



ADMINISTRATIVE REPORT

Report Date: March 12, 2010
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Meeting Date: March 23, 2010

TO: Vancouver City Council

FROM: Sub-Committee of Council on Electoral Reform
Councillors Ellen Woodsworth, Suzanne Anton, and George Chow

SUBJECT: Submission to the Local Government Elections Task Force

RECOMMENDATION

THAT Council endorse the draft recommendations of the Sub-Committee of Council to the Local Government Elections Task Force, as contained in this report and summarized in Appendix A.

COUNCIL POLICY

At the Regular Council meeting following the Standing Committee on Planning and Environment, January 21, 2010, Council resolved:

THAT the City of Vancouver strike a Committee composed of Councillors Woodsworth, Chow and Anton and a representative from the Mayor's Office to receive input from the public and, with assistance from the City Manager's Office, prepare a proposal to the Provincial Electoral Reform Commission for approval by Council.

THAT the submission include the City of Vancouver's Motion submitted to the Union of British Columbia Municipalities on campaign finance reform and relevant recommendations from the 2004 Vancouver Electoral Reform Commission final report.

THAT the City write to the Provincial Electoral Reform Commission to urgently request they hold a Public Hearing in Vancouver.

PURPOSE

This report provides draft recommendations for a Council submission to the Provincial Local Government Elections Task Force. It is based on work done by a Committee composed of Councillors Anton, Chow and Woodsworth, and a representative from the Mayor's Office.

BACKGROUND

Interest in the issue of electoral reform for local governments has grown in recent years in Vancouver. The goal of improving local democracy, accountability, and fairness has been debated by a number of previous Councils, but legislative change has been minimal. Ultimately, substantial changes to the way Vancouver conducts elections must be made by the Provincial Government through legislative changes to the Vancouver Charter.

In 2004, Vancouver Council appointed former BC Supreme Court Judge, Thomas Berger, to head a commission on electoral reform. The Commission engaged in months of public consultation, a review of studies conducted by academic experts in electoral systems, and analysis of electoral systems in other cities. In June, 2004, Mr. Berger submitted a comprehensive report that included twenty-three recommendations for the improvement of democracy in Vancouver <http://vancouver.ca/erc>. Eight of those recommendations were forwarded to the Minister of Community Services for legislative amendments, and to date only two have been partially addressed.

In September 2009, Premier Campbell announced the creation of a Local Government Elections Task Force <http://www.localelectiontaskforce.gov.bc.ca>. Co-chaired by Harry Nyce, the President of UBCM, and Bill Bennett, the Minister of Community and Rural Development, the Task Force will provide recommendations to the Province and Union of British Columbia Municipalities by May 30, 2010.

The Task Force is considering specific issues related to local government elections under the following topics:

- Campaign finance, including contribution/spending disclosure and limits, and tax credits
- Enforcement processes and outcomes
- Role of the chief electoral officer (B.C.) in local government elections
- Election cycle (term of office)
- Corporate vote
- Other agreed upon matters (e.g. matters raised in UBCM resolutions such as eligibility of local government volunteers to be candidates)

The Task Force has asked for written comments on these issues as soon as possible, and preferably by April 15, 2010.

In response to the Province's Task Force, Council unanimously passed a motion on January 21, 2010 to prepare a submission on behalf of the City. Since the motion was passed, members of the Sub-Committee of Council have met to discuss the topics under consideration by the Task Force and propose the recommendations which follow.

DISCUSSION

Campaign finance reform

In 2009, Council approved a comprehensive motion as a submission to the UBCM on changes for campaign finance reform. These included requests for the Province to:

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

The Committee feels that these recommendations should be forwarded to the Task Force. As municipalities vary in size and population, the Committee also feels it is best to recommend *principles* for the Province to adopt across BC, rather than prescribing specific policy (i.e. a dollar figure for donation limits). It will be left to the Task Force to determine an appropriate donation limit for municipal elections.

Transparency in the financing of municipal election campaigns needs to be improved. The Committee recommends that continuous disclosure at six month intervals of all donations be required of candidates, elected officials and electoral organizations. A request to the Province for restrictions on campaign spending was made in 2005 by Vancouver Council, but was not acted on.

On the issue of union and corporate donations, the Committee believes that rather than banning them outright, as is the case at the federal level, that the Province should implement a donation limit. A strict ban on union and corporate donations could make it very difficult to run effective election campaigns in both highly populated areas as well as large rural municipalities.

The Committee also strongly believes that the Province should provide a system of tax credits for municipal donations, to bring them in line with federal and provincial donations.

In recent years, nomination campaigns (i.e. for nomination within an elector organization) have grown in size and scope at the municipal level, whether they are for Mayor, Councilor, Park Board Commissioner, or School Trustee. The Committee recommends that Council ask the Province to amend the definition of “candidate” in the legislation to include candidates for nomination, whether the nomination is successful or not.

If there are concerns from municipalities throughout the Province regarding the technical impact of potential legislative changes, the Committee recommends that the Province enact legislation providing flexibility to Vancouver in the Vancouver Charter. At minimum, Vancouver Council requests that there be limits on campaign donations and expenditures, as well as the requirement for disclosure of donations, in time for the 2011 election.

Elections enforcement

There is a lack of appropriate enforcement mechanisms at the municipal level to deal with violations of election rules effectively and in a timely manner. The Committee requests that the Province appoint the Provincial Chief Election Officer to oversee municipal elections in BC and establish mechanisms for enforcement of offences.

Election cycle

The fact that municipal elected officials serve three-year terms is one of the reasons that there is an increasing emphasis on political fundraising, as elections are frequent. The Committee unanimously supports the call for the Province to introduce legislation amending municipal terms to four years.

Corporate Vote

While other municipalities in BC have had some form of corporate vote in the past, the City of Vancouver never has. Concerns around the amount of local ownership of a company to be eligible to vote, the requirements for being based in the City, and the ability to enforce such a provision were all determining factors in the Committee recommending *against* bringing any form of corporate vote to Vancouver or in the Province.

Other issues

Alternative Voting Process:

The issue of municipal electoral reform is one best decided at the local level. Currently, the City of Vancouver has the power to implement a ward system (neighbourhood constituencies), as opposed to the current at-large system of government. In 2005, the City of Vancouver requested the Province amend the Vancouver Charter to allow Council the option to adopt a proportional representation system.

The Committee recommends that the City of Vancouver be provided with the legislative authority to adopt an alternate voting process. Whether in an at-large or wards environment, the Charter presently only provides authority for a first-past-the-post voting system. Vancouver seeks the flexibility to adopt another established voting system that provides improved representation for electors.

Specifically, it is requested that the Vancouver Charter section 138 be amended to provide local governments with the authority to use any method of elections they wish to use, and to repeal section 138(4) requiring Lieutenant Governor in Council approval to adopt such a change.

Third Party Campaign Contributions ("Funneling"):

The current legislation states that the acceptance of a campaign contribution or the making of a campaign contribution through a third party is an offence. Penalties apply for both the individual who makes or accepts such a contribution, but does not apply to the intermediary party. The Committee recommends that the definition of election offenses and related

penalties be expanded to include individuals acting as an intermediary in third-party campaign contributions.

FINANCIAL IMPLICATIONS

There are no financial implications.

CONCLUSION

The Provincial Government's decision to create a Local Government Elections Task Force is the best opportunity for substantial municipal election reform in many years. A clear message calling for improved accountability, oversight, and financial regulation of municipal elections will improve the strength of local democracy in Vancouver and across the Province.

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Appendix A

Summary of Recommendations to the Local Government Elections Task Force

- Set limits on the annual amount of contributions that can be given by an individual or organization to an elector organization, campaign organizer, or an individual seeking elected office, similar to those at the federal level
- Limit the amount of money that may be spent annually by an elector organization, campaign organizer, or an individual seeking elected office during a general local election campaign, similar to those at the provincial and federal level
- Disallow contributions to an elector organization, campaign organizer, or an individual seeking elected office, from sources outside of Canada
- Require that all donations and expenses for candidates, elected officials and elector organizations be disclosed on a continuous basis at six month intervals
- Implement a system of tax credits for municipal donations, similar to those for provincial and federal elections
- Change the definition of “candidate” to include anyone seeking nomination within an elector organization for candidacy to a local government office
- Appoint the Provincial Chief Election Officer to oversee municipal elections in BC, and establish penalties and mechanisms for enforcement of offences under the amended local government elections legislation
- Extend municipal terms of office to four years
- Oppose allowing corporations the right to vote in local elections
- Provide local governments with the authority to use any method of elections they wish to use, and repeal the requirement for Lieutenant Governor in Council approval to adopt such a change
- Amend the definition of election offenses and related penalties to include individuals acting as an intermediary in third-party campaign contribution schemes