subsection 1.1(b) furthers the objectives of limiting corporate and trade union influence, and ensuring a level playing field for all participants.

Finally, I would like to make a general comment regarding our push towards greater transparency and more detailed and near-instantaneous disclosure. That comment is to keep in mind that almost all of the participants in the political process, especially at the constituency levels, are volunteers. I believe it is important to not overburden them with onerous requirements of questionable value that may drive them away from participating in the process.

For example, speaking as a former campaign CFO, the idea, as was suggested at this committee, that there should be almost real-time disclosure of contributions and expenditures during a campaign period would seem to me to add little value and would lead to more mistakes. How does it advance the electoral process to know that a campaign just wrote a cheque for \$400 to Bell Canada or spent \$200 for pizza for its volunteers? I believe a balance must be struck.

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In conclusion, my hope is that when this legislation is passed, it will further promote the public interest by ensuring an equal playing field for both the public and the active participants in the political process and that, years from now, when a new campaign or riding CFO is reading the Election Finances Act for the very first time, it will not be readily apparent to him or her what the makeup of the Legislature was or what party was in power when the act was passed.

Thank you very much. I would be pleased to answer any questions you may have.

The Chair (Mr. Grant Crack): Thank you very much, Mr. Kan, for staying almost exactly within the 10 minutes; it’s much appreciated.

Mr. Louis Kan: Oh, I practised.

The Chair (Mr. Grant Crack): Good. Congratulations. Ms. Fife will start, to the left.

Ms. Catherine Fife: Thank you very much, Mr. Kan, for coming in today and sharing your unique perspective, especially with your experiences with Elections Ontario on the finance side.

We have to find a place on disclosure, and I'll tell you why. On Friday, when we were here talking about jobs, the finance minister was asked a question in the media studio. He had attended a fundraiser the day before, and the media asked him: Was he, as a minister, directly involved with direct finance stakeholders, for the potential of a conflict of interest?

The example that you gave around primarily volunteers in a constituency working on an election—parties would have to do a lot of training, I think, on that. But parties are committed to doing that, going forward, especially if it's in the law. This is what we're trying to get to: following the money, following the access to power and access to government. Disclosure is a key part of that.

I have asked the Chief Electoral Officer for greater clarity around—for instance, in any given year, that \$7,750, how much of that would be disclosed in real time or close to real time, or a reasonable, open and transparent method? There are jurisdictions that can do it. But you've said that there's very little value to that, and that really surprises me—as an accountant—because when you do follow the money, you do follow, sometimes, the real priorities of a government. Can you please expand a little bit on that?

Mr. Louis Kan: Certainly. Let me distinguish between fundraisers of the sort that you mentioned, in terms of a minister holding a high-ticket fundraiser with their stakeholders: That disclosure is being provided to Elections Ontario, which will put them on the website within a reasonable time, usually within weeks. The problem with, if it's to go through the party, not at the constituency level—at the party level, disclosure for fundraisers of the type that you mentioned will be provided to the Chief Electoral Officer within a number of days and it will be provided on the website. The problem one has with the disclosure, to me, is more about the format: that you cannot, like Mr. Morrow did in the *Globe*, directly tie a particular event to disclosure because the disclosure is in alphabetical order, by dates, and you have to do a lot of digging to find that particular disclosure. To me, that's a matter of format.

My point really comes down to the constituency level, where you are, where I am. If I'm a CFO and I'm in the middle of a campaign, I don't think there's a lot of value to disclose, as one of your previous presenters said, within four days any expenditures or any donations that came in to the campaign for that period.

Ms. Catherine Fife: It's almost like you differentiate between the election period and the rules around donations during an election period, which is very different than the collecting of funds through direct fundraising asks, which are sometimes very much connected to policy stakeholders, be they energy or infrastructure. So you would see different disclosure rules for volunteers

working during an election versus outside of that period of time?

Mr. Louis Kan: Well, right now, constituency associations do not have to disclose in real time—

Ms. Catherine Fife: No, but that's understandable.

Mr. Louis Kan: Yes. So my point with real-time disclosure, in terms of the ones that you're talking about, in terms of ministers and stakeholders: I don't think that you necessarily have to have legislation to deal with that. I believe that the government of the day, with the right political will, can, to coin a phrase, just say, "No, we will not have our minister hold fundraising events for stakeholders."

Ms. Catherine Fife: Well, how do you oversee that? We can have a good piece of legislation here, but if there's no oversight and there's no monitoring—

Mr. Louis Kan: Oh, no, I don't mean that. Disclosure will continue. My point is that I really don't have a big problem with the disclosure regime that's in place right now. I think it's more a matter of formats.

The disclosure of fundraisers is not nice and neat. You can't just say, "We had a fundraiser last Friday. These 15 people showed up. They paid \$1,500 each"—nice and neat. They go in, dump it into Elections Ontario, and it gets disclosed a few weeks later. They don't tease it out and say, "Well, these four people went to this event." You can try to match it by the ticket price. But that's the one issue that I have with disclosure, yes.

Ms. Catherine Fife: Okay. That's good to know. Thank you.

The Chair (Mr. Grant Crack): Thank you very much. We shall move to the government side. Ms. Malhi.

Ms. Harinder Malhi: There has been a lot of discussion around setting appropriate donation limits for individuals. Some have suggested that lower donation limits like Quebec's be put in place, whereas others suggest that that has caused a political financing crisis for political parties in Quebec. How do you feel about that?

Mr. Louis Kan: I don't think one can just make a reductionist argument to say that if the limit is lower or higher it will promote a certain type of activity. The reason I say that is that I look around and see in Germany that there are no contribution limits. When I look at Japan, to the best of my knowledge, I believe that the contribution limit is six figures. In France, the limit is considerably higher than what we have in this bill.

I guess the point I want to make is that if you're going to lower the limit, as I said earlier in my presentation, there has to be a compensating system in place to cushion that initial shock, which I think the federal government did over the years.

I guess my answer is that I don't really subscribe to the fact, necessarily, that by changing the limits to a draconian level you are going to eliminate any type of influence, because I think a lot of it goes beyond just the dollars and cents.

Ms. Harinder Malhi: Okay. My second question is around collusion. It has been said that it's really hard to prove the current definition of collusion and to look at

knowledge consented to by third parties in advertisement. What are your thoughts on the current definition of collusion?

Mr. Louis Kan: I think the toughest thing to prove is intent. However, I do think that with the proper tools and the proper definitions, Mr. Essensa and his fine staff will be able to be effective arbiters of that. But again, proving intent is very difficult.

Ms. Harinder Malhi: Okay. Thank you.

The Chair (Mr. Grant Crack): Ms. Hoggarth?

Ms. Ann Hoggarth: Thank you, Mr. Kan, for your presentation. We've heard from presenters who have advocated for the expansion of real-time disclosures, but our committee has also heard from many presenters that Ontario is a leader in Canada when it comes to disclosure of donations to political parties in real time.

What do you think about decreasing the amount of time for real-time disclosure and that it cover candidates and constituency associations? And what kind of impact will that have on the requirements of smaller, volunteer-based riding associations; for instance, of independent candidates?

Mr. Louis Kan: I will build on what I said to Ms. Fife a little bit earlier. There are two pieces to this. The riding association of a party sends the information down to Elections Ontario, and Elections Ontario then puts it on the website. There are two components: the time it takes at the end of a period when we send it to Elections Ontario, and the time it takes Elections Ontario to put it on the website.

During a non-campaign year, I don't find it to be an overly arduous problem because of the fact that now I think most parties, because of the act, have centralized proceedings. To the extent that you can compress the time period and build upon what we talked about earlier, about making it easier to link a particular donation to a particular event, I think that's a good thing.

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But during a campaign period, especially at the riding level, I don't know how much that would add. Certainly, to require real-time disclosure—almost real-time disclosure—at a riding level during a campaign would, I submit, be quite onerous to the CFO, especially those of independent candidates, some of whom do not have the experience or the infrastructure to back them up.

Ms. Ann Hoggarth: So you believe that the 10-day requirement that's already in place is good and that it doesn't need to go to constituencies?

Mr. Louis Kan: If you're going to go to constituencies, my suggestion is you do it after the campaign is over and you may consider compressing that, because right now you don't file the CR-1 until several months after. At campaign level you don't have that. If you want to do that, I suggest you do it and set the time after the campaign is over.

Ms. Ann Hoggarth: Thank you, sir.

The Chair (Mr. Grant Crack): Mr. Hillier.

Mr. Randy Hillier: Thank you, Mr. Kan, for being here with a great presentation. I see that you've spent a

lot of time as a chartered accountant, working for the Legislative Assembly, Elections Ontario, the Auditor General, and that you're also a certified fraud examiner. You have that expertise of searching out activities that are less than professional.

I was very interested that you're the first person that I'm aware of who came up about this section 12.1 on the surplus funds from a constituency and nominations and riding associations, so I think that is an important consideration.

I'm also very pleased to see that you've looked into 21(1) on subsection 26(1) of the act and that it appears it will be allowing or permitting at the side door, as you said, what can't be permitted at the front door, of bundling contributions up under a group, an association, a partnership etc.

There was one other part on that group contribution that I saw and maybe you could comment on it. If the individual contributions under the group contribution are less than \$100, then they don't need to be deemed to be a contribution at all.

Mr. Louis Kan: That's only for the goods and services. It's very important to realize that even if I give a dollar, there must be a receipt.

Mr. Randy Hillier: Okay.

Mr. Louis Kan: The \$100 relates to goods and services.

Mr. Randy Hillier: So under this legislation, an association—I used to head up an association of 10,000 people. We would be able to provide goods and services per individual from that association just less than \$100 and then that would not be deemed a contribution.

Mr. Louis Kan: Yes.

Mr. Randy Hillier: It doesn't sound very transparent or accountable, but it has the ability to be highly effective and influential.

Mr. Louis Kan: I'd distinguish between the example you give and 1.1(b), where you're dealing with "employees" working on a campaign while being paid. That, to me, is more of an issue because the issue that you brought up I rarely see.

Mr. Randy Hillier: Oh, I think 1.1 is a bigger one, without a doubt. Do you have any view as to—I didn't hear in your presentation—paid services, paid labour, such as 1.1, where the employer is paying that person's daily wages and providing them to a political campaign. Are you of the view that that should be deemed as a contribution or just to be disclosed?

Mr. Louis Kan: I think a simple way of doing this, the cleanest way of doing this, is to repeal 1.1(b), and I'll tell you why. When you start saying, "Why don't we count it?"—this bill bans union and corporate donations. The very fact that you're providing it is illegal, never mind the fact that you actually have to have an account for it. So if you're going to say, "We're going to ban union and corporate donations," then the cleanest way of doing it is to remove 1.1(b).

Mr. Randy Hillier: Just remove it. Okay.

There's one other thing. You've been involved in this for a while. We've seen it with the reporting from the Globe and Mail on this: It's very difficult to directly tie events and contributions and who's doing what to who and when. There are all these portions. We do have the information—all that information is at present sent to Elections Ontario—but it's very difficult to actually find it.

What mechanisms can we put in the legislation, or your thoughts—there is a requirement on Elections Ontario to make it fully disclosed. What else do we have to do to make sure that all the information that Elections Ontario collects is also available for anybody to view, and view it in a format that allows for comparative analysis, let's say?

Mr. Louis Kan: As I was saying earlier to your colleagues, what happens is that the submissions—and Mr. Essensa can correct me if I'm wrong—are submitted and done on a time basis. So let's say every third Friday you get a whole dump of information. That could be a cheque from me and you, it could be a cheque from any individual, plus it could be the results of a watched fundraiser. Right now, you don't know within that time period which one is which. If you can somehow get it to a point where the donation is classified by event versus general donation, you would go a long way towards achieving what you want to achieve.

Mr. Randy Hillier: Okay. I think I'm getting the hook from the referee.

The Chair (Mr. Grant Crack): Two minutes for hooking.

Mr. Randy Hillier: Thank you very much.

Mr. Louis Kan: Thank you very much.

The Chair (Mr. Grant Crack): Thank you, Mr. Kan, for coming before committee this morning. It's much appreciated.

ONTARIO NURSES' ASSOCIATION

The Chair (Mr. Grant Crack): Next, from the Ontario Nurses' Association, we have Vicki McKenna, who is the first vice-president. We also have another guest. I don't have your name; I apologize.

Interjection.

The Chair (Mr. Grant Crack): Oh, it's Mr. Walter, government relations officer. We welcome you both to committee this morning.

Ms. Ann Hoggarth: Chair?

The Chair (Mr. Grant Crack): Ms. Hoggarth.

Ms. Ann Hoggarth: Could I ask that everyone use their microphone, please? Maybe it's just my hearing, but I had a lot of difficulty hearing the last presenter.

The Chair (Mr. Grant Crack): I appreciate your comments, Ms. Hoggarth. Just a reminder to speak into the microphone for the purposes of Hansard, and also the committee members as well.

We welcome you this morning, the both of you. You have up to 10 minutes for your presentation, followed by 15 minutes of questioning from the parties.

Ms. Vicki McKenna: Thank you. Good morning, everyone. My name is Vicki McKenna. I'm a registered nurse and I'm the first vice-president of the Ontario Nurses' Association. With me today is Lawrence Walter. He's ONA's government relations officer.

My background in nursing includes many years of practice as a registered nurse at London Health Sciences Centre and most recently in the day surgery/day medicine units with pediatric and adult populations.

As first vice-president, I am responsible for the political action and professional practice portfolio.

ONA is Canada's largest nursing union. We represent over 62,000 registered nurses and allied health professionals, as well as more than 14,000 nursing student affiliates. We provide care in our hospitals, long-term-care facilities, public health units, the community, clinics and industry.

The standing committee has heard from a number of presenters regarding provisions restricting third-party political advertising that are proposed in Bill 201. In addition, the standing committee has received recommendations from Ontario's Chief Electoral Officer to amend the proposed limitation on third-party political advertising in the pre-election period. Today, I'm going to focus our comments on the proposed restrictions in Bill 201 regarding the definition of political advertising and the spending limitations on third-party advertising in the election and pre-election period.

1100

Bill 201 has a significant impact on third parties in three ways. First, the definition of "political advertising" has been expanded to include "advertising that takes a position on an issue with which a registered party or candidate is associated." Second, the bill sets limits on what a third party may spend on political advertising during the election period. And third, it also sets out limits on spending by a third party on political advertising that includes issue-based advertising in the six-month period before the election.

Let's start with the expansion of the definition of "political advertising" to include an issue with which a registered party or candidate is or may be associated. Registered nurses are unique in that the standards of their nursing practice require them to advocate on behalf of their patients. Such advocacy efforts often require registered nurses, and their union on their behalf, to take positions on issues such as funding for hospitals to clinical services, areas that impact the quality of care patients are able to receive. As an organization representing the interests of our members and the interests of their patients, the expansion in the definition of "political advertising" makes it impossible for ONA to have a significant voice in an election campaign, even if that voice is strictly defined around an issue in the public interest, such as funding for public health care, and is carried out in a non-partisan manner.

If an issue becomes associated with a party, it becomes political advertising and not issue-based advertising in the public interest. Often, the full catalogue of

issues with which a party is associated is not introduced until well into the election period. How such uncertainty could be monitored and regulated by Elections Ontario is, in itself, problematic.

As well, ONA is a non-partisan organization and does not provide political funding to any party. However, we are a political organization in that we advocate for issues in the interest of our members' patients, such as public access to public health care.

The expansion of the definition of "political advertising" in Bill 201 means that our voice on behalf of our members will be severely restricted during both election and pre-election periods, unlike the federal election financing framework that does not have restrictions during the pre-election period.

We agree with the recommendation from Ontario's Chief Electoral Officer that third-party political advertising should not include unintended issue-based advertising between elections. But we also propose greater certainty regarding the definition and the timing of issues that are considered as political advertising during an election period.

Our second concern relates to the spending limits for third parties during the election period. Since Bill 201 is modelled on federal legislation, it's informative to make a comparison to the third-party spending limits at the federal level. Federally, third-party spending limits are higher than what's being proposed in Bill 201 during the election period: \$150,000—or \$208,200 inflation-adjusted—versus \$100,000.

While some commentators have made the argument that Ontario's spending limits should be proportional to the federal spending limits, we submit that the spending limits in Ontario should be no less during an election period, given that the advertising markets in Ontario are the most expensive in the country.

As it is, with the expansion of the definition to potentially include issue-based campaigns, a spending limit of \$150,000, adjusted for inflation, will not allow for any significant advertising in some forums during an election period but will allow for other related activities that may be undertaken with a higher spending limit. We submit that the political advertising spending limit for third parties be increased to match the federal limit of \$150,000, adjusted for inflation, during the election period.

Finally, we turn to our third concern. Of most concern to ONA and our members, Bill 201 restricts third-party political advertising in the six-month period prior to the election, including issue-based advertising, while the corresponding federal law imposes no such restriction. It will be virtually impractical to regulate third-party political advertising in the pre-election period, much of which will be undertaken months in advance of any concrete knowledge of issues with which a party or a candidate may associate.

We agree with this assessment made by Ontario's Chief Electoral Officer. As one example, assuming Ontario elections took place in the summer period, the six-month pre-election period may overlap with issue cam-

paigns related to the Ontario budget. We therefore agree with the recommendation of Ontario's Chief Electoral Officer to exclude restrictions on issue-based advertising and spending limits on political advertising in the pre-election period.

To sum up, registered nurses are bound to advocate on behalf of their patients as part of their standards of clinical practice. This requirement for advocacy means that restrictions on issue-based campaigns in the pre-election period are particularly of concern. However, we also propose higher limits for third-party political advertising during the election period if the definition continues to include issue-based campaigns. We also call for greater clarity related to the definition and timing of issues that may become associated with parties and candidates during an election campaign.

Thank you very much. I look forward to your questions.

The Chair (Mr. Grant Crack): Thank you very much, Ms. McKenna, for your comments.

We'll start with the official opposition. Mr. Steve Clark.

Mr. Steve Clark: Thank you both for coming to committee today.

I noticed that on page 3 of your presentation you talk about ONA being a non-partisan organization that does not provide funding for political parties.

Ms. Vicki McKenna: That's correct.

Mr. Steve Clark: So you haven't been approached by the government on their cash-for-access fundraisers, I take it?

Ms. Vicki McKenna: No.

Mr. Steve Clark: I would like to know, though, about staffing. Have you ever provided staffing during a campaign?

Ms. Vicki McKenna: No, we don't provide any staffing for campaigns.

Mr. Steve Clark: During your campaigns, do you run campaign schools for some of your members?

Ms. Vicki McKenna: Campaign schools?

Mr. Steve Clark: Yes, just to be politically active during an election.

Ms. Vicki McKenna: No, we don't.

Mr. Steve Clark: On page 5, one of the comments you make is asking that the federal limit be provided in Ontario and not pro-rated, because the advertising in Ontario is some of the most expensive in the country.

Ms. Vicki McKenna: Yes.

Mr. Steve Clark: I'm just wondering: In the six months leading up to the 2014 election, give me a ballpark of what ONA spent on advertising and political action in the province.

Ms. Vicki McKenna: Well, remember that a lot of the work that we do—and we do it year-round, not just based around elections or any other period; we campaign on issues that are pertinent at the time and time-sensitive to that moment in real time. So we do a lot of advertising year-round, year in and year out, but I don't know if I can answer your question. Lawrence may know—

Mr. Steve Clark: Okay, but using the \$150,000 figure as an example, would your organization, on an annual basis—

Ms. Vicki McKenna: Exceed that? Yes.

Mr. Steve Clark: You would exceed that every year?

Ms. Vicki McKenna: We would, for our issue-based campaigns. Remember, our campaigns are issue-based.

Mr. Steve Clark: So what would you spend on an issue-based campaign? What's your budget?

Ms. Vicki McKenna: Well, certainly if we were running TV ads, that is, as you know, exorbitant. It's huge amounts.

Mr. Steve Clark: But would your annual budget be half a million dollars?

Ms. Vicki McKenna: It would be somewhat in excess of that if we were running TV campaigns.

Mr. Steve Clark: And would you budget more in an election year? Would you bump it up by a couple of hundred thousand during an election year? I'm just trying to understand how much in funds you would spend based on the document and based on the proposals.

Ms. Vicki McKenna: This amount of money that we're talking about here—the concern for us, of course, is whether it's deemed to be an issue or if it would be deemed to be out of order in the legislation. But issue-based campaigns can run us well in excess of, you know, several hundred thousand dollars if we're running campaigns, and every year we are running campaigns. We have big challenges in our health care system.

If you're talking about before a federal election, we may heighten our issues. Certainly before budget time, we heighten our issues; we want them to be considered by elected officials. And certainly around election times, we want to make awareness for the public of what the issues around nursing are, around nursing care and our health care system. So we would certainly bump it up. Absolutely.

Mr. Steve Clark: In terms of the government, because the government does a lot of health care advertising, what do you think the government should do in the six months leading up to the election?

Ms. Vicki McKenna: We've been thinking about that. The pre-election period is potentially an advantage to the sitting party, absolutely, but there are rules around government advertising, plus the review by the Auditor General.

The sitting party may or may not have an advantage depending on the popularity of their policies, I think, for sure, but in the end there are limits on third-party advertising during the pre-writ period, and there must be corresponding limits on government advertising in this period. Again, it depends on the question of advocacy in the public interest. That's our central point.

Mr. Steve Clark: All right. I'm good for now.

The Chair (Mr. Grant Crack): Thank you very much. We'll start with Mr. Dhillon.

Mr. Vic Dhillon: One of the intentions of Bill 201 is to even the playing field by banning corporate and union donations. What's your organization's position on that?

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Ms. Vicki McKenna: We haven't taken a position on that, because we don't do any political donations to parties. We don't do that, so we hadn't taken a position on it.

Mr. Vic Dhillon: Do you think we should ban corporate and union donations to third parties?

Ms. Vicki McKenna: To third parties?

Mr. Vic Dhillon: Yes.

Ms. Vicki McKenna: We do participate in third-party advertising, certainly.

Mr. Vic Dhillon: So you think there should be a ban on that?

Ms. Vicki McKenna: Sorry?

Mr. Vic Dhillon: You think there should be a ban on that?

Ms. Vicki McKenna: A ban on it?

Mr. Vic Dhillon: Yes.

Ms. Vicki McKenna: No, I don't think there should be a ban on it.

Mr. Vic Dhillon: Okay.

The Chair (Mr. Grant Crack): Ms. Hoggarth?

Ms. Ann Hoggarth: Thank you for your presentation. I just want to say, as a former union leader, that what you're saying is true: You're advocating for health care. However, as a member of the teachers' federation, or if I were a member of CUPE, what unions advocate is what will make things better for their members. It's not necessarily just what will make it better for health care.

The issue that teachers used to say is, "Teachers' work conditions are students' learning conditions." I really don't think third-party advertising is as you're saying.

Ms. Vicki McKenna: Well, I'd like—I'll respond to that, too.

Ms. Ann Hoggarth: Are limits on the amount of ads corporations and unions can purchase to influence an election something that you can support?

Ms. Vicki McKenna: Well, first off, on your first issue that you raised, registered nurses, registered practical nurses and nurse practitioners are regulated under the College of Nurses of Ontario. Under those standards, we are required to advocate for health care and advocate on behalf of our patients. Failing to do that is a violation of our professional standards.

I would challenge you, with all due respect, that we do have, as a union that speaks on behalf of regulated health professionals and for those who can't speak for themselves in our membership, who fear retaliation—we do speak out on their behalf and we will continue to because we have a professional obligation to our college, to our regulatory body, to do so. That is our position, for sure, on that issue.

Ms. Ann Hoggarth: So are other professional organizations obligated to do that—

Ms. Vicki McKenna: We take it very seriously.

Ms. Ann Hoggarth: —and run by colleges. However, you do not support the limits on the amounts of ads that corporations or unions could do for third-party advertising?

Ms. Vicki McKenna: What we're talking about is the limits that are set at \$100,000. We believe that that's too

minimal. We believe that we should at least be mirroring the federal limitations that are in place in regard to advertising.

Ms. Ann Hoggarth: Okay. In the by-elections of 2012, we saw that registered third parties were responsible for 61% of all campaign expenses. Do specific by-election rules need to be put in place to further even the playing field?

Ms. Vicki McKenna: I don't know about that. Lawrence, do you have anything you want to add?

Mr. Lawrence Walter: Yes. I think by-elections are no different than elections under Bill 201, so that's how we would look at that. I can tell you that ONA didn't contribute and, as far as I know, has not contributed during a by-election any advertising.

Ms. Ann Hoggarth: Thank you.

The Chair (Mr. Grant Crack): Thank you very much. Ms. Fife?

Ms. Catherine Fife: Thank you very much for coming in today and raising the issue of issue-based advocacy. As you pointed out in your presentation, registered nurses are bound to advocate on behalf of their patients as part of their standards of clinical practice.

Ms. Vicki McKenna: Right.

Ms. Catherine Fife: You feel that as Bill 201 is crafted, within that six-month pre-writ period, you would be prohibited from following through on what you're called to do based on the college?

Ms. Vicki McKenna: Yes.

Ms. Catherine Fife: Yes. That was very clear, so thank you for that. We're very supportive of changing that, and we're very supportive of the electoral officer's recommendations. We are hopeful that the government changes this. I mean, this piece of legislation is at first reading and so I'm sure that there will be many attempts to amend this piece of legislation and make it stronger.

I am interested, though, because you have raised the issue of pre-writ advertising and issue-based advocacy, and then you've paired it with the direction in which the government has moved with government advertising. We take the position that the Auditor General took as well when, after the Government Advertising Act was amended, she referred to these changes as gutting the restrictions on partisan advertising and said that it would allow the government to run partisan ads. Do you think it's fair, then, to restrict third parties without a similar restriction on partisan government ads?

I just want to give you some context here. We have seen an increase in government partisan ads. The ORPP would be the latest example, which was that they accelerated the spending on the ORPP during the federal election. The auditor said at the time that she would have restricted that acceleration and that extensive spending, actually, on government ads during the federal election, because it benefited one party and disadvantaged another.

Ms. Vicki McKenna: I think that's the issue I was trying to articulate earlier: that certainly the sitting party does have an advantage. We do believe that there should be some consideration, certainly, of the Auditor Gener-

al's opinion on that situation, particularly when others are restricted.

Ms. Catherine Fife: Sure. That's our challenge as a committee, to level the playing field going forward, right? The rules that this committee is challenged to bring into place would and should apply to all future governments.

But paying for access to governments is obviously an issue; it's primarily why we're here today. Although ONA is in a very unique circumstance, in that you don't contribute, do you want to at least weigh in on the levels of donations that are currently within the act? So that's \$7,750 or all the way down to \$1,550. I think it's in ONA's interest, as well, to ensure that big money still does not impact policy. That's what we're trying to get to. Would you like to weigh in, please?

Ms. Vicki McKenna: I understand what you're saying. I'll be very honest with you: We have not taken a position or had discussion about it because it isn't an issue for us, because we don't do direct party donations. So we haven't discussed it, and I am not prepared to give an opinion on that.

Ms. Catherine Fife: Okay, that's fair.

Ms. Vicki McKenna: But I do think the pre-writ period, as you spoke about before, is problematic in the way the legislation is written in regard to advertising. I think it's important that public interests are able to be discussed and raised in public.

Ms. Catherine Fife: Does ONA have any concerns around the pay-for-access to government and perhaps the impact of the privatization of health care? We have seen a trend in this province of the contracting out of nursing services. That agenda does seem to be very much connected to those who have influence and those who have money. Would you like to weigh in on that?

Ms. Vicki McKenna: Certainly the privatization of health care is a very difficult issue for us and our nurses who are working out in the field and see it happening each and every day in a reduction in the services they're able to provide, because the profit sector is picking up dollars that should be directed to the front line. The privatization of health care is very frightening to many and is certainly an issue that we have been raising and talking about for years now and will continue to. That is a very strong advocacy point for us, in that people need to understand that further privatization will leave fewer dollars at the front line and fewer care providers. That's just the simple mathematics of it all.

Ms. Catherine Fife: Exactly. Thank you very much.

The Chair (Mr. Grant Crack): We'd like to thank the both of you for coming before committee this morning and sharing your thoughts.

The next delegation, which was via teleconference, has cancelled, so I would just like to say that we will recess effectively immediately and return at 1:30 p.m. We're recessed.

The committee recessed from 1120 to 1330.

The Chair (Mr. Grant Crack): Good afternoon, everyone. Everyone had a good lunch break?

Interjections.

The Chair (Mr. Grant Crack): I hear lots of yeses. That's fantastic.

This afternoon we have five presenters before committee.

COMMUNIST PARTY OF CANADA
(ONTARIO)

The Chair (Mr. Grant Crack): We're going to start with the Communist Party of Canada (Ontario). We have Dave McKee, who is the party leader. We welcome you, sir, this afternoon.

Mr. Dave McKee: Here?

The Chair (Mr. Grant Crack): Yes, sir. If you would be so kind as to make sure you're speaking into the microphone. We've had a few issues with that today as far as sound goes. You have up to 10 minutes for your presentation, sir, followed by approximately 15 minutes of questioning and comments from members of the committee. The floor is yours. Welcome.

Mr. Dave McKee: Is the mike—okay, the mike's working. To the members of the standing committee, a broad public consultation on political financing provides the people of Ontario, both individually and through popular movements, with the opportunity to discuss how funding rules relate to broader questions of democracy. These include questions of participation, accessibility, engagement, transparency, equality and others.

Unfortunately, the nature and scope of the present hearings are far more limited than those required for a truly representative public discussion of these questions and of what type of legislation and rules are best suited for expanding and deepening real democratic participation in the political, economic and social life for people in Ontario. Focused as they are on a specific piece of proposed legislation, these hearings impose predetermined and restrictive boundaries on a discussion and debate that needs to be much more open.

As leader of the CPC Ontario, my first recommendation is that the proposed legislation, Bill 201, An Act to amend the Election Finances Act and the Taxation Act, 2007, be withdrawn in its entirety and a series of truly broad and inclusive public consultations on political financing and democratic participation be launched.

Assuming, however, that this recommendation will not enjoy the favour of the committee or the government, I will identify some of my specific concerns about the proposed legislation.

First is banning trade union donations. While I support eliminating corporate donations to political parties and candidates, I do not support the same approach to trade unions. Unions are not corporations, and pretending that they are and applying the same rules places a serious limit on the ability of working people, who are the vast majority of the population, to participate fully in the electoral process. This is especially true in a class society such as ours, in which the political marginalization of the working class is a constant and growing feature.

Corporations are privately owned and privately run entities and their organizational structures—and, indeed, the very laws that govern and facilitate their activities—reflect this reality. Unions, on the other hand, are democratic public associations of working people. Unlike corporations, the internal activity of unions, including elections, finances, decisions and salaries, is all open and transparent.

Furthermore, trade unions have nowhere near the financial capacity of corporations to influence political and electoral activity. The large national and transnational corporations are multi-billion-dollar operations. Their interests are narrowly focused on profit and they often collide with the public interest.

Not all working people are in a position to be publicly involved as individuals in the political process. In fact, many people have legitimate concerns for their employment, for their legal status in Canada or for the safety of their families abroad. At the same time, however, we all have the right to be politically active. Trade union political activity is a very important avenue for workers with concerns such as I have mentioned to exercise their democratic rights through an already democratic and transparent organization.

My second recommendation is to remove from the legislation the ban on trade union contributions. Working people, whether individually or in association with other working people, have the right to participate in elections, and banning trade union donations diminishes this fundamental right.

In supporting the ban on corporate donations, I am concerned that this will prompt the introduction of problematic enforcement mechanisms. I understand from the Chief Electoral Officer, for example, that one possible mechanism involves requiring donors to list their place of employment. This is a dangerous proposal that intrudes on a person's privacy, imperils their job security and threatens the status of anybody who is not a citizen.

A second area of concern is the shift to a per-vote allowance to political parties. The legislation proposes dramatically lowering individual contribution limits and introducing a per-vote allowance. This relates to the partial reimbursement of campaign expenses for candidates who reach a vote threshold. These proposals are problematic on a few different levels.

First, providing an allowance on the basis of votes received overwhelmingly privileges the large parties who are able to run candidates in all ridings and collect higher province-wide vote counts. Smaller parties, who may have a loyal and generous individual funding base, will be doubly penalized by this approach. Furthermore, this funding model has already been proven in other jurisdictions to result in an increased gulf between those parties who are represented in legislatures and those who are not.

Second, these proposals represent a further and very significant shift in political financing from the realm of donations from the public to greater state support through per-vote funding. We need to ask a basic question: Is democracy a function of a state bureaucracy or is it of the

people? I submit that political parties and movements emerge from the people, from their response to their lived experience. As such, it is the people who have the right to fund their parties and movements. Limiting that right and replacing it with a form of state funding that privileges the largest parties are mechanisms for diminishing democracy.

Third, the legislation includes proposals to allow for additional individual contributions of up to \$5,000 and \$25,000 for a person who is a nomination or leadership contestant respectively. These are peculiar exceptions to the proposed contribution limit, and ones that, again, will overwhelmingly benefit the large parties who have multiple nomination contests.

Fourth, the partial reimbursement of campaign expenses is also a mechanism that privileges the largest parties by driving \$3 million of public money into their bank accounts each election.

My third recommendation is to remove from the proposed legislation the proposal to lower individual contribution limits and replace them with a per-vote allowance. Similarly, the partial reimbursement of campaign expenses should be completely eliminated.

Campaign spending limits: Notably absent from the proposed legislation is any change to campaign spending limits. In 2014, the total spending limit for a party was \$7.4 million. Without a doubt, such high spending limits allow the largest and best-funded parties to buy elections by financially exhausting both their opponents and the public. It's astonishing that a bill whose stated purpose is to "modernize the province's political fundraising and spending rules" and make them "among the strongest and most transparent" in the world would not address the anti-democratic effect of obscenely high spending limits.

Excessive campaign spending has facilitated the enormous increase in attack and negative ads, which many studies identify as a key factor in reduced voter confidence and participation. High spending limits drive aggressive fundraising and lead to an increase in fraudulent financing.

The best form of compliance for legal contributions is to dramatically lower spending limits so that illegally received money has a reduced effect and cannot be used to buy elections.

My fourth recommendation is that the legislation be rewritten to include drastic reductions in campaign spending levels.

Fourth, regulate free broadcasting under the Election Finances Act. Media is key to campaigning, and unequal access to free-time broadcasting amounts very clearly to a form of donation or subsidy to the largest parties, and especially the parties represented in the Legislature. For this reason, broadcasting needs to be regulated under the Election Finances Act. This applies to the free-time party broadcasts, which should be the same for all parties. Currently, for example, it is only available to parties in the Legislature during the period in between elections.

Similarly, lack of regulation allows the private broadcast consortium to determine which parties and candi-

dates will have access to election debates and discussions that they cover. In every instance, this consortium has restricted access and participation to the large parties represented in the Legislature. Even the Green Party, who received 5% of the popular vote in the 2014 federal election, has been excluded from this free broadcasting. Access to free broadcast media must be equal, or it constitutes an unfair donation and subsidy.

My fifth recommendation is that access to free broadcasting be covered by the Election Finances Act to ensure that it is equally provided and that there are no exclusions.

I'll conclude by encouraging the committee to take a wider look at how political financing affects democracy and democratic participation in Ontario. We need a consultation process that is broad, inclusive and comprehensive, that engages all people in the province, and that points toward legislative proposals that can expand and deepen democracy.

In addition to the comments I've made here, there are other concerns and recommendations that the CPC(O) will submit in writing prior to the August 15 deadline. Thank you.

The Chair (Mr. Grant Crack): Thank you very much, Mr. McKee. We'll start on the government side and we'll go with Ms. Hoggarth.

Ms. Ann Hoggarth: Good afternoon. Thank you very much for your presentation.

We heard from the Green Party leader, Mike Schreiner, that prior to his testimony, he met with the leaders of Ontario's parties without representation in the Legislature. Were you part of this meeting?

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Mr. Dave McKee: I was not.

Ms. Ann Hoggarth: Are there any ideas that you have discussed that are incorporated in this bill and that you like?

Mr. Dave McKee: We do like the ban on corporate donations. That's a positive step.

We generally like the idea of bringing the funding financing for nomination contestants into the bill, because that was left out, and I think that was a gap.

There was one other thing that I liked, but I can't remember what it was.

Ms. Ann Hoggarth: Okay. Ms. Wong?

The Chair (Mr. Grant Crack): Yes. Ms. Wong.

Ms. Soo Wong: Thank you very much. How much time do I have, Mr. Chair?

The Chair (Mr. Grant Crack): You've got about four minutes, Ms. Wong.

Ms. Soo Wong: Thank you very much for your presentation, Mr. McKee. I have questions. In terms of strengthening the proposed legislation, can you share with the committee—because I don't recall hearing in your presentation you talking about the advertisement. What is your organization's position on the area of limiting partisan political advertisement six months before an election, about restricting, pre-writ and during the campaign, third-party political advertisement, and—the

third question here to you—removing by-election contributions for central parties? If you could comment on those, that would be great.

Mr. Dave McKee: In terms of advertising generally, we have a series of concerns about that. On the one hand, yes, limiting political advertising by parties in the pre-writ period is important. I think I referenced some of that in the sense that it relates to overall campaign spending. Campaign spending is, of course, confined to the writ period. But the idea of having massive media campaigns that overwhelm people—limiting that, I think, is important.

On the other hand, though, and this particularly relates, I think, to the description of third-party limits, our reading of what's in the proposed legislation is that that is enormously broad. I think it includes endorsement for a candidate or telling people to vote for a candidate, telling people to vote for a party or—this is the scary part and I think the unacceptable part—advocating or discussing policies that are associated with a particular party. Now, that's really quite problematic, because that's just an open door to clamp down on any political discussion and any political activity by a huge range of (a) parties and (b) third-party organizations. I think that goes way too far. I think it's way too restrictive, because it's way too broad.

It would be easier to have that discussion if there was some more definition about what constituted political activity by a third-party campaign. But as it is written there, as I read it, it's far too broad, and I think that it could be used to clamp down on virtually all political activity by, say, unions, progressive organizations, the peace movement, you name it. These are ongoing issues that don't just exist during an election campaign; they exist in relation to government activity.

Removing by-elections from the—sorry, can you repeat your question?

Ms. Soo Wong: Removing the by-election contribution for the central party.

Mr. Dave McKee: We haven't actually identified a policy on that. I'm sorry.

Ms. Soo Wong: All right. Thank you.

The Chair (Mr. Grant Crack): Mr. Clark.

Mr. Steve Clark: Thank you for your presentation. One of the things that has come out at our hearings is a concern about people having a loophole in this legislation to provide volunteer labour at a campaign office. You indicated that you were against corporate donations but were in favour of union donations. How would you deal with the issue of someone circumventing this legislation and being able to populate a campaign office with workers who were compensated? Do you think it should be recorded? Do you think it should be outlawed?

Mr. Dave McKee: I have to apologize. We don't actually have a specific policy in that area, but to generalize, people do have the right to be politically active. If a person is volunteering their time, I think it's problematic to cast a light on that or to raise questions about that and

try to limit that. On the other hand, I get your point, which is, is a person being paid to be a “volunteer”?

I think, in general, my answer would be that, again, there's a difference between union political activity and corporate political activity. It has to do with the difference between the nature of a union and a corporation. In a lot of the discussion about these different contributions, those two entities have been mixed as if they're one and the same, that a union is just a different type of corporation, but it's not. It's not owned privately. It's not run privately. It's run democratically.

Mr. Steve Clark: But you're a candidate, so let's put your hat on. You're a candidate in a riding; you're running in Danforth. You've got two people who show up at your campaign office. One is paid by a union to go work on your campaign and one is paid by a corporation. How are you able to, in legislation—a worker is a worker. Wouldn't you say that you should ban them for both cases or record them for both cases?

Mr. Dave McKee: What you're really asking is, how do I as the candidate identify whether someone is—if someone shows up as a volunteer, are you asking that I should get them to sign a waiver that says they are not paid or not compensated at all to be there? That strikes me as very odd. I do think that there's a very big difference between union funding, which is based on members' dues, which are all publicly made and all transparent—you write them off on your income tax and all this stuff. That's a big difference: being paid by a democratic decision of members who have contributed dues and being paid by corporate interests which, again, have much bigger coffers and much bigger pockets that they can bring to the table.

Mr. Steve Clark: Okay. The other issue—anyway, I'm not going to argue with you. The issue of banning corporate donations: Do you not worry that if you just outright ban one and not a lobbyist firm or an association or a union—aren't you worried that without that control, you would get a more American-style system, where you would have PACs that were created that weren't technically corporations but were under the guise of a loose association?

Mr. Dave McKee: No. I think the way to avoid that problem is to start with the campaign spending limit. If you have political campaign spending limits that are sufficiently low and controlled, then from there, you can use a stepping stone to look at third-party spending.

But what this legislation seems to do is spend a lot of time looking at third-party spending, a lot of time proposing a whole new series of restrictions and enforcement mechanisms for third-party spending while avoiding the core problem, which is the campaign spending itself.

I also think, and I'll say this, that for years and years and years there has been what we now call third-party spending coming from corporations, coming from business-oriented think tanks. It's really interesting, I think, that only when a bunch of unions got together and made up a few third-party campaigns that actually had political

effect, now all of a sudden it's a crisis that needs to be dealt with. I think if we look at it from that context and that framework, we begin to ask a series of different questions about why this focus on third-party spending is happening the way it is.

Mr. Steve Clark: I don't have anything further, Chair.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: Thank you very much. I appreciate that you did focus a lot of your presentation on the campaign spending limits, because parties will drive to the top of that limit and that does drive inherently the level of money that they're looking to fundraise.

I just want to go back to the beginning of your presentation, though, please. You basically say that you would see that this piece of legislation be withdrawn in its entirety and that a series of truly broad and inclusive public consultations on political financing and democratic participation be launched. So you've taken exception with the way that the government has started this process, as did we. What would you envision for a truly meaningful consultation on a piece of legislation which is both connected to and instilling some democratic confidence back in the process? We're supposed to be putting the elector at the centre of our discussions here and addressing the role that big money has played in shifting the culture, I think, of politics in the province of Ontario.

What would a truly inclusive and consultative process look like in your mind?

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Mr. Dave McKee: First of all, rather than emerging from specific legislation and therefore being confined to being organized by politicians, I think it would be better to have a constituency-driven process, a constituent assembly, for example, that looks at electoral and finance reform—political finance reform—and democratic reform. So that's one change.

The second thing is that I think it would be useful, rather than, again, starting with a specific set of legislation, to start with a series of questions: What has been the effect of third-party spending on democracy and democratic engagement in Ontario? I haven't seen that study. I see lots of studies about spending levels, but what does this do in terms of people's individual and community-based engagement in the process? What about their level of knowledge of the issues? So I think a series of questions is a good place to begin rather than from a series of legislative proposals.

And then I think the scope of it also needs to be much broader. For example, this legislation is looking specifically, of course, at election financing, or political financing. But we have to understand that there's a very deep relationship between political financing and democratic participation. So if we want to get at what is the most appropriate legislation for political financing rules, it seems to me that we have to ask the broader question first, which is what's the state of political engagement in Ontario? What's the state of democratic engagement? What are the barriers? What are the problems? Why is there a

low or decreasing voter turnout and what are the reasons? There have been some studies on that, but I don't think we've ever seen a comprehensive effort involving an entire widely based, broadly based public consultation driven by constituents that would then have as one of its outcomes proposals for legislation. This seems to be coming out of the exact opposite direction, starting with specific legislation and then pretending, I guess, that we can get at some of these other questions which nag at us constantly.

Ms. Catherine Fife: I think that's a very valid point because this piece, Bill 201, had no expert or evidence-based, research-based grounds to it. It's a political document, and you have politicians who are going to try to shape that document based on what we hear from our constituents and also hopefully try to instill some confidence back in the process. It is a serious departure from other electoral financing reform practices that have happened across this country and across this province. I'm referring to the Lortie commission and the Camp commission as well, where it was a document informed by non-politicians, essentially.

It is at first reading, so that's the one thing that we have here: There is an opportunity for us to amend this legislation and hopefully to make it stronger and to close some of the loopholes that you yourself identified.

The one thing that you did mention as well that is of interest to me is enforcement mechanisms, because regardless of how strong or—we're going to try to amend it. I see the Conservatives will try to amend it, and there may be some recommendations from the government side. It will come down to the enforcement piece, don't you think? You did reference it in the beginning of your presentation. Could you just lend your voice to that concept a little bit, Mr. McKee?

Mr. Dave McKee: You're referring to—I think it was on the second page where I talked about the possible proposal to ask people to note their place of employment. I know that's not proposed in the legislation; this came up at one of the political advisory committee meetings as a possibility. I'm speaking on behalf of the Communist Party. There was such an experience as McCarthyism; I know a number of people who lost jobs and had to leave the United States and work in other countries because of their political association. They may not even actually have had a membership in the party, but they had some kind of sympathy with that. I think that's not a problem that is confined to the Communist Party and it's not a problem that's confined to the United States or to McCarthyism, but it is a serious concern when we start looking at, to what degree are we going to pry into people's individual and private information for the case of a simple donation to a political party? It's a bit questionable.

Ms. Catherine Fife: Yes, you raised that point.

Do I have any more time?

The Chair (Mr. Grant Crack): Not really, but if you have one wrap-up question, that's fine.

Ms. Catherine Fife: I was surprised that you didn't specifically address the role of government advertising, because the rules have changed. The government has changed the rules on government advertising in this province. The definition of "partisan" has been sort of watered down, if you will. Is there any comment that you might have around government advertising?

Mr. Dave McKee: I won't make a comment, just because we didn't prepare one for this particular presentation, but I will look at it for our written submission.

Ms. Catherine Fife: Thank you.

The Chair (Mr. Grant Crack): Thank you, Mr. McKee, for coming before committee this afternoon and sharing your thoughts. We appreciate it. Have a great afternoon.

Mr. Dave McKee: Thank you.

CANADIAN CIVIL LIBERTIES ASSOCIATION

The Chair (Mr. Grant Crack): Next, from the Canadian Civil Liberties Association, we have Cara Zwibel and, I believe, Sukanya Pillay—

Ms. Cara Zwibel: Just me.

The Chair (Mr. Grant Crack): Just you. Hi, Cara. How are you?

Ms. Cara Zwibel: Good. How are you?

The Chair (Mr. Grant Crack): Good. It's great to have you here this afternoon.

Ms. Cara Zwibel: Good to be here.

The Chair (Mr. Grant Crack): You have up to 10 minutes for your presentation, followed by about 15 minutes of questioning from the three parties. So the floor is yours. Welcome.

Ms. Cara Zwibel: Thank you, Mr. Chair and members of the committee. On behalf of the Canadian Civil Liberties Association, I want to thank the committee for the opportunity to make submissions with respect to Bill 201.

The CCLA fights for the civil liberties, human rights and democratic freedoms of all people across Canada. Founded in 1964, we are an independent, national, non-governmental organization working in the courts, before legislative committees, in classrooms and in the streets, protecting the rights and freedoms cherished by Canadians and entrenched in our Constitution. CCLA's major objectives include the promotion and legal protection of individual freedom and dignity, and for the past 51 years, CCLA has worked to advance these goals.

The CCLA is an organization with multiple areas of interest, and we advocate on a variety of issues at the municipal, provincial and federal levels across the country. I am director of the CCLA's fundamental freedoms program, and one of my major areas of focus is freedom of expression. As a result, I approach Bill 201 through that lens and want to speak today particularly about the limits on third-party political advertising that it establishes.

I've given you a written submission as well which outlines in more detail the two core concerns that I want to

address today. Those concerns are, first, the definition of political advertising under Bill 201 and, second, the restrictions placed on third-party advertising during the newly established six-month pre-election period.

Before I get into those specific concerns, I want to say that the CCLA appreciates that placing some restrictions on third-party advertising or providing a degree of transparency in terms of how third parties may be affecting or seeking to influence electoral outcomes is, in our view, a valid public policy goal. However, in achieving this goal, I want to encourage the committee to be mindful of the important rights that are affected.

When individuals and organizations become engaged and involved in our political process and start speaking out and sharing their views, that is freedom of expression in action, and one of the primary reasons that we have a constitutional protection for freedom of expression is to ensure that it can be exercised in the political sphere. Our courts have repeatedly recognized that political speech lies at the very core of why we have such a protection.

Having a meaningful debate or dialogue on a matter of public policy cannot happen if vague or onerous restrictions are placed on that expression, and while spending limits, I know, are generally designed to level the playing field, to ensure electoral fairness and work toward achieving some measure of equality between those with significant financial resources and those without, getting the right balance is challenging. In our view, that balance is not struck by the current approach to third-party advertising in Bill 201.

The first concern I want to address is the breadth of the definition of political advertising in the bill. I'm sure you're all familiar with it at this point, so I won't read it, but as you know, it's not confined to the promotion or opposition of a party or candidate. Rather, it extends to anything that takes a position on any issue with which a party or candidate is associated.

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In our view, there are a few problems with that definition. First, it's unclear what it means for a candidate or party to be associated with an issue. Candidates may take positions on a variety of things during the course of a campaign and, of course, elected representatives will have positions on any item that's being considered by the Legislative Assembly. If a candidate is asked a question about an issue that is otherwise not an area of focus for them, does that candidate become associated with that issue simply by virtue of responding?

In addition, what issues that are at play in an election or addressed by parties or candidates will evolve over time? The definition seems to require the Chief Electoral Officer to monitor a great deal in order to effectively enforce this aspect of the law. I read his testimony before you and I know that he pointed out that this is particularly problematic in the pre-election period.

From the perspective of third parties, it may be unclear which issues are offside or subject to spending limits, and that same lack of clarity will affect the electoral officers' ability to effectively enforce.

Second, even if a candidate or party is particularly associated with an issue, it is possible for individuals and organizations to speak out on those issues without any intention of impacting the election and without any evidence of such impact. As a result, the definition of political advertising in the bill overshoots the mark, in our view.

The second major concern that I want to address relates to the fact that third-party advertising is limited for a six-month period prior to the writ being dropped. To the best of my knowledge, that's unparalleled in any other Canadian jurisdiction. As discussed at greater length in the written submissions that I've circulated or that have been circulated on our behalf, BC had some experience with attempting to limit third-party advertising in a pre-election period. They first tried a 60-day period, which, upon a constitutional challenge, the BC Court of Appeal found to be unconstitutional and struck down.

After that, the legislation was amended to shorten the period to 40 days, subject to the possibility of a shorter period, depending on when the throne speech was happening or when the budget was happening. The BC government referred the constitutionality of those provisions to the BC Court of Appeal, which once again found them to be unconstitutional. The particular basis for that finding was that those restrictions limited freedom of expression in a way that was unjustified—was not reasonable and not justified.

The six-month period, combined with the definitional breadth that I've already discussed, will, in our view, place a real chill on issue-based advocacy in the province. While I've seen numbers indicating that there is a lot of third-party spending happening, I haven't seen any compelling justification for the combination of those two elements that I've mentioned. In my view, I think it would be unlikely to withstand a constitutional challenge before our courts. So rather than making a change that is likely to lead to costly and time-consuming litigation, we urge the committee to improve the bill now. As a result, we are recommending that all restrictions on third-party advertising during the pre-election period be eliminated and we would also like to see a narrowing of the definition of political advertising so that it is more in line with the legislation's objective of limiting third-party influence on elections in particular.

Finally, I just want to mention that in October of this year, the Supreme Court of Canada will hear an appeal from BC which involves third-party advertising restrictions. The particular issue in that case is not replicated in Bill 201. It has to do with the fact that BC has not put the \$500 threshold before registration requirement on third parties. I think the court's reasons in that decision, whenever that decision comes out—and like I said, the case isn't being heard until October. I think what the court says in that case will be relevant to the assembly's consideration of this bill.

In my view, it might be wise to consider deferring passage of any of the particularly novel aspects with respect to the third-party advertising scheme until the court

has issued its decision. I note that even though there is a \$500 threshold in the bill before a third party has to register, the requirements placed on third parties that meet that registration threshold are fairly onerous in terms of the reporting that they need to do, and that may have a deterrent effect on some smaller spenders who want to participate in the process but feel they can't comply with what's required.

I'm happy to leave it there and answer any questions that you might have.

The Chair (Mr. Grant Crack): Thank you very much. Mr. Hillier.

Mr. Randy Hillier: Thank you very much for being here today. Your presentation solely focuses on third-party advertising, so I guess we can deduce that you are completely satisfied and happy with the campaign contribution elements of the legislation.

Ms. Cara Zwibel: The third-party advertising is where we've decided to focus. It's where we feel we have the most to offer in terms of recommendations. I'm not an expert on campaign finance and so I'm reluctant to comment generally on the thresholds.

I will say that I notice and I do have a concern about the discrepancy in terms of what counts as a contribution in terms of a party versus a third party. It's my understanding that contributions in the form of voluntary labour would not count towards a party's limits, whereas in terms of the reporting that a third party would need to do, voluntary labour would count. I know many of the organizations like CCLA and others that we work with rely very extensively on volunteers. So while we may not actually be expending any funds on things, we can get a lot done by virtue of that volunteer labour. It seems to me that that discrepancy is a problem that should be addressed.

Mr. Randy Hillier: Okay. You're not, of course, the first person or organization to speak about the definition of "political advertising." It's been recognized by many others that the definition is too broad. It will be troublesome and cumbersome. It will maybe be totally impossible or impractical to bring effect to. You're suggesting that we improve it; I don't see any language in your document. Have you developed any language that you think would be a better definition?

Ms. Cara Zwibel: The definition, like I said, is particularly problematic in the pre-election period, but I think it's problematic in and of itself. The simplest way I can think of to remedy it would be to remove the lines that refer to the issue-based advocacy, so confine political advertising to the promotion or opposition of a party or candidate and leave out anything related to issues that are associated.

I know when the Chief Electoral Officer addressed the committee, I liked the line from a US Supreme Court judgment about it being like a line in the sand drawn on a windy day, and I appreciate that that's a concern. That kind of vagueness is particularly problematic in legislation when parties and organizations and individuals are trying to guide their behaviour. In terms of clarity, I think

that's one clear way to address it, but I appreciate that may not address all of the other concerns.

Mr. Randy Hillier: Your presentation also doesn't delve into government advertising. Any thoughts or comments that you'd like to share with us on—

Ms. Cara Zwibel: I have to apologize that I'm not as knowledgeable about that as I should be. I understand there is, again, a discrepancy in terms of what's permitted and what's not in terms of parties, government and third parties. Certainly I think that's something that needs to be looked at, and actually, I'm happy to take a closer look at that and perhaps do a supplemental written submission to the committee.

Mr. Randy Hillier: So just for the record, the absence of a recommendation is not acceptance.

Ms. Cara Zwibel: No.

Mr. Randy Hillier: Thank you very much.

The Chair (Mr. Grant Crack): Ms. Malhi.

Ms. Harinder Malhi: This whole committee agreed at one point that financial reform was important in our electoral process. When Bill 201 was drafted, we looked at ways to accomplish that.

I just wanted to know what kinds of things you could support, and how you think the proposed legislation could be strengthened. Do you think that levelling the playing field by putting an end to corporate—do you support ending corporate donations and also introducing a per-vote allowance of funding to help in the transition to a more grassroots-funded party system and enhancing democracy?

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Ms. Cara Zwibel: Sorry, can you break those two up?

Ms. Harinder Malhi: Yes. The first one is levelling the playing field by putting an end to corporate and union donations.

Ms. Cara Zwibel: I think that is something that we support. My understanding is that's the norm in other provinces across the country, so that's not something that we take issue with here.

Ms. Harinder Malhi: And how about introducing a per-vote allowance of funding to help the transition to a more grassroots-funded party system?

Ms. Cara Zwibel: That, I think, is potentially a little more problematic, because I know that the tendency is that that leads to supporting more established parties and it can make it more difficult for newer parties to grow. But, like I said, it's not an area that I have a lot of expertise in, so I'm not sure I can comment.

Ms. Harinder Malhi: When it comes to individual contributions, do you think that we should be lowering the limits?

Ms. Cara Zwibel: Lowering the limits from what is in Bill 201 or from the prior—

Ms. Harinder Malhi: From the prior.

Ms. Cara Zwibel: I think we're in support of that.

Ms. Harinder Malhi: Okay. How about restricting, pre-writ and during the campaign, third-party political advertising?

Ms. Cara Zwibel: That's our concern. That's our primary concern in terms of the restrictions placed on third parties, particularly in the pre-writ period. Six months is a very long time. The government and the Legislature can do a lot in that time. For individuals to be subject to reporting requirements and restrictions on spending about any issue that may be relevant in that period seems to place a very significant chill on freedom of expression.

Ms. Harinder Malhi: What about partisan advertising six months prior to an election?

Ms. Cara Zwibel: You're talking about third-party partisan advertising?

Ms. Harinder Malhi: No. That was third-party. Now we're saying political party—like, partisan advertising; if we're advertising, as a party, government programs.

Ms. Cara Zwibel: I'm not sure, frankly.

Ms. Harinder Malhi: Okay. And removing the by-election contribution period for central parties?

Ms. Cara Zwibel: Again, that's not something that I've taken a close enough look at. I apologize.

Ms. Harinder Malhi: Thank you.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: Thank you very much, Cara, for being here. The focus of Bill 201, particularly around freedom of expression, is of great concern to a lot of people across the province, so I appreciate that you've focused on this piece. As you quite rightly point out, the electoral officer has indicated that this is something that he is recommending to change with Bill 201. I'm fairly certain that if this bill had actually gone out to various experts and had a thorough vetting in consultation with people other than politicians, this very restrictive piece would not be part of this bill. So we will be trying to amend it. We now have the support of the electoral officer and you, along with other groups. We will see if that gets changed. But there's no place for it in Bill 201. I just want to be clear with you on that.

You say that the definition of political advertising as it applies to third parties and the restrictions on third-party advertising that extend to a lengthy pre-election period of six months, that these give rise to serious constitutional concerns and infringe on freedom of expression in a manner that is not justified.

The other piece that has come up as we've travelled around the province in Kingston and Ottawa is that if a budget came down, like in the spring, and of course the election may fall very quickly after that, then the budget as a political document would actually get captured within these restrictions. So you would consider a budget to be a political document, would you not?

Ms. Cara Zwibel: Absolutely. I mean, that's one of the concerns that the BC courts were addressing when they found restrictions on third-party advertising in the pre-campaign period to be unconstitutional.

Ms. Catherine Fife: Yes. I think that you raising the issue of BC—the constitutional challenge in BC should have some weight with this committee as well. I mean, we have been looking to other jurisdictions, like Quebec as well, because Quebec has gone through a process of

trying to reduce, if you will, or respond to some of the corruption and some of the collusion that happened in that province, and Ontario is going down that same path.

I just wanted to thank you very much for raising that and sort of validate your concerns; they are the same concerns as those of the New Democrats.

The Chair (Mr. Grant Crack): Thank you very much, Ms. Zwibel. Thank you for coming before committee this afternoon. It's much appreciated.

SOCIAL PLANNING TORONTO

The Chair (Mr. Grant Crack): Next on the agenda we have, from Social Planning Toronto, Sean Meagher, who is the executive director.

We welcome you, sir, this afternoon. You have up to 10 minutes for your presentation, followed by 15 minutes from the members of the committee. The floor is yours.

Mr. Sean Meagher: Thank you. My name is Sean Meagher. I am the executive director of Social Planning Toronto, which is a charitable organization that does public policy research. I'm also a member of the Toronto Nonprofit Network, which is a network of over 100 nonprofit organizations that serve people all across the city of Toronto.

I really appreciate the opportunity to come and speak to the committee today because—well, frankly, because democracy is really great. For all its weaknesses and all its shortcomings, it's hard to imagine wanting to live in a setting where people couldn't collectively choose where they wanted their community to go and how they wanted it to work. All the discussion about electoral reform that we engage in should be built on that foundation: What do we collectively want to do, how do we express that together and how do we ensure that that shared goal is what's honoured in the process?

Obviously, there are differences among us. Some of us think we should do X and others think we should do Y, and, within certain boundaries of rights and protections, we've agreed that, by and large, a clear majority of us favouring one outcome is what we go with. It's a pretty simple set of maxims, but it turns out to be harder to practise than it sounds, and of course that's why we're here.

The first problem is money. Money talks. The folks with the most dollars have a habit of shouting a little bit louder than the majority at times. We need only look south of the border to see both the problem and the solution to that circumstance.

The capacity to spend effectively unlimited amounts of money in US elections has done an enormous amount of damage to the electoral system in that country, to the public's confidence in it and, frankly, to their confidence in the governments that it elects. As long as people believe that it is possible for some powerful, affluent cabal to have more influence than everybody else combined, democracy is in a lot of trouble. So spending limits need to be firm and clear, and they need to be oriented around

making sure that the few cannot shout out the many in that civic conversation that we need to have.

Strikingly, the US has shown that those limits can be very, very low and work very, very well. Bernie Sanders out-earned Hillary Clinton in several stages of the primaries, and probably everybody in this room knows that he managed to do that on an average donation of \$27. Low limits and low contributions do not cripple parties or prevent them from engaging in effective electoral practice. I didn't arrive here with a firm set of recommendations on total limits, but I can say that the currently proposed cumulative limits in Bill 201 are out of reach of the vast majority of Ontarians.

I care enormously about the public well-being and about the public process. I can't remember the last time I gave \$7,000 to anything in a given year, and I'm a reasonably comfortable Toronto resident and homeowner.

Mr. Randy Hillier: The government?

Mr. Sean Meagher: Sorry?

Interjection.

Mr. Sean Meagher: Even the government, which I care about deeply—sorry—in that particular mode.

I think, if we look at the median levels of donations over the past several elections, we have a pretty good guide of what average Ontarians can contribute. We should be skewing our limits to match what ordinary people can pay because, however much of a gap there is between what ordinary people can pay and the limit, that's how much extra running room people with more money than the average get in the conversation. I think that's one of the things we want to guard against.

The second thing that I think we need to focus on is that we need to have a conversation that is balanced. Bill 201 tries to address that in a number of ways. I think we need to make sure that we're really clear about how that conversation works, and that means that how money is given, how it's received and how access results from that has to be very, very clear. I'm sure deputant after deputant has mentioned that sunlight is the best disinfectant, but that means that light has to hit everything. Every form of contribution, every gift and every point of access needs to be visible to the public.

1420

I realize this latter point is not precisely the purview of the bill that's currently before this committee and more closely relates to regulations on lobbying, but I think that there is an inexorable link between the two, and it's important that this conversation and this committee be prepared to provide the government with advice on both of those topics, to ensure that we have a democracy the people can have confidence in.

On the giving side, we need to recognize that where government officials are concerned, we have to face the fact that whether it's a cheque to a party, a pair of cufflinks on a birthday or a nice dinner, those are all transfers of benefits that the public ought to see. Similarly, a formal meeting is a point of access, but so is an informal chat, a shared meal or a round of golf. Those are things the public has a right to see.

In short, public officials and the parties that they belong to, whenever they are getting a benefit, should be letting the public know, and the public's business, whenever it is discussed, should be something the public can have an eye on. No harm comes from overreporting, and great harm comes from underreporting.

The other thing to keep in mind is how we make sure that those simple maxims balance in the civic discourse. We can't decide collectively what we want to talk about if some people get more space than others, and we also can't decide what we want to talk about if nobody gets any space at all. Third parties need to be able to be part of the conversation, and we need to have them in the conversation at all times.

I appreciate the need to sharply regulate the creation of Trojan-horse campaigns that act as unregulated organs of parties seeking re-election. Parties should not own, operate, guide, collude with or in other ways govern third-party campaigns to simply let them skirt the rules; that would be terrible. But the proposed effort to address this fails primarily because the definitions are too weak and too broad. What is an issue associated with a party or a candidate? I can't think of a single element of civic discourse that couldn't be characterized that way.

I volunteer for a number of charities, and most of them raise issues from time to time that relate to things like health care, education or housing. All would be regulated regarding any ads for six months out of every four-year cycle if they continued to engage in that work. I think the legislation should, as the Chief Electoral Officer has suggested, restrict itself to matters clearly indicating a preference for a party or a candidate, and leave the third sector free to advocate for the issues that matter to Ontarians.

I think it's also equally important to provide absolute clarity about what is and is not treated as third-party advertising. Many people have lauded the federal rules in this regard; as someone who sought to apply them during the previous federal election, I can say that they have shortcomings that are significant. What does posting something on your website mean in terms of advertising? What about putting something out on Twitter? What about putting something out on Twitter that guides people to something posted on your website? What about advertisements seeking new members that state your general position on public policies? Are those electoral advertising? Are they constrained under the rules?

I saw non-partisan, non-profit organizations just seeking to do their job struggle with those boundaries during the six months preceding the last federal election, and the problem was exacerbated by the refusal of any public officials—anybody in the federal government—to give a firm and clear ruling about any individual example. Calls to the federal government about “Can I do this or not? Just let me know” were answered with, “Well, you have to take your chances and see how it comes out afterwards.” That's no way to ensure that we have a full civic discourse during an election. We need both clear rules

and referees on hand to say what's fair and what's foul, so that volunteers can navigate the process.

I really want to underscore that last point: Volunteers are navigating this process. The third sector is not predominantly made up of people who get paid decent salaries and have lots of time to spend; it's predominantly made up of people who are giving their free time in order to participate in civic discourse. Complex sets of rules that require significant investments of time and money exclude a lot of those people from the civic discourse that should go into elections. I think everybody at this table really wants to make sure that all of those groups get to have a voice in that civic conversation, because that's what a third sector does.

I think it's important for the committee to remember that there are more than two sectors in this conversation. There is a government that looks after the public interest, and there are private-sector organizations that look after private interests, but there is another private sector: private-sector organizations that look after the public interest. That's what the third sector does, and every piece of legislation that looks at lobbying, advertising constraints or spending limits should keep that third sector in mind.

Just to summarize very quickly: I do hope that you will look at appreciably lower limits for spending. I do hope you will dramatically narrow the language about who gets banned from advertising for six or seven months out of every four years. And I think it's really important that we have clear rules and clear referees to make sure that when volunteers in the third sector seek to participate in the public conversation, there's space for them to do so.

The Chair (Mr. Grant Crack): Thank you very much, Mr. Meagher. How do you pronounce that?

Mr. Sean Meagher: It's Meagher.

The Chair (Mr. Grant Crack): Meagher. Thank you. Sorry about the mispronunciation at the start.

Mr. Sean Meagher: It's Irish. No one can say it.

The Chair (Mr. Grant Crack): Ms. Fife.

Ms. Catherine Fife: Thank you very much. It's good to see you here, Sean.

Mr. Sean Meagher: Thank you.

Ms. Catherine Fife: One of the things that we're grappling with as a committee is around disclosure. You said, “The light has to hit everything.” What does that mean to you as a citizen? That you see everything that the parties are pulling into their respective campaign trusts? Is it hours? Is it research? Is it travel expenses of people? How big is that net and why is it important to you?

Mr. Sean Meagher: I think the net needs to be quite broad, and things that are money or displace money—staff time, travel expenses and things that allow you to move costs from one place to another are effectively money, and as a consequence are things the light ought to hit.

I really have to note something that I skipped over in trying to squeeze everything into 10 minutes, which is that it's not just visibility but speed that matters. It's lovely that we disclose lots of information. If we could

disclose it during the time period when people are making their decisions, it would be more useful to the public in weighing the circumstances that we're in.

It's important because the public needs to have confidence in the system. I look with great sadness at the American political system, because America has been a fantastic player on the world stage over much of its history, but what we see now is a nation where most of its voters so fundamentally disbelieve in their government and how it makes decisions and who has influence over them that most of them don't vote. More of them have confidence in the third sector than in the public sector. We need to defeat that, and we defeat that by making sure the public can see everything so they can have confidence in everything.

Ms. Catherine Fife: You spoke at length about third-party issue-based advertising. This is something that is going to be harder because, as the electoral officer and others have pointed out, issue-based advocacy means very different things to different people.

Mr. Sean Meagher: Yes.

Ms. Catherine Fife: Now, you're from the social planning council of Toronto and you referenced the not-for-profit jurisdiction as well. If this legislation stays as is, you would be severely limited in raising concerns around housing or a living wage or health care or mental health resources or what have you going forward. This is your opportunity to tell us what impact that would have on our democracy, on the discourse that we all should be fighting for.

Mr. Sean Meagher: The third sector literally could not do its job. We ran into that in much more limited ways during the last federal election because the rules were appreciably better than the ones proposed here. If we can't have a conversation with the public about the issues that matter during the time when they are making their biggest decision about which way they want their community to go, then they don't get the information that they need to make those choices.

One of the reasons we have third-party advocacy organizations is so that people can get the information they need. The social planning council's entire function is to do research so the public can have ready access to the information they need to make decisions about public policy. We need to be able to convey that to people.

Ms. Catherine Fife: Do you think that people know, as this piece of legislation is crafted right now, how limiting it will be on their voices come the next election?

Mr. Sean Meagher: No, I don't think—to be perfectly honest, I mentioned to several people that I had to juggle my schedule to go speak to the committee about Bill 201, and I never got a single person say anything other than, "What's Bill 201?"

Mr. Steve Clark: Welcome to our world.

Mr. Sean Meagher: Yes. Well, I don't have that with other things. I didn't have that with Bill 173. I didn't have that with a number of other bills where there's a lively conversation in the not-for-profit sector and in civic discourse about what's going on. There is not a

lively conversation about electoral reform in this province right now.

Ms. Catherine Fife: No, which is most unfortunate, I think.

Mr. Sean Meagher: I think that if there were one—and I suspect you will see inklings of it over the coming weeks. You will hear from people who see it as their duty to provide fair and balanced information to the public about important public policy choices telling you that this will tie their hands in ways that will undermine their capacity to serve the public.

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Ms. Catherine Fife: That's excellent. Thank you very much.

The Chair (Mr. Grant Crack): Thank you very much. Mr. Clark.

Mr. Steve Clark: One of the things that has come up is openness and transparency about donations in general. A number of participants have talked about adding a level of acknowledgment with donations. The American system allows name, mailing address, occupation and employer. Some have suggested for our system to include employers or occupations. I'd just like to know if you've got any opinion on that level of openness and transparency. Do you believe we should have more information about the donor released?

Mr. Sean Meagher: One of the things that I liked very much about the Chief Electoral Officer's presentation before this committee is that it was evidence-based. He looked at the pattern of gifts and the pattern of behaviours and said, "Okay, here is where problems are starting to emerge. We need to respond to those." I think that's how we should make choices here. I think that it makes sense to try to balance privacy with openness where individuals are concerned, but at the same time, if we think we're seeing a pattern of abuse, then that creates a compelling reason to adjust our level of openness to compensate for it.

I do hear people saying, "I feel like there may be some patterns of employers funnelling donations through their employees." I don't have a good gauge of how prevalent that is, but I do know that if it gets to the point that it causes people to wonder if the system is working, then there is a compelling argument to say, "We need to adjust the disclosure rules to compensate for that."

Mr. Steve Clark: One interesting comment made this morning by Mr. Kingsley, the former Chief Electoral Officer of Canada, was in regard to third-party advertising and the fact that—let's say you did pick a six-month period—with a fixed election date, the majority of the money would be spent that last month just before the cut-off. He mentioned a proposal that I hadn't heard from any other presenter that talked about doing a monthly cap of expenditure leading up to the election. Any comment on that type of proposal?

Mr. Sean Meagher: I can see that it has surface merits. I have to confess that I haven't looked at it closely, and because I share that commitment to evidence-based responses, I can't say very much. But it

does have a surface appeal. The point of having limits is so that people won't shout above the crowd. Smoothing those levels out would help to mitigate that tendency to shout above the crowd.

Our goal, fundamentally, with spending limits on advertising, spending limits on donations, spending limits of every kind, is to ensure that what our democracy is supposed to be, which is that the most people get to pick, gets safeguarded in our electoral process.

Mr. Steve Clark: I'm good.

The Chair (Mr. Grant Crack): Thank you. Ms. Hoggarth.

Ms. Ann Hoggarth: Good afternoon, Mr. Meagher.

Mr. Sean Meagher: Thank you.

Ms. Ann Hoggarth: You're welcome.

Mr. Sean Meagher: Also a Celt, so she had an advantage.

Ms. Ann Hoggarth: I'd like to say that I appreciate your presentation and that you understand that we're here to reduce the effect of money in politics, in democracy. This is just a starting point, this bill, and there will be a lot of work that goes into it before it's finished.

But I wanted to say that I, as a Canadian, am disappointed that we're being compared with the United States. I have relatives there and we can't even talk about politics. Also, lower spending limits are great when you have 337 million people. That's 10 times the population of Canada and much more than the population of Ontario. Yes, with Barack Obama and with Bernie Sanders, they were able to raise a fair amount. That would be much more difficult with the number of people that we have here. That's just a statement that I'm going to make.

I want to know which of these items you do support. Levelling the playing field by putting an end to corporate and union donations: Yes or no?

Mr. Sean Meagher: I'm perfectly comfortable with that. Yes.

Ms. Ann Hoggarth: Introducing a per-vote allowance of funding to help the transition to a more grassroots-funded party system and to enhance democracy: Yes or no?

Mr. Sean Meagher: I am nervous about the word "transition" in that clause. A per-vote allowance that is permanent and supported over the long term does take money out of the game to a significant extent. I think that's really valuable, so I think we should be thinking about that as a long-term strategy.

Ms. Ann Hoggarth: Okay. Restricting pre-writ and during campaign third-party—you've already said this.

Mr. Sean Meagher: Yes.

Ms. Ann Hoggarth: You don't want that?

Mr. Sean Meagher: No, that's not what I said. What I said is that we should be thoughtful about how we go about those restrictions, that if parties are, as many US parties do, trying to skirt the spending limits by creating Trojan horses through which they can flow money, that's a problem and we need to constrain that. But if we behave in a way that constrains the activities of legitimate third-sector participants in the public discourse, then

we've got a big problem. The limits are too low. The language is too weak. I'm not saying that we shouldn't have any kind of constraints. What I'm saying is we need very different constraints from the ones we've designed.

Ms. Ann Hoggarth: Removing the by-election contribution period for central parties?

Mr. Sean Meagher: I don't have a strong opinion about that. I focused mostly, frankly, on cumulative contributions. I think it's worth noting that low cumulative contributions in very small populations, just looking at the statistical impact of it, would have a different impact than it does in very large populations like the US. With 11 million people and far fewer we need to talk to, Ontario has the size of electorate that would enable it to have very low contribution levels and still sustain a viable party system, especially if there were tax-funded supports to promote contributions that reflected what the majority of the general public supported, rather than the most affluent.

Ms. Ann Hoggarth: Thank you. My last question is this: What is your opinion of the per-vote allowance? Is it too high, too low, and why?

Mr. Sean Meagher: I haven't done the financial analysis to give you a good answer to that. It needs to be high enough for parties to mount viable campaigns based on—if they're clearing the threshold, at least, they need to get enough per vote to mount a viable campaign. We should calculate that based on what's going to be, frankly, shifting costs over time.

Ms. Ann Hoggarth: And last but not least, should the amount that a candidate can spend of their own money be limited?

Mr. Sean Meagher: Absolutely. It has always confused me that for some reason we think that people who are affluent shouldn't have more say in the electoral system unless they're the candidate, in which case they should have more say. The candidate already has a pretty good microphone. They don't need to buy their way to a bigger one.

Ms. Ann Hoggarth: Thank you very much.

The Chair (Mr. Grant Crack): Thank you very much. No further questions. I'd like to thank you, Mr. Meagher, for coming before committee this afternoon. We appreciate your remarks.

Mr. Sean Meagher: Thank you, and I thank the committee.

MS. BARBARA CAPTIJN

The Chair (Mr. Grant Crack): Next on the agenda we have Barbara Captijn. Welcome.

Ms. Barbara Captijn: Thank you.

The Chair (Mr. Grant Crack): We welcome you this afternoon. You have 10 minutes for your presentation to committee, followed by up to 15 minutes of questioning and/or comments. The floor is yours.

Ms. Barbara Captijn: Thank you very much to the committee for allowing me to speak briefly to you this

afternoon. I just heard at last notice, about a couple of hours ago, that there was a vacancy and I wanted to come in as a member of the public because I've been reading, as you have, all of the articles following the Globe and Mail's investigation into the cash-for-access information. We've all been able to see things that we didn't know were going on, and as a member of the public, I am very concerned about this.

I grew up in an Ontario where it was one person, one vote. Therefore I wouldn't have expected that lobbyists or large corporations would have been sitting at tables, talking about policies, bending the ears of decision-makers in the government who would then pass regulations or legislation which would affect my life. I had no idea this was going on. I don't know whether you all did, but it came as a shock and a surprise to me.

We've read time and time again over the past couple of weeks that there are these cash-for-access meetings during which a large corporate player can pay \$10,000 to bend the ears of a decision-maker who then has authority to enact or not to enact legislation in their favour. Let's not forget that the biggest donors are development and construction companies. That doesn't come from me but that comes from a Globe and Mail investigation published on July 6 of this year. Another one was published July 8 in the Globe and Mail. These are not my words. This is an investigation. We have to rely on the press, sadly enough, to spill the beans on what our politicians are doing. I elected my provincial politician to speak in the public interest, not to favour the interests of deep-pocketed lobbyists or corporations.

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I come to you with a specific example. This is deeply, deeply concerning to me and to other Ontario homebuyers. This is a serious, persistent, and I think outrageous example of cash for access and how cash for access is eating our lunch, basically. I'm speaking to you from the point of view of an average consumer.

Why am I here to talk about this specific example? Five years ago, as an ordinary citizen, I had a very unfortunate experience as a new homebuyer in this province with Tarion Warranty Corp., which is a monopoly of the Ontario government. Little did I know that behind the scenes, there were these presumably cash-for-access meetings going on with the minister, perhaps with the Premier. It looks like development and construction companies like Daniels Corp., Diamond Corp., EllisDon, Metrus development, ZZen developments, the DeGasperis family—you name them, they appear to have been sitting at tables, talking about policies to a minister who was then responsible for consumer protection legislation, because Tarion administers the Ontario New Home Warranties Plan Act on behalf of the government for people like me.

This is not a level playing field. By any definition you can give, this is not one person, one vote. This is unfair. This is outrageous.

For five years after my unfortunate experience, I've tried to help new homebuyers in this province get defects in their newly built homes fixed under the Tarion war-

ranty. Of course, it's not in a developer's interest to have to fix defects in a home that he's just gotten the money for. He wants to walk away and get on to the next profit centre. It leaves Ontarians with the unfortunate situation of having to fight themselves, hiring their own lawyers to fight a government monopoly to get their homes fixed. This is wrong-headed. This is outrageous. This has to stop.

Your government knows about it. Premier Wynne knows about it. Minister Oraziotti knew about it. Ms. Lalonde, the new minister, must know about it if she reads her files. The opposition MPPs all know about it. We've talked about this ad nauseam. The reason we haven't been able to get anywhere is that we don't have \$10,000 or \$5,000 to sit at a cocktail party and bend the ear of the very person who's going to be making regulations and decisions which affect that industry. I get it: Builders are in business to make money. They're in business to make a profit. But we don't want them eating our lunch.

I work with many, many homeowners who are hard-working people, who have families and young kids, trying to put food on the table. They don't have the money to be bending the ear of the Premier at the Four Seasons hotel during a private cocktail or a dinner. I don't know who in this room can give me a definition of democracy where that fits the definition. I am personally outraged. I'm here asking you to please change this legislation to get back to our democratic principle of one person, one vote.

This is consumer protection legislation I'm talking to you about, which has been distorted and poisoned by the money of the building industry. With all due respect to the building industry—I have nothing against builders—to build a home properly and deliver it according to a contract should be what we're all entitled to. If I buy a bicycle, I don't expect a government monopoly to come in and start defending the manufacturer of the bicycle who delivered me a defective bicycle. There's no way you can argue that to me, and yet those who have the loudest microphone, the deepest pockets and the biggest Bay Street lawyers are muscling their way in on this issue, which is supposed to be consumer protection legislation.

What I'm concerned about, as well, is that your legislation you're proposing—a Globe and Mail article from July 8, 2016, states toward the end of the article, third paragraph from the end, "But cash-for-access events will still be allowed. The party in power will still be able to leverage its influence by selling tickets to meetings with ministers." Those ministers are responsible for making decisions about this consumer protection legislation. "The game will be less lucrative, thanks to lower donation limits—although," it says here, "one person will be able to give \$7,750 to one party every year." If you just get, I suppose, a Tridel, if you get 200 employees or 200 executives to donate that, then you've got a very nice, loud microphone with which to speak about the interests of your industry.

Please, I emphasize to you, the meaning of this legislation, the Ontario New Home Warranties Plan Act, the Tarrion legislation, was consumer protection. It wasn't builder protection. Nobody ever envisaged, I don't think, unless I'm very naive—and I read three newspapers a day and I try to be active on social media. I don't know who can tell me that this was going on. Why did we find out about this just as a surprise, even that ministers have targets for fundraising? This is outrageous.

I see everybody looking into their papers but I was kind of hoping that people would be looking at how distressing I find this, because I'm here speaking on behalf of many Ontarians. I see MPPs—my own Liberal MPP never responds to my emails, calls, texts and tweets about this issue. Nobody wants to talk about this, I guess, because the money has already been received and quid pro quos may have been already promised.

Interjection.

Ms. Barbara Captijn: Sir?

Mr. Vic Dhillon: No, no.

The Chair (Mr. Grant Crack): You still have your presentation; you have another minute to finish up your presentation.

Ms. Barbara Captijn: I guess I'm looking for the same kind of reaction from you as lawmakers. This is the House in which laws are made to protect people like me. I'm here as a member of the public. I don't get paid to be here at all. I don't get paid to go around to Barrie and Thunder Bay and other people's houses and sit around at their kitchen tables and hear their stories about how they can't make their bills because they can't get their home fixed through the Ontario warranty corporation. That's legislation you are responsible for. I am not, the citizens are not, and we can't get our voices heard because we're being bullied out of the policy-making table by large corporate donors who are the builders themselves.

You were saying, "What specific knowledge does she have? What specific examples does she have of being muscled away from the policy-making table?" I'll give you an example: a consultation Tarrion held called consultation on Builder Bulletin 20, chargeable conciliations. I participated as a member of the public in that. I think there were three of us who understood the document; I sort of understood it and was able to respond to it. Here is what the Ontario Home Builders' Association produced on behalf of the builders as a policy recommendation—it was undoubtedly prepared by lawyers—and these are the recommendations that were adopted.

I can give you more examples if you want because I've been five years trying to work to get reforms to this legislation, and we have been ignored. Now I know why; now I have proof why.

I am hoping that somebody in this room is going to feel the outrage and the shock and the disappointment I feel in our democracy because of this going on.

The Chair (Mr. Grant Crack): Thank you very much. We'll start with Mr. Hillier.

Mr. Randy Hillier: Thank you, Barbara, for being here, and thank you for being outraged. I think many of

us would like to see a greater outrage shown and greater passion shown about what is happening with our democracy and with this cash-for-access. Yes, many have known about it for a long time. As we've seen, it's getting worse and worse and worse. The patterns that have been shown in the media exposure by the Globe and Mail and by the Toronto Star are outrageous. It's unacceptable.

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I think you used the phrase "distorted and poisoned" our democracy. I think those are accurate words. They're good words to describe what has happened and what is continuing to happen.

Unfortunately, as much as we might say that this legislation is a step in the right direction, we have also seen and heard clearly that it will allow things to happen through the back door which it is now going to prevent from happening at the front door, making it more opaque, making it harder to see what is going on.

I don't want to put words in your mouth or anything, Barbara, but you mentioned in bullet 20 your involvement—I know of your involvement, and everybody in this committee should know of your involvement with Tarrion and trying to get consumer protection legislation that actually protects the consumer.

I think that's what it really comes down to: your ability and the public's ability to be influential in public policy. This cash-for-access is prejudicial to you. It's prejudicial to you and to every homeowner when you know that the people in that arm's-length agency are also the same people who are attending those fundraisers. The minister who is responsible for them is inviting them out to \$10,000 dinners. You cannot square that with democracy.

Interjection.

Mr. Randy Hillier: Listen—

Ms. Barbara Captijn: May I ask another question, just dovetailing into what you're saying? Sorry to interrupt you, MPP Hillier. But what's my other option? We as consumers at our little kitchen tables don't have the money to go to \$5,000 or \$10,000 cocktails and dinner, but if you look at what some of these extremely bullying activist organizations are doing, they're getting the ear of the Premier.

I have somebody who says to me, "Barbara, you play by the rules. That's why you don't get anybody to listen to you. You call your MPP. You write letters and emails. You knock on doors. You come to depositions. You're following the rules. You should read Saul Alinsky's Rules for Radicals or whatever."

Does anybody in this room appreciate bullying and radical tactics? Is that what we have to do? Because coming back to your point—whether or not it is true, it doesn't matter—do you expect me to go and camp out on the Premier's driveway with a tent so that I get my position covered in the news and I get a hearing with the Premier? That'll do it.

That's what people have recommended to me. They say, "Barbara, you shouldn't play by the rules. You're

too polite.” Excuse me. I think that everybody in this room—I want to set an example for people. There are many young people watching politics. We should be proud to set an example. I want to be part of the example we set. I don’t want to be part of a bullying organization that uses tactics that—yes, indeed, they do get people to sign things and agree to things, but there’s something in me that still believes in democracy. I’m here because I want to believe in it.

I think that we all have to collaborate. I don’t think that we should be working at cross purposes. I guess my message to you is that the very people who are the most vulnerable in this equation and asking for your help in our democracy are the ones whose needs are being trampled upon. That’s wrong.

Is it true, whether or not somebody can afford to come in—you don’t want us to take the radical options. I’m sure you all don’t. I don’t want to do it. That’s not in my nature. That’s not how I was brought up and not what I learned about democracy in school. I hope they’re still teaching something in school about civics and democracy and participation in the political process. We have to work together.

I don’t know why my Liberal MPP is not responding to me. Why is Premier Wynne ignoring us? Why? Ms. Malhi, you are—

The Chair (Mr. Grant Crack): Thank you very much. We are going to be moving over to the third party. Ms. Fife.

Ms. Catherine Fife: Thank you very much, Barbara, for coming in today. I think everyone knows now how—
Interjections.

Ms. Catherine Fife: Are you finished?—how completely upset you are about this situation. I’m happy that you’ve been able to come in and address a consumer protection issue with a citizen protection issue. I think that’s my take-away from your presentation, because I don’t think that citizens should have to go to court to spend money to fight a government monopoly which was supposed to be protecting them.

Ms. Barbara Captijn: I agree.

Ms. Catherine Fife: The concerns with Tarion are well known and have been well known for many, many years.

I did want to raise one issue. I don’t know if you actually had a chance to go through Bill 201 but—

Ms. Barbara Captijn: I tried to.

Ms. Catherine Fife: —if there was an election in the fall, the way that this legislation is crafted, you wouldn’t be able to actually publicly advertise and voice your concerns about this piece of legislation or about Tarion. So it is important for you to share—I hope that you have the opportunity to do so—some of your concerns about Bill 201 to your network and then also have your concerns in writing to this committee. They may have missed the opportunity to appear publicly as a delegation, but we are still accepting written submissions, so please do that for us.

Ms. Barbara Captijn: I will. MPP Fife and group, it’s very difficult for us as consumers to understand the

legislation in the first place. I tried reading through that. Lawyers get together—lawyers and legislators make it. It’s not made for consumption by average Ontarians, which is a big problem and which is perhaps why you don’t see a lot of people involved in the process. But I will take your suggestion and pass that on.

Ms. Catherine Fife: Thank you. I’m thankful that the media has done some investigation. One of the challenges that we’re going to have as a committee is to ensure that, as the previous delegation said, we shed a light on where the money is going.

Will you comment on the \$7,750 contribution limit that still exists? Is that something that you think is a reasonable donation to a political party?

Ms. Barbara Captijn: I think it’s a lot of money for any Ontarian because, don’t forget, in order to put \$7,500 on the table, you have to make \$14,000. Who has got that kind of money sloshing around, as a private citizen? Okay, you get tax deductions from it. People don’t have that kind of—we should be thankful people are buying new homes in this province. To people who have jobs and stable families, \$7,500 is a lot of money.

Ms. Catherine Fife: Sure. Thank you very much. I do appreciate the fact that you took the time to come here. If you had any concerns that your outreach was not felt by the committee, I would like to assure you that it has been felt.

Ms. Barbara Captijn: Thank you very much. I appreciate that very much.

The Chair (Mr. Grant Crack): We’ve got the government side: Ms. Wong.

Ms. Soo Wong: Thank you, Barbara, for being here today, that on such short notice you were able to come and join us. I want to say that I appreciate your passion and advocacy. My colleague to my left, MPP Dhillon, is actually the PA to the minister responsible for dealing, right now, with the Tarion review. He heard what you just said, so I’m going to encourage you to follow up with MPP Dhillon on this particular file.

Ms. Barbara Captijn: Thank you. I’ve been to about six Tarion reviews. I’ve met the judge about six times, so he’s well aware. I want the Premier to understand this, madam.

Ms. Soo Wong: I think that before Minister Oraziotti got transferred to the MCSCS, he actually started that process. I think everybody in this room and beyond has heard the concerns about Tarion.

Ms. Barbara Captijn: When is the action going to be taken?

Ms. Soo Wong: Well, you know, let’s focus on Bill 201; that’s why we’re here today.

I want to get your opinion. As you know, the government is looking for feedback and, I would say, all three parties are looking for feedback on how to strengthen Bill 201. So I just want to get your opinion. Many of the presenters to this committee have asked for improvement in terms of disclosure of donors. I want to get your opinion with respect to the listing of corporate and union dona-

tions. Is this something that you would support, Barbara, in terms of disclosure of donations?

Ms. Barbara Captijn: Well, we know who is doing the donations now because the Globe and Mail has disclosed it.

Ms. Soo Wong: It's more than just the Globe and Mail. We have the Chief Electoral Officer here. I want your opinion. As an Ontarian, what is your opinion in terms of more public disclosure? Not just in the Globe and Mail or any other media outlet.

Ms. Barbara Captijn: Understood.

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Ms. Soo Wong: So in your opinion, would you support that kind of full disclosure?

Ms. Barbara Captijn: I'm not a lawmaker, I'm not a lawyer and I'm not a legislator. I would support any move forward in transparency, accountability and disclosure—all of it. Tell it all, all of the time. However, is that going to solve the issue that I'm here to talk about? I doubt it, because we already know who these people are.

Ms. Soo Wong: The other question I wanted to ask you is, do you have any concerns when employers may be associated with different political parties as a result of a donation by their employees? Because a lot of people have lives. Is there any way to implement employer disclosure? Have you thought of that kind of concern?

Ms. Barbara Captijn: Well, of course. For example, the past president of the Ontario Liberal Party is a senior vice-president at Tarion Warranty Corp. She was responsible for fundraising. If this looks like an apparent or perceived conflict of interest—and I think it is to most members of the public—that shouldn't be allowed.

This is common sense. I really think that is a job for the governing party. I think you know the answer to that. If you are, as Premier Wynne said, in your government, fully accountable and transparent to the public, those answers are clear. We shouldn't have to, by the way, file freedom-of-information requests and wait months for them and pay for them to get any of this information from government.

If that's what you're getting at, it should be transparent, accountable, disclosed—all of it—all of the time, as far as I'm concerned.

Ms. Soo Wong: Okay. Besides the disclosure and the transparency, any other suggestion to improve or strengthen the current existing legislation dealing with election reform?

Ms. Barbara Captijn: Now, that is a question I cannot answer because I haven't read the current legislation. Even if I read it, would I fully understand it? I'm here to talk to you about the consumer point of view. I'm not here to talk to you from the point of view of a legal expert or a legislator or even an MPP.

I think it's a question that is highly complex and that you have to consult with other consumers like myself in order to be able to form policy about that. You can't just ask somebody like me on the fly what I think. I think that if I tell you that I want everything to be transparent and

accountable and disclosed—all of the information, all of the time—it's pretty clear.

Ms. Soo Wong: In terms of the contribution limits, do you have any opinions about that? Because we've been talking about limits on contributions.

Ms. Barbara Captijn: I think that we should look at examples from other provinces and from the federal government who have outlawed campaign donations. I think that Alberta has, as well. I think that British Columbia has, as well. You would know that better than I do. But we have to look at experiences in other Canadian provinces and see how well that has worked should we implement something.

There is a reason that these donations were outlawed at the federal level. It doesn't mean that they've been completely eliminated, but experience should teach us something there. I think you're in a better position than I am to judge whether Ontario's rules should be modernized. These are old regulations. If this has been going on for years without the public knowing about it, again, I'll just say that I'm outraged by it.

Ms. Soo Wong: I'm going to see if my colleagues have any other questions. Do we have time?

The Chair (Mr. Grant Crack): I would say your time is up. I appreciate that.

I'll let one final comment go to Mr. Clark.

Mr. Steve Clark: I just want to thank you again, Barbara, for your comments. I know the frustration in your voice with trying to get the government to move forward on some of the reforms that you'd like to see with Tarion. I know you've lobbied members of the Legislature.

The only question that I want to ask you, because I don't think you mentioned it, is the riding that you're from. Would you be prepared to tell us what riding you are from?

Ms. Barbara Captijn: Of course. I live in Toronto Centre and my MPP is a cabinet minister. It's Glen Murray. Every time that I approach him on Tarion or the LAT, it's a stone wall.

Now, I get it: Somebody from on high has told him, "Look, don't respond to this woman." I haven't heard from him since 2011. He changes assistants. This is another tactic, I guess, that works. You just change assistants all the time and you don't respond. Ignore, delete, don't give them a platform, and there you go.

If I were to talk about climate change, maybe I would get in the door. To the average citizen just trying to buy a home, pay a mortgage and raise a family, climate change—although it's important and should be important—is pretty remote. This is current and present and affecting Ontarians right to the core. A lot of people I speak to don't have the knowledge or the time or the ability or even the willingness to participate in our democratic process to come here. It's not that they're not interested in the change; they say, "Barbara, how can you fight for something where people have been ignoring you for five years?" If you believe in the democratic process, you're going to keep trying.

The Chair (Mr. Grant Crack): Thank you very much. I appreciate you, Ms. Captijn, coming before committee this afternoon. I appreciate your remarks.

Ms. Barbara Captijn: I hope something comes of it.

Mr. Randy Hillier: Determination will prevail.

KEEP HYDRO PUBLIC

The Chair (Mr. Grant Crack): Next on the agenda is Keep Hydro Public. We have Doly Begum and, I believe, Marc Xuereb. Close? No?

Mr. Marc Xuereb: Good enough.

The Chair (Mr. Grant Crack): Maybe what we can do is have you introduce yourselves once you sit down. I want to welcome both of you to committee this afternoon. You have up to 10 minutes for your presentation, followed by up to 15 minutes for questioning from members of the committee. The floor is yours.

Ms. Doly Begum: Thank you, everyone. My name is Doly Begum. I am the provincial coordinator of the Keep Hydro Public campaign. Keep Hydro Public is a coalition that formed to stop the sale of Hydro One. I'm sure you've all already heard about that. We are made up of many unions, anti-poverty groups, environmental organizations, student groups, farmers, transit activists and many others. We're also proud to be working hand in hand with the Citizens Coalition Against Privatization and their Hydro One Not For Sale campaign.

The decision to privatize Hydro One has angered people across the province. About 83% of Ontarians oppose this sale. Our position is that the majority of Hydro One shares still belong to the people of Ontario and that it's not too late to stop the privatization.

We have been campaigning actively—

Ms. Ann Hoggarth: Mr. Chair?

The Chair (Mr. Grant Crack): Ms. Hoggarth? Is this a point of order?

Ms. Ann Hoggarth: I know this is early in the presentation; however, I do believe that these presentations were to be about the elections legislation that we're talking about. I hope that that is what we're going to hear.

The Chair (Mr. Grant Crack): I'm just listening, as I believe these are introductory remarks. I'm hoping that she'll move in towards Bill 201, so continue.

Ms. Doly Begum: Certainly; of course.

Since the government's plans to privatize 60% of Hydro One were made public last year in Ontario's budget, whether or not the government is successful in making this change, our intent is to campaign right into the 2018 provincial election to remind voters about this issue, about which Ontarians care very much.

There is widespread opposition to the plan to privatize Hydro One. Most Ontarians believe that hydro privatization is a terrible idea and want to put political pressure to stop the privatization of Hydro One. Keep Hydro Public is acting in the interest of Ontarians and is reminding the public of an important public issue.

The changes to the definition of “political advertising” contemplated in Bill 201 would make it impossible for us to continue our campaign six months before the next election, when voters are making up their minds about whom to elect for their government. We believe that this infringes upon the democratic right to freedom of expression of Ontarians.

The changes to Bill 201: We have three main concerns with the proposed legislation. The first one is the definition of political advertising. The second one is the six-month period during which political advertising is restricted. The third is the lack of provisions on the cash-for-access fundraisers, which was one of the leading reasons for introducing this legislation in the first place.

Going back to the first one, the definition of political advertising: Bill 201 defines political advertising as any “advertising that takes a position on an issue with which a registered party or candidate is associated.” This definition is unnecessarily broad. If issues associated with parties or candidates are off the table, then what's left to do third-party advertising on? Surely no third party would want to spend money close to an election campaign on an issue that none of the parties or candidates have ever addressed. The federal legislation limiting third-party advertising, which was recently upheld by the Supreme Court decision, does not have this limit.

We would like to draw members' attention to the precedent you set in the recently passed Bill 181, which made amendments to the Municipal Elections Act. The original draft of that bill also included a prohibition on third-party advertising that was similar to Bill 201, prohibiting advertising on issues. After consideration, however, Bill 181 was amended to remove the broad definition of political advertising. So we ask that Bill 201 be amended in a similar way. Allow for issue-based advertising, so long as advertising does not name a specific party or candidate.

1510

Let me give you an example of the kind of issue-based campaign that Keep Hydro Public has been doing and would be doing during the election period. Our campaign to date has been very focused on Liberal MPPs, since they are the governing party responsible for this issue we're concerned about. When I went to look for any materials, any examples—and I hope everyone has this—I couldn't find anything that didn't actually have any of the Liberal MPPs or the Premier's name on it, because they are the ones responsible for this. I found something that's an example of this, and it has the Premier's name on this material.

We understand and agree that advertising naming the political parties or candidates during an election period should count towards election expenditure limits for parties and candidates. Our concern is with the blanket prohibition against political advertising that takes a position with which a party or a candidate is associated.

The leaflet that we passed around is by Hydro One Not For Sale. The second page includes Premier Wynne a couple of times. This leaflet could easily be turned

around into an election leaflet or ad by removing the reference to the Liberals or the Premier, and saying, "Vote for a candidate that will keep Hydro public."

Bill 201 would prohibit that kind of campaigning altogether for six months leading up to an election and the campaign period itself. This is an unfair limit on the democratic process in this province. Voters deserve to know about the issues that are being contested in elections, and the limits in Bill 201 would prevent organizations like ours from informing the voters.

The second issue that we have is the six-month period restriction. Six months is an overly long time period to limit third-party advertising, particularly when coupled with the fact that Bill 201 does not limit government advertising, which will give a tremendous advantage to the party in power. If there are no limits on government advertising, then it is unfair to limit third-party and issue-based advertising.

Let's just apply this example, the Hydro One issue, to the section of the proposed legislation. Six months from the election, the government could put out an advertising campaign bragging about all the public services that revenues from the sale of Hydro One funded. There could be regular TV commercials in every Ontarian's home with that message, but the Keep Hydro Public campaign would be unable to spend money to put out a different message. This is a very dangerous issue and it's also very dangerous for democracy.

Issue-based campaigns include citizens' groups that focus on issues that are impacting the lives of Ontarians. Political parties are not the only groups that have an interest in contributing to public discourse during election campaigns. In a healthy democracy, there is room for a multiplicity of voices. Moreover, the proposal to restrict third-party advertising for the six-month period before an election campaign has not been tested by the Supreme Court. A third party might make the case in court that the six-month prohibition on advertising is an unreasonable limit on freedom of expression. The Supreme Court has already heard a case on third-party advertising and the federal legislation does not limit third-party advertising for periods leading up to an election campaign. Therefore, we ask that the restriction on third-party advertising for a six-month period before an election campaign be removed.

Going to our third concern, the provision on cash-for-access fundraisers: Another concern we have with the proposed legislation is the absence of any new guidelines or restrictions for cash-for-access fundraisers for political parties. Remember that the public outcry that led to the introduction of this legislation came from the media stories about \$500,000 fundraising targets set by the governing party for cabinet ministers. One example of particular concern for supporters of the Keep Hydro Public campaign was a report that many representatives of the banks and investment firms who collectively made over \$56 million in fees for underwriting the sale of Hydro One shares attended a \$7,500-per-plate fundraiser for the Liberal Party in December 2015. The fundraiser

featured exclusive access to then-Energy Minister Bob Chiarelli.

When the public sees this kind of story, they draw the conclusion that powerful companies with deep pockets can gain access to government contracts by making large donations to political parties. The public was expecting draft legislation that arose from this story to include limits on cash-for-access fundraisers. This is a glaring omission from the current legislation, which is Bill 201.

Those are the three issues that we have. Just to recap, number one is to amend the definition of political advertising from a broad definition to a narrow definition. Number two is to eliminate the six-month limitation, especially because of the unfairness of allowing unrestricted political advertising by the government. The third is that the bill should focus on the outcry caused by the cash-for-access fundraisers. Why are we ignoring that fact altogether?

You are the lawmakers. I hope that you will make the amendments accordingly and uphold Ontarians' freedom of expression. Thank you.

The Chair (Mr. Grant Crack): Thank you very much. Mr. Clark?

Mr. Steve Clark: Thanks very much for coming today. I just want to do a disclosure: I did cohost a meeting with the Keep Hydro Public group in my riding. I just wanted to disclose that to members of the committee. We didn't charge any access fee to you to come in; it was open to all the public, and it was very well attended.

I have to say that your three items are very important, very common in terms of what deputants have expressed, but especially the third item that you spoke about has to be very frustrating for you as a grassroots organization that has had meetings all across the province. I think pretty well every opposition MPP has tabled one of your petitions in the Legislature.

You feel like you have lots of momentum, and then you pick up a copy of the Globe and Mail and find out that the people who are profiting from the sale have got direct access by the Liberal government to the Premier and the Minister of Energy at a ridiculous price to most Ontarians. Any of your members who were at my public meeting would never dream of being able to afford \$7,500 to access a government member to try to counter that.

Would it be fair to say that that frustration, which I know I certainly share, that this legislation doesn't stop the Liberal cash-for-access scheme has to be a concern moving forward into the next election?

Ms. Doly Begum: Certainly. It was a surprise to me, because I read the amendments thoroughly and it's not included anywhere in that bill.

Mr. Steve Clark: Again, in terms of your organization, your organization has had meetings across the province, and not one of them, as far as I'm concerned, has charged any funds. You've just basically been able to connect with people. Your local campaign in my riding was probably next to nothing, yet you've got this wall of Liberal fundraisers that are really going to continue if this bill doesn't change.

Would you say that that, from your perspective, is the most concern, or are you equalizing the three concerns that you've got before the committee today?

Ms. Doly Begum: I think we'd like to equalize the concerns, because the people who would be most affected are folks who are paying rent, the low-income families. Those are the folks who are going to be paying a high price for hydro once Hydro One is sold off. Those people don't have the ability to go to fundraisers like that, to make an impact, to give donations to MPPs or MPs.

I think it's very important that we don't take away the power of those people, the low-income families who are already paying a high amount for their electricity. It's important that we don't take their freedom of expression.

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Mr. Steve Clark: Chair, I'll defer the rest of my time to my colleague.

The Chair (Mr. Grant Crack): Mr. Hillier.

Mr. Randy Hillier: Thank you very much for being here. See if you can comment on this. This is the way I see it: This bill, Bill 201, is ostensibly to prevent cash for access, but we know it won't. We know we've got loopholes and back doors on it. But put that in contrast with and in collaboration with preventing this sort of advocacy from happening, as well. We're going to continue to allow cash for access, but at the same time muzzle issues advocacy in the process. If we think things like the Hydro One sale are bad today, can you imagine what sort of policies we're going to have in this government if we continue to allow cash for access as well as muzzling grassroots organizations such as yourselves?

Ms. Doly Begum: I agree. It's scary, because if groups like ours don't have the ability to do anything within that six-month period, then the governing party will have the ability to say whatever they want in government ads and we won't have any power to say the opposite, to tell the truth to the people, to do any awareness campaign, because the issue will be taken over and seen as political advertising.

Mr. Randy Hillier: Thank you.

The Chair (Mr. Grant Crack): Thank you very much. Ms. Wong.

Ms. Soo Wong: Thank you, Ms. Begum, for being here today. Let me begin my question with a preamble, with the fact that you know the sale of Hydro One has broadened the ownership of Hydro One. But we'll also make the largest infrastructure investment on a number of fronts. You heard the announcement recently from the Minister of Education, when it comes to capital. I know, as a former trustee for the Toronto District School Board, that the Toronto District School Board is getting just over \$590 million—that's not a small investment—as well as the Toronto Catholic District School Board: over \$100 million for Catholic expenditure and improvements as well.

There is merit in some of the concerns. We certainly heard the concerns that you have raised. I've got very specific questions about the disclosure of donations that I want to ask your group. First and foremost, I'd like to hear from your group with respect to the third-party donations

and disclosures. Can you share with us, in terms of the disclosure requirement with the third parties in terms of year-round donations, does your organization support full disclosure? You heard the previous witness who asked for transparency in disclosure. Does your organization support that kind of disclosure and transparency?

Ms. Doly Begum: Okay. I'm going to talk about the first part of your statement and then I'm going to ask Marc to talk about the disclosure segment.

I have a question. If I want to do my homework, for example, I would need my lights on. I want to make sure that I have power to study for my tests. That is money that my parents, for example, or that I would need to pay for my electricity bills so that my children are able to go to school and have that education.

I don't think it's fair and I don't think it's appropriate for the government to play with the public's minds and make one important against the other. This is something that we always repeat, that, actually, a lot of people talk about and a lot of the folks who are involved in this campaign talk about: You don't sell off your furniture just to heat your house. That does not make any sense.

I don't think it's fair to the people that you give them education—and, by the way, there are a lot of problems with our education system. But you don't give education and take away hydro. What's going to happen when we don't have that asset anymore? Right now, the government is able to make revenue from Hydro One, which will go away.

I understand, according to the Liberal budget committee, that for a year, yes, there will be benefits. There will be debts that will be removed because of the money that the government gets from the sale. However, what will happen after that year? There will be devastating impacts. There will be a lot of negative impacts, as your committee already pointed out, from the sale.

I don't think it's fair that we talk about health care or education or transportation and get rid of Hydro One just because we need one and not the other. I think they're equally important and we have to make sure—

Ms. Soo Wong: Can you focus on the question I asked you about Bill 201? That's why we're here today.

Ms. Doly Begum: Sorry.

Ms. Soo Wong: With regard to the issue of the disclosure, the requirement to ask a third party when they make donations and contributions—because continuous witnesses have asked us for full disclosure. Does your organization support that transparency of donations from everybody, especially third-party donations, year-round?

Ms. Doly Begum: I'm going to let Marc answer that.

Mr. Marc Xuereb: I'm a little confused. Donations to political parties?

Ms. Soo Wong: Yes.

Mr. Marc Xuereb: That's not something we're talking about in our brief here. The Keep Hydro Public campaign has not made donations to political parties.

Ms. Soo Wong: We're here today to hear from the public, to get their feedback about the proposed bill, Bill 201. So my question to your organization is, what is your

view about full public disclosure when it comes to third-party contributions?

Mr. Marc Xuereb: Third-party spending? If that's what you mean, spending money on putting something like this in a newspaper or—

Ms. Soo Wong: No, for an election.

Mr. Marc Xuereb: Yes—during the election period, or during the six months, as Bill 201 proposes. Would we be in favour of disclosing those expenditures? Sure, that's fine.

Our issue is with the broad definition of political advertising that's in the bill. As Doly explained, we like the way Bill 181 was amended to get rid of that broad definition. So if you made that kind of an amendment—we're okay with having some limits on third-party spending. The Supreme Court decision upheld the federal government's legislation on third-party advertising, and we're okay with that. Let's do something similar here. What we're not okay with is having this broad definition of what constitutes political advertising. We think this, minus Premier Wynne's name, should be fair play six months prior to a campaign and even during a campaign. We'd be fine with disclosing how much a third party like ours were to spend in those time periods.

Ms. Soo Wong: In your presentation, you commented that the six months is a concern. What about the amount? I think the proposed bill talks about a range between \$100,000 to \$600,000. Do you have a problem with that limit? Is it too high or too low? Do you have any comments?

Ms. Doly Begum: I think it's not a problem of the amount. The fact that it restricts any political advertising and the definition of political advertising includes—pretty much everything that we're doing would be under that definition. Therefore, we wouldn't be allowed to do anything within that six months or during the election time, and that's problematic to us, which is why we're here. It's not just about the amount of money. If you look at the amendments, three or four segments of those amendments include political advertising and the time period, which is what we're mainly concerned about.

The Chair (Mr. Grant Crack): We'll move to Ms. Fife for final comments.

Ms. Catherine Fife: Thank you very much for coming in and sharing your concerns.

Just on the last piece around disclosure: If the government has capped it to \$100,000, \$100,000 is not going to go very far to get flyers out in the province of Ontario. So do you see that limitation as preventing you from sharing information with Ontarians?

Ms. Doly Begum: The fact that the government is allowed to do any sort of advertisement during the six-month period and during elections, while third-party organizations, which are representing the issues of the public, are limited is outrageous. It's very concerning. With \$100,000, you wouldn't go that far.

Ms. Catherine Fife: We've heard from ONA today. We've heard from the social planning council. We've heard from, of course, the advocate for Tarion reform.

They've referred to it as undermining of the democratic process and the voices of citizens.

It is encouraging, though, that the electoral officer has recommended that the six-month period not be applied to pre-writ. Obviously, when you're talking about issue advocacy and political advocacy, it means different things to different people at different times—and if the government doesn't want to hear it, they can actually stifle the voices of citizens.

Thank you for also making the point around government advertising. This is a concerning trend that we're seeing in the province of Ontario. You'll know that the government did change the Government Advertising Act back in 2015 through the budget process, and the auditor said she regarded these restrictions as gutting that act. So there are two things happening here that create a great imbalance for the citizens of this province.

1530

I want to go back to the cash for access, because I'm hopeful that we can get the six-month pre-writ period changed. This act is at first reading. We'll be making many amendments; I'm sure the PCs will be as well. But the issue of cash for access and the perception of collusion, if you will: Can you speak to how that affects our democracy? Because that's what we're trying to get to: We're trying to solve not just the access, but, in the instance of Hydro One, the contributors who were awarded the IPO contract for the sell-off of Hydro One did go to high-priced fundraising ticket items. Right?

Ms. Doly Begum: I think the speaker before also pointed this out: The folks who are able to go to these kinds of fundraisers, for example, are not the people who are going to go on the streets for hydro. They're not the ones who will be worried about the price of hydro going up. It's really scary that folks who are buying off shares from Hydro One are the people involved in these kinds of fundraisers. They're the ones who are profiting from it, and you're allowing the government to do this kind of fundraising while you're taking away power from third-party organizations—and limiting it to \$100,000, because you wouldn't really go that far.

The reason why we're doing Bill 201 is because of that. The entire bill should be focused on that. The entire bill should focus on how these fundraisers take place and who benefits from them, not all these other factors—which are important, but the fact that this is not addressed is really concerning.

Ms. Catherine Fife: We did hear from one delegation in Ottawa, and he said the voice of a donor to a political fundraiser shouldn't be viewed as louder or more important based on the amount of money they donate. Do you agree with that statement? It's a very simple question, really.

Ms. Doly Begum: I think we do. In terms of Keep Hydro Public, the coalition members agree with that and the people agree with that. Yes, it's a very valid point. There's nothing really to—

Ms. Catherine Fife: I think what you've done for us today is you have raised a consumer protection issue,

which is the citizens of this province and their hydro rates, with the issue of protecting the rights of citizens through the democratic process as it relates to where the money is going in the province of Ontario. Bill 201 needs a lot of revisions. The loopholes in this piece of legislation are very wide. The conflict-of-interest piece needs to be addressed as well.

We'll be able to reference your concerns around freedom of expression and unrestricted political government advertising as we try to craft it and make it stronger, but written submissions are also accepted if you feel free to bring those forward from your other stakeholder partners. I don't know if you knew this. It is the summer. It's hard to get the attention of people. When they do realize what this act does, they have grave concerns, but we have not had a huge uptake in presenters to this committee thus far.

Thank you very much.

Ms. Doly Begum: Thank you.

The Chair (Mr. Grant Crack): I'd like to thank both of you for coming before committee this afternoon and for your comments. Have a great afternoon.

COMMITTEE BUSINESS

The Chair (Mr. Grant Crack): Prior to adjournment, we've had a request from Mr. Hillier to table a suggestion, so I shall give the floor to Mr. Hillier for a couple of minutes.

Mr. Randy Hillier: Thank you for your indulgence. We see now what the schedule has shaped up to be for the rest of the summer for this committee. This discussion may best be dealt with at subcommittee, but I'd like to raise it now anyway and see if there's agreement and whatnot.

We're seeing that there's not enough uptake for the northern leg for this committee, and Thunder Bay, North Bay and Sudbury are not on the schedule as it was envisioned. But we are seeing and there have been invitations for this committee to go out to the Integrity Commissioner and the Auditor General. The Chief Electoral Officer is to make a presentation on, I think, Thursday, August 11. That was the last day of the northern trip. I would like to suggest that if there is enough uptake, if there is enough desire expressed, the committee sit for another day in Toronto—or whatever time is allotted, they move the days from the northern trip to Toronto hearings if there is enough interest for that.

The Chair (Mr. Grant Crack): Thank you. Ms. Wong?

Ms. Soo Wong: Thank you very much, Mr. Chair. Given Mr. Hillier's request of sitting an extra day, normally it goes to the subcommittee to decide. I am going to suggest, or maybe move a motion, that the suggestion from Mr. Hillier can go to the subcommittee to make a decision. At the end of the day, it's always been the subcommittee that decides whether the group travels or scheduling activities for committees, like an extra day.

The Chair (Mr. Grant Crack): Further discussion? Mr. Clark.

Mr. Steve Clark: I agree with the subcommittee.

The other day that we didn't have enough uptake on was the first leg of our southwestern tour where we were supposed to go to Hamilton. So that Monday could also be a suggested date where we could do some of the Toronto hearings, because I believe the next day we go to Kitchener-Waterloo. We could do the Monday here, Kitchener-Waterloo Tuesday, and then on to London and Windsor. That's a suggestion for the subcommittee to consider.

Mr. Randy Hillier: Maybe I'll leave it with the Clerk, if we could arrange a subcommittee meeting to discuss those items.

The Chair (Mr. Grant Crack): Okay. Anything the subcommittee agrees to will have to be agreed to by the full committee, so we'll try to do our best to make sure we can facilitate that before the next meetings.

Ms. Fife?

Ms. Catherine Fife: Thank you, Chair. I think we have to have a sort of long-term view of how this committee is actually going to process some of the stuff that we've also heard.

And then, because this piece of legislation is at first reading, is it anticipated that we'll make amendments at the end of the summer and then we will take this piece of legislation back out to tour it for a second round at second reading? Is that the goal? If so, then we actually have a safety net to take this piece of legislation back out again.

Mr. Randy Hillier: We would need to have unanimous consent of the House not to go to hearings after second reading unless—

Ms. Catherine Fife: I'm sorry; I don't really understand that.

The Chair (Mr. Grant Crack): Okay, I believe that the process would be: This is first reading, so that's understood. It will go back to the government after we conclude our business—

Ms. Catherine Fife: After clause-by-clause at the end of the summer?

The Chair (Mr. Grant Crack): At the end of the summer, as per the direction from the House and what was agreed to by the committee. It will go back to the government for second reading to be introduced into the House. And then, from what I can understand, at that point it's just normal process after that. There's been no clear definition of where we go prior to the House resuming sitting in mid-September. That's all yet to be determined.

Ms. Catherine Fife: In that case, we do need to make an extra effort to take this piece of legislation out now at first reading. Even ahead of the subcommittee meeting, I would express interest in using that Hamilton day here in Toronto. I don't see why we couldn't come to a consensus.

Ms. Ann Hoggarth: Well, you're on the subcommittee.

The Chair (Mr. Grant Crack): So there has been a request to send it to the subcommittee. It looks like that's the consensus. We thank you for your input. I will speak

with the Clerk and we will organize a subcommittee meeting with some proposals, perhaps.

I guess that's it for business. I want to thank everyone for their hard, hard work this afternoon and this morning, for their great work. Thanks to everyone. I can go through the whole list, but I hope everyone is having a great summer. Thank you to the translation services that I always omit to thank. So thank you all.

Mr. Randy Hillier: Chairman Crack.

The Chair (Mr. Grant Crack): Yes, sir?

Mr. Randy Hillier: You're doing a very good job.

The Chair (Mr. Grant Crack): Mr. Hillier did say that the chairman is doing a great job. I appreciate that. Thank you very much.

This meeting is adjourned.

The committee adjourned at 1539.

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