



Legislative Assembly of Alberta

The 29th Legislature
Second Session

Select Special
Ethics and Accountability
Committee

Election Finances and Contributions Disclosure Act Review

Wednesday, August 10, 2016
9 a.m.

Transcript No. 29-2-9

**Legislative Assembly of Alberta
The 29th Legislature
Second Session**

Select Special Ethics and Accountability Committee

Littlewood, Jessica, Fort Saskatchewan-Vegreville (ND), Chair
Miller, Barb, Red Deer-South (ND), Deputy Chair
Turner, Dr. A. Robert, Edmonton-Whitemud (ND),* Acting Deputy Chair

Anderson, Wayne, Highwood (W)
Clark, Greg, Calgary-Elbow (AP)
Connolly, Michael R.D., Calgary-Hawkwood (ND)
Cortes-Vargas, Estefania, Strathcona-Sherwood Park (ND)
Cyr, Scott J., Bonnyville-Cold Lake (W)
Drever, Deborah, Calgary-Bow (ND)
Jansen, Sandra, Calgary-North West (PC)
Loyola, Rod, Edmonton-Ellerslie (ND)
Nielsen, Christian E., Edmonton-Decore (ND)
Nixon, Jason, Rimbey-Rocky Mountain House-Sundre (W)
Renaud, Marie F., St. Albert (ND)
Starke, Dr. Richard, Vermilion-Lloydminster (PC)
Sucha, Graham, Calgary-Shaw (ND)
Swann, Dr. David, Calgary-Mountain View (AL)
van Dijken, Glenn, Barrhead-Morinville-Westlock (W)
Yao, Tany, Fort McMurray-Wood Buffalo (W)**

* substitution for Barb Miller

** substitution for Jason Nixon

Also in Attendance

Cooper, Nathan, Olds-Didsbury-Three Hills (W)

Office of the Chief Electoral Officer Participants

Glen Resler	Chief Electoral Officer
Kevin Lee	Director, Election Finances
Drew Westwater	Deputy Chief Electoral Officer

Support Staff

Robert H. Reynolds, QC	Clerk
Shannon Dean	Law Clerk and Director of House Services
Trafton Koenig	Parliamentary Counsel
Stephanie LeBlanc	Parliamentary Counsel
Philip Massolin	Manager of Research and Committee Services
Sarah Amato	Research Officer
Nancy Robert	Research Officer
Corinne Dacyshyn	Committee Clerk
Jody Rempel	Committee Clerk
Aaron Roth	Committee Clerk
Karen Sawchuk	Committee Clerk
Rhonda Sorensen	Manager of Corporate Communications and Broadcast Services
Jeanette Dotimas	Communications Consultant
Tracey Sales	Communications Consultant
Janet Schwegel	Managing Editor of <i>Alberta Hansard</i>

9 a.m. Wednesday, August 10, 2016

[Mrs. Littlewood in the chair]

The Chair: Good morning, everyone. I would like to call the meeting of the Select Special Ethics and Accountability Committee to order. Welcome to members and staff in attendance.

I would like to begin by asking members and those joining the committee at the table today to introduce themselves for the record, and I will address members on the phone. I will begin to my right.

Dr. Turner: Bob Turner, MLA, Edmonton-Whitemud.

Loyola: Rod Loyola, MLA for Edmonton-Ellerslie.

Mr. Nielsen: Chris Nielsen, MLA for Edmonton-Decore.

Connolly: Michael Connolly, MLA for Calgary-Hawkwood.

Cortes-Vargas: Estefania Cortes-Vargas, MLA for Strathcona-Sherwood Park.

Drever: Deborah Drever, MLA for Calgary-Bow.

Mr. Sucha: Graham Sucha, MLA, Calgary-Shaw.

Ms Renaud: Marie Renaud, St. Albert.

Mr. Lee: Kevin Lee, Elections Alberta.

Mr. Resler: Good morning. Glen Resler, Chief Electoral Officer, Elections Alberta.

Mr. Westwater: Drew Westwater, Deputy Chief Electoral Officer, Elections Alberta. Good morning.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake.

Mr. Clark: Good morning. Greg Clark, MLA, Calgary-Elbow.

Dr. Amato: Good morning. Sarah Amato, research officer.

Dr. Massolin: Good morning. Philip Massolin, manager of research and committee services.

Ms Dean: Good morning. Shannon Dean, Law Clerk and director of House services.

Mr. Roth: Good morning. Aaron Roth, committee clerk.

The Chair: On the phone?

Ms Jansen: Sandra Jansen, MLA, Calgary-North West.

Mr. Cooper: Nathan Cooper, MLA for Olds-Didsbury-Three Hills.

Dr. Starke: Richard Starke, MLA, Vermilion-Lloydminster.

The Chair: Okay. I think that is all.

Official substitutions for the record: Dr. Turner is filling in as deputy chair for Ms Miller, and Mr. Yao is filling in for Mr. Nixon.

A few housekeeping items to address before we turn to the business at hand. A reminder, again, that the microphone consoles are operated by the *Hansard* staff, so there's no need for members to touch them. Please keep cellphones, iPhones, and BlackBerrys off the table as these may interfere with the audiofeed. Audio of

committee proceedings is streamed live on the Internet and recorded by *Hansard*. Audio access and meeting transcripts are obtained via the Legislative Assembly website.

I just want to move on to approval of the agenda. Are there any members that would like to bring forward any items to go under other business?

Seeing none, we will move on to approval of the agenda.

Ms Jansen: Sorry. It's Sandra Jansen.

The Chair: Go ahead.

Ms Jansen: I just want the record to reflect that I was in attendance at the last meeting. I was given to understand my name wasn't on the record.

The Chair: Oh. Thank you.

Does anyone have any changes to make to the agenda? If none, would a member like to make a motion to approve the agenda?

Loyola: So moved.

The Chair: Member Loyola moves that the agenda for the August 10, 2016, meeting of the Select Special Ethics and Accountability Committee be adopted as distributed. All in favour? Any opposed? That motion is carried.

Next are the minutes from the last two meetings. Up first we have July 26, 2016. Are there any errors or omissions to note with these minutes?

Mr. Resler: I just would like to provide a couple of comments in reviewing the minutes. One of them is on word usage during leadership contests. The motions refer to a leadership candidate. In the legislation they're referred to leadership contestants. So just to let you know that.

Also, on the first motion that was presented in the minutes for the July 27 meeting, where the recommendation is that the Election Finances and Contributions Disclosure Act be amended so that only financial institutions other than Alberta Treasury Branch can make loans, I just wish to bring to your attention that this recommendation is the current provision in the legislation. Section 40(1) of the act states:

A registered party, registered constituency association or registered candidate

(a) may borrow money only from a financial institution other than a treasury branch.

So just to draw that to your attention.

Thank you.

The Chair: Okay. Thank you.

Are we supposed to make those adjustments to the minutes, then, Ms Dean?

Ms Dean: I think it's just for future reference as we go forward with respect to motions. In connection with the committee's report, with the resolution that was passed that Mr. Resler spoke to, there's no need for that to form part of the report because it's already in the legislation.

The Chair: Okay. Thank you.

Would someone like to move adoption of the minutes, then?

Loyola: So moved.

The Chair: Moved by Mr. Loyola that the minutes of the July 26, 2016, meeting of the Select Special Ethics and Accountability

Committee be adopted as circulated. All in favour? Any opposed? That is carried.

Next are the minutes from the July 27, 2016, meeting. Are there any errors or omissions to note with these minutes? Ms Sandra Jansen was saying that she needs to be added. Ms Jansen, would you like to move an amendment to the minutes, then?

Ms Jansen: Yes, please.

The Chair: All those in favour of the amendment, say aye. Any opposed? That is carried.

Would someone like to move the amended minutes, then?

Mr. Nielsen: So moved.

The Chair: Moved by Mr. Nielsen that the minutes of the July 27, 2016, meeting of the Select Special Ethics and Accountability Committee be adopted as revised. All those in favour, say aye. Any opposed? That is carried. Thank you.

We will now turn back to our deliberations on the Election Finances and Contributions Disclosure Act. I just want to quickly remind committee members that we have committed to going through this line by line. Just a note to members that there was an e-mail that had gone out at the suggestion of counsel where they are again reminding members that they're available for the drafting of potential motions prior to committee meetings. Advance review ensures that draft motions are compatible with the scope of the committee's mandate and that language used is consistent with the legislation under review.

When we ended our discussions at the last meeting, we were under section 7 on page 14, where we had deferred decisions on three motions as well. Item 7, incurring expenses: Dr. Amato, do you mind opening that up for us?

Dr. Amato: Certainly. The item is 7(c) on the bottom of page 14. The proposal submitted to the committee is that the Wildrose Party disagrees with recommendation 25 of Elections Alberta and suggests that the current legislation does not require amendment. There's information on recommendation 25 in the right-hand column under the notes.

The Chair: Does anyone have a motion that they would like to make on this matter at this time? Mr. Clark.

Mr. Clark: Thank you very much, Madam Chair. I'd appreciate it if Mr. Resler or someone from his office could give us some context as to the rationale behind recommendation 25, please.

The Chair: Mr. Resler.

Mr. Resler: Absolutely. Thank you. With this recommendation what we are recommending is that the language of this section be clarified such that a candidate is unable to raise funds or incur expenses unless they are registered under the legislation. This does not restrict a constituency association or a party from incurring expenses prior to a campaign period, it does not restrict any transfers between these political entities, and it also allows an independent candidate, if registered, to raise and spend money during a campaign period rather than restricting them to the election period.

9:10

You have the election period, which is from writ to two months after polling day, but also in the legislation there's the defined period being a campaign period, which commences at February 1 of a fixed election period, so it allowed the additional time for those

independent candidates to raise and spend money. So it's really a clarification and prohibits a candidate from spending money for which they would seek reimbursement at a later time.

The Chair: Thank you, Mr. Resler.

Is there any further discussion, Mr. Clark, on that?

Mr. Clark: Well, perhaps I may ask one of my colleagues from the Wildrose to expand on your concerns with recommendation 25 if you're able to do so.

Thank you, Madam Chair.

Mr. Cooper: Just before we proceed, you know, before I answer Greg's question, I guess I have a question for the Chief Electoral Officer. Perhaps now is not the time, but it has to do with registration of candidates. Are there parameters that could be put in place where a candidate who's been selected by their party or where an independent could be approved as a candidate prior to the campaign period? Like, as a hypothetical, if I was to be nominated in the constituency of Olds-Didsbury-Three Hills 12 months prior to the campaign period starting, are there parameters where I could be registered as a candidate and alleviate some of the rush that takes place in the first eight days of the campaign per se or of the actual election period? I'm just curious to know if he can address that, and then perhaps I'll be able to provide some additional context on the party's recommendation.

Mr. Resler: What you're discussing is a preregistration process for candidates prior to the election. During the fixed election period which currently exists in the legislation, commencing on February 1 of that election period, that campaign period, that's when that preprocess can occur. That could be one month in advance if the election is called March 1. If it's called in May, then there are several months in which that can be accommodated. That's registration under the finance legislation; that's not the nomination documents that are required under the Election Act, which are available from the returning officer once a writ of election is issued.

As far as the current legislation there would be no preapproval other than that advance notice. If an election is called early, as was done in the previous election, we have accommodated advance notice, say, for the 2015 provincial general election. We provided I think it was a three-week notice from when the election was called to allow the preregistration process. The date of the election was unknown to us at that time. So an 11-month period or a year period in advance: that is not available under the legislation.

The Chair: Mr. Cooper, you were saying that you had something to add.

Mr. Cooper: Yeah. Well, I actually just sent a note to a colleague to get some additional information for the committee's purpose. I haven't received that back at this point. I'm happy to provide some context a little bit further down the track if we want to proceed to 7(d), I guess. Like I say, I was just trying to get some additional context. I'm not that familiar with that particular recommendation, as to why we headed in that direction, but I'm happy to provide additional information in a bit if we'd like to proceed.

Mr. Resler: I just want to clarify, too, that even if a candidate – it's a preregistration process that's effective at the commencement of either the campaign period or the election period day of writ depending on when the election is called. That does not allow a candidate to raise or spend funds on the preapproval registration process until the commencement of a campaign period.

The Chair: Is there anyone wanting to make a motion at this time?
Mr. Clark.

Mr. Clark: Thank you, Madam Chair. I'm not prepared to make a motion at this time. I just want to make sure I'm clear, just coming back to point 7(c), and the preregistration piece was covered under 7(b). I know, if I'm not mistaken, that there is a deferred motion on that as well. I just want to make sure I'm clear on what Elections Alberta is trying to achieve with their recommendation 25. Just to get my head around it, really what we're talking about is that you are trying to broaden the definition of or the prohibition on accepting contributions before registration whereas currently the act specifically limits accepting contributions to activities that fall under sections 17 and 18. What I understand you're trying to do here is to broaden that. Is that just, "We'll take that one step at a time"?

Mr. Resler: Under section 17, as far as the candidate accepting contributions, they're unable to under the legislation. So, really, "pursuant to section 17 and 18, as the case may be," is irrelevant. It's cleaning up. It's a redundant piece of language, so it's cleaning up (a). They're not allowed to accept contributions. Under (b), incur any expenses versus use of funds, it's how those words are interpreted. "Use any funds" may to some people mean that you can't spend money, but it doesn't. It's incur any expenses. So a potential candidate can incur expenses under the current legislation, their own money type of thing, in which they seek reimbursement.

Mr. Clark: Your intent, then, is – as it stands now, again, just so I'm clear, as you say, wealthy individuals or a candidate with a substantial amount of money may spend a lot of money . . .

Mr. Resler: Up front.

Mr. Clark: . . . up front, but those would be reimbursed and therefore do not count as incurring expenses.

Mr. Resler: Correct.

Mr. Clark: And you're trying to close that loophole to say – or am I backwards here? Is that currently not allowed? Really, what you're talking about is that if money is spent but it is reimbursed, it is not an expense and therefore should be outside the scope of the act. Or is it the other way around? Is it that you're trying to prevent this money from being spent?

Mr. Resler: It's to clarify that candidates, unless they are registered under the legislation, cannot raise or spend money. That's the intent of the legislation right now. The wording of it needs to be clarified to ensure that that is what occurs.

Mr. Clark: Candidates cannot raise or spend money, but the . . .

Mr. Resler: The constituency association or party absolutely can on their behalf, and that's what those entities exist for, that purpose.

Mr. Clark: Okay. Thank you.

Thank you, Madam Chair. Yeah. I'm not prepared to make a motion at this time. I would like to hear from our friends in Wildrose as to what, if any, concerns they have with this, so I'm happy to defer any further discussion on this till later.

Thank you.

The Chair: Okay. Thank you.

I will move on, then, to item (d), late filing for an elected candidate who misses the filing deadlines. Dr. Amato, would you mind opening that up, please?

Dr. Amato: Certainly. This is item 7(d) on page 15, and the proposal from Elections Alberta is that "the EFCDA should be amended to implement greater consequences for an elected candidate who misses the financial statement filing deadlines." More information about this proposal is in the right-hand column under the notes.

The Chair: Thank you.

Is there anyone that would like to make a motion on this item?

Seeing none, Mr. Clark.

9:20

Mr. Clark: Sorry, Madam Chair. I just wanted to – this is, I think, an important one, and there are a number of people I know who have been caught in this black-and-white piece. One area I would like to explore, which I think is important, is recommendation 40, a 10-day late filing period with automatic fines. I know of one case, likely more than one case, where a simple courier error, a delay in something going through the mail, has resulted in a past candidate having to spend thousands of dollars to go through a court process to get themselves off the list that is sent to the Speaker. That is something I think is a very reasonable recommendation, to adopt a 10-day late filing period with fines. There should be some consequence to not meeting that filing period. As it stands, I think the filing period itself is reasonable, but for those who do not make the specific deadline perhaps by a matter of minutes or hours, they should be fined as opposed to a black-and-white situation.

Given that, I will make a motion that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act include a 10-day late filing period with automatic fines. Perhaps we can wordsmith that a little bit to make sure we know specifically what it is we're referring to in terms of what we're filing.

Madam Chair, with your permission I'd like to ask our friends from Elections Alberta if there's some specific language they feel we should include in that to be as clear as we can about exactly what we're referring to and who's filing and what it is they're filing.

The Chair: Mr. Resler.

Mr. Resler: Yes. I guess whether there's any objection to the recommendation itself as far as the dollar amount of the fine . . .

Mr. Clark: You know, from my perspective, I would be comfortable leaving it up to Elections Alberta to determine an appropriate level of fine. I'm not sure I have enough context to come up with a number here myself.

Mr. Resler: Yeah. As a comparative, Manitoba and B.C. also have automatic fines for late filing, and it's built around a comparative of those provinces.

The Chair: Member Loyola.

Loyola: Yes. I was hoping, Dr. Amato, that you could elaborate a little bit more on provisions in other jurisdictions specifically as they relate to the fine as well. I'm wondering if you have that information at your fingertips there.

Dr. Amato: I don't have that information immediately available, but I'm happy to provide it.

Loyola: Mr. Resler, would you have anything to add to that?

Mr. Resler: Just one item I wanted to clarify on the comment that this would implement a greater consequence; I think it's a lesser consequence. Currently I think this is a balanced approach as far as a penalty to the breach. It is very clear that if the deadline is missed, you're in breach of the legislation. You're provided four months. As far as in this case candidates are provided four months in which to file the statements. Canada Post delivery: they may file it the last day, and it doesn't come in some instances a week later. There is a substantial cost to both the candidate and to our office, thousands of dollars we spend showing up in court and producing documents in which we do not oppose.

Last provincial election we had 14 candidates that failed to file their financial statements, of which seven candidates and their chief financial officers applied for relief. Five of those were successful. I think it is a reflection that there is a breach, that a penalty is necessary. I think it has to be \$500 as far as the minimum penalty amount because if anything goes to Crown collections, they will not look at it unless it's \$500 or over. So that's the minimum threshold that we're requesting.

Thank you.

The Chair: Mr. Clark.

Mr. Clark: Yeah. That seems like a reasonable fine because it's consequential. It's not, you know, \$20, and people would just go: well, that's fine; don't worry about it. But at the same time it is also substantially less than it would take to actually go to court for the filer, so that to me seems like a reasonable number. Having said that, I don't know if it's necessary to include that number in the motion itself. One of the challenges of putting specific, hard numbers in legislation is future-proofing that; \$500 may make sense now, but 10 or 20 years from now it may not make as much. Who knows? Again, I am open to discussion or thoughts from the committee on whether or not we do need to include a hard number in there or if we leave it up to Elections Alberta.

Loyola: Mr. Clark, would you feel better about just saying "in accordance with what has been recommended by the Chief Electoral Officer"?

Mr. Clark: I'm fine with that. Absolutely.

Loyola: Because, after all, this is a recommendation to those who will be making changes to the legislation, right?

Mr. Clark: So perhaps we can add the words "with automatic fines in an amount to be determined by the office of the Chief Electoral Officer."

Loyola: No. I was suggesting more "an amount in line with the recommendation from the Chief Electoral Officer" because he's already made the recommendation. Those who are considering the legislation could then take that into account, and they could make it a little bit higher or lower. It's up to them.

Mr. Clark: Sure. That's fine. I think that achieves what we're trying to do, an amount consistent with the recommendation of the Chief Electoral Officer of Alberta.

Loyola: Madam Chair, I'll take this opportunity to say that I am in full support of this motion and that I would recommend to all of my colleagues that they support it as well.

The Chair: Okay. Mr. Roth, would you mind reading the motion out for those on the phone, please?

Mr. Roth: Moved by Mr. Clark that

the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act include a 10-day late filing period with automatic fines in an amount consistent with the recommendation of the Chief Electoral Officer.

The Chair: Thank you very much.

With that, I will open discussion on the motion. Is there anyone on the phone that would like to be added to the speakers list? Okay.

Seeing none, I will call the question. All those in favour of the motion, say aye. Any opposed? On the phones? That is carried.

Moving on to item (e), late filing for parties and constituency associations. Dr. Amato, would you mind opening up that item?

Dr. Amato: This item is 7(e). It's located on page 17. The issue is late filing for parties and constituency associations, and there are two proposals with respect to that issue.

The first is: "The EFCDA should be amended to implement a balanced approach to late filing." That's from Elections Alberta.

The second is: "With regard to recommendation 38 of Elections Alberta, there should be 'a more detailed process with clearly defined parameters that do not allow overreach, causing premature deregistration of political parties.'" There's some information on Elections Alberta's proposal in the right-hand column under notes.

The Chair: Thank you very much.

Is there anyone that would like to make a motion at this time?

Loyola: Madam Chair, may I ask a question?

The Chair: Member Loyola.

Loyola: Thank you, Madam Chair. Through you to the Chief Electoral Officer, could you just elaborate a little bit more? Am I to understand that this is completely the reverse of what we just did in terms of for candidates? Is this in line? Could you please elaborate a little bit more?

9:30

Mr. Resler: This recommendation is similar to what we just discussed with the candidates. We are looking for a balanced approach, again, as far as the penalties. Instead – and I think this recommendation complements what the Wildrose is looking at, if I'm correct – of deregistering a party or a constituency association for breach of filing, we're providing, in essence, a grace period in which that filing can occur but recognizing that it's still late and a breach of the act, in which an administrative fine is presented.

Mr. Cooper: Madam Chair, may I speak after Member Loyola, please?

The Chair: I'll add you to the list. Thank you.

Loyola: Am I to understand that currently there is no late filing fee or fine?

Mr. Resler: Right now there is nothing set in the legislation as far as automatic fines. Correct.

The Chair: Mr. Cooper.

Mr. Cooper: Yeah. I'll just speak briefly to this point when it comes to automatic deregistration. You know, I'm significantly

more comfortable if we have sort of a set of rules for parties and a set of rules for constituency associations. That might be a bit of an overstatement, but I think you'll get where I'm headed at the end.

At the constituency association level we have, essentially, volunteers who are engaged in the political process, and having the automatic deregistration certainly creates some challenges with the individuals who may or may not want to engage in the political process, particularly on the volunteer side. Now, I have significantly less sympathy for political parties, you know, many of which have staff and understand the process and at the end of the day should be able to file on time.

But if the Chief Electoral Officer is making some recommendations when this recommendation is trying to find a more balanced approach, I think that we should support that. I recognize that there needs to be a mechanism which holds constituency associations to account but also that from time to time they may need an extra day or two, oftentimes with volunteers on holidays. I recognize they don't have to wait till the deadline, but that is often what happens. So if we can find a more balanced approach, I would certainly be in support of that.

The Chair: Is there anyone wishing to make a motion?

Loyola: Madam Chair.

The Chair: Member Loyola.

Loyola: Yeah. I'll move that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to implement a balanced approach to late filing as recommended by the Chief Electoral Officer.

Now, I'm open for suggestions here, and if we could add the quoted section – what do we have so far? – that “a more detailed process with clearly defined parameters [be devised] that do not allow overreach, causing premature deregistration of political parties.”

Ms Dean: Madam Chair, I'm wondering if it would be consistent with the member's intent to reference the specific recommendation from the CEO's office. For example, could you say “as recommended by the Chief Electoral Officer” and put in brackets “recommendation 38”?

The Chair: Member Loyola, does that look like it represents your motion?

Loyola: I'm open for discussion if people want to put an actual fine amount. Perhaps I'll ask the Chief Electoral Officer: would you like to see a specific fee amount or fine amount in there?

Mr. Resler: Under the recommendation we have the automatic \$500 late filing fee and \$25 per day.

Loyola: Okay.

Mr. Cooper: Just a quick question.

The Chair: Just a moment.

Loyola: That is within the recommendation that has been made, recommendation 38. We'll allow those who are actually making the change to the legislation to take that into consideration.

The Chair: Member Loyola, are you open to hearing what Mr. Cyr wants to . . .

Loyola: Yeah. Most definitely.

The Chair: Okay. Mr. Cyr.

Mr. Cyr: Thank you, Madam Chair. Thank you also to the CEO for coming up. My question is for you. What are we going to do if the constituency association has \$100 in their bank account and they can't pay your \$500 fee? Is there a way to waive that for poor constituencies, or do you just deregister them? I'm curious what process would be there.

Mr. Resler: Obviously, the fee amount or the penalty would be applied. If they didn't have the funds in which to pay it, they can go to their political party to ask for funds. They can take a loan to pay the funds. If they choose not to pay it at all, then the potential is deregistration at that time. It's also to provide an incentive to file on time, having the penalties in place.

The Chair: I'm wanting to ensure that we have the proper wording of this motion in place before we actually start to debate the motion. Mr. Cooper, are you wanting to make a recommendation towards the wording of this motion before we start to debate it?

Mr. Cooper: No. I had a question with regard to the ramifications of the motion.

The Chair: Okay.
Member Loyola.

Loyola: Yeah. I think it's important that we include, as we did in the last motion – maybe we can just copy and paste that portion where it talked about the fine. Could you just go back to the previous motion that we just made? Okay. We further recommend that “automatic fines in amount consistent with the recommendation of the Chief Electoral Officer” be implemented. If we just grab that “automatic fines” to the end and copy and paste that down – “we further recommend” and then just paste, and then I can figure out what we're going to put in between there.

Ms Dean: I would simply after the words “political parties” just say: and that automatic fines be incorporated in an amount consistent with the recommendation of the Chief Electoral Officer.

The Chair: Member Loyola, is this in a form that is consistent with what you are intending?

Loyola: I believe it now represents what I am intending, yes, indeed.

The Chair: Mr. Roth, would you mind reading this out before we discuss the motion, please?

Mr. Roth: Member Loyola moved that

the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to implement a balanced approach to late filing as recommended by the Chief Electoral Officer, recommendation 38, that a more detailed process with clearly defined parameters be devised that do not allow overreach causing premature deregistration of political parties and that automatic fines be set in an amount consistent with the recommendation of the Chief Electoral Officer.

9:40

The Chair: Okay. So far on the speakers list I have Mr. Clark and then Mr. Cooper. Mr. Clark, go ahead.

Mr. Clark: My question to the Chief Electoral Officer or your office is: you know, further to what Mr. Cyr was talking about, if a constituency association is deregistered with a fine outstanding, would they be required to pay the fine to reregister that constituency association? I can imagine you have a constituency association perhaps immediately following an election: everyone gets disengaged, they don't pay the fine, and they are deregistered. Two years later, approaching the next election, it's time to build the constituency association again, and they are now going through the process of reregistering. There may be entirely different people involved; things change. Do you envision that fine being waived, or is payment of that fine a precondition of reregistering that constituency association? Have you given some thought to that?

The Chair: Mr. Resler.

Mr. Resler: Thank you, Madam Chair. I haven't given detailed thought to that. Currently the process is that in order to resurrect a constituency association that has been deregistered, they have to comply to meet registration, so all outstanding filing and that type of thing would have to be provided. In that experience we would ask for the fine and the financial statements to be provided.

This isn't something that we take lightly, either. As far as the deregistration process or the administration of fines, we work quite diligently with the volunteers. We're phoning the volunteers, we're phoning the parties, we have contact with them, and we're providing assistance where we can in order to make them comply. We're working as much as possible to prevent the late filing. We're providing updates to the parties to let them know which ones are outstanding so they can follow up. We follow up, and we try to make it happen.

The language that we look at: instead of a "shall," it could be a "may." There are certain situations which we have experienced in the past with deregistration where we find out that a chief financial officer is deceased. Well, we're not going to deregister a constituency for that reason, so we have relaxed that provision. There are instances that could occur.

The Chair: Mr. Cooper.

Mr. Cooper: Yeah. I guess the motion is broad enough that I think it alleviates some of my concerns because they were more detailed on, like, the initial fine and then the \$25-a-day fine after. The question I had was: at what point in time would the fine stop and deregistration take place? I'm just seeking some clarification on that. You know, ultimately, the motion isn't detailed enough to answer that question anyway. But, for clarity's sake, if Mr. Resler knows the answer, I'd be curious to know what his current thoughts are on that.

Mr. Resler: Thank you. I think that's something where we can look at the clause as far as putting in a maximum. Say, as an example, for a constituency association it might be a maximum of \$750, so it doesn't go on for a two-year period when they are reregistered. I think that would be inappropriate. When the legislation is drafted, if this is approved, we can look at having maximums being placed that are appropriate.

Mr. Cooper: Thank you.

The Chair: Is there any further discussion on the motion? Mr. Clark.

Mr. Clark: Thank you. Just as I look at the motion itself, it has the words "premature deregistration of political parties" but does not

specify constituency associations. I wonder if we want to amend that. With that, I will propose an amendment to the motion, if I may.

The Chair: Please go ahead.

Mr. Clark: Thank you.

To add the words "or constituency associations" after the words "political parties."

I believe that gets us where we want to be. I'm open to comments from counsel or from other members. Does that get us where we want to be? Thank you very much. Thumbs-up from Parliamentary Counsel. I want that on the record.

Thank you.

The Chair: Is there any discussion on the amendment?

Mr. Cyr: I really, truly believe that by putting massive amounts of penalties on – it doesn't sound massive, but to the constituency associations \$500 is massive. Let's walk through this with the smaller parties, let's say, something like the Green Party. They run 50 candidates, and after the election none of them files any paperwork. Suddenly what we end up with is a mass debt that the party can't pay for because it's not collecting as much funds as, say, one of the larger parties. Are we now going to prevent that party from running candidates in the next election? That's my concern here, that this is potentially preventing smaller parties from being able to enter the election process. The larger parties will be able to absorb this, as you've already said, but there might not be a mechanism for, I guess, emerging parties to be able to deal with it.

Mr. Resler: Just as a side note, currently the smaller parties that run candidates are probably the ones that are compliant with the legislation. It is the larger parties that are less compliant.

With candidates or constituency associations the parties themselves have capacity during the process as far as the filing period. In our conversations with the volunteers or the parties' conversations with volunteers you can quickly ascertain whether the statements are going to be coming in or not. At that point the party has the capacity to file a statement to ensure compliance. They can, you know, work with either the people involved – there are other manners in which compliance can occur and different appointments in order to get the statements in.

I think Albertans also want the transparency of the electoral process. If statements are not being filed, we do not know who's supporting these candidates, what contributions, what expenses. Are they in compliance with the legislation? What incentive do we have in order to ensure that the information is properly reported?

Mr. Cyr: I fully agree with you. I guess my concern is always preventing access to the electoral process.

Just for clarification, to file these, you need the CFO's or the president's signature on the filing, right?

Mr. Resler: Uh-huh.

Mr. Cyr: Now, if you have presidents and CFOs walking away, which typically does happen after an election – and this is exactly my point, that you've got mass CFOs and presidents walking away and saying: I'm just going to ignore it. There's no personal penalty that you are levying against the CFO or the president of that CA.

Mr. Resler: Yes, we can. Against the CFO, yes, we can.

Mr. Cyr: Against the CFO. How would that process work?

Mr. Resler: That process is defined in the legislation currently.

Mr. Cyr: So they would be liable for the fine that you're putting against a CA?

Mr. Resler: Yes.

Mr. Cyr: Or the CA still has that fine, and there's an additional fine that goes against that CFO?

9:50

Mr. Resler: There could be. Section 48 of the legislation, under failure to provide audited statements, currently states, "The chief financial officer of a registered party, registered constituency [or a] candidate who contravenes section 42 or 43 is guilty of an offence and liable to a fine of not more than \$1000." So we'd have to initiate action on that.

Mr. Cyr: But, to go back, this fine would still be put against the constituency association. So there would be two separate fines, and the constituency association would still be unable . . .

Mr. Resler: It's the chief financial officer of the constituency association.

Mr. Cyr: Right. But they wouldn't be required to pay this fine. Only the constituency association would be required to pay this fine.

Mr. Resler: Oh. Yes.

Mr. Cyr: I'm asking.

Mr. Resler: Correct. That's correct.

Loyola: I completely understand the concerns of Mr. Cyr, but I'd like to chime in here and state that, I mean, we're trying to create a culture of more engaged individuals, constituents within the political process. So I can see that, yes, the chief financial officer is going to be fined \$1,000. But at the end the EDA would be working as a team – right? – and making it so that there are further responsibilities on the EDA I think is a good thing because at the end of the day they must know that they need to file these things. It's the responsibility of the chief financial officer, yes, but now we're expanding that so that we make sure that others are involved in the process as well to encourage the chief financial officer and the candidate to make sure that they file on time. It's a responsibility of participating in the democratic process.

I'll leave it at that.

The Chair: Mr. Nielsen.

Mr. Nielsen: Thank you, Madam Chair. Just a quick question through you to the CEO. You had already made mention with regard to how often this happens. I think you said that it tends to happen more often with the larger parties. You know, if we said out of 1 to 10 – what number would you say, just a ballpark, of the smaller parties have this struggle versus the larger ones?

Mr. Resler: The very rough numbers might be, like: 2 out of 60 of the deregistrations in the one year were a smaller party.

Mr. Nielsen: And then versus the larger parties that have these . . .

Mr. Resler: The balance was all the larger parties.

Mr. Nielsen: Okay. Thank you.

Mr. Sucha: Do you have certain years where you have more deregistrations than others? Like, is the past year, that has happened – have you seen a higher number than normal?

Mr. Resler: The numbers: 2014 was the highest. That was a bit of a crackdown by myself as far as compliance, where we had multiple years outstanding from constituency associations that hadn't been filed, so we were enforcing the legislation. This previous year the numbers are considerably lower, so attention has been drawn that the due date is the due date.

And some deregistrations and part of the discussions that we have with volunteers, just to clarify: after an election, because you do have that volunteer burnout and you may not have activity between elections, you can voluntarily deregister. You file the final statement in compliance with the legislation, let the registration lapse on its own, and then bring it back after. So it can be filed in good standing and then deregistered. That's also occurring.

The Chair: Any further discussion on the amendment?

With that I will call the question on the amendment. All those in favour, say aye. All those opposed? That amendment is carried.

Back on the amended motion. Mr. Clark.

Mr. Clark: Thank you. I just want to pick up on something that Mr. Resler, I believe, had said earlier, that one of the options in terms of flexibility when drafting the legislation would be to perhaps use the word "may" instead of "shall" in imposing fines. That level of flexibility, I think, is important and gives the office a level of discretion which is welcome and perhaps would address some of the concerns that we've heard around the table over whether we're overburdening volunteers to file, you know, and balances out that need to have some consequence if you don't. I guess I'm wondering if that's something that the committee feels that we need to include in the motion or if that's something that we should all just be watching out for when legislation itself is drafted because I feel that that's perhaps a reasonable accommodation here.

I'd appreciate my colleagues' or even perhaps the Chief Electoral Officer's comments on that. Don't everybody go at once.

Mr. Cyr: To be honest with you, I'd be more comfortable with "may" as well just because of the fact that circumstances may be out of the control of the association, and that's where you guys can step in and make a decision. I would feel comfortable with that.

Mr. Resler: Just to clarify, Madam Chair, as set out in our recommendation, the late fines are payable "at the option of the [CEO]" as to who is paying it, I believe. Yes, we'd be in support of that. That would be a revision to our recommendation.

The Chair: Mr. Cyr, you wanted to make an amendment, then?

Mr. Cyr: Where to go with that?

The Chair: Ms Dean, do you have some counsel as to how that could be amended?

Ms Dean: I'm sensing that the word "automatic" is problematic and that we want to build in discretion for the CEO in terms of levying these fines.

Mr. Cyr: I can work with that.

The Chair: Mr. Cyr.

Mr. Cyr: Madam Chair, thank you. I would like to propose an amendment. Take out "automatic," and put "at the discretion of the

Chief Electoral Officer,” unless somebody has got better wording. Does that work?

Ms Dean: Bear with me.

Strike out “automatic,” and after “fines” add “may be levied at the discretion of the Chief Electoral Officer and in an amount consistent with the recommendation of the Chief Electoral Officer.”

10:00

Mr. Cyr: Yeah.

The Chair: Discussion on the amendment?

Mr. Yao: Is there something to ensure that the Chief Electoral Officer provides a fair, balanced approach to this?

Mr. Resler: That’s really the mandate of our office.

Mr. Yao: Yeah. Just to be sure. No offence.

Mr. Resler: Oh, no, not at all.

Then when we look at these fines, they will also be public. So you’ll have the public scrutiny. If one is levied differently than the others, there would have to be substantiation behind it, absolutely. I don’t think that’s something that can be written in the legislation in that sense.

Mr. Yao: No. As long as it continues to be a public and open process, that there’s balance there . . .

Mr. Resler: And that there’s scrutiny, yeah.

Mr. Yao: . . . and not to have a unilateral decision on your part, you know.

Mr. Resler: Yeah. Absolutely.

Mr. Yao: Thank you.

The Chair: Member Loyola.

Loyola: Yeah. I just wanted to make some comments, to get them on the record. I will support this amendment. However, I do want to state that we’re talking about the integrity of our democratic system. Yes, I understand that these are volunteers. However, when you take on a responsibility, you’re committing that you will follow through with your role as it applies to our democratic system. That’s something that I take very, very seriously. Before becoming a candidate, in the role that I played within the party and my constituency association, I took that responsibility on very diligently. I think it’s important that we hold that standard up across this province, that if you’re going to participate in a democratic system, you need to take your responsibility seriously.

That being said, though, I understand that volunteers can, you know, feel overwhelmed, that they are in a volunteer capacity when they’re helping out during an election, an election process. So for that reason, I will support this amendment, but I just wanted to get my thoughts on the record.

The Chair: I’m going to call the question. All those in favour of the amendment, say aye. Any opposed? That is carried.

We are back on the amended motion. Is there any further discussion on the amended motion? Maybe we’ll just get the amended motion read into the record first, considering that there were a couple of amendments. Thank you.

Mr. Roth: Member Loyola moved that

the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to implement a balanced approach to late filing, as recommended by the Chief Electoral Officer’s recommendation 38, that a more detailed process with clearly defined parameters be devised that does not allow overreach causing premature deregistration of political parties or constituency associations, and that fines may be levied at the discretion of the Chief Electoral Officer and be set in an amount consistent with the recommendation of the Chief Electoral Officer.

The Chair: All those in favour of the amended motion, say aye. Any opposed? That amended motion is carried.

On to item (f), disclosing to parties during an investigation of candidates.

Dr. Amato: In the issues and proposals document this issue is listed on the bottom of page 18. The issue is disclosing to parties during an investigation of candidates. The proposal from Elections Alberta is that “the EFCDA should be amended to expand the categories in which the [Chief Electoral Officer] can disclose information during an investigation.” More information is provided in the notes column on the right-hand side.

The Chair: Thank you.

Is there anyone that would like to make a motion at this time? Mr. van Dijken.

Mr. van Dijken: Yeah. In principle I agree with the recommendation here to add lines (a.1) and (a.2) into the act, and I would like to make a motion supporting that, to essentially recommend that the act be amended to expand . . .

The Chair: Okay. Just a moment. We just have to get the initial wording in of the act and the recommendation.

Go ahead.

Mr. van Dijken: Essentially, as recommended, to expand the categories in which the CEO can disclose information during an investigation.

The Chair: Sorry. Can you repeat that, please?

Mr. van Dijken: As in our notes, that it “be amended to expand the categories in which the CEO can disclose information during an investigation,” and then, to expand on that . . .

Ms Dean: Mr. van Dijken, would it be agreeable to you just to simply cross-reference the Elections Alberta recommendation 20?

Mr. van Dijken: That’s exactly it, yeah.

Ms Dean: Okay.

Mr. Roth: So “be amended to reflect . . .”

Ms Dean: No. Keep that language, but just at the end: “as set out in Elections Alberta recommendation 20.”

The Chair: Mr. van Dijken, does that reflect your motion?

Mr. van Dijken: That would, yes.

The Chair: Okay. I’ll just get that read into the record, please.

Mr. Roth: Moved by Mr. van Dijken that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions

Disclosure Act be amended to expand the categories in which the Chief Electoral Officer can disclose information during an investigation as set out in Elections Alberta recommendation 20.

The Chair: With that, I will open discussion. Member Loyola.

Loyola: Yeah. I was just hoping, Mr. Resler, that for the record you could explain why you're making this recommendation.

Mr. Resler: Currently in investigations assistance can be provided by a candidate's or a constituency's political party, but under the current legislation I'm restricted in providing information to the party. I can't engage them at all. I would have to seek permission from a candidate or a constituency in order to have conversations with the party. An investigation is a formal process, and it can be intimidating by these political entities. Without that support from the party, I think it's very important to have that to assist them through the process.

Also, during investigations, if it's dealing with contributions, official tax receipts are cancelled or voided and monies are returned. In our discussions with Alberta Treasury Board and Finance, who are responsible for tax returns, they have requested to be notified when these have been rescinded, in a sense, to ensure that previously filed tax returns are amended.

Loyola: Madam Chair, through you to Mr. Resler.

The Chair: Go ahead.

Loyola: I'm still kind of murky on what your overall objective is in including the party in these investigations. Could you perhaps provide an example, not in detail, of course, and shed a little bit more light on that?

10:10

Mr. Resler: Overall, the objective is that a political party is responsible for their candidates or their constituencies. They endorse the candidate, they provide the authority as far as the establishment of the constituency association, so I think they have a responsibility for these entities to begin with.

The legislation doesn't reflect it as far as during an investigation. When we initiate an investigation, it is made directly to, say, in the case of a constituency association, the president and chief financial officer. The information is provided to them. It's a very formal process – it's a legal document – in which volunteers can be intimidated, and in most instances they may not have the resources to assist in understanding and how to respond.

In addition, in some instances the resources are financial. If they have to return monies which are already spent, there are instances where the parties are the ones that are providing the funds in order to refund overcontributions that are in breach of the legislation. There is a role that the parties can play and one to assist in to ensure compliance with the legislation.

Loyola: Thank you very much.

The Chair: Is there any further discussion on the motion?

With that, I will call the question. All those in favour of the motion, say aye. Any opposed? That motion is carried.

Moving on to item (g), we don't have an issue being named. Dr. Amato, would you mind reading out the proposal?

Dr. Amato: I will. The proposal from Elections Alberta is that "the EFCDA should be amended so that leadership contest[ant]s are jointly liable for the CFO's failure to file the financial statements." This is on page 19 of the document. The notes that pertain to the

recommendation are on the right-hand side. Also, please note that there's a typo in the document. It should read "leadership contestants," not "leadership contests."

The Chair: Thank you.

Is there anyone that would like to make an amendment to the act?

Seeing none, I will move on to item (h), strengthening rules on disclosure of donations.

Mr. Clark: Sorry, Madam Chair.

The Chair: Mr. Clark, would you like me to go back to item (g)?

Mr. Clark: Yes, please.

The Chair: Go ahead.

Mr. Clark: I think this is something that we should address and discuss. I would like to ask the Chief Electoral Officer or his office, please, to explain the rationale behind doing this and if this is, in fact, consistent with other aspects of the act or if it is cleaning up something that needs to be cleaned up given that we've included leadership contests and contestants in other areas of the legislation.

The Chair: Mr. Clark, would you like to make a motion, and then perhaps you could ask clarifying questions?

Mr. Clark: I don't know what my motion is until I know what the rationale is from our friends at Elections Alberta.

The Chair: Okay. Mr. Resler.

Mr. Resler: Thank you. This recommendation is to make the application of a breach the same for a leadership contestant as it would be for other political entities. The failure to file a leadership contest financial statement should apply the same as it would for parties, constituency associations, or candidates. Currently it differs in the sense that we can only approach the chief financial officer, and the leadership contestant has no responsibility even though they are responsible as far as the filing of the financial statement, as far as the signatory appointing the CFO. They do have responsibilities, but if it's a breach, we can only look at the CFO in this instance.

Mr. Clark: Yeah. Given that and given that it would make this section of the legislation consistent with how parties, constituency associations, and candidates are treated, I think it does make a lot of sense for us to include it.

With that, I will then make a motion that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended so that leadership contestants are jointly liable for their CFO's failure to file financial statements.

Mr. Roth: Mr. Clark, do you want to add in "the recommendation"?

Mr. Clark: Yes, please. Yes, let's do that. Take out the first "the recommendation," and add "as per Elections Alberta recommendation 54."

The Chair: Mr. Roth, would you mind reading that into the record for the phones?

Mr. Roth: Mr. Clark moves that

the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended so that leadership contestants are jointly liable

for their chief financial officer's failure to file financial statements as per Elections Alberta's recommendation 54.

The Chair: Member Loyola.

Loyola: Yes. Thank you, Madam Chair. Through you to the Chief Electoral Officer, for the record, just so that we have it before us: are you encountering a high number of late filings around leadership contest financial statements, and if so, is the issue the result of the contestant not sharing liability? I'm just hoping that you can shed some light on that.

Mr. Resler: This is a new clause within the legislation as far as leadership contests. That was implemented after 2012, I believe. It was just identified. We haven't encountered any issues up to this point. We've had a few leadership contests, but it's just to ensure consistent application of the legislation.

Loyola: Yeah. Madam Chair, I would say that it sounds very reasonable. If someone's looking to be the leader of this province, they should be taking on responsibilities such as this. Wouldn't you agree?

Mr. Resler: Yes.

Loyola: I fully support this motion and suggest to all the colleagues around the table that we support this.

Mr. Sucha: Just looking into other jurisdictions, do they have a similar provision in their legislation as well?

Mr. Resler: Not all jurisdictions legislate leadership contests, but I'm not familiar as far as the responsibility on this.

The Chair: Is there any further discussion on the motion?

I will call the question. All those in favour of the motion, say aye. Any opposed? On the phones? That motion is carried.

Moving on to (h), strengthening rules on disclosure of donations. Dr. Amato, would you mind opening that up?

Dr. Amato: Certainly. The proposal is on the bottom of page 19, and the issue is strengthening rules on disclosure of donations. The proposal is that "the Committee should consider strengthening the rules pertaining to disclosure of party and campaign financing, including pre-election reporting and enhanced donor identification."

The Chair: Is there anyone wishing to make a change to the act?

Seeing none, I will move on to item (i), a return to annual filing. Dr. Amato, would you mind opening that up, please.

Dr. Amato: This is on the bottom of page 19 and also the top of page 20. There are two proposals related to a return to annual filing. The first is that "the EFCDA should be amended to eliminate quarterly reporting to reduce the burden on volunteers." That proposal is from Elections Alberta.

Then the second proposal is that "the EFCDA should be amended to return to annual filing for constituency associations since quarterly filing is too onerous."

10:20

The Chair: Is there anyone wishing to make a motion at this time? Mr. van Dijken.

Mr. van Dijken: I would make the motion that the act be amended to eliminate quarterly reporting for constituency associations and return to annual filing for constituency associations.

The Chair: Mr. van Dijken, is that accurate?

Mr. van Dijken: I think what we can remove is the word "reporting." Just take out the word "reporting," please. Take the word "reporting" out, and if you want a word in there, we can put "filing" in there.

The Chair: Mr. Resler, would that be accurate?

Mr. Resler: Quarterly reporting is the process in the legislation right now, and annual filing – it was correct as he had it.

Mr. van Dijken: Leave it with "reporting"? Is that succinct?

Mr. Resler: Yeah. That's correct. Those are the terms.

Mr. van Dijken: Okay. Then leave it with "reporting." Those would be two different functions, possibly.

The Chair: Mr. Roth, would you mind reading that into the record, please?

Mr. Roth: Mr. van Dijken moved that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to eliminate quarterly reporting and return to annual filing for constituency associations.

The Chair: Member Loyola.

Loyola: Yes. Thank you, Madam Chair. I'm a little concerned about this recommendation and now the motion that has been put forward by our colleague. All the other recommendations that we're making are moving in the direction of creating more transparency for our democratic system and our electoral process. This I see as going the other way because on a quarterly basis we are expecting parties to show where they're getting their money, how much they're spending, and now we'll just be moving to an annual filing, which I believe decreases the transparency of what each party is doing.

For that reason I am against this motion, and I would encourage others to vote against it. We're trying to move towards more transparency.

Mr. Cooper: Madam Chair, could you add me to the speakers list?

Dr. Starke: Madam Chair, myself as well.

The Chair: Who's up first? Mr. Clark.

Mr. Clark: Thank you, Madam Chair. It seems we have some difference of opinion finally this morning. You know, I go to the words of the good people of Elections Alberta, who have gone to great lengths to provide recommendations for this committee, many of which we've accepted, and they've been very thoughtful. What I want to make abundantly clear to the members of the committee is the rationale for this. Quarterly reporting is often confusing for volunteers. Many are nil statements. The purpose of quarterly reporting is disclosure. I absolutely agree with the hon. member on that, but given that corporate and union donations are now prohibited, annual campaign period reports are comprehensive in the opinion of Elections Alberta, the people who deal with this every day.

I also think it is noteworthy that different parties do this process quite differently. Certainly in our party and, I believe, in many others volunteers at a constituency association level are responsible for filing a quarterly. I don't believe that is always the case in the

government party. I don't know how things work there, but I believe most work there is done centrally, so that would seem to be a relatively easy process for that party, but for others it is a tremendous burden on volunteers. I don't believe that it has an impact on transparency. The information is still reported. It's reported annually. I don't believe it creates a loophole.

I think what it does is create exactly the right balance in removing barriers that may prevent people from participating actively in the democratic process. If someone knows that they need to file quarterly and they go on holiday and they forget and now we're talking about potentially fining them, we're going to create another barrier to active participation in democracy. That's not to say that they are not responsible for it. I think every volunteer I've ever worked with in the political realm is tremendously responsible. In fact, they're precisely the kinds of people that we want active in politics because they're the sorts of people who are engaged in their communities, but I think that we need to be reasonable in what we're asking of them in so doing.

I would enthusiastically support this motion for constituency associations specifically, not for parties. I think parties can and should continue to report quarterly. I think that helps from a transparency perspective. I think that given that we've eliminated corporate and union donations, we haven't created a loophole. We'll get to a point of talking about donation limits, but as they stand now, they're a thousand dollars to a constituency association. That's not a lot of money. No one is going to buy an election for a thousand dollars, and you're limited to five constituency associations, so you're not creating any sort of loophole.

Given all that I think this is an eminently reasonable recommendation, and I would really hope our friends on the government side would reconsider their objection to it. Thank you, Madam Chair.

The Chair: Dr. Starke.

Dr. Starke: Yes. Thank you, Madam Chair. Certainly, I would concur with Mr. Clark's comments as well. I want to make sure that it's very clear that this only applies to constituency associations and not to the provincial parties, which will continue to have to file on a quarterly basis.

You know, I'd just like to point out that when we were looking at the budget of the Chief Electoral Officer – and Mr. Resler will recall this when he presented to Leg. Offices; this would have been in the spring of 2015 – one of the questions we had was whether there were functions that occurred within the chief electoral office that he felt were additional or over and above what is really needed for the maintenance of democracy and to ensure that the democratic process in our province is open and transparent and that sort of thing. The thing that specifically was identified was the review and the filing of the quarterly statements by constituency associations, that this created a tremendous amount of paperwork within the office that was not necessarily a positive contribution to overall transparency. There was a suggestion that that was one area that was perhaps more onerous than it needs to be.

I certainly think that this is exactly in keeping with that observation by the Chief Electoral Officer. I don't think it hampers the transparency of democracy at all. The disclosure of the donors is still made. It's just simply made once a year instead of four times a year, but all of the donors are still there on the public record and all listed.

10:30

I mean, one of the other things is that it allows, then, the chief financial officers of these constituency associations to aggregate the

donations over the course of the year so that they're seen more clearly as to what is given over the course of the year. In really active constituency associations it's not unusual to have two or three or four fundraising events in a year, and donors will sometimes contribute to all four of those, obviously not going over the \$1,000 limit.

So for those reasons and just for the reason, again, of preventing individual volunteers from having, you know, an awful lot of burden placed on them, I would certainly enthusiastically support this change in the legislation.

The Chair: Thank you.

Mr. Cyr: As any party would expect, the fact is that we do drive our constituency associations with volunteers. Because of this hardship that's put on CFOs, a lot of people aren't standing up and wanting to take these positions on. You're saying: well, how can it be a hardship? Well, after a quarter you have a month to file those statements. It takes two weeks to get your bank statement from the bank, so that means you've got a two-week window to file that reporting period. If you miss it by even a little bit, bad things happen. So this is a true hardship put on constituency associations. That's the real point here, that it's not easily done in those two weeks. These are volunteers. We need to be flexible, and we're not flexible right now. I think that the past government who brought this in tried it to see if it would add to transparency, and I would argue that it's done the exact opposite.

Thank you.

The Chair: Mr. Nielsen.

Mr. Nielsen: Thank you, Madam Chair. Through you to the CEO, just a couple of really quick questions, then. Have you found that constituency associations, then, are struggling with this whereas if we had gone to yearly reporting, that would probably make it a little bit easier for them?

Mr. Resler: Yes, we have heard quite loudly from constituencies that it is taxing on them. The reporting period isn't a month; it's only 15 days. It's actually a reduced timeline than that.

But part of the issue that they encounter is that it does add a disclosure component, not complete disclosure in a sense, because the information as far as the contributions isn't aggregated throughout the four periods, the four quarters. So you can contribute \$200 each quarter. You're never captured as far as public disclosure. At year-end you're captured because it's over the \$250 contribution limit for public disclosure. As a result, when you look at it from an accounting perspective, when you're completing the financial statements, what you report on a quarterly basis does not reconcile with what you're reporting on an annual basis. So there's confusion for the public, who are looking at the quarterly reporting and say: "Well, you're reporting this. The numbers are different at year-end. How can this be?" The same thing is happening with the CFOs. They're performing all this work, but it doesn't complement what they're doing at the end of the year.

That's part of the reason why we're recommending the recommendation that we have. If you choose otherwise, we have recommendations in which I think the quarterly reporting would have to be enhanced in order to make it functional for the CFOs and for our office. All the work that we perform throughout the year on these quarterly reports is pretty much thrown out other than posting on the website for disclosure. That's the only function it provides. It does not assist us whatsoever in the financial review of contributors.

The Chair: Mr. Cooper.

Mr. Nielsen: Sorry, Madam Chair.

The Chair: Oh, sorry. Go ahead.

Mr. Nielsen: Yeah. I think Dr. Starke has already alluded to this. The information that they would be filing would still be the same one way or the other. I mean, it's not like just because we move to yearly, it's not . . .

Mr. Resler: Well, the yearly information is more detailed than what is provided quarterly. More information is provided in the annual filings.

Mr. Nielsen: Okay. I guess, Madam Chair, just a quick comment, then. I mean, I guess, you know, if you quickly look at what's being proposed here, maybe on the outside it's possible that it would look like disclosure is being reduced when in actuality it's not. I certainly appreciate the member's concerns, and I'm hoping that maybe we've managed to clarify things a little bit. I'm happy to support this motion. I guess for folks that are more interested in seeing it on a quarterly basis, maybe they're just going to have to stay tuned a little bit longer.

The Chair: Mr. Cooper.

Mr. Cooper: Yeah. I would just like to speak in favour of the motion very briefly. A number of the highlights have already been hit, but I do want to make sure that I reiterate what the position of, I believe, Mr. van Dijken is, that the parties will continue to report quarterly. One of the reasons why that's so important is that it certainly appears that we're moving to some significantly changing donation limits. The entirety of that is not quite known as we still have some significant discussion around that. But let's just say that there is a significant change to the donation limit and that the donation limit becomes one aggregate number, not a number specific to constituency associations and parties as separate numbers but one total number of, say – I don't know – \$4,000. If that was to happen, parties still need to report on a quarterly basis so that constituency associations will have a better ability to cross-reference who has donated and who hasn't so that they can keep track of the total limit. Because we really have two separate bodies and potentially one donation pool, we certainly are going to need to have a mechanism for the local level to be able to have an understanding of what's going on at the provincial level.

Now, we'll talk about that at length later and some potential concerns around that issue as it stands, but it is critically important that parties continue to file quarterly. We've heard many very good reasons why constituency associations should be able to report on an annual basis, so I am in support of this motion and hope that it can be adopted.

The Chair: Mr. Sucha.

Mr. Sucha: Thank you, Madam Chair. Through you, you know, I want to echo that the initial concerns I heard from Member Loyola I shared immensely. For myself, I come from sort of a corporate background, so to speak, so quarterly reporting is a very common practice, especially for transparency and to make sure that your practices are being obliged properly. But I did hear some very compelling arguments from members of the third party and other political parties as well that this isn't a business, that these are volunteers, and that there's a lot of anxiety that comes from quarterly reporting as well. So I am willing to change my viewpoints on this one. I think it's really important to recognize

those volunteers who put in a lot of hard work to make sure that these riding associations stay afloat as well.

Thank you.

Mr. Yao: I speak in favour of the motion. I echo the comments of Dr. Starke and others, my fellow members, that quarterly is cumbersome and the annual filings are not unreasonable to maintain. Again, there's a differentiation between parties and CAs. If you're involved with your CA, you would know that this is a burden, the quarterly filing.

Thank you.

The Chair: Member Loyola.

Loyola: Yes. Thank you, Madam Chair. Through you to all the members I'd like to say: never let it be said that the Member for Edmonton-Ellerslie is a hard-headed individual. Never. You've all made some compelling points. I mean, I think that my comments earlier in terms of responsibility I would echo here, but I can understand how this would be a burden on volunteers. Therefore, I retract my previous comments, and I will support this motion.

10:40

The Chair: With that, I will call the question. All those in favour of the motion, say aye. Any opposed? Those on the phones? That is carried.

Moving on to item (j), Chartered Professional Accountants of Alberta. Dr. Amato, would you mind?

Dr. Amato: Certainly. This is an issue that's listed on page 20 of the document, and it refers to the Chartered Professional Accountants of Alberta. The proposal is: "The Committee should consider requesting the Chartered Professional Accountants of Alberta . . . to develop a series of guides for the CPAs for the EFCDA." I realize that that's not an attributed comment. It comes from a private citizen.

Mr. van Dijken: I missed that last statement. It comes from where?

Dr. Amato: A private citizen.

Mr. van Dijken: Thank you.

The Chair: Is there anyone that would like to make a change to the act at this time with regard to this proposal?

Mr. van Dijken: I guess I've got a question, before I would propose a motion, to ask the Chief Electoral Officer. What parameters are currently used in the audit process, and who develops those parameters at this time?

Mr. Resler: The current process: when we're looking at this recommendation, they're looking at development of a series of guides. Our office does provide guides and does provide a guide to the chief financial officer in the completion of the financial statements.

You also have to recognize that the financial statement that is required in Alberta is a very simplified form. Election-related expenses is a one-line item. You know, it's very basic accounting that is required. It does not require a designated professional to perform the financial statement, to complete it.

Once we look at what the committee is looking at during these meetings – if you're looking at spending limits, if you're looking at public subsidy, if any of those type of items come forward, the detail that will be required in the financial statements will change if those are passed. Look at other provinces. If you look at, you know,

as an example, public subsidy, we would have to ensure that the expenses that are being reported fall within the legislation, are compliant with it. If there are any expense limits, any of those other factors that come into play, if you look at those provinces, there are eight, 10 pages of a financial statement that are required to be completed. In some instances they're to be audited. In some instances they're required to have a professional accountant complete them.

The requirement as far as this, where the CPA is requested to provide a guide structure: that engagement may occur by our office for that same purpose. We have guides right now. They're sufficient for our needs under the current legislation. There is a review process. It's really a book review. We can request all the invoices and everything from the constituencies or parties to go deeper into it, and we do do that, but it's more of a book review currently. If any of the other legislation is changed, the financial reporting will also be required to change.

The Chair: Mr. Sucha.

Mr. Sucha: Thank you, Madam Chair. I want to thank the private citizen who brought this forward. However, you know, having been quite involved in my last election campaign, I actually want to commend the office of Elections Alberta for how simplified they've made the guides, how it's interpreted in very simple language, very easy to navigate, very easy to review, and very easy to find, not to mention that the office is very open to fielding questions and clarifying any issues surrounding this. You know, this isn't an issue that's been brought up in any other form except by a private citizen, and while I understand the good intent of this, I don't think it's necessary. I think it could potentially create a lot of unnecessary work. I don't know if it's ultimately needed, so I'm not going to really support any changes in this fashion because I think Elections Alberta does a very good job on maintaining this already.

Mr. van Dijken: Just for clarification, Elections Alberta provides a guide for this. Would it make sense to also provide, then, a standardized engagement letter and then a standardized set of audit instructions? Would that essentially be the same as the guide you're providing?

Mr. Resler: Yes. Those instructions are included in the guide itself.

Mr. van Dijken: Okay. Thank you.

The Chair: Any further discussion on the item?

Seeing none, Mr. Cooper, you were saying that you were wanting to follow up with some comments on item (c), incurring expenses. Are you ready with those comments?

Mr. Cooper: Yeah. I can do that if you're ready to do that. I guess one of the reasons that we had some concern was in seeking some clarification on when a constituency association can and cannot spend any dollars. Once the writ has dropped, it's my understanding that the constituency association cannot spend money, and if the candidate isn't a registered candidate yet, they also cannot. If they were to spend any money in that period, the expenditure would be deemed illegal. Our concern is around: what does this recommendation do to that period of time?

Mr. Resler: A constituency association during the election period cannot receive contributions. They can spend the money that they have. If they're looking at purchasing signage, looking at brochures – preparing for the candidate, in essence – whether it's pre- or during the election period, they are able to spend the money on that,

and it is reported and disclosed on their financial statements as election-related expenses. If a candidate isn't registered right at the writ period, the constituency does have that flexibility in order to expend on behalf of the candidate.

Mr. Cooper: So for clarity purposes, the writ has been dropped, and what I hear you saying is that the constituency association could continue to expend or incur expenses during that period. They just cannot accept contributions.

Mr. Resler: That is correct. You know, the technical portion of it, if it's, say, signage or brochures, any communication-type materials, advertising, would reflect that it's authorized or sponsored by the constituency association and not the candidate. That's where the money was provided from. The disclosure is there.

Mr. Cooper: Okay. We, or certainly I, had a different understanding of that, so that was our concern. I'm not sure if you'll recall, Mr. Resler, but during the election period there was some confusion in the filing of my papers. The constituency association had spent money prior to the election period or to the writ being dropped, and then nobody spent money in the first number of days until the registration was completed. This provides clarity, and I don't think that we have an objection to 7(c) as we initially did.

The Chair: Is there anyone wanting to make any motion at this time?

Okay. I think I will move to a break, then. We will take 10 minutes. Apparently, there are some issues with the facilities on this floor, so we'll take 10 minutes. We will reconvene at 11 o'clock.

[The committee adjourned from 10:50 a.m. to 11:02 a.m.]

The Chair: I will call the committee back to order.

Now that we have finished going through the issues document, I will take us back to allow members of the committee to make motions that they have not made to the committee yet. I will open up the opportunity to do that now. Member Loyola.

Loyola: Yes. Thank you, Madam Chair. Based on the discussion that we had at the last meeting, I thought I'd bring forward a motion, and I'll take my time with this. I will move that

the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to provide for a rebate of 50 per cent of registered parties' and registered candidates' campaign expenditures provided that campaigns receive at least 10 per cent of the vote cast and file all required financial returns.

Mr. Cooper: Madam Chair, can I be on the speakers list?

The Chair: Yes.

Loyola: I would like to speak to the motion first.

The Chair: We'll just make sure that this is read into the record first.

Mr. Roth: Member Loyola moved that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to provide for a rebate of 50 per cent of registered parties' and registered candidates' campaign expenditures provided that campaigns receive at least 10 per cent of votes cast and file all required financial returns.

The Chair: Member Loyola.

Loyola: Yeah. Sure. Thank you, Madam Chair. It's rare that you will hear me agree with former Prime Minister Stephen Harper, but as we discussed the importance of introducing rebates as part of our modernization of our electoral legislation, I am going to do so twice. When Mr. Harper introduced changes to the federal electoral system, he showed good judgment when he eliminated the per-vote subsidy. We do not support a per-vote subsidy, and based on our discussion from our last meeting, it is clear that this committee has little appetite for that measure.

In addition, Mr. Harper kept the rebate system that had been introduced by previous governments because it is part of a series of measures that are critical to modernizing our electoral system. These rebates helped two federal MPs of note that served under Mr. Harper. The local campaigns of PC leadership candidate Jason Kenney received \$155,154.61 in five elections from 2004 through to 2015. The local campaigns of the Leader of the Official Opposition received \$155,159 . . .

Mr. Cyr: Point of order. I don't see the relevance.

The Chair: Mr. Cyr, I'm going to allow Member Loyola to read out his reasoning for his motion, please.

Mr. Cyr: But . . .

The Chair: Mr. Cyr, you are not recognized right now. Thank you.

Loyola: The local campaigns of the Leader of the Official Opposition received \$155,159.65 even though he ran only one less campaign.

Rebates are also part of the electoral system in Saskatchewan under Premier Brad Wall. I would think that if rebates are supported by former Prime Minister Harper and by Premier Wall, they would be enthusiastically supported by the two main opposition parties in the Legislature, but so far that has not been the case. That is why I want to take this opportunity to put further information on the record with the hope of changing some minds.

The main argument I have heard against rebates is that taxpayers' money should not be funding political parties. That argument ignores the fact that taxpayers already fund political parties through tax credits. According to the 2014 annual report of the Chief Electoral Officer taxpayers subsidized political parties by \$11.1 million from the years 2011 through to 2014 – that figure is lower now because of the ban on union and corporate donations – and a total of about \$813,000 in tax credits were paid out to corporations from 2011 to 2014. If your party is actively promoting tax credits to individuals when they seek donations – and I know that we all do – then you support public funding of political parties. I think it is more than a little disingenuous to make the argument against rebates and then send out a fundraising pitch extolling the virtues of taxpayer-funded tax credits.

I also take strong exception to the argument that somehow rebates benefit incumbents. Under our proposal if a party receives 10 per cent of votes in a central or local campaign, they will be rebated 50 per cent of incurred expenses. If you have even a modest support base, you'll be able to participate in elections and have the opportunity to make your case to voters.

Rebates are part of the package of measures to get big money out of politics and ensure that elections are about ideas and not about the size of one's wallet. This is why we also support limits on campaign contributions and also support placing limits on campaign spending.

All of these measures are part of electoral systems in healthy, functioning democracies. In systems where you let big money dictate politics and campaigns, you get dysfunction and, dare I say

it, Donald Trump. Maybe members on the other side of the House think Albertans would like to see their electoral system degenerate into a circus, but I would respectfully disagree. That is why I strongly support rebates as part of a series of measures to improve our electoral system on behalf of the Albertans we serve in the Legislative Assembly.

Thank you, Madam Chair.

The Chair: Mr. Cooper.

Mr. Cooper: Thank you, Madam Chair. Just for clarification purposes, a number of motions that we've dealt with at previous meetings – others the committee has decided to adjourn, though. Are you hoping to have fulsome discussion on this motion or proceed and then come back to it? Are we going to deal with the other motions that have been adjourned prior to this one? What's the plan going forward? I guess that will guide some of my comments.

11:10

The Chair: Right now I'm giving the committee the ability to put forward motions that have not been addressed so far.

Mr. Cooper: Okay. Well, then I'll just continue with some comments around the proposal. I think there are some significant holes in the member's arguments. Nothing makes me smile more than when the government decides to hug conservative politicians. It's too bad that they didn't do that in more areas of policy and legislation. It would probably lead to a more centrist government, that would be good for our province. But since they like to pick and choose those things when they hug – one thing I think you'll find is that not all conservatives agree with all conservative political parties and paths that they have chosen to walk down or not walk down or subsidies that people chose to leave in place or not leave in place.

You know, the member says that this has to do with getting big money out of politics. Well, nothing could be further from the truth. We're going to quite likely drastically reduce donation limits for individuals. Corporations and unions already no longer have the ability to make a donation. So this doesn't have to do with getting big money out of politics.

Furthermore, one thing that I personally take objection to is this thought that if you make the case that taxpayers' money shouldn't go to political parties on the tax credit side, you can't on the subsidy side. Well, there's a significant difference when I make a personal choice with what I choose to do with resources that I have and the government recognizes that and provides a tax credit for a donation to a political party. Quite frankly, I personally would have no objection if we looked at revising that schedule, but that's not the issue for today.

When you have a subsidy, it means that a portion of my tax dollars go to subsidize a political party or an organization that I totally disagree with, and many members of the constituency of Olds-Didsbury-Three Hills would have some significant concerns with the fact that portions of their tax dollars are in turn going to fund the political activities of the NDP. Once they've reached that threshold, the taxpayer no longer has any input or ability to influence what happens to those tax dollars that are being extended to other political parties. Now, in the form of a tax credit it is significantly different. Those resources are going to projects that they personally support. Now, an individual may choose to donate to more than one political party, and then that would be their choosing. But to move to a scenario where expenses are subsidized to the tune of 50 per cent – it is significantly different, having a subsidy.

You know, one thing we're seeing more and more from this government is that they like to take money and then figure out how it gets redistributed to people in the form of subsidies. Everything that they – well, not everything. Many things that they're proposing include taking money from people and then giving it back to other individuals or businesses. If we look at the carbon tax – the list just goes on and on with areas that they're choosing to do that.

To move to a reimbursement of expenses: I think that that is a significant challenge.

I also think that what we're seeing is a movement towards overregulation in many areas of campaigning, that the government knows best, so not only are the government members going to propose a rebate of expenses, but they're also going to limit what you can spend. At every turn we see the government trying to inject itself into this process because somehow they believe that they know better how to spend, essentially, taxpayers' dollars than a taxpayer does, in the form of resources going to political parties that one taxpayer or another may or may not agree with. While I recognize that it's done in other jurisdictions, I don't think that it is a very good path forward for Alberta. I don't think that the average Albertan would support this sort of funding model to political parties. Now, again, they recognize that it happens in other jurisdictions, but I can tell you that when I go to the Tim Hortons here in Olds, people aren't just banging down the door to say that we should be funding all political parties just because they got 10 per cent of the votes or not.

I also think that this does a significant disservice to the democratic process, to independent candidates who may like to engage in the democratic process. I think that this does a significant disservice to our colleagues in the Alberta Party. In numerous constituencies they wouldn't have received 10 per cent of the popular vote, so you create a scenario where established parties are more rewarded than other organizations or individuals who are looking to engage in the process. This has a chilling effect on that type of organization. It makes it more difficult for people to engage. To position this as, you know, making things more fair – it does the opposite. I have significant concerns around this issue.

You know, I certainly won't be supporting a motion of this nature. We can discuss it at the legislative process as well, but I can tell you that Albertans will not be warm to this issue. I'll leave it at that.

The Chair: Mr. van Dijken.

Mr. van Dijken: Yes. Thank you, Madam Chair. To just follow up on some of the comments made by my colleague, this type of funding of the political process is completely opposite, I believe, to what Albertans would expect. This type of funding, compared to tax credits, is whether we're going to fund people based on voluntary donations versus forced donation through their tax money. I do believe that this will skew the spending that the process has in place now to the point where campaigns will be geared up towards spending based on what they've been able to acquire through voluntary donations, and they will gear up to spend based on what they can get through the function of getting taxpayer subsidies. I think this is completely offside with what Albertans are looking for with regard to funding of the process. I believe that, especially at a time as now, to take government dollars and put them towards funding of political parties, Albertans would look at that and think, "Who do these guys think they are?" that they can take their tax dollars and fund political parties.

So I would not in any way, shape, or fashion be in support of this motion and will not support it.

11:20

The Chair: Member Cortes-Vargas.

Cortes-Vargas: Yes. Thank you. I'm in support of the motion that Member Loyola explained. Again, to clear some of the things up, the motion would provide 50 per cent of the incurred expenses for 10 per cent of the vote in central or local campaigns. I just think it's relevant to some of the points that were made by Mr. Cooper. Again, even in that situation with a modest support base, you will be able to participate in the elections. It won't stop that participation, which is utterly important for our democratic process. Again, going back, as my colleague stated, the federal Conservatives kept the rebate system that was put in place by a previous government because it's part of a series of measures needed to modernize our electoral system. That's important. That's really what we're doing here, looking at: how do we modernize our electoral system? If we're going to take big money out of politics, it's one of the things that brings that about. It's a piece of the puzzle, and it's an overall package.

So I just wanted to state my support and also just reiterate what exactly we're proposing, and knowing that it's really – we need to look at a holistic picture of what we're doing to our electoral system.

The Chair: Mr. Cyr.

Mr. Cyr: Yeah. As I stated the last time it was brought up, I find this very offensive, especially right now. During the time that my constituents are out of work, we're looking at putting more money into political parties? That's obscene. I have quite a few actual concerns with this.

The first one is that the tax credit is voluntary, a reimbursement from the Alberta government of 75 per cent up to \$200 whereas it's mandatory with this 50 per cent reimbursement to parties and candidates. It takes the voluntary part out of this, and that is a concern for me. The fact is that I'd like to chase the actual money that's involved in this. So let's say, for simplicity's sake, that an Alberta resident gives \$100. They get \$75 back on their taxes. Now, that is from the Alberta government. Then what happens is that they, the political party, get reimbursed for 50 per cent when they spend that \$100, so that's \$125 for that \$100 donation. But it doesn't just end there. The next election they get 50 per cent of that donation reimbursed to them. If you look at it, it's actually close to 50 per cent. You're looking at about, for an original \$100 donation, \$175 coming from the taxpayer's pocket. I find that to be offensive.

Now, the fact is that it is important that we have engagement when it comes to our residents. You're actually taking engagement away. Once they have those original dollars, they don't need to chase the money further. Now, when we start looking at how this is going to work, I understand that the parties' side of this will flow through just nicely and the money will just keep flowing, but if you've got candidates that only run for one term, how does that work? The fact is that we're actually making a significant outlay here when it comes to how exactly it is that these are paid out. Is this money that gets paid out just before the next election? Is this paid out right after the election, so it sits in a candidate's account?

The fact is that when you add candidates to this whole thing, once you've got an incumbent in, they would probably never need to fund raise wholeheartedly ever again because they're going to be only having to raise 50 per cent of the money to make up for the money that they are getting from the government. So this is a real advantage when it comes to incumbency, a significant advantage when it comes to incumbency. The fact is that when you start looking at where exactly it is that these candidates are going with

this, then how exactly are we going to deal with the candidates that didn't become MLAs? Does that money get returned to the taxpayer? Does it not get paid to them? I just don't know how all that works. This is very unclear. I think that if you wanted to do this, you would need to even remove "registered candidates" and deal with its own motion altogether just to deal with some of my concerns.

On the next thing we're doing here, my big question: is this going to be retroactive? This is a significant amount of money that's going to be put forward if we do something that's retroactive. I'd like to know the intent of the government when they look at this because if this does go forward and we put this into law, then I'm actually committing money from the taxpayers to the financial parties immediately. That, I guess, needs to be considered in all of this.

I have a lot of very, very pressing concerns. I don't believe that anything should be mandatory. I think it should always be voluntary. Again, I find it incredibly offensive and disingenuous that the government . . .

The Chair: Mr. Cyr, I don't believe you can use language like "disingenuous" in this committee.

Mr. Cyr: You actually had that used earlier by Mr. Loyola, so I'm just repeating.

The Chair: But it wasn't to anyone in particular, and you're putting it towards a motion that has come from a specific member.

Mr. Cyr: Then I withdraw. Thank you.

The Chair: Thank you.

Ms Renaud: I'd just like to speak to this really briefly and say that I do support this motion, but I just had a quick question for Mr. Cyr. You threw out that word "obscene" a number of times, and I'm just wondering if you considered the fact that Prime Minister Harper did not change this. Was he obscene? Was his government obscene? Were their actions obscene?

Mr. Cyr: The fact is that we're a provincial government, and I'm not here to speak for Mr. Harper or Mr. Harper's actions or the NDP's actions, who actually helped the past governments craft that 50 per cent reimbursement. It's like me asking: how would you defend somebody else in how they were thinking and what they were doing? I can only tell you what my concerns are based on what my constituents will tell me, and my constituents are telling me that at this time it is unreasonable to be thinking that we are giving taxpayer money to political parties.

Ms Renaud: I just have a quick follow-up. Just going back to your comment about this system being obscene, your current leader also participated in the same activity. Was his endorsing by taking this back or benefiting from this rule obscene? Do you consider that obscene?

Mr. Cyr: You use the system that's in place. I'm not here to question what my leader has done or what Stephen Harper has done or what Thomas Mulcair has done or what any of the other federal MPs have done. I am here to investigate what is right for Alberta, and what's right for Alberta is not to give Alberta taxpayer money to political parties.

11:30

Loyola: I just wanted to speak to the question that Mr. Cyr brought up in terms of it being retroactive. There's nothing in the motion that speaks to it being applied retroactively, and it's not my will

right now. It's mainly just to get the recommendation to those that will then draft legislation, for their consideration. I want to remind that that's what this is about. It's for consideration. That's what we're hoping to accomplish here today. So, no, at least the way I see it, it would not be applied retroactively.

The Chair: Mr. Clark.

Mr. Clark: Thank you very much, Madam Chair. This committee is mandated with reviewing the core tenets of our democracy, and obviously soliciting input from Albertans on this issue is an important part of what we're doing here. We went through a process earlier in this committee's mandate to do just that. I guess we could debate whether or not that was a truly effective process or a wide-reaching, widespread process, but regardless there was some process. In so doing, we received the grand total of three suggestions from separate Albertans asking for some sort of public tax dollar subsidy to the electoral process. I should actually say that we received four, three from individual Albertans and one from the New Democratic Party. That doesn't seem like an overwhelming thing. I have never been asked by my constituents that tax dollars be used in this way. My question is: did Albertans ask for this? Is it a good use of tax dollars in a very challenging time? Is it a good use of tax dollars in a good time? I'm not sure it's a good use of tax dollars.

There are, at the same time, 309 submissions expressing opposition to public subsidies for political parties, election campaigns, political advertising. While I think that's a group that is somewhat organized to get that message out, regardless of their motives or their methods we have 309 to 3 plus one party that think that this is a good idea. Again I ask: did Albertans ask for this? Is this something the people of Alberta are asking for, or is this something that the NDP has decided they want to impose on Albertans? I think we have our answer.

I will speak to the likely locking-in of an advantage here for larger political parties. Speaking for the Alberta Party, yes, my campaign would have received this reimbursement; the central campaign would not have. Not many of our other campaigns would have received a reimbursement, even getting over that 10 per cent hump. I'm not sure the Green Party would have received any reimbursement at all. What this will in effect do is lock in an advantage for larger parties and make it more difficult for smaller parties to participate in democracy. That seems inherently unfair.

My other question from a financial perspective is: have you calculated the cost to taxpayers? What is this going to cost? How many dollars are we talking about here? Just quickly I did some very brief calculations. If three campaigns in each of the 87 constituencies are reimbursed 50 per cent of the proposed \$40,000 cap – that cap, I think, may end up going up; let's use a low figure – that's \$5.2 million. If three parties in the province receive an aggregate total of more than 10 per cent of the vote, that's an additional \$2.4 million based on the proposed \$1.6 million cap. Again, that number could go up. That's \$7.6 million. Seven point six million dollars.

You expect to go to your constituents, knocking on doors next election, and say: we spent \$7.6 million, so I can come here and knock on your door." How do you think that's going to go? I mean, if you feel it's a good idea, I really, really encourage you to put that front and centre in your brochures next election. If you feel it's a good idea, then, please, shout it from the rooftops. But when you look at that number, which I strongly suspect could go a lot higher, that's actually quite a cautious estimate. There are many constituencies that had four people who had more than 10 per cent of the vote. In some cases I imagine there are five. That's a cautious

estimate. I suspect that when we get to that point, those limits may in fact go higher. We may end up with no limit at all. I don't know. I don't want to presuppose what this committee will find. But at the very, very least, we're looking at 7 and a half million dollars – 7 and a half million hard-earned tax dollars – going back to political parties. This is not something I have ever heard from any constituency. No Albertan has ever come to me and said that this is a good idea.

So our job here is not to presume on behalf of Albertans what we think is best for them. It's to listen to what Albertans think. It is ironic that the government is coming up with this given that this is a committee about democracy.

Just briefly, then, I will talk about the tax credit as a taxpayer subsidy of the political process. Absolutely it is. Dr. Starke had raised earlier the possibility of reducing that tax credit from its current very high level to be in alignment with the charitable donation tax credit, which I wholeheartedly support. Unfortunately, it is outside the mandate of this committee. Perhaps we can work on a creative way of passing a motion that would recommend or ask the Legislative Assembly to consider that, if it's not ruled out of order. But, regardless, absolutely we should actually be talking about how we can reduce tax dollars going into the political process. The political process should be funded by voluntary donations made by Albertans.

There should be limits. I agree that we should reduce the limit as to how much Albertans are allowed to donate. I agree there should be some sort of cap on election spending. I think those two things make eminent good sense. But finding ways of taking very scarce taxpayer dollars and giving them to political parties: I am strongly opposed to that, and I would hope the government reconsiders this ill-conceived idea.

Thank you, Madam Chair.

Ms Jansen: I would like to be added to the list.

The Chair: Thank you.

Mr. Yao: Democracy: it's an evolving system for us. This system that you are trying to put in place, that was put in place at the federal level, was only put in recently at the federal level, so it's fairly new. It was only in for the last election.

We have the time to evaluate that system and see how good a system it was, if it was to address the issues of ensuring a good democratic process. I think that in recognizing that our system isn't completely broken here when it comes to the financing of political parties, we allow the federal system some more time to be evaluated. If you are providing this motion, I would love to see the information that you guys have on your evaluation of the federal system and how it has impacted the finances of all the various political parties.

The Chair: Ms Jansen.

Ms Jansen: Thank you, Chair. I just want to say that I won't be supporting this motion. I want to make a couple of comments here. Member Cooper is spot-on correct in his assertion that making the kinds of changes that limit the public's personal donation ability but offering rebates or reimbursements not based on people's choices is really a bit of a government-knows-best proposal. I think that smacks of government overreach.

The idea of reducing tax credits available to the public in favour of forced rebates is really counterintuitive to the idea, to me, of a free and open electoral process. I've heard some arguments made that this is an attempt to modernize the system, and I'm not seeing that at all.

I want to speak to Member Clark's comments about the significant advantage to the incumbent party. I completely agree with that. I, too, as Member Clark has said, would like to see the math, which I assume that Member Loyola has done. I really do believe that voluntary donations by Albertans is an extremely important way to fund our electoral process.

I want to make one comment, Chair, if I might, on the comment by Member Loyola, something of the nature that perhaps members on the other side of the House would like to see elections evolve into a circus. I find offensive that comment and the idea that he was not chastised for that while a member of the Wildrose was chastised for using the term "disingenuous." I'm having a hard time seeing that. I think we all have to think about the language we're using in this conversation that is clearly divisive, and I would suggest that Member Loyola's comments are offensive to those of us on the other side of the House.

11:40

Loyola: I want to thank Ms Jansen for her comments. I understand how she feels about the comments. I do retract them, and I apologize for them. It wasn't my intent.

On the issue about Albertans and how many people have spoken about this, one of the things that I do want to say is that I have over the years a number of times participated in conferences with Public Interest Alberta. Public Interest Alberta has a number of members throughout the province that, as their name suggests, work towards the public interest. They may not have made the recommendation – I can't remember if they did make the recommendation or not for a rebate program – but in the past they have talked about it and showed support for it. I say that there are Albertans out there that are interested in this kind of a program.

Mr. van Dijken: I think it would be advisable

to adjourn debate on this motion at this time and bring it back once we have been able to look at some more of the numbers and some more information with regard to this particular motion.

The Chair: All those in support of adjourning debate on the motion, say aye. Those opposed?

Mr. van Dijken: Could we get a recorded vote, please?

The Chair: Yes. I'll have everyone identify themselves and then state their vote. Go ahead to my right.

Dr. Turner: Bob Turner, Edmonton-Whitemud. No.

Loyola: For adjourning?

The Chair: For adjourning debate, yes.

Loyola: Rod Loyola, MLA for Edmonton-Ellerslie. No to adjourning.

Mr. Nielsen: Chris Nielsen, MLA, Edmonton-Decore. No.

Connolly: Michael Connolly, Calgary-Hawkwood. No.

Cortes-Vargas: Estefania Cortes-Vargas, MLA for Strathcona-Sherwood Park. No.

Drever: Deborah Drever, MLA for Calgary-Bow. No.

Mr. Sucha: Graham Sucha, MLA, Calgary-Shaw. No.

Ms Renaud: Marie Renaud, St. Albert. No to adjourning debate.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo. Agree.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock. Yes.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake. Yes.

Mr. Clark: Greg Clark, MLA, Calgary-Elbow. Yes.

The Chair: On the phone?

Ms Jansen: Sandra Jansen, Calgary-North West. Yes.

The Chair: Mr. Cooper, are you on the phone? Sorry. I just remembered that you're not an official substitute. Thank you.
Is there anyone else on the phone?

Mr. W. Anderson: Wayne Anderson, Highwood. Yes.

Mr. Cooper: I would like to be back on the speakers list once we are out of the vote.

The Chair: Is Dr. Starke on the phone?
I have eight against adjourning debate and six in support of adjourning debate, so that is defeated.
We are back on the motion.

Mr. van Dijken: I guess what we're looking at here is government wanting to press forward in this without necessarily getting the views of Albertans clearly put forward on this issue. As our member from the Alberta Party had alluded to, we received several submissions that would give us the indication that Albertans are seriously opposed to this idea and that very few are in favour.

I would propose an amendment to this motion, that we essentially move to this system once Albertans have approved it in a referendum.

The Chair: Could you just maybe restate what you would like your amendment to be?

Mr. Roth: May I ask a question?

The Chair: Absolutely, Mr. Roth.

Mr. Roth: Would you just towards the end of the motion want upon a positive referendum on this question, that wording?

Mr. van Dijken: Yeah. I think it can be inserted at the end.

Mr. Roth: Okay.

The Chair: Mr. van Dijken, does that reflect your amendment?

Mr. van Dijken: Yes.

The Chair: I will open up discussion on the amendment.

Mr. Nielsen: Just a quick comment, Madam Chair. I was just doing some quick research here in regard to federal rebates. Obviously, you know, this is very quick, so I can't say just exactly how accurate, but, I mean, I'm finding rebates going back to 2004. So this has been around for, I'd say, at least a decade, which means that if Albertans have been paying this for the last decade, they would have spoken up by now very adamantly, I think, on not being in favour of this. I just wanted to throw that out there for folks to think about.

An Hon. Member: Can you confirm that?

The Chair: Mr. Resler.

Mr. Resler: My comment isn't to confirm the length of time. I wanted to make a comment as far as a practice in other jurisdictions where reimbursements occur. Just a consideration: there is an interrelationship as far as reimbursements, spending limits, the contributions. In all instances where expense reimbursements exist in other jurisdictions, the reimbursement is reduced proportionate to any excess of the spending limit. I just wanted to bring that to your attention.

The Chair: Mr. Cooper, did you want to speak to the amendment? I have you on the list, and I just want to see if you'd like to speak.

Mr. Cooper: Yeah. I'll speak to the amendment.

The Chair: Go ahead.

Mr. Cooper: Okay. Well, first of all, I'm a little disappointed that we didn't adjourn debate on this topic. We've seen on numerous occasions in this committee that when the opposition has proposed a motion, the government has moved to adjourn almost immediately on a number of topics, presumably so that they could get more information, so that they could have fulsome internal discussion and then return to the committee and be able to engage in this process not only internally but also externally with individuals. So I find it more than a little disappointing that on an issue that in many respects was not identified, has not been discussed, we're going to not allow an adjournment but continue to press through on this issue in the hopes that Albertans aren't engaged.

11:50

You know, I am proud of Alberta's record in many respects. While I didn't agree with the previous government on lots of different things, they certainly hadn't moved towards replicating the subsidy model made in Ottawa. I think that if you move around Alberta and get to chatting with lots of Albertans, you'll find that they appreciate more Alberta and less Ottawa. So to say that if Albertans didn't like it, they would have spoken up – I bet you'll find that many, many, many Albertans don't know that this exists federally, and if they did, there would be a challenge. Certainly, there will be a number who do, but unfortunately, committees like this, these types of discussions, aren't top of mind for lots of Albertans. When they're dealing with job loss and significant challenges in their economic circumstances, they trust often that we'll make the best available decisions. Certainly, one way to engage Albertans on topics just like this is through referendums. If the governing members and governing party are so certain that this will be dramatically supported by Albertans, I think it's a great idea to ask them.

The other thing. You know, while thousands of people are losing their jobs, the government is moving to provide additional subsidies for political parties. This isn't the direction that they're headed, particularly if we have no desire to readdress the formula on the donation side. So now it's a multiplier effect all at a time when the government is running \$10 billion in the deficit. Massive, massive, massive deficit spending, and the government is moving to pad political parties and to pad the largest of political parties. You know, this isn't what Albertans expect at a time like this.

A referendum would answer that question. I recognize that there are costs that are incurred in that, but if the government isn't even willing to adjourn debate so that we can have discussion with Albertans, we're left with no other option but to proceed in a manner that would potentially give Albertans the opportunity to have their voice heard.

So I'll be supporting the motion. I'm disappointed in government members, that this is the road that they've chosen to proceed on. When the opposition proposes motions, they move to adjourn, and when they do, particularly on what will be a very contentious issue, they choose to charge ahead and have little to no input.

The Chair: Member Connolly.

Connolly: Thank you very much, Chair. Just a few points. To begin with, I'd like to ask Mr. Resler: how much does a referendum usually cost? I know that we haven't had one since either it was the '50s or the '20s on Prohibition, but what approximately would be the cost of a referendum for all Alberta?

Mr. Resler: It would depend if it's held on its own or in conjunction with a general election. In conjunction with a general election the cost would obviously be lower.

Connolly: In theory for it to be held on its own.

Mr. Resler: Probably about \$23 million.

Connolly: Right. Okay. So personally I think it would be irresponsible since we are here as representatives of Albertans. We're in a representative democracy, much like the rest of the world. We are here discussing what our electors invited us here to do. We were elected, all of us, to represent the people of our constituencies, most of us about 40,000 to 50,000 people. We do. We go back, and we discuss with them about the issues here. We've had these issues documents for a couple of months now. What I've done is be able to bring this issues document to my constituents and ask them what's important to them, and I have been able to have those discussions with them.

However, I also find it interesting that the Wildrose is so opposed to this. I know the Member for Strathmore-Brooks was very interested in inviting Brad Wall here when Premier Wynne was in the House, so I know members of the opposition are usually very supportive of Premier Wall, including his recent attempts to undermine our government's support for local Alberta craft brewers. When Premier Brad Wall does come to Alberta, do you think that we should berate him and ask him to hold a referendum on rebates for elections? I'd open that up to any members of the Wildrose Party.

Thank you.

Ms Jansen: I'd like to be on the speakers list.

Mr. Cooper: We won't answer that rhetorical question.

Connolly: Oh, it's not rhetorical.

Mr. Cyr: The NDP consistently has talked about a mandate that they got from Alberta when they formed the government in 2015. I didn't see anywhere on their literature saying that they were looking for a taxpayer subsidy.

The Chair: Mr. Cyr, right now we are speaking to the amendment of adding the wording as proposed there, so if we could speak to the amendment, and then we can go back to the motion.

Mr. Cyr: I am speaking on the amendment.

The Chair: Go ahead.

Mr. Cyr: We have an NDP government that is talking about that they had an overwhelming mandate from Albertans that said that they were to move forward with things like the minimum wage and

tax increases and carbon tax, but this wasn't in that mandate. This is where, if you're looking at changing how we fund political parties fundamentally, moving forward with a referendum to reinforce this mandate that you are stating, that you've got on almost everything that you do is something that just makes sense, listening to actual Albertans and actually saying: "Hey, you know what? We want to give our parties a whole lot of money at your expense. We're going to borrow it as well so that we can pay it to the parties so that you can have a little bit more money to spend when it comes to election time, and – you know what? – we're also going to put on party spending caps potentially here with some of these wonderful motions that are going far."

I guess the question is: how can we move forward with this, something dramatically changing how our entire system works, without consulting Albertans? Now, some of these ones we can look at saying: well – you know what? – your government is wanting to limit influence by big money or corporations or unions, whatever it is. You want to go down that road. Fair enough. But this is a huge difference by saying: let's just give you money.

I support the fact that we should have a referendum on this one here because it is a massive change to how we are going to be moving forward with politics. I believe that when we influence politics with money, especially from government and taxpayers, then the taxpayers should be consulted, especially when it's going to affect them.

The Chair: Ms Renaud.

Ms Renaud: Okay. Thank you, Madam Chair. I'd just like to say that I'm not supporting this amendment, but I find it quite interesting that repeatedly members are telling us that at this time, when people are struggling, out of work, we should spend \$23 million on a referendum. I think this is maybe the second or third one that we've heard from them. I would question, you know: is this what you heard from your constituents when you went door to door?

I would like to say, you know, that I do hope that we have the opportunity for lengthy and in-depth debate in the House, and I think that a lot of good information would come out.

Thank you.

12:00

The Chair: Mr. Clark.

Mr. Clark: Thank you, Madam Chair. I'm going to speak against having a referendum here, not because I agree with the government. It's an effort to make a very bad idea somehow palatable. I don't think a referendum is necessary. I think we've had a referendum. In this committee we have consulted Albertans through the work of the Select Special Ethics and Accountability Committee. We've had a referendum. The vote was 309 to 3, which is 99 per cent to 1, so that's going to satisfy any supermajority that I am aware of. Albertans do not want tax dollars going into the political process, additional tax dollars, I should say. That referendum has already happened, and as I said before, I support reducing tax dollars going into the political process by reducing the percentage rebated.

I want to speak briefly. It's a committee. Occasionally politics has been known to break out in these committees, and that seems to be happening here. It doesn't matter. It's irrelevant if the federal government or a leader who is now in this House that was in the federal government accepted rebates. It's irrelevant whether the Premier of Saskatchewan feels a certain way. As I'm sure this government can understand – well, you know, if we're going to go there, then we can talk all day long about the Leap Manifesto if you'd like. It's exactly the same thing. I don't think that's helpful.

I don't think it advances the dialogue, and I think we should try our best to restrict ourselves.

The idea of this was not in the ND campaign platform, as has been noted. You know, spending \$23 million on a referendum makes no sense, but neither does 7 and a half million or more tax dollars going to subsidize political parties. So I will vote against the motion for the referendum, but I will also speak, as you know, against the main motion.

Thank you, Madam Chair.

The Chair: Ms Jansen.

Ms Jansen: Thank you, Chair. I want to ask for clarification on comments by Member Connolly first of all, and I want to speak to the whole referendum idea in the sense – perhaps as soon as I finish my comments, Member Connolly can clarify – that I was unclear whether he said that this was a conversation he'd had with his constituents and that they agreed with him or whether he hadn't had it with his constituents. Certainly, if I've missed a way to communicate with 40,000 of my constituents on this question and I didn't do it, I would love to know how he managed to do it and get that consensus. So, first of all, that's one question.

In terms of a referendum, someone threw out the number of \$23 million to hold a referendum. I don't think that a lot of us were talking about a referendum as the only option for polling the public on whether they think that this is a choice. I think that if you went into any one of our constituencies and said, "You know, here's something we're looking at; we're looking at the idea of rebating 7 million Alberta taxpayer dollars for election expenses," Albertans would have something to say on it. The fact is that I've not had that conversation with my constituents, and I would like to know of anyone around the table who's gone out and had a fulsome discussion with their constituents. The fact is that it's our job to go out, to interact with the people in our communities, and to have those conversations. This is not front of mind for Albertans right now, and we haven't had a chance to have the conversation. I don't believe that the only way to have that conversation is to hold a \$23 million referendum. I think that we should not be afraid to go out and have these conversations.

This feels incredibly rushed, incredibly forced to me, and the fact is that if it's not even on the radar of my constituents, they're going to be dumbfounded when they find out that this is a suggestion that has now gone forward from this committee and that they haven't even been able to weigh in on it in any way at all. So, you know, I'm just wondering, because, as Member Clark said, this was not something that was discussed during the election. The government did not win on this issue, and I think this is an issue that the public needs to at least engage in a conversation on. It doesn't have to be a \$23 million conversation. It needs to be a conversation. If we don't know how to have that conversation without spending 23 million bucks, then I would say that we've got bigger problems than just figuring out changes in the electoral process.

Loyola: Thank you for everyone's comments. I'm very much interested in having the conversation, as Ms Jansen suggests. I think that not the amendment but the actual motion would provide space to do that because the committee would be making the recommendation. As we all know, this is a recommendation that would then go on. Then the government can decide what they want to do with it from there and how they want to open the discussion on being able to talk about this issue with Albertans. They can decide whether – yeah, maybe it's not a referendum. So I will vote against the amendment.

I do want to have this discussion, and by no means is this recommendation going to set this in stone at this time. I want to make that absolutely clear to everybody around the table. Recommendations from this committee then go on, the government decides how they want to approach it, and then we go on from there. There will be ample time to debate this in the House, you know, and our opposition colleagues do a fantastic job of doing exactly that when we are sitting. By no means is this an open-and-shut case like: this recommendation goes, and then it's set in stone.

I want to suggest that we vote down the amendment, vote the motion through so that we can have the discussion with Albertans.

The Chair: Mr. van Dijken.

Mr. van Dijken: I withdraw.

Mr. Clark: Very briefly, Madam Chair, I just have to weigh in on the comments by Mr. Loyola. I would remind you that it is, in fact, the Legislative Assembly of Alberta which decides, not the government, which is the 19 members on the front bench. But that is a very telling Freudian slip, I think, in terms of the attitude that we're seeing here this morning. Really, I wanted to make sure that we're very clear that it ought to be and is, in fact, the Legislative Assembly of Alberta on behalf of the people of Alberta which decides. It's a very, very different thing. Legally and, frankly, attitudewise the government and the Legislative Assembly of Alberta are very distinct things.

Thank you, Madam Chair.

Loyola: I think you're misinterpreting my words, sir, and I find that offensive. My suggestion was that it would come forward. It would be debated in the House. I strongly suggested that. Not only that, but I also gave you guys a tip of the hat to say that you guys in opposition do a fantastic job of debating in the House, so I take issue with how you're framing what you're suggesting.

The Chair: I think we're just going to kind of get back into the issue.

Member Loyola, do you believe that you've addressed the point?

Loyola: I'd like the member to retract his comments, because he's misinterpreting what I'm saying and misguiding what I said to the committee.

Mr. Clark: I will not, because it's technically, in fact, accurate to say that it's the Legislative Assembly. The government is, in fact, the Premier and the 19 front-benchers.

The Chair: Okay. I think we've clarified what the intent was of what Member Loyola was saying. Thank you.

With that, I will call the question. Oh. Mr. Yao, did you have anything to add?

Mr. Yao: I do. I do want to respond to Mr. Loyola's comments. Recommendations from a committee are supposed to be well educated, and they're supposed to be well informed by all members. In other committees, when there is an issue where there are obvious divisions, subject matter experts are brought in. Certainly, we have the Chief Electoral Officer. Perhaps they can provide us with the information across the provinces and at our federal level, but I'd certainly like to see the results of the changes in the rules and how that has affected our financial position as well as the democratic position at our federal level. I find the motion offensive because my job is to ensure fiscal responsibility . . .

The Chair: Mr. Yao, I think that we can stop using such language to really inflame the committee.

Mr. Yao: Again, it's your members that have provided those words initially. I find it offensive when the chair cuts me off and other members off as well.

The Chair: Mr. Yao, right now we are just speaking to the amendment, if you would like to speak to the amendment. Then we can go back to the main motion if that is something that you want to speak further to. Would you like to add anything further about the amendment?

Mr. Yao: No. I'm done.

The Chair: Okay. I will call the question on the amendment. All those in favour of the amendment, say aye. All those opposed? That amendment is defeated.

We are back on the main motion. Mr. Yao, did you want to add further to the main motion?

12:10

Mr. Yao: No. I think I've said everything I did. I would like this to be pushed off until we can get more information on this as well as gather information from our electorate.

I would like to move to adjourn this motion.

The Chair: We've already defeated a motion to adjourn. Right now we are back on the main motion.

Mr. van Dijken: I move to adjourn for lunch, please.

The Chair: With that, we will take lunch and be back at 10 after 1.

[The committee adjourned from 12:11 p.m. to 1:10 p.m.]

The Chair: All right. Good afternoon, everyone. I will reconvene our meeting.

We are currently on Member Loyola's motion. I will ask Mr. Roth to read it into the record for those that have joined us on the phone.

Mr. Roth: Moved by Member Loyola that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to provide for a rebate of 50 per cent of registered parties' and registered candidates' campaign expenditures provided that campaigns receive at least 10 per cent of votes cast and file all required financial returns.

The Chair: With that, I will go back to opening up discussion on the motion.

Mr. van Dijken: I believe we're on an amendment at this time.

The Chair: No. That amendment was defeated.

Mr. Cyr: I move to adjourn debate.

The Chair: All those in favour of adjourning debate on the motion say aye. All those opposed? On the phone? That motion is defeated.

Mr. Cyr: Can I have a recorded vote on that, please?

The Chair: Yes.

We will start to my right.

Dr. Turner: Bob Turner, Edmonton-Whitemud. No.

Loyola: Rod Loyola, Edmonton-Ellerslie. No.

Mr. Nielsen: Chris Nielsen, Edmonton-Decore. No.

Connolly: Michael Connolly, Calgary-Hawkwood. No.

Cortes-Vargas: MLA Cortes-Vargas, Strathcona-Sherwood Park. No.

Drever: MLA Deborah Drever, Calgary-Bow. No.

Mr. Sucha: MLA Graham Sucha, Calgary-Shaw. No.

Ms Renaud: Marie Renaud, St. Albert. No.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo. Yes.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock. Yes.

Mr. Cyr: Scott Cyr, MLA Bonnyville-Cold Lake. Yes.

Mr. Clark: Greg Clark, MLA Calgary-Elbow. Yes.

The Chair: On the phones?

Ms Jansen: Sandra Jansen, MLA Calgary-North West. Yes.

Dr. Starke: Richard Starke, MLA Vermilion-Lloydminster. Yes.

The Chair: Is there anyone else on the phone?

Okay. We have eight noes and six yeses, so that motion to adjourn debate is defeated.

We are back on the motion.

Ms Renaud: I wanted to speak to this motion a little bit. I think we heard a lot of information before we broke for lunch, and I just wanted to add a couple of things. The first thing is that this is part of a larger package, and certainly the goal here is to move this to the House so that we can talk about it, debate it, and hear information and thoughts from all MLAs.

I also wanted to share with you a quote that I thought was pertinent, a quote by Mr. Flanagan, who was a close adviser and campaign manager of the former leader Prime Minister Harper. In 2012 Mr. Flanagan wrote:

To level the political playing field and remove suspicions of undue influence, all other jurisdictions in Canada have adopted some combination of strict limits on the size of personal donations; prohibition of corporate and union contributions; campaign spending limits; and campaign rebates, sometimes accompanied by other subsidies, to political parties.

I think it's important for us to consider this. I think it's, you know, a question of: how do the other members of this committee feel about some of their parties' most important and influential advisers encouraging democracy by assisting opposition parties and removing advantages for the governing party? It requires an electoral system that includes limits on contributions and spending, a ban on union and corporate donations, and campaign rebates. Again, instead of sitting here mired in amendments and stalls, let's move forward, get this to the House, and give everybody an opportunity to speak on this.

Thank you, Madam Chair.

Ms Jansen: I would like to be on the speaking list.

Mr. Cyr: I'd like to move an amendment.

The Chair: Go ahead.

Mr. Cyr: Thank you, Madam Chair. If we could go up to the main motion, I would like to strike “recommend that the Election Finances and Contributions Disclosure Act be amended to provide,” and then I would like to add something in return into that same spot: that the committee “hold engagement sessions across Alberta to allow Albertans to give feedback on a.”

Mr. Roth: Oh. As in clause (a)?

The Chair: Could you please clarify?

Mr. Cyr: Not clause (a). Sorry. Just “on a,” and then you can close the parentheses. That should work. I need to see it.

Sorry. You’ll have to add “for a” to the strike, or you can even just get rid of the “a” on the other one and take the “for” out.

That is exactly what I was hoping for.

The Chair: Mr. Cyr, does that look like an amendment that you were describing?

Mr. Cyr: That does look like the amendment I was hoping for.

The Chair: Okay. Let’s perhaps read the amendment before we go forward.

Mr. Roth: Mr. Cyr proposed an amendment to strike the words “recommend that the Election Finances and Contributions Disclosure Act be amended to provide for” and replace them with “hold engagement sessions across Alberta to allow Albertans to give feedback on.”

The Chair: Okay. With that, I will open discussion on the amendment.

Mr. Cyr: I encourage everyone to vote for my amendment. When you start looking at the fact that Albertans haven’t been consulted by the committee in any way, shape, or form when it comes to this – I would love to hear what their thoughts are. This is something that has been brought up by committee members, both government and opposition. I think that this will accomplish what we’re all looking for, and we can later, after we’ve done some consultation with Albertans, come up with a feeling of what their thoughts are on government reimbursing political parties for money that they have spent. I truly believe that without the engagement of Albertans we’re failing. I highly encourage everybody to support my amendment.

1:20

The Chair: Member Cortes-Vargas.

Cortes-Vargas: Yeah. I just wanted to comment on the amendment. I think we’ll absolutely have an opportunity to engage. It’s extremely critical to engage Albertans on this issue, and we will have that. We’ll have time to debate in the House. Like, if things happen, that’s how we have the process for everything. To engage Albertans we’ll be able to debate in the House. We’ll be able to discuss it with our constituents.

I will not be supporting this amendment.

The Chair: Go ahead, Mr. Cyr.

Mr. Cyr: Thank you, Madam Chair. The point of calling this committee is to engage Albertans in dialogue on how we would like to see ethics and accountability within Alberta be directed. What you’re suggesting – and I’m not putting you down; this is not my intent – is: let’s just create an act, and then we’ll debate it in the House. Well, then what was the point of even setting this committee

up if not to create dialogue with Albertans? I feel that something this important, which is going to change, in my opinion, the entire way we do campaign spending in Alberta, is something that Albertans should be consulted on before we bring it to an act, before we debate it in the House. So I again hope that you would reconsider and use the committee to its fullest, which is to consult with Albertans.

The Chair: Mr. Clark.

Mr. Clark: Thank you very much. You know, this is obviously along the same lines as the previous proposed amendment, to engage Albertans directly through referenda. I think, as we’ve seen from our friends in the United Kingdom, that referenda don’t always turn out quite the way we perhaps expect, which is one of the reasons I didn’t support that amendment.

I don’t support this amendment either because the purpose of this committee is to do this work, to engage Albertans and actually hear what they have to say. We have done that. Again, I think we can discuss and debate whether that has been done broadly enough or sufficiently. Regardless, based on the feedback that we received – we have had resounding response, loud and clear, from Albertans – only three Albertans who chose to participate in this process of the 312 Albertans who made a submission said that they think this is a good idea. So I don’t think, frankly, we need to spend the money to go around the province engaging on this particular topic. I think Albertans have told us. I have heard precisely zero of my constituents tell me that they think this is a good idea, and I suspect that this is not something that many Albertans have approached other members with either.

Again, I understand that the intent is to try to further engage Albertans, which is a good instinct and something I think is always laudable, but in this case it’s trying to make a bad idea somehow palatable. You know what? It’s a bad idea. Given that, I will be voting against the proposed amendment, and when we’re back on the main motion, I unquestionably will be voting against that as well.

Thank you.

The Chair: Member Loyola.

Loyola: Yeah.

Ms Jansen: Is my name on the list?

The Chair: I will put your name on the list for the amendment. Thank you.

Loyola: I completely respect the fact that, yes, we had 300-plus people speak against the idea of public funding, but they were all from one organization. Obviously, the organization decided to reach out to its members and have them submit their e-mails. I reviewed them. I went through them. Some of them were just simply one line. I get it. But we can’t underestimate the fact that there are also Albertans out there that do want this. Again, I go back to Public Interest Alberta. Before being elected, I participated in the group, in conferences and whatnot. This organization has thousands of members throughout Alberta, not just in one city. We’re talking about thousands of members throughout Alberta who brought the issue of bringing some kind of rebate into a more modernized electoral system.

I don’t support the amendment. I reiterate that I think it’s important for this committee to make the recommendation so that we can later on have the discussion more wholesomely, and we can move on from there.

The Chair: Ms Jansen.

Ms Jansen: Yeah. I'd like to start off by asking you to reread the amendment. It's muffled, and I had a hard time hearing it.

Mr. Roth: Mr. Cyr proposed an amendment to strike the words "recommend that the Election Finances and Contribution Disclosure Act be amended to provide for" and replace them with "hold engagement sessions across Alberta to allow Albertans to give feedback on."

Ms Jansen: Okay. I'm not going to support this amendment although I do believe in the need for feedback. I have a concern that in the past when we've looked at the idea of consulting on previous pieces of legislation, I've gotten feedback from a lot of people that they didn't feel the consultation process was fulsome. That's a concern for me, so I think we have to have a discussion about what the consultation process looks like.

I think this whole concept is hitting people out of the blue, and I think we need time to have discussions with our constituents. That doesn't involve a formalized process. Certainly, we have that ability as politicians – and I would hope that we all have the skill set – that we could go out and have those conversations. I've not had one single conversation in my constituency, not a single call, concerning this particular issue at all. That means that it's not on people's radar, and it needs to be, and there needs to be a discussion.

Can I just say at the same time – I'd like to make this clear – that with all due respect to Member Renaud, if members keep on bringing up quotes by different political parties and attributing them as influencers to any of us across the floor, that is not helpful to our conversation, and I would respectfully ask you to stop.

The Chair: Is there any further discussion on the amendment?

Mr. Yao: I think this is an excellent amendment. On one note, I do have to say that I'm very happy to see that the New Democratic Party is endorsing Stephen Harper and his conservative values.

Second, though, what occurs in other provinces and even at a federal level doesn't necessarily work right across Canada, and that's the beauty of our country with its various provinces and other jurisdictions. In Alberta at the moment we are very fiscally unstable. You put us into that situation, by the way. Also, if you . . .

The Chair: Mr. Yao.

Mr. Yao: Yes.

The Chair: I'm going to remind you that using language like that, that would cause disruption in this committee – I will warn you against using language of that nature and to restrict your remarks to the amendment.

Mr. Yao: I hope you provide that same guidance to your own members as well.

The Chair: Mr. Yao, I will warn you about your approach in this committee, and I just ask you to respectfully engage the members of this committee.

Mr. Yao: At the federal level the way committees work is that the committees are all-party. They are brought in. They bring in all the subject matter experts. They come to an educated proposal before they bring it to Parliament. In this case this is our opportunity to do those full consultations, and I think it is very important that we do that. I find it concerning that one member from across the way refuses to. He actually discounts the initial public submissions that

were provided. Those are public, unsolicited submissions on this issue, and you've discounted that entirely despite the fact that the statistics show that most people don't agree with that.

I would certainly agree with this amendment because it would give more time to do those consultations.

The Chair: I will call the question on the amendment. All those in favour of the amendment say aye. Opposed? On the phones? That amendment is defeated.

We are back on the main motion.

1:30

Mr. van Dijken: I think it's clear that we are moving ahead at rapid pace on a motion that has been brought before us essentially without due consultation with Albertans. To reiterate what Member Jansen had talked about, it's essentially hitting us out of the blue on the opposition side.

Through most of the committee's work here, when the opposition has essentially brought ideas forward in the form of a motion and the members of the governing party were not comfortable in having full information – they needed more time to be able to do some more research on the items, to be able to get the numbers that are necessary, to be able to engage with their constituents – opposition parties were more than willing to offer that to the members of the governing party. I find it concerning that at this point in time the governing party members are now not willing to give that same privilege to the opposition parties.

With that, I would hope that the governing party members would reconsider their position and move to adjourn debate on this motion at this time.
I make that motion.

The Chair: All those in favour of adjourning debate on the motion, say aye. All those opposed? On the phones? The motion to adjourn debate on the motion is defeated.

Mr. van Dijken: Record it, please.

The Chair: I will start to my right.

Dr. Turner: Bob Turner, Edmonton-Whitemud. No.

Loyola: Rod Loyola, Edmonton-Ellerslie. No.

Mr. Nielsen: Chris Nielsen, Edmonton-Decore. No.

Connolly: Michael Connolly, Calgary-Hawkwood. No.

Cortes-Vargas: Estefania Cortes-Vargas, MLA for Strathcona-Sherwood Park. No.

Drever: MLA Deborah Drever. No.

Mr. Sucha: MLA Graham Sucha, for Calgary-Shaw. No.

Ms Renaud: Marie Renaud, St. Albert. No to adjourn debate.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo. Yes.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock. Yes.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake. Yes.

Mr. Clark: Greg Clark, MLA, Calgary-Elbow. Yes.

Ms Jansen: Sandra Jansen, Calgary-North West. Yes.

Dr. Starke: Richard Starke, Vermilion-Lloydminster. Yes.

The Chair: Is there anyone else on the phone? Those in favour of adjourning debate, six. Those opposed to adjourning debate, eight. That is defeated.

We are back on the motion. Ms Jansen, I have you on the speakers list on the main motion.

Ms Jansen: No. I've said what I had to say. Thank you.

Dr. Starke: Madam Chair, could I also be added to the speakers list? Sorry.

The Chair: Yes. Thank you.

Mr. Sucha: You know, Madam Chair, I think it's important to note that the discussion on this and the consultation on this doesn't end at the committee level. We will have our draft recommendation report coming forward, that we will give to the accorded ministry. Then following that, we'll all have access to that report, that we can share with our constituents as well. That allows us a lot of time to discuss these matters, and then it also allows the members who are not on this committee to discuss these matters with their constituents and then bring them forward in the House. I think that provides us with a large amount of consultation over this time. I think it's important that we've had experts come and appear in front of this committee about many issues, from many different organizations as well.

You know, the discussion of this hitting the House and being discussed in the Legislature was alluded to by Mr. Cooper earlier today as well. Unfortunately, I don't have the access to the Blues at this time, but he did allude that this would be something that we would discuss within the House as well. You know, I think it's also important to note that Member Loyola did allude to this in previous discussions amongst the committee, that it was important for us to look into this and look into more modernized electoral legislation.

I think it's important that we move forward so we can get our draft submission report, and then we can have those ample, long conversations about everything that we've discussed in this committee with our constituents.

Mr. Yao: I'd like to propose an amendment.

The Chair: Go ahead.

Mr. Yao: Recognizing that the other side has discounted the initial public submissions provided, I would propose an amendment that the debate be adjourned until the committee has accepted public submissions on the expense rebate proposal for 30 days. This will also give us time to go out and talk to our constituents and get some good feedback on this particular issue.

Ms Dean: Mr. Yao, can you please repeat your proposed amendment? I'm having trouble reconciling that with the main motion.

Mr. Yao: Sure. I propose that debate be adjourned until the committee has accepted public submissions on this expense rebate proposal for 30 days or something to that effect for the purpose of this.

Ms Dean: Mr. Yao, that's essentially a motion to adjourn. We just had a motion to adjourn that was defeated, so you would need to rephrase your amendment.

Mr. Yao: Perhaps I could borrow Parliamentary Counsel's purview on this: something to allow us more time to accept more public submissions on this in a time limit of 30 days.

Mr. Roth: Perhaps something similar, Mr. Yao, to what was said before with the referendum, you know, to make the amendment at the end of the motion? Essentially what you're saying is to wait until a consultation period has passed. Is that more or less what you're asking for, Mr. Yao?

Mr. Yao: Yes.

Mr. Roth: Okay. Do you mind if I . . .

Mr. Yao: Paraphrase? Absolutely.

This is to recognize that there have been some initial public submissions on this and that the other side has stated that they have discounted these submissions. We need to re-evaluate and access more submissions.

1:40

The Chair: We'll just make sure that the amendment is worded. Mr. Roth, would you like to read out the amendment?

Mr. Roth: Amendment by Mr. Yao that the following be added after the word "amended": following a 30-day consultation period with Albertans.

The Chair: I have Member Loyola as first on the speakers list. Oh. Does that reflect your amendment?

Mr. Yao: You have to add "in a subsequent vote," perhaps, at the end of that. Or not a vote. Is it assumed that after the 30-day period it comes back to committee for review based on those results, or do I have to imply that?

Ms Dean: Well, the way the motion reads, it would require this consultation to occur before the recommendation would go forward.

Mr. Yao: That's how it would be interpreted? Well, will there be a subsequent vote on this after the fact, then? After the consultation period would the committee be readjourned to reassess based on the information provided by the public?

The Chair: Not necessarily.

Mr. Yao: So some words to imply that it does have to be brought back to a vote by committee. You have to understand that I take consultations very seriously. I take what people say in the public very seriously when it impacts them.

Ms Dean: Madam Chair.

The Chair: Yes, Ms Dean.

Ms Dean: We're just fine-tuning the wording of the amendment. What I would suggest is that the following words, "the Election Finances and Contributions Disclosure Act be amended," be struck and replaced with basically, "there will be a 30-day consultation period with Albertans regarding the proposal for a rebate of 50 per cent of" and the rest of the language of the motion. So you're getting rid of the recommendation about an amendment, and you're replacing that with a consultation period on the proposal.

Mr. Yao: Yes. Thank you, Ms Dean.

The Chair: Mr. Yao, does this reflect your amendment?

Ms Dean: Madam Chair, should I read how it would consolidate?

Mr. Yao: Yes, please. Read the entirety.

Ms Dean: That

the Select Special Ethics and Accountability Committee conduct a 30-day consultation with Albertans on the proposal for a rebate of 50 per cent of registered parties' and registered candidates' campaign expenditures provided campaigns receive at least 10 per cent of the vote cast and file all required financial returns.

Mr. Yao: I believe that hits on the points that we're trying to provide, and the point is that we need some time to get some consultation, seeing as this was dropped on us.

The Chair: Member Loyola.

Loyola: Thank you, Madam Chair. I just wanted to speak briefly to the insinuation that the private members of the governing party are somehow discounting the more than 300 submissions from one particular organization. That's not the case.

Mr. Yao: You stated as much. It's in *Hansard*.

The Chair: Mr. Yao, Member Loyola is speaking right now.

Mr. Yao: I'm just clarifying.

Loyola: May I continue?

The Chair: Member Loyola.

Loyola: Thank you, Madam Chair. By simply stating that I know of another organization that has thousands of members across Alberta who – I participated in a conference back in 2012, specifically on a task force that they have called democratic renewal, where they were speaking specifically about rebates. It was widely received by the members at that conference that this was something that they wanted to explore, look into.

I'm not discounting any submissions whatsoever. I am simply stating that I know of other Albertans that are interested in this topic. I think we owe it to all Albertans to move forward with this recommendation so that it could be widely discussed outside of this committee. This is a discussion that should be held in the House and that we should try to engage more Albertans on. By voting down the current amendment, we could then move forward with making sure that we bring this into the House and then also, further to that, engage with Albertans on this issue. Why shut down the conversation at the committee level? Let's get it out there into the public. Let's talk more about it. Let's talk about it in the House.

Just to finish off, I take exception to the word "discounting." I'm not going to request that it be retracted. I just hope that the member on the other side, please, takes into consideration my comments and that I'm not discounting any submissions whatsoever.

1:50

The Chair: Mr. Nielsen.

Mr. Nielsen: Thanks, Madam Chair. May I ask a quick question of our fine research folks before I make a comment? Is that okay?

The Chair: Go ahead.

Mr. Nielsen: I guess that probably, Dr. Amato, this would be to you. When was the issues document, that you very finely prepared, by the way, available to us as a committee?

Dr. Amato: The date, I believe, was June 28, 2016.

Mr. Nielsen: Okay. So since June 28 under section 6, public funding of candidates and party expenses, the first item is rebate program. I guess that's two questions, Madam Chair. I'm sorry.

I guess my point is that, you know, I've had some time with this issues document to be able to speak to some of my folks. Once we can get this into the House, we can continue to debate it there, and even in between we also have time to discuss this. Respectfully, I'm not going to support this amendment, and I'd like to see us get on with talking with folks, both in between the House time and once we get in there as well.

Thanks, Madam Chair.

The Chair: Mr. Cyr.

Mr. Cyr: Thank you, Madam Chair. I support this amendment. The one thing that has been brought forward by other opposition members is that there's been a cost attributed to the consultation process, whether it's through a referendum or through the committee going across the province. Well, this has no cost. This is literally a way for us to be able to hear directly what Albertans have to say regarding this.

What we've seen in the House is that bills go through the House remarkably fast, and because of how fast they are being processed through the House, if we do not do a good enough job here, there may not be an opportunity for us in the House to be able to do a thorough job. The whole point of this committee, again – and I bring this up like I did last time – is that we want to engage Albertans and hear their thoughts on this. We have overwhelming evidence from over 300 submissions saying that they would be against this, but somehow we discount them. I'm not saying Mr. Loyola. I'm just saying that as a committee their voices, because they are involved with one particular organization, count as one voice.

The group that the member across is talking about had the same opportunity to do the same thing, to talk with their members and to say, "Hey, get engaged; send a letter in," but they chose not to take that opportunity. So in this, if we don't take the time to consult with Albertans on something that is potentially going to radically change how political parties spend money or even try to get contributions from their members, without actually going out and saying, "You know what? This is kind of where we're thinking about going" – I think it is very unfortunate that we are rushing through this.

This kind of brings me to my last point. We have four pieces of legislation that we are going through. We are in August, and we're supposed to have this done by September, and we just, more or less, started debating this.

The Chair: We've passed a motion that says that we'll address that back in the middle of September, about doing an interim report on this act that we're doing right now and the PIDA legislation.

Mr. Cyr: On this act? I thought it was the other one.

The Chair: No. This one and PIDA.

Mr. Cyr: This one here? Fair enough.

Thank you. Those are my thoughts.

The Chair: Okay.

Mr. Yao: I'm concerned about the contradiction that I'm hearing from the other side. You say that you want public consultation, but you're rejecting this notion at the committee stage. It is at the committee stage where these things are fleshed out.

For the record you talk about the time that this was released. My constituents of Fort McMurray-Wood Buffalo did not have time to evaluate this because we had some larger issues at heart, and we're continuing to deal with those issues. If you respect all the corners of the province, you would certainly allow us to have more time to

evaluate these processes. You shake your head; you roll your eyes. You don't believe in public consultation, or do you?

The Chair: Mr. Clark.

Mr. Clark: Thank you, Madam Chair. You know, I will speak against this amendment. Again, I do think public consultation is very, very important, but we have had a process in place through this committee. I'll remind the committee a third time that we have had that process. The Member for Edmonton-Ellerslie, Mr. Loyola, has talked about Public Interest Alberta and some of the things that he's heard from them, including that in the public consultation process they did in fact take the time to make a submission to this committee, but nowhere in that submission is a recommendation to fund political parties from taxpayer dollars. To count that as somehow a vote in favour from Public Interest Alberta on this topic, I think, is factually incorrect. They had their opportunity. They took that opportunity and did not choose to make that a point that they raised in their particular submission.

Having said that, I think that this issue is very clear to me, very cut and dried, that Albertans do not want this. We've had an opportunity to solicit input from Albertans, and they've told us. So I vote against this amendment not because I don't believe that consultation is important but because I believe consultation has been done. Albertans have told us that they don't want taxpayer dollars going directly to political parties and, I will add, especially in a manner that is going to prejudice smaller parties and disadvantage those.

Thank you.

The Chair: I'll call the question on the amendment. All those in favour of the amendment, say aye. All those opposed? That amendment is defeated.

Mr. Yao: I'd like a recorded vote, please.

Dr. Turner: Edmonton-Whitemud, Bob Turner. No.

Loyola: Rod Loyola, MLA for Edmonton-Ellerslie. No.

Mr. Nielsen: Chris Nielsen, Edmonton-Decore. No.

Connolly: Michael Connolly, Calgary-Hawkwood. No.

Cortes-Vargas: MLA Cortes-Vargas, Strathcona-Sherwood Park. No.

Drever: MLA Deborah Drever, Calgary-Bow. No.

Mr. Sucha: MLA Graham Sucha, Calgary-Shaw. No.

Ms Renaud: Marie Renaud, St. Albert. No.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo. Yes.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock. Yes.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake. Yes.

Mr. Clark: Greg Clark, MLA, Calgary-Elbow. No.

Ms Jansen: Sandra Jansen, Calgary-North West. No.

Dr. Starke: Richard Starke, MLA, Vermilion-Lloydminster. No.

The Chair: Is there anyone else on the phone that would like to record a vote?

Seeing none, I will find the count. Those in support of the amendment are three, those against the amendment are 11, so that amendment is defeated.

We are back on the main motion. Dr. Starke, you are still on the speakers list for the main motion. Would you like to speak now?

Dr. Starke: Sure. I'd like to get some comments on the record with regard to this and just make some observations about the procedure that we're in the midst of, which, I have to say, is very challenging in a phone-in situation. I mean, I think anyone who has participated in these meetings, both in person and by phone, would recognize that. This motion, with the current constitution of the committee and the members that are present today, is almost certainly going to pass, and that's fine. The committee is populated such that the government can pass motions that they wish to see go forward.

2:00

I'm going to suggest to the members of the government, however, that once it becomes widely known that they are advocating that taxpayers rebate political parties and political candidates for 50 per cent of the expenses that they incur in a political campaign, they will see a firestorm across this province like they haven't seen since they were elected, especially given the current fiscal challenges that we face. I would respectfully suggest to the members that there is absolutely zero appetite, perhaps with the exception of the members of Public Interest Alberta. But outside of that, there's absolutely zero appetite for people to use taxpayer funds, limited as they are, to subsidize political parties and political candidates.

To me, the tone-deafness of this proposal is staggering. I'm fully opposed to any form of taxpayer funding of political parties or individual political campaigns and candidates. I'm especially opposed to it – I think it's especially crass – in the current fiscal situation that we face. You know, with due respect, I don't think this represents a modernization of the electoral process. What it represents, in my view, is a shift of the support for the electoral process falling to the taxpayers in general. If they choose to support political parties and political candidates, they have the option to do that. This is a mandatory support for parties and candidates that is not by their own choice.

I guess the other thing that I would also like to point out is that I think that the 10 per cent threshold is far too high. If that's indeed what you're going to set, that the parties have to achieve a 10 per cent threshold, you know, I'm going to just point out for the interests of the members on the other side that both the NDP and the Liberal Party in the 2012 election barely got 10 per cent of the vote. In fact, they were only a few hundred votes clear of 10 per cent of the total popular vote in that election. Had they not achieved that, under this proposal they would not have received any kind of rebate whatsoever.

Like I say, I just think that it's unfair to small parties. I think that it's a poor proposal, and I think it's especially a bad proposal at this time given our current fiscal challenges. But I recognize and I'm not blind to the fact that there are more NDP members and that they are for the most part voting for their own motions and that this is very likely to pass. So be it. But I'll tell you that as soon as this is public – perhaps you folks could correct me if I'm wrong, but I don't recall reading about this in the NDP election campaign platform. If it was there, I stand corrected, but I don't believe that you campaigned on this. I also don't believe that this is a burning issue in the hearts of Albertans today, and I for sure don't think it's a burning issue in the hearts of Albertans who are currently out of work or underemployed or who have had a significant change in their economic situation in the past year.

Those are my comments, Madam Chair. They refer to the main motion, which I am categorically opposed to.

The Chair: Mr. van Dijken.

Mr. van Dijken: Yes. Thank you, Madam Chair. I guess I'm going to come back to the fact that we have not properly engaged with Albertans on this specific motion. The issues document that has been highlighted did not speak to the specifics of this motion at all. These specifics weren't in there at all. I would concur with Member Starke that the 10 per cent is probably pretty much on the high side and that that is possibly skewing the ability for our democratic process to be completely transparent and fully reflective of Albertans and of the wishes of Albertans.

Again, I would respectfully submit for us and would make a motion to

adjourn debate on this at this time.

Thank you.

The Chair: All those in favour of the motion to adjourn debate, say aye. Those opposed? The motion to adjourn debate has been defeated.

Mr. van Dijken: Can we have it recorded, please?

The Chair: I will start the recording of the vote to my right.

Dr. Turner: Bob Turner, Edmonton-Whitemud. No.

Loyola: Rod Loyola, Edmonton-Ellerslie. No.

Mr. Nielsen: Chris Nielsen, Edmonton-Decore. No.

Connolly: Michael Connolly, Calgary-Hawkwood. No.

Cortes-Vargas: MLA Cortes-Vargas, Strathcona-Sherwood Park. No.

Drever: MLA Deborah Drever, Calgary-Bow. No.

Mr. Sucha: MLA Graham Sucha, Calgary-Shaw. No.

Ms Renaud: Marie Renaud, St. Albert. No.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo. Yes.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock. Yes.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake. Yes.

Mr. Clark: Greg Clark, MLA, Calgary-Elbow. Yes.

Ms Jansen: Sandra Jansen, Calgary-North West. Yes.

Dr. Starke: Richard Starke, MLA, Vermilion-Lloydminster. Yes.

The Chair: Is there anyone else left on the phone to record a vote? With that, I will get the count. There are six in support of adjourning debate and eight against adjourning debate, so that is defeated.

We are back on the main motion. Mr. Cyr.

Mr. Cyr: Thank you, Madam Chair. It appears that we're almost at the end of the debate here. I do want to reiterate, though, that by putting this motion through – Alberta is very generous already when it comes to subsidizing political parties, when it comes to political contributions. Just for those that don't know, I'm going to run down really quickly exactly how this works and how it will change after you've got this amendment through. What it is that

for the first \$200, the constituent gets back 75 per cent of that. Now, let's go again back to \$100. What happens is that the constituent gets \$75. That encourages the constituents to get involved and to ensure that they're giving to political parties and getting the engagement that everybody in Alberta wants to see Albertans moving forward to. This is very generous, already very generous.

After this amendment we still have that 75 per cent tax credit. What will happen is that now we're going to give a 50 per cent tax credit on that \$100 that's spent by the political party, so they're going to get another \$50. Then what happens is that because they spent that, the next year they're going to get 50 per cent of the \$50, so they get another \$25. The next time after that, it'll go from \$25 down to 12 and a half dollars and so on and so forth. If you work it out, it'll come to almost 100 per cent of money returned to the political parties when it comes to a contribution.

Now, it seems unreasonable for us to be looking at 175 per cent of a contribution to be returned to both the Albertans and the political parties. Like my colleagues and everybody has said here, when we start looking at where government seems to go in weird directions, this is just a weird direction. I encourage everybody to vote this motion down. We already have too generous a tax credit, but now we're going beyond generous. We're going to the point where we're taking from actual Albertans and taking from programs, taking from money that can be spent in better places like our hospitals and our schools.

In closing, that's just what I wanted to make sure people understood. This is just not something that my constituents would support.

Thank you.

2:10

Dr. Turner: I just wanted to comment on the comments from Mr. Cyr. While it's true that the first \$200 gets a 75 per cent tax credit, I didn't follow at all the subsequent comments you made where the 50 per cent rebate to registered parties or candidates would be repeated on successive years. That just does not make any sense to me.

I think what we also have to consider in this is that this is one part of a package of several different measures that are going to increase the democratic participation by Albertans, and we need to be thinking about all types of Albertans when we're dealing with this.

Mr. van Dijken: For the benefit of our vice-chair I would like to help possibly allude to how it gets rebated back to the individual and to the party every time. They receive \$100, they spend \$100, and they get \$50 subsidized back to them to spend the next time. They spend that \$50 the next time, and they get 50 per cent back, \$25, so it just keeps funnelling back. I would suggest that the process benefits large, existing parties as opposed to parties that are trying to get a foothold in the democratic process. I believe we're on track for a system that will entrench existing parties over and above the ability for other parties to be able to get a reasonable start on funding campaigns.

Thank you.

The Chair: Is there anyone that would like to speak further to the motion?

Mr. Cyr: The fact that you don't quite understand how it all works is exactly why I would like to have adjourned this, and that's why we've tried to do this several times. This is not an easy concept, and not involving Albertans in it is unfortunate. I really think that having a morning to deal with this and not having thought it through will eventually cause a lot of confusion out in the Alberta public,

and it's going to be, unfortunately, on your shoulders as the government.

Thank you.

The Chair: With that, I will call the question if there are no other speakers. All those in favour of the motion, say aye. All those against? That motion is carried.

Mr. Cyr: A recorded vote, please.

The Chair: I will start to my right.

Dr. Turner: Bob Turner, Edmonton-Whitemud. Yes.

Loyola: Rod Loyola, Edmonton-Ellerslie. Yes.

Mr. Nielsen: Chris Nielsen, Edmonton-Decore. Yes.

Connolly: Michael Connolly, Calgary-Hawkwood. Yes.

Cortes-Vargas: MLA Cortes-Vargas, Strathcona-Sherwood Park. Yes.

Drever: MLA Deborah Drever, Calgary-Bow. Yes.

Mr. Sucha: MLA Graham Sucha, Calgary-Shaw. Yes.

Ms Renaud: Marie Renaud, St. Albert. Yes.

Mr. Yao: Tany Yao, Fort McMurray-Wood Buffalo. No.

Mr. van Dijken: Glenn van Dijken, Barrhead-Morinville-Westlock. No.

Mr. Cyr: Scott Cyr, MLA, Bonnyville-Cold Lake. No.

Mr. Clark: Greg Clark, MLA, Calgary-Elbow. No.

Ms Jansen: Sandra Jansen, Calgary-North West. No.

Dr. Starke: Richard Starke, MLA, Vermilion-Lloydminster. No.

The Chair: Is there anyone else on the phones that would like to record their vote? Now I will just get the count. Those in favour of the motion are eight, and those against the motion are six. That motion is carried.

I think we will take a 10-minute break, so we'll reconvene at 2:25 p.m.

[The committee adjourned from 2:15 p.m. to 2:25 p.m.]

The Chair: I will call this committee back to order.

Right now I have the floor open to committee members that want to bring forward motions of their own. Ms Renaud.

Ms Renaud: Thank you, Madam Chair. Under the section on donations between registered parties I do have a proposal for a motion. I would like to move that

the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to close any loopholes that allow for one registered party to transfer or donate funds to another registered party.

I think that we are all committed to trying to get big money out of politics. Our donors make a choice as to which party or parties they want to support, so I don't think the choice should be taken out of their hands. I'd like to ensure that we close any . . .

The Chair: Sorry, Ms Renaud. Let's just make sure that we have the motion up.

Ms Renaud: Oh, sorry. Sure

The Chair: Does that reflect your motion?

Ms Renaud: Uh-huh.

The Chair: Mr. Roth, I'll just ask you to read it into the record first.

Mr. Roth: Ms Renaud moved that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be amended to close any loopholes that allow for one registered party to transfer or donate funds to another registered party.

Ms Renaud: I just want to reiterate that we are committed to getting big money out of politics. Donors make a choice as to which party or parties they want to support, and that choice should not be taken out of their hands. I want to ensure that we close any loopholes that allow big money through the back door, and this motion aims to do that. I hope that the other members will support this.

Thank you.

The Chair: Mr. Clark.

Mr. Clark: Thank you very much, Madam Chair. I'd like to ask the representatives here from Elections Alberta or the office of the Chief Electoral Officer: are there any loopholes now that you are aware of that would allow one registered political party or constituency association to transfer resources or funds between two political parties?

The Chair: Mr. Resler.

Mr. Resler: Thank you, Madam Chair. Under the legislation section 38 specifically addresses transfers. It states, "Transfers within parties," which are allowed. So a registered party, its constituency association, or candidates may transfer within each other. By omission transfers between parties are not allowed under the legislation.

Mr. Cyr: I'd like to ask Ms Renaud – that was my understanding of this as well – is it just that you're bringing a motion forward to confirm what's already in legislation? Or is there something that you're looking to change that you're aware of, that we're not, that is actively happening, and exactly how is it that we're changing it to adapt to that loophole?

The Chair: Ms Renaud.

Ms Renaud: Thank you. I think the aim is just to ensure that any loopholes, whether obvious or not, are absolutely closed. We've seen over the last month a number of discussions happening in the media and in other places where parties are discussing transferring funds or ensuring that funds are moved around. It was my intent to just bring this forward so we discuss this and ensure that this loophole does not exist anywhere.

Mr. Cyr: We have put clarifications forward to this committee before, and they've been voted down. I guess the question is: are we just creating another layer here, that I'm not aware of, to the document? Is there real value in having this in there when it's already in legislation, already prevented, and it doesn't appear to be a loophole? I guess my concern here is that by passing this motion,

suddenly the government party is going to be announcing that our committee has somehow closed a loophole that never actually existed. My thoughts are: is this something that we're playing politics with in this group, or is this actually trying to achieve something?

Ms Renaud: I think that if the Chief Electoral Officer is saying that there is absolutely no way that this can happen, that is one thing. Yet we've heard or at least I've heard in the media, I think, members from the third party suggesting that there were ways to transfer those funds. Again, going back to the motivation of this motion, to be very clear and up front and transparent: if members of the public are donating to one party, there is no loophole that allows those funds to be transferred to another party.

Mr. van Dijken: I guess I need some more clarification from the Chief Electoral Officer. It appears to me that there are no loopholes and that this is covered off clearly. The member opposite is of the opinion that it's not covered off clearly. But if I could get the opinion of the Chief Electoral Officer at this time on whether it appears there are any loopholes that would need to be covered off.

Mr. Resler: In my opinion, there do not appear to be any loopholes. If part of the discussion is, "Are political parties able to merge?" that is not covered under the legislation. So if a party existed or there was agreement for them to come together as far as – the transferring of funds or assets wouldn't be allowed between the two parties.

Mr. van Dijken: With that knowledge in place, I believe it would be acceptable to have the motion withdrawn. It speaks to what was spoken about at the beginning of the meeting with regard to Parliamentary Counsel giving us advice as to what's already in existence and what is not. This appears to me to be a duplication of what's already in place. I don't think this motion is necessary at all at this time.

The Chair: Mr. Clark.

Mr. Clark: Thank you, Madam Chair. I guess I'm curious about this motion as well. Look, I think we all know why this motion is coming forward, and we understand the politics of it. We all live in the real world and follow the media. But, you know, I'm unclear and concerned about broad, general terms like "loophole" without specific reference to a particular section of an act. If there is a particular section of the act that the mover feels is in need of amendment, I would hope that she or someone else on the committee would bring a motion that specifically refers to a section of the act that needs to be tightened up in a certain way. I think that level of specificity would go a long way to helping.

2:35

We may have heard discussions from the third party or rumours in the media, but frankly I'm much more inclined to take the guidance of the Chief Electoral Officer in terms of his interpretation of section 38 of the act, that does not permit any sort of merging of parties or transfer of assets. I guess people could speculate about anything they want. It really does come down to the interpretation of the office of the Chief Electoral Officer, and if there's a need to amend legislation, I imagine that that would be something that his office would let us know. It doesn't sound like there is.

You know, if we were to pass this motion, I guess I'm not sure that we're actually doing anything that isn't already in place. Frankly, I guess I could vote for it. I'm not sure it's going to have any effect. I suppose that if we vote against it, I don't know if it's

going to have any effect either. When we're dealing with motions like that, I guess that's a concern of mine. I guess I would put to the hon. Member Ms Renaud: if you have a specific section of the act that you feel needs to be tightened up, then perhaps someone could propose an amendment to your motion, or if there are some specifics that you can share with us, I'd appreciate hearing them.

Thank you.

The Chair: Ms Dean.

Ms Dean: Thank you, Madam Chair. I believe the Chief Electoral Officer has indicated that it's his interpretation of the legislation right now that this cannot occur, so in effect the motion is not necessary. I will leave it up to the chair whether she will permit the motion to proceed.

The other option for the committee's consideration, because I don't believe it's in the legislation right now, would be express language that would prohibit the transfer. So you could bring forward a motion that would be more in order, more in keeping with what we're doing here today, by recommending that there be an express prohibition with respect to transfers between political parties.

The Chair: Ms Renaud.

Ms Renaud: Yeah. I'll actually withdraw the motion.

The Chair: All those in favour of withdrawing the motion, say aye. Any opposed? That is withdrawn.

After speaking with members of the Wildrose Party, I was informed that there are other motions that are coming forward from your members. Is there someone that would like to make a motion at this time?

Mr. Cyr: Sorry, Madam Chair. Is this our only opportunity to propose motions, or is this kind of closed from this point forward?

The Chair: We could go back to the adjourned motions at this time.

Mr. Cyr: Okay. I do have a motion in mind that I'd like to propose, but our research department is still working out the details on it.

The Chair: Okay. Sounds good.

With that, I will move back to the adjourned motions. I have at the top of my list . . .

Mr. Sucha: Madam Chair, may I?

The Chair: Oh, yes.

Mr. Sucha: With the indulgence of the committee, just because it's been a bit of a polarizing topic, I'd like to move to spending limits if that's all right, if that's the will of the committee.

The Chair: I don't see a problem with that. Go ahead.

Right now we actually have an adjourned motion. I'll just ask counsel if I should read that into the record first before we move forward. Sorry to those on the phones. We're just going to find it in our record here, pull it up on the screens, and then we'll read it into the record for those that are joining us by phone.

Mr. Westwater: Madam Chair, if it assists, it's page 62 of the minutes.

The Chair: Mr. Sucha, are you wanting to start with the motion that you have on the floor that is discussing local constituency campaigns?

Mr. Sucha: Yes, please, Madam Chair.

The Chair: Okay. Mr. Roth, would you mind reading that for those on the phones so that we're all on the same page.

Mr. Roth: Moved by Mr. Sucha that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be strengthened to include per-candidate campaign spending limits of up to \$40,000, indexed to inflation, for most ridings and \$50,000, indexed to inflation, for northern ridings.

The Chair: Member Sucha.

Mr. Sucha: Thank you, Madam Chair. During our last meeting I introduced motions on campaign spending limits as part of a series of measures to modernize our electoral system. An electoral system with no controls on donation or spending limits will always favour wealthy political networks, giving incumbents an even greater advantage than they already have. With few exceptions, the wave that swept our government into power in 2015 being one of them, the party that spends the most money wins. I think all of us should be trying to develop rules that ensure that the system is fair for all parties and candidates and allows voters to decide who governs them.

I have been encouraged by feedback I have received to this proposal over the last few weeks. That said, in the days that followed, I have received some very convincing arguments that the levels that I set in this motion may be too restrictive. It was always my intention to ensure that we can continue to run strong local campaigns and that each constituency should have a strong voice in determining who wins the next election. With that in mind and being aware that I cannot propose any amendments to my motion, I am proposing through another individual that we increase the limits per campaign to \$70,000 for local campaigns with an \$80,000 limit per northern constituency.

I am also proposing, when we get to it, a limit for registered parties of 80 cents per elector, which, I understand, is the same as Ontario's.

I believe that providing moderately higher limits will achieve our objectives of keeping big money out of politics and the necessary resources for operating an effective campaign.

The Chair: Member Sucha, we're dealing with the first one here, about the \$40,000 campaign limits.

Mr. Sucha: That's good. Yeah.

The Chair: Okay. Is there someone that would like to propose an amendment?

Ms Renaud: Okay. I propose that we amend the motion, that the word "\$40,000" be struck out and replaced with "\$70,000."

Dr. Turner: I think you want to also put a period at the end of "indexed to inflation" and strike out the rest of it.

Ms Renaud: Sorry. Could you repeat that, just to make sure I'm understanding where you're putting that period?

Dr. Turner: The period in place of the comma after "inflation."

Ms Renaud: Indexed to inflation for the northern ridings?

Dr. Turner: And then striking out the remainder of the . . .

The Chair: I don't think Ms Renaud is done with her amendment.

Ms Renaud: No. Keep "indexed to inflation." Okay.

The next piece: to move an amendment that the words – one at a time?

Ms Dean: Sorry. Is the intent to maintain a difference between ridings and northern ridings?

2:45

Ms Renaud: Yes.

Ms Dean: You can do it all in one amendment.

Ms Renaud: Okay. Sorry. Let me just try and see here. That the word "\$50,000" be struck out and replaced with "\$80,000," and add the words "four most" before the word "northern."

The Chair: We're just going to ensure that this is what the mover of the amendment is looking for before we go ahead.

Okay. Ms Renaud, does that reflect your amendment?

Ms Renaud: Yes.

The Chair: Okay. I think what we need to do is read out the motion with the amendment.

Mr. Roth: Okay. Moved by Mr. Sucha that the Select Special Ethics and Accountability Committee recommend that the Election Finances and Contributions Disclosure Act be strengthened to include per-candidate campaign spending limits of up to \$70,000, indexed to inflation, for most ridings and \$80,000, indexed to inflation, for the four most northern ridings.

The Chair: Ms Renaud?

Ms Renaud: Uh-huh.

The Chair: Okay. With that, I will open up with Mr. Yao.

Mr. Yao: Can we get clarification on those four most northern ridings? I would recognize that Fort McMurray-Wood Buffalo and its good-looking constituents would be in that, but I just need clarification, please.

Ms Renaud: The four most northern ridings would be Fort McMurray-Wood Buffalo, Fort McMurray-Conklin, Peace River, and Lesser Slave Lake.

The Chair: Mr. Clark.

Mr. Clark: Thank you very much, Madam Chair. I'm curious as to why the government feels that the northern ridings are – why they've chosen geography versus square kilometres. There are a couple of constituencies – and if my computer was any faster, I'm sure I'd be able to identify them – in the west. I believe that Rimbey-Rocky Mountain House-Sundre is quite a large constituency, and I believe there's at least one other quite geographically large constituency in southern Alberta or in eastern Alberta. I'm just curious if any calculations have gone into why just the north and not other rural constituencies that are quite geographically large, and if so, perhaps you could share that information with us.

Thank you.

Mr. Sucha: I think it's important to recognize – and Mr. Yao could probably elaborate on this a little bit more – that because they are more remote, there is the requirement of a bit more air travel to hit certain communities in that area. So we recognize that that may be an element that the members or the people who are running in those

ridings have to face in comparison to other constituencies in Alberta.

Mr. Yao: I also assume that part of that would be the added expenses, the fact that things like fuel and whatnot are more expensive in northern regions, in which case there might be other regions in the north that might be included in this as well if you're to look at that cost factor, even Grande Prairie and whatnot. There are two ridings there that I believe pay higher fuel costs than, say, Edmonton as an example; not as much as Fort McMurray, but their costs are still high.

Are there other parameters that you've chosen to measure this by, or is this an arbitrary four that you've chosen? Don't get me wrong. I respect the fact that you've chosen Fort McMurray-Wood Buffalo and Fort McMurray-Conklin, but I wouldn't want to segregate any other areas that do have the same impacts as Fort McMurray.

Thank you.

The Chair: Mr. Sucha.

Mr. Sucha: Thank you, Madam Chair. I really recognize, just from the conversations that I've had with several Members of the Legislative Assembly, the challenges around air travel, and that was why I incorporated those into that. But I am open to any other suggestions if there is the recognition that there are challenges for other ridings as well.

Mr. Yao: Could the Chief Electoral Officer provide us with any recommendations to this effect? Do you identify any discrepancies?

Mr. Resler: We haven't done any research to determine whether any specific electoral divisions would be impacted.

Mr. Yao: They don't consult you either? Wow. Good to know.

The Chair: Mr. Yao, I'm going to warn you against using language like that in the committee.

Mr. Yao: Language?

The Chair: Under 23(i) you're imputing a false or unavowed motive. I would just warn you against that.

Mr. van Dijken: It appears that we're trying to modernize the system, yet I don't understand how anybody ever figures that this is modernizing a system. It is engineering a system that some would suggest is better than the last system, but that doesn't necessarily modernize it. I have great concern when because of our modernization we now think we need to put spending limits on campaigns. The whole intent, according to the member, was to get big money out of the democratic system. By putting donation limits in place – we already have donation limits in place of \$1,000 a constituent into a local CA. We are already limiting big money in a campaign. I don't understand why if I find a hundred people in my riding to donate \$1,000, I can't spend all \$1,000 of each of those persons' money towards the campaign. It would essentially be stifling the ability of that person to have their voice heard through the democratic process.

2:55

You know, like, I'm not sure where you come up with the numbers \$70,000, \$80,000. This whole engineering process that the government wants to go through to try and somehow make an election do what they think it's going to do is just going to cause all these other ramifications and different ways of putting money into the voice of whoever the money will get to then. I don't believe that

limiting spending on campaigns is necessarily getting big money out of our process. We've already done that by limiting union donations and corporate donations, and I believe we've gone a long way towards fixing a system that was possibly not functioning the way it should. But to limit the ability of the people that are willing to put their resources behind a candidate, I would suggest, is going contrary to the intent of democracy.

I've got another point to make with regard to \$70,000 and \$80,000 in the four most northern ridings. I look at some of the urban ridings, whether that's Calgary, whether that's Edmonton, Red Deer, wherever. There are very significant rent differences towards the utilization of facilities to run a campaign out of. We've all of a sudden decided that the four most northern ridings are the most expensive to run a campaign in. Possibly at this point they are, but possibly they aren't. To all of a sudden try and engineer the campaigns based off today's experience – and I don't know that this is even accurate for what today's experience is. I know that in the by-election campaigns that were just run in Calgary, a number of the candidates spent in excess of \$80,000 to run their campaigns. Was that more than they should have spent? I don't necessarily think that we need to go down this road.

Spending limits are only being considered probably because of the fact that – okay – now the government is considering that we're going to subsidize spending. The more we go down this road, the more we're going to let it get out of control, where we have then more political action groups coming from outside of the system influencing the system more than the political parties themselves. I would suggest that the fact that we're discussing spending limits: to me, that's just engineering a democratic system to what we think we want it to be. I don't think it's healthy, myself.

The Chair: Mr. Clark.

Mr. Clark: Thank you, Madam Chair. As I look at the electoral map and also just reflect on some of Mr. van Dijken's comments, I guess I raise a couple of concerns around identifying the, quote, four northernmost ridings, although they are technically called constituencies in Alberta – aren't they? – and ridings federally, but we'll let that one slide. I think we know what we're talking about.

We're just about to embark on a process of redistributing electoral boundaries. What if there are three northern constituencies in the future? What if there are five? What if there are two? What if there are eight? You know, that could change. Just geographically, our friends in West Yellowhead – it looks like that constituency is roughly equal in size to Lesser Slave Lake. Dunvegan-Central Peace-Notley bites quite significantly into Peace River. I imagine that they may be feeling put out by not being included. Drumheller-Stettler is geographically similar in size to Lesser Slave Lake, as is Rimbey-Rocky Mountain House-Sundre, in this sort of thumbnail, looking-at-a-map kind of thing.

I come back again to my question that perhaps if we want to have some differentiation for rural constituencies, we ought to do it with some data in front of us, and that data is based on a physical, geographic size of a constituency, beyond which they're entitled to spend more money to accommodate for travel.

I also wondered, to Mr. van Dijken's point: is there any evidence or any data? I mean, I know there is data available. I haven't looked at it closely. I wonder if anyone has. How much have candidates spent in past campaigns in different constituencies? Is there a substantial difference in those four northern constituencies' campaign expenditures that reflects a consistent pattern of having to spend more money? If so, is there a formula that perhaps we could work out and determine?

Again, I agree. In my campaign, as I recall, we spent over \$10,000 in rent in the last campaign. Inner-city Calgary is pretty expensive for rent. That's a substantial cost. You're not going to have those rent costs outside of major urban areas, but there are other expenses, travel being obviously one of them, that we need to accommodate.

While I will say that I am in favour of a campaign spending limit of some kind and am certainly encouraged that an amendment has been brought forward to raise the limit to, I think, a more reasonable level, I do have some questions still about a differentiation and what it's based on, if there are other criteria that we could be using to base a differentiation on or determine that we don't need one. If we come up with a reasonable number that would accommodate differences in legitimate costs between different constituencies, be they urban, rural, or remote, then that may simplify things as well. I put that out as a question, then, to either the mover of the amendment or to the committee in general: if anyone has any data that may back up some of the rationale for why the differentiation is necessary or if there is other data that we may want to use to make that differentiation.

Thank you, Madam Chair.

Mr. Sucha: Just to address some of the comments that were made here earlier on, I'm curious if there's an about-face that we're hearing from the Official Opposition. I did hear from some of the members that they were open to spending limits the last time we discussed this, and now it seems like they're not open to spending limits. If there's an about-face, I would like to know why that has occurred.

With that being said, we're putting a lot of provisions in place to really remove the influence we have from third parties. We've eliminated corporate and union donations, and we're still discussing a lot of other methods in relation to that as we move on, so a lot of these are being addressed. I think it's important for us to really reiterate that we're not reinventing the wheel in this committee meeting with this motion. We're looking at something that the majority of the provinces in this country have, that the federal government has, and it's something that we've heard overwhelmingly from Albertans on, that they would like for us to move forward with this. It's important that we really open up the playing field to allow inclusion for all Albertans, not just the most wealthy, to be involved in the political process.

That is why I'm supporting this amendment, and I'm really going in with an open mind on this and listening to a lot of the feedback that we've gotten over the last two weeks, that has outlined that maybe it was too tight and maybe it was too small, and even comments that I was hearing from the Official Opposition that this was not enough. That's why I made the suggestion and my member opposite had made the amendments to make sure that we address those concerns and really try to find that middle ground that was brought to our attention over the last little while.

3:05

Mr. van Dijken: I guess I'd like to ask the member: at the end of the day, where's the evidence to show that we need to limit the spending? We already limit the donations. You know, if people have donated to a campaign, they expect that campaign to utilize their donation. I would suggest that the best way to understand where the spending limit is based on what donations were brought in for each candidate.

At the end of the day, the governing party wants to put in a situation where the government would subsidize expenses or the spending rather than take a look at the money that each individual campaign is able to raise on their own, looking for government,

taxpayer money to subsidize their campaign rather than going out and engaging with Albertans to raise the money themselves. Is there evidence that \$70,000 is the right number? Is there some kind of evidence behind that? Is the reason that the \$70,000 is put there to limit the amount of government subsidy that would be eligible in this situation? We talked earlier about how we were looking at very significant spending from taxpayer general revenue to subsidize campaigns, and now I'm trying to understand: why the \$70,000?

Mr. Sucha: Over the last little while we really crunched some numbers and looked at a lot of other jurisdictions and how they've set their spending limits and some of the expenses that are incurred over this. While I don't have a spreadsheet on this, as we started crunching the numbers and looked at some averages here, we determined that with some of the things that were brought to our attention like signs, the challenges around rental space and the expense for that, hiring a campaign manager, leaflet drops, mail drops, a lot of campaigns were able to successfully do so and also had to serve a competitive market with \$70,000.

To review the evidence of why spending limits are important, I don't think we need to look any further than south of the border. You know, I heard a very compelling comment that was made by Mr. Clark, that the last thing we want to do is to get ourselves into a two-party system. If you look at other countries that have spending limits like Great Britain, France, Belgium, Japan, New Zealand, Israel, South Korea, who have multiple political parties and are not running on just the two dominant political parties like you see in the United States, the spending limits have helped those other, smaller players stay competitive. I think it's important that we really embrace that there is something compelling to having a multiple-party system. That's very unique to Canada. It works very well for Canada and works very well for this province as well. I think it's important for us to really encourage that within our democracy as well.

Dr. Starke: Madam Chair, could I be put on the speakers list, please?

The Chair: Yes.

Mr. Cyr.

Mr. Cyr: Thank you, Madam Chair. I have quite a few thoughts on this. I want to bring up the concern that I brought up last time, which is third parties. There are a few questions here. Is there anything that prevents a candidate or a family member of a candidate or the president of the constituency association from creating third-party advertising to work around these rules? If so, that seems to be a loophole that is being created here.

The second thing: is there anything that prevents third parties from targeting specific candidates in an election? This is important. Let's say, for instance – and I'll use a hypothetical here – that a group decides they don't like Premier Notley. They decide they're going to spend a million dollars against Premier Notley in her riding to get her out. Is there anything that prevents a group from targeting a specific riding, and if so, how does that work? If not, that MLA may not be able to defend themselves should that kind of situation happen.

The Chair: Mr. Cyr, I'm just going to ask: how is this connected to the amendment on the motion?

Mr. Cyr: He wants to talk about spending limits and increasing spending limits, right? My thoughts here are that this \$80,000 might not be high enough or maybe should not even exist at all. It goes back to both the amendment and the main motion, and we're in the

amendment right now trying to work out what that fair number should be.

I think it's reasonable to hear what the CEO has to say. Is there a way that MLAs are made vulnerable by this cap, and is there a number that would be something he would be comfortable with, more or less?

Mr. Resler: I won't comment on a number that I'd be comfortable with – I think that's a policy decision of this committee – but I will make observations as far as: any person or group can establish a third party under the current legislation. We do not have any anticollusion laws in place to prevent that. Especially when you're looking at spending limits and such, there's no legislation in place that's stopping the candidate or the party from setting up a third party in order to funnel funds that are restricted in the political entities into third parties. So then there is that capacity or loophole, in a sense, to set up a third party to further subsidize or provide opportunities in which to advertise and communicate to electors.

Mr. Cyr: This motion, I guess, doesn't prevent a candidate from putting more than \$80,000 into his campaign should he want to find other, more creative ways of doing it.

Mr. Resler: I believe that would be a separate motion to deal with third parties in contrast to this one.

Mr. Cyr: Okay. Thank you.

The Chair: Ms Renaud.

Ms Renaud: Yeah. I just have a couple of comments. You know, I wish there was an equation that could solve this question. It is difficult, and you do have to look back at campaign spending for different ridings, with the information that you have in front of you.

But what I'm a little astounded at is that suddenly the Wildrose members are talking about: why should there be a limit on campaign spending at all? Are we back to the Wild West? I thought part of this was about equalizing or making equal the playing field for incumbents and challengers. There is an imbalance right now. We are one of the only provinces that doesn't have a limit. I think somebody referenced what's happening in the United States right now. Sadly, I read in more than a few articles that Alberta, when we look at our campaign spending, is a lot more like the United States than we are like other provinces in our own country.

I would encourage everybody to support this amendment. Thank you.

The Chair: Dr. Starke, you will be next, and then I will call on Mr. Cyr.

Dr. Starke: Thank you, Chair. I've been listening to the debate with certainly a fair bit of interest here. I will say from the outset that I think the \$70,000 and \$80,000 limits are completely arbitrary and bear no relation whatsoever to the actual expenses that are incurred and the many differences that have already been laid out by various members with regard to differences in the cost of office space and differences, for that matter, in the number of electors in a riding. Now, of course, the Electoral Boundaries Commission is going to address that when it does its work, but currently the number of electors in ridings in Alberta varies from a number of about 11,000 to 45,000.

3:15

I think it could be very easily argued that if you have four times the number of registered electors in an electoral division, you should certainly be allotted additional funds to be able to reach out

to those electors. Ironically, those ridings that have the smallest numbers of electors are, in fact, the northernmost ridings in our province.

You know, to say that the main reason or rationale why these four northern ridings would have a higher spending limit is largely because of aircraft travel: quite frankly, I think that argument is pretty thin. We should even take a look and think about the complexity of the formula that is used to calculate our member's services allowance. You'll recall that that was a formula that was developed by Dr. McNeil, an engineer, who developed a formula based on the size of the electoral district, based on the number of registered electors, based on the population of the electoral district, based on a factor that included the distance from Edmonton, and then also on whether it was a rural or an urban riding.

That level of complexity went into the determination of what a reasonable and fair and equitable member's services allowance was, and that is something that, quite frankly, we have all lived by and agreed with and felt was fair and equitable, not just during the course of this Legislature but for a number of years beforehand. I could be corrected on this, but I believe that Dr. McNeil's formula has been adapted and used elsewhere. To take two numbers out of the air like \$70,000 and \$80,000 and decide that, boom, those are the right numbers: to me, that is a gross oversimplification of the situation we're in.

You know, the other thing I think about and I hear several times stated is that we want to get big money out of democracy, out of the political process. I guess I ask myself the question: isn't that the purpose of campaign contribution limits and also what was talked about with regard to union and corporate donations? If we, as we're contemplating doing – and I'm sure we are headed in the direction of reducing the maximum amount that can be donated to campaigns or at least to constituency associations and political parties. If we're already doing that – I anticipate we will and will support that – I'm questioning why, then, if a candidate or a political party that is successful in being able to collect or to get thousands and thousands of small donations such that that candidate is able to run a very well-financed campaign, suddenly that becomes the issue. This is not big money.

As an example, I'll take people back to the 2008 presidential campaign since we seem to be wanting to talk about the United States, when President Obama was very successful in raising a huge amount of money based on \$3 donations. Now, if you have a candidate or a political party that is successful in raising a large amount of money based on \$3 donations, I have a hard time understanding how people say: well, that's big money in politics.

My concern with these spending limits is that, first of all, they're completely arbitrary. There is no rhyme or reason to these numbers, and I would again point out that our member's services allowance is much more complex and is used to create an equitable funding mechanism or funding model for our member's services allowance.

Secondly, the assertion by Mr. Sucha that somehow spending limits lead to political diversity of parties is, in my view, completely preposterous and cannot be substantiated. There are a wide number of reasons why there can be diversity in political parties. If, indeed, diversity in political parties is having many small parties or smaller parties develop and grow and take part in the political process, then why are you also in favour of a scheme that would say that if you don't get 10 per cent of the vote, you don't get any of your money back? I mean, the two are completely contradictory. How you can support the one motion and now say on the other hand that spending limits will somehow foster a broader spectrum with more political parties is completely contradictory.

Finally, you know, the whole thing about incumbency and the advantage of incumbency. Again – and I said this at the last meeting

– the idea that spending limits will somehow result in a more even playing field and spending more money guarantees a victory was completely blown out of the water by the last election. Quite frankly, all of the members on this committee representing the government I am pretty sure spent less money than their counterparts from our party and, I would suggest, even from the other people.

It's interesting. I took a look at some of the numbers for those northern ridings. The government members in those northern ridings, those four northern ridings, in one case – I won't specifically identify the riding or the candidate – spent \$6,000, in another case spent \$11,000. You're saying that we need an \$80,000 limit, not a \$70,000. Well, your own candidates proved that that's a fallacy. In another case \$6,218. All of this information is available on the Elections Alberta website. So I don't think that this motion has taken that into account.

If a spending limit is imposed, then nonincumbents, people who wish to try to unseat an incumbent MLA who will always have a level of advantage in terms of name recognition, in terms of having spent the prior four years going around the constituency developing relationships and developing, I would suggest, strong support within the constituency – for someone to unseat that incumbent, placing a spending limit on things only serves to benefit the incumbent, not someone else trying to take a run at the incumbent and trying to unseat an incumbent.

For those reasons and especially, I think, mostly for just the total arbitrary nature of the number – and I will commend Mr. Sucha for one thing, and that is that he adjusted the numbers from the \$40,000 and \$50,000 to \$70,000 and \$80,000. That's a good thing. That indicates an openness. But, again, those numbers are arbitrary. Deciding that four northern constituencies should be able to spend \$10,000 more despite the fact that they have a smaller number of electors than almost every other constituency in the province and discounting the kinds of distances in constituencies like Drumheller-Stettler, Rimbey-Rocky Mountain House-Sundre, West Yellowhead, Battle River-Wainwright, Lac La Biche-St. Paul-Two Hills – I mean, these are huge constituencies. To say, "Well, we'll allow an extra \$10,000 to cover your gas," I mean, I'm sorry. There's just no rationale that that would be the deciding factor as to whether or not these constituencies should be allowed to spend more money.

The Chair: I think Mr. Cyr said that he would speak to the main motion. Yes. That's correct.

Mr. Clark.

Mr. Clark: Yeah. Thank you. I just wanted to pick up on a couple of things that Dr. Starke said and also just pick up on a comment that Mr. Sucha made earlier. You know, Mr. Sucha, you had said: well, we've crunched the numbers, and we've looked at some things. I'd love to see evidence of that. I was struggling for the frame to use to describe it, but I think Dr. Starke has really hit on it, which is our member's services allowance. If you look closely at your Members' Services orders, which I'm sure you all have, there's a rather complex and multifaceted formula by which our constituency budgets are determined. There's a lot of thought that went into that, that accounts for many different things. It accounts for geography. It accounts for the number of constituents. It accounts for rental costs in different constituencies, different parts of the province. That was obviously a very thoughtful exercise, that spent a lot of time delving into the details to make sure that they got it right.

This arbitrary division between four constituencies and the other 83 seems just that, arbitrary. I have a very difficult time with it. I don't know why we would make this choice versus a different

choice. Maybe in the fullness of time this is the best thing. It feels to me very much like an oversimplification of a complex problem, so I have a difficult time supporting the amendment for that reason.

3:25

Again, Alberta Party policy is to support spending limits, so as leader of that party, of course, I need to respect my party's policy, but I also think we need to consider the multifaceted changes that this committee is looking at. While the \$80,000 and \$70,000 are a great improvement, I'm still not certain that's necessarily the right way to go in light of an overall substantial drop in contribution limits as well as, of course, limiting corporate and union donations.

Again, I would really hope that we would perhaps have an opportunity – maybe when we get back to the main motion, we can have another discussion about this. I'd love to see some rationale as to why these numbers have been chosen. I have a sneaking feeling in the back of my mind here that perhaps there have been some conversations offline between the two largest parties represented here, and I just wonder about that.

The Chair: Mr. Clark, I don't think you can read people's minds in this committee, so I'll just ask you to speak to the facts.

Mr. Clark: Sure.

I will just say that I'm interested, again, in the rationale as to why certain numbers have been chosen and if all consequences, intended and otherwise, have been considered. Thank you.

The Chair: With that, I will call the question on the amendment. All those in favour of the amendment, say aye. All those opposed? That amendment is carried.

We are back on the amended motion, and we are starting with Mr. Cyr. Go ahead.

Mr. Cyr: Okay. Sorry. You weren't looking at me. I know it's been a long day.

I've got a question for the CEO regarding how this actually will work. Should we put a campaign spending limit in place? Specifically, I'd like to know how many candidates or roughly how many candidates ran in the last election. If a candidate does go over this spending limit, what would happen or what consequence is there should this happen? I'm sure you're saying that, well, this will come in from policy and so on and so forth, but the question needs to be asked still: where would you think it should have gone? How would you track this? If you are tracking this, is this going to significantly increase the size of your department during an election period? Just the real technical part: how is this going to work?

The Chair: Mr. Resler.

Mr. Resler: Thank you. The number of candidates in the last provincial general election: I'm guessing it was over 400, approximately 408, without looking. It fluctuates in the low 400s. Consequences as far as if someone was to exceed the spending limits: I can somewhat provide the information as far as what is done in other jurisdictions when spending limits have been exceeded. Those jurisdictions also have expense reimbursement. The reimbursement is reduced by the amount in excess of the spending limit. I actually wrote down a question here to consult with a couple of jurisdictions on just to see if there is a penalty for exceeding the spending limit other than a reduction in the reimbursement. That's all I know on that part there.

As far as impact to the office, definitely there will be an impact as far as administering spending limits and expense reimbursements. More detailed reporting will be required. In a conference I

had a couple of weeks ago, I asked that question as far as the impact to other offices. I know that in one of the jurisdictions it was eight staff for a specific time period to assist. Because for part of it – the reimbursements, the calculation, the timely reimbursement of funds – you have to bring the people in in order to accommodate that. Then the spending limits: we would have to look at more detailed reporting by all the constituencies, so there'd be additional time for parties, candidates, constituencies, that type of thing.

Mr. Cyr: Just one more follow-up. Thank you, Madam Chair. At this point you'd pretty much need to audit these 400 candidates to ensure that they're capturing all of their expenses. I'll give you an example. You know that they've got a campaign office, but there's no rent expense claimed. That seems unusual, but unless you're going through the expenses to look for this, you wouldn't know that. Is that something that your office would do, or would you just go with "They're honest, and we're going to trust what they're putting through"?

Mr. Resler: Currently we don't collect that information unless we had a specific investigation or reason to audit. But with spending limits, yes, we'd have to substantiate and justify the numbers. The actual forms that would be completed would have a detailed breakdown of specific expense items versus just one summary item. It may also include the attachment of all invoices that were paid to substantiate the actual, so then a thorough review can be done in the office without requesting additional information. But as far as the process that would be in place, we haven't delved into that and looked at the best practices across the country.

Mr. Cyr: Just one quick comment. It appears that your department will probably greatly increase during election periods because of something that we're doing that may be able to be worked around with third-party advertising. That, for me, is creating another burden on taxpayers. I would hope that the government has considered the impacts of what this new, well-intentioned cap is going to put in. But, again, it's tough when we start looking at these kinds of things without actually going to find out what the actual impacts to Albertans and the candidates are going to be. As an accountant I can tell you that the harder you make it, the less likely you're going to have people putting their names forward as candidates. That does reduce the number of people that will put their names forward to represent parties. I'm just wondering if the government has considered that.

Mr. Sucha: I think a lot of consideration is the fact that other jurisdictions are doing this. I didn't see a reduction in the number of federal candidates that have been running in the previous election. In fact, in some cases I found that more were running than we were seeing here in Alberta.

You know, transparency does have a cost to it. You could make the same argument about us filing our expenses as individual MLAs. There is a significant cost to that, but it is the right thing to do. It is the right thing for us to be transparent to all Albertans about what our individual expenses are as individual MLAs. You know, there's a cost to having an Auditor General and for them to do reviews, but I think Albertans have the expectation that we want to open up the transparency with this. So, you know, we're always cognizant of that, but I think it's worth the money that you spend on it.

3:35

Mr. Cyr: I guess the concern here is that the money that's being spent is money that was donated to the candidate. I understand that with the 50 per cent reimbursement now you want to actually start,

it looks like, auditing all of the expenses for candidates. That concerns me. Before it was the party that held their candidates to a high expected level, or to the higher bar. I have, I guess, questions that by adding taxpayer money to this, we're actually going to be creating a whole lot more red tape to the process, and we're not actually going to see the transparency that you're hoping to see because in the end the question is that when this stuff goes through and is finally done, we're going to find that the information itself is very outdated. Anyway, those are my thoughts.

The Chair: Is there anyone that would like to speak further on the amended motion? Anyone on the phones who would like to be added to the speakers list?

Mr. van Dijken: I'm going to go back to the spending limits aspect of things. Again, we've picked completely arbitrary numbers here. The member is not giving me any indication as to why these numbers were picked other than possibly from other jurisdictions that are doing spending limits at this time, but just because other jurisdictions are doing it doesn't necessarily make it philosophically the best direction to go in.

You know, there was some indication from the governing party members that, well, we want to stay away from the goings-on in the United States. Well, we're not even close to what's going on there, but I would suggest that the engineering that they're trying to do with regard to government-subsidized funding of elections is possibly going to be even more detrimental to the start-up parties or other parties that want to get involved. It appears to me that: well, let's engineer it into a fashion that works for us now, and it's not necessarily in the best interests of democracy going forward.

I've got a lot of difficulty with putting forward these campaign spending limits without any true understanding as to why these numbers are the best numbers to go forward with. I reiterate that I do believe that if I have individuals that come to me and support the campaign or come to any person that is ready to put their name forward, if they're willing to support that person with donations, that person is limited in their ability to spend the funds that come forward. I again would speak against the campaign spending limits.

Mr. Cooper: Chair, I'll be on the list.

The Chair: Okay. Mr. Cooper, go ahead.

Mr. Cooper: I just might briefly comment. You know, I agree with much of what's already been said. I think we need to be very careful as we use other jurisdictions as our lamppost, if you will. Particularly, you know, we're moving closer to 80 cents per elector here. I think that's what the discussion was around, or maybe it was just totally arbitrary. I unfortunately had to step out of the meeting for a bit.

As we set these limits, how will third-party advertisers engage in this process? If we look at other jurisdictions, since we are using that as our light post, you know, you don't have to look very far. The *Globe and Mail* piece that ran just yesterday or the day before identified that organizations other than political parties outspent political parties to the tune of 96 per cent more money than political parties did. The presence of a spending limit can create an environment that is detrimental to the overall process in that it's quite possible that a third-party organization could outspend entire campaigns or organizations inside the constituency as well. I'm sure we'll have this discussion when we look at the overall party number of spending limits, but that presents a significant challenge and risk to the process if we have third-party advertisers or organizations, outside bodies, be they corporately funded or union funded or however individuals look to engage in finding the

loopholes, if you will, that are inevitably going to be created by the changes in legislation.

That's a concern. It should be a concern for all of us. It should be a concern for the democratic process. We need to take that into consideration when we take the steps of putting arbitrary spending limits on political campaigns when we've already taken the very proactive steps, that I've been more than supportive of, in the form of limiting the contributions, which we ought to do, which at the end of the day is really what does get big money out of politics, the large corporate, union donations, and then allows the local grassroots level to do their best in engaging like-minded individuals that may like to donate to a campaign or an effort that they believe in. Should that organization raise more than \$70,000, you know, I think that it's important that they would be able to compete with other outside organizations. So I think that when members are voting, they ought to consider just some of those challenges.

The Chair: Is there anyone that would like to speak further to the amended motion?

With that, I will call the question. All those in favour of the amended motion, say aye. All those opposed? On the phones? That amended motion is carried.

I just will move on here to other business, seeing as the hour is getting close to 4 o'clock. Is there any other business that the committee members would like to raise at this time?

Before I move on, I would like to remind committee members that presentations on the Conflicts of Interest Act have been scheduled for a meeting on August 16, 2016. This will give us a bit of a break from the election legislation that day. On the 15th we will be doing deliberations, but on the 16th we will be having the conflict of interest presenters coming to the committee. At that time we will have the opportunity to ask questions and gather information from presenters regarding the Conflicts of Interest Act. Just a reminder that those presenters include the Ethics Commissioner, the Ministry of Justice and Solicitor General, and Rick Fraser, MLA.

Moving on to the date of the next meeting, we have that scheduled for August 15. A reminder that that meeting time has been moved to 10 a.m. that day.

If there is nothing else at this time, I would call for a motion to adjourn. Moved by Member Sucha that the August 10, 2016, meeting of the Select Special Ethics and Accountability Committee be adjourned. All in favour? Any opposed?

Thank you. Have a great day.

[The committee adjourned at 3:44 p.m.]

