

Report to Council

From the Office of Councillor Samantha Agtarap and Councillor Kyla Knowles

Date: February 20, 2023

Subject: Public Funding of Municipal Election Campaigns

Purpose

To provide information on public funding of election campaigns to use as a basis for a resolution at the Lower Mainland Local Government Association (LMLGA) 2023 convention.

Recommendation

THAT the report dated February 20, 2023 from Councillors Agtarap and Knowles regarding public funding of municipal election campaigns be received for information.

AND THAT Council advance the following resolution to LMLGA for the 2023 convention:

WHEREAS Elections BC made changes to donation rules for municipal candidates to reduce perceived influence of corporations and unions, and while this has helped to increase participation in democracy, participation in municipal elections is still limited by ability to participate financially through access to personal wealth and connections, rather than ideas and candidate skill set, and

WHEREAS there has been increased scrutiny of endorsements and donations, and this has further divided communities and highlighted inequities in the electoral system;

THEREFORE BE IT RESOLVED THAT the Province consider public funding of municipal election campaigns that includes a ban on endorsements to ensure equitable access and participation in municipal electoral campaigns for a more diverse ranges of candidates.

Background

During the 2022 election campaign, funding source became a hot topic with multiple candidates making statements that their campaigns were not funded by developers. This issue was not limited to Port Moody; however, it was among the most contentious issues during the campaign.

In 2022, campaign contributions were limited to individuals that are residents of BC and Canadian citizens or permanent residents. Corporations, unions and other organizations were not permitted to make contributions to local elections. Campaign donations were limited to \$1,250 per person, to a maximum determined by Elections BC based on the community and position.

The Province of BC changed the election donation rules in 2017 to ban donations from corporations and unions and limited personal donations to \$1,250.

This is not an equitable system and does not encourage participation from a wider breadth of the community.

Discussion

Election campaign fundraising has become a contentious issue in some jurisdictions with unsubstantiated allegations of "undue influence" being raised in connection to candidates receiving lawful donations from individuals related to the housing and development industry (including mortgage brokers and real estate agents). To date, there has been no hard evidence to support this allegation and any restrictions on donations must apply to all donors, not a subset based on the industry in which an individual is employed. To set more restrictive conditions on a small group is discriminatory and potentially a violation of an individual's rights and freedoms by restricting their democratic rights and fundamental freedoms. It is our opinion that the current campaign funding structure creates an inequitable playing field that provides advantages in the following, but not limited to, situations:

- candidates that can contribute maximum amounts to their own campaigns;
- family members with discretionary income can contribute significantly to campaigns;
- well-connected candidates (i.e., candidates with political, professional or personal connections to other levels of government, executives in public and private sectors, etc.); and
- candidates with extensive connections to the dominant culture.

Elections are expensive and create an excessive amount of waste. Printed materials, including signs, flyers and other promotional materials are some of the highest cost items of a campaign, excluding online and print advertising. This further creates inequity.

The authors of this report advocate for publicly funding elections to encourage greater participation in democracy while strengthening it through the diversity of candidates. It is recognized that removing the barrier of fundraising may inundate municipalities and regional districts with candidates. Nevertheless, this problem could be solved through non-monetary requirements such as more than two endorsements from residents.

Additionally, a ban on endorsements from all organizations, including unions, provincial and federal political parties, and not-for-profits along with a ban on all political advertising - from

candidates and third parties – including advertising on tv, social media, mailouts, flyers, newspapers etc., would further level the playing field.

While the cost to communities has not been specifically calculated and would be unique to each community, it is estimated that for Port Moody, an additional \$5/year per utility bill would be sufficient to pay for the proposed new system. The funds for municipal elections can be achieved through taxation of the electorate, however, we feel that funding is a provincial responsibility.

<u>Proposal</u>

Under the publicly funded election campaign system, it will be required:

- Candidate websites hosted by each community, and Each candidate's page would follow the same format;
- Mailouts limited to those requesting paper copies of bills (such as utility bills);
- Signs limited to public areas as identified in the Election Sign Bylaw;
- Pooled procurement for sign printing, with an allocation of \$1,500 per candidate;
- Candidates receive \$2,000 for photography and design contract work;
- Paid advertisements (print and electronic) are banned;
- Political slates and services shared amongst candidates are banned; and
- Endorsements from third parties are banned.

Eligibility

It is proposed that candidates be required to be endorsed by residents and business owners. The number of endorsements required is proposed to be a 0.25% of the eligible voters based on the most recent list of registered voters. For Port Moody candidates, this would result in 62 endorsements from residents and/or business owners.

In larger communities, such as Surrey or Vancouver, a ward system is suggested, based on population. Candidates in each ward would need endorsements from residents and businesses within the geographical area of the ward.

Other Option(s)

THAT the report dated February 20, 2023 from Councillor Samantha Agtarap and Councillor Kyla Knowles titled Public Funding for Municipal Election Campaigns be received for information.

Financial Implications None.

Communications and Civic Engagement Initiatives None

Council Strategic Plan Objectives Reducing inequities.