



Clearing the Cloud of Doubt

**Improving transparency and voter confidence
in Alberta's municipal elections**

**A Submission to
the Alberta Local Authorities
Election Act Review**

Scott Hennig
Alberta director, Canadian Taxpayers Federation
#410-9707-110th St., Edmonton, Alberta T5K 2L9
PH: (780) 448-0159 e-mail: shennig@taxpayer.com web: www.taxpayer.com
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ABOUT THE CANADIAN TAXPAYERS FEDERATION

The Canadian Taxpayers Federation (CTF) is a federally incorporated, non-profit and non-partisan, advocacy organization dedicated to lower taxes, less waste and accountable government. The CTF was founded in Saskatchewan in 1990 when the Association of Saskatchewan Taxpayers and the Resolution One Association of Alberta joined forces to create a national taxpayers organization. Today, the CTF has over 72,000 supporters nationwide.

The CTF maintains a federal office in Ottawa and offices in the five provincial capitals of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. In addition, the CTF has a Centre for Aboriginal Policy Change in Calgary dedicated to monitor, research and provide alternatives to current aboriginal policy and court decisions. Provincial offices and the Centre conduct research and advocacy activities specific to their provinces or issues in addition to acting as regional organizers of Canada-wide initiatives.

CTF offices field hundreds of media interviews each month, hold press conferences and issue regular news releases, commentaries and publications to advocate the common interest of taxpayers. The CTF's flagship publication, *The Taxpayer* magazine, is published six times a year. An issues and action update called *TaxAction* is produced each month. CTF offices also send out weekly *Let's Talk Taxes* commentaries to more than 800 media outlets and personalities nationally.

CTF representatives speak at functions, make presentations to government, meet with politicians, and organize petition drives, events and campaigns to mobilize citizens to effect public policy change.

All CTF staff and board directors are prohibited from holding a membership in any political party. The CTF is independent of any institutional affiliations. Contributions to the CTF are not tax deductible.

The CTF's Alberta office is located in Edmonton at:
#410, 9707 – 110 Street
Edmonton, AB
T5K 2L9

Telephone: 780-448-0159
Facsimile: 780-482-1744
E-mail: shennig@taxpayer.com
Web Site: www.taxpayer.com

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EXECUTIVE SUMMARY

Alberta's municipal electoral process is in need of repair.

Low voter turn-out continues to indicate apathy is a serious problem at the municipal level. Voters are growing distanced from their closest level of government, and changes must be made to instil greater voter confidence in the electoral process, and empower voters to take action on issues of importance.

The cost of election campaigns in all of Alberta's municipalities continue to rise and feeding this increase in cost are ever growing contributions. Campaign contribution disclosures are occurring to some extent in only five Alberta municipalities, and only after voters have cast their ballot. Steps must be taken to empower voters through more transparent pre-election disclosure laws.

Even with perfect pre-election information, taxpayers should have the right to remove underperforming politicians from office. Municipal recall legislation should be introduced to give the power back to the voters, and ensure politicians are always responsive to their true bosses, the taxpayers.

The CTF recommends:

- 1. It be mandatory for election officers to request an elector to produce at least one piece of photo identification.**
- 2. No candidate be allowed to accept a campaign contribution until such time they are officially nominated as a candidate.**
- 3. No candidate be allowed to accept a contribution after the seventh day prior to Election Day, and a full disclosure of all contributions greater than \$300 be publicly declared five days prior to Election Day.**
- 4. A full public disclosure of all expenditures be submitted to the election officer or clerk within 90 days of the election.**
- 5. All campaign surpluses be declared and held in trust for future election campaigns. If the candidate opts not to run for re-election the surplus be donated to a charity.**
- 6. All campaign contributions and expenditures be independently audited and that audit be submitted along with candidate disclosure forms to the election officer or clerk's office for public disclosure within 90 days of a municipal election.**
- 7. All campaign assets and credits be disclosed and a fair-market value be established. If the value of the assets and credits puts a candidate into a surplus situation, those assets should be held in trust for use only upon next election or auctioned off with the proceeds being held in trust.**
- 8. The municipal term of office not be increased, and remain at three years.**
- 9. Any change to the term of office be approved by provincial referendum.**
- 10. Citizens recall legislation be introduced for the municipal level.**

INTRODUCTION

There are four elected Senators-in-waiting, 28 elected MPs, 83 elected MLAs, countless school board representatives and 1,772ⁱ elected municipal officials right now in Alberta.

At each level, laws have been created to govern and manage the electoral process. Elections Canada manages the federal election of Members of Parliament. Elections Alberta manages the provincial election of Members of the Legislative Assembly. Using the guidance of the *Local Authorities Election Act (LAEA)*, municipalities manage their own civic elections in Alberta.

Unquestionably, the Minister of Municipal Affairs and members of the *Local Authorities Election Act Review* are aware of the depth of issues relating to the *Act* and the Canadian Taxpayers Federation (CTF) appreciates the opportunity to provide comments and recommendations as to how Alberta can strengthen the *LAEA* and empower taxpayers to participate at the local level.

In this report, the CTF will be forwarding recommendations promoting democratic reforms, increased transparency, and greater accountability as it pertains to our mandate of democratic reform and our mission to increase accountability.

Does size matter?

When reviewing the *LAEA*, one major challenge facing the committee is making recommendations that meet the needs of every municipality, from the smallest summer village to the largest city. The CTF believes the committee would be best served to separate municipalities into categories based on population and apply recommendations only to the appropriate category.

Yet there must be some consistency between categories to ensure a municipality does not have an entirely new set of rules when they either increase in population or decrease in population.

For the purposes of this submission, the CTF will be breaking Alberta municipalities into three categories. Our recommendations will indicate to which category the recommendation applies.

The three categories are as follows:

Category 1 – Municipalities with a population above 35,000

Category 2 – Municipalities with a population between 10,000 and 34,999

Category 3 – Municipalities with a population below 10,000

The reason for setting the Category 1 municipalities at populations above 35,000 is because the average population of Alberta's provincial electoral divisions is 35,951ⁱⁱ. The

ⁱ Total filled positions calculated from (<http://www.municipalaffairs.gov.ab.ca/ms/2004Elected.cfm>), October 22, 2005

CTF believes election rules for MLAs and MPs are significantly more comprehensive than those of most municipalities in this category, yet the populations are comparable (although both the provincial and federal election provisions could stand to be strengthened as well).

While the *LAEA* sets out the rules for other local elections, most notably school board elections, the CTF has chosen not to make separate recommendations for school board elections. For the purpose of this submission, please consider school boards to fall within the same category as those municipalities with populations below 10,000 (Category 3).

ⁱⁱ Average population number at time of Electoral Boundary Commission final report (<http://www.altaebc.ab.ca/finalreport.html>)

CTF RECOMMENDATIONS

1. *Voter Identification*

Voter identification is a double edged sword. Some claim requiring a voter to show identification disenfranchises those people who do not have or cannot afford identification. Others suggest not requiring a voter to show identification puts the validity of the election result into question, thereby reducing voter confidence in the entire electoral process.

The CTF believes the validity of election results are just as important as ensuring every eligible citizen has a reasonable opportunity to cast their vote. When individuals who are not eligible to vote, illegally cast a ballot in a municipal election, it calls in to question the validity of the entire process.

It also could lead to an incorrect result. If an election were close enough to be decided by a handful of votes, the decision might presumably rest on the judgement of a few unclear ballots. Yet the true deciding factor might have been whether all of those who cast ballots were indeed eligible to do so. Currently in Alberta, those municipalities who do not prepare voters lists (most) only have to request the potential elector sign a statement swearing they are indeed eligible to vote. This “honour system” of voting is reckless and taints electoral outcomes.

Only through voters lists and mandatory identification will voters have confidence in the results of their municipal elections.

Voters lists are both expensive and time consuming to collect, but they undoubtedly help to curb voter fraud. Currently both Elections Canada and Elections Alberta collect this information and have sharing agreements in place. It would be wasteful and redundant for municipalities to collect this same information again. As Elections Alberta already has to collect this information, there is little reason why it could not be shared with municipalities as long as they agree to follow the appropriate privacy rules.

The CTF recommends (for all three categories):

- 1.1 It be mandatory for election officers to request an elector to produce at least one piece of photo identification.**

2. *Municipal Campaign Finance Reform*

This section of the *LAEA* review is undoubtedly the most critical to increase transparency, accountability, and voter confidence.

Campaign financing disclosure laws, or more appropriately, the lack thereof, could easily cause serious problems in the future and lead to a greatly diminished confidence in the municipal election process.

The current *LAEA* does not have any specific requirements for candidates to disclose campaign contributions they receive, or expenses they incur. Section 118(2) only allows for municipalities to make local by-laws requiring the public disclosure of campaign contributions and expenses if they so choose.

Of the nine Category 1 municipalities (over 35,000 in population) in Alberta (Calgary, Edmonton, Strathcona County, Red Deer, Lethbridge, Wood Buffalo, St. Albert, Medicine Hat, and Grande Prairie) only five of them (Calgary, Edmonton, Strathcona County, Lethbridge and St. Albert) have some form of public disclosure by-law for campaign contributions and expenses.

This quite simply is not acceptable.

Unquestionably, candidates for municipal office in Alberta are raising funds for their campaigns and are in turn spending those funds. Election campaigns cost money to operate, and in some cases, cost hundreds of thousands of dollars.

In fact, the funds needed to run a successful municipal campaign continue to increase.

Looking at the City of Edmonton, in 1995 incumbent Mayor Jan Reimer spent \$87,242 on her re-election campaign; winning candidate Bill Smith spent \$205,885 on his campaign. In 1998, incumbent Mayor Bill Smith spent \$164,935 on his re-election campaign. In 2001, incumbent Mayor Bill Smith spent \$258,710 on his re-election campaign; runner-up Robert Noce spent \$205,200 on his campaign. In the recent 2004 Edmonton Election, incumbent Mayor Bill Smith spent \$405,523 on his campaign, Robert Noce spent \$382,929 on his campaign, and winning candidate Stephen Mandel spent \$479,451 on his campaign.

City Councillor campaign spending also continues to increase. In 1995, Edmonton Aldermen spent on average, \$20,589 on their campaigns. That price tag has now risen to \$35,666 in the most recent 2004 Edmonton election.

Looking at the City of Calgary, in 1995 incumbent Mayor Al Duerr spent \$65,726 on his re-election campaign. In 1998, Mayor Duerr spent \$195,067 on his campaign while his opponent Ray Clark spent \$215,440. In 2001, mayoral challenger Richard Magnus spent \$287,872 on his campaign, Bev Longstaff spent \$587,164 on her campaign, and winning candidate Dave Bronconnier spent \$834,881 on his campaign.

In the most recent election in 2004, incumbent Mayor Dave Bronconnier spent \$361,187 on his re-election campaign.

Aldermanic candidate spending also continues to rise. In 1995, Calgary Aldermen spent on average \$15,116 on their campaigns. Just as in Edmonton, spending has now increased to \$44,231 in the most recent 2004 Calgary election.

Where are these funds coming from? A truly accurate answer would be that no one knows. A cursory look at the disclosure statements from the five municipalities that require some form of disclosure, clearly show public sector unions, land developers and their peripherals, and candidates themselves contribute the vast majority of funds.

This is not all that shocking, as it stands to reason those who have a lot to gain (or lose) by the decisions made at City Hall would be looking to influence those decisions. The best way to influence decisions is to help decide who will be making them.

It's not a stretch to assume a public trade union that donates a significant amount of money to a successful candidate would hope their candidate would vote favourably when the question of wages and benefits for union members comes before City Hall. It would also not be a stretch to assume a land developer that donates a significant amount of money to a successful candidate would hope their candidate would vote favourably when the question of zoning and land purchasing comes before City Hall.

Federal politicians abide by campaign contribution and expense disclosure laws, provincial politicians abide by campaign contribution and expense disclosure laws, yet only five municipalities in Alberta have seen fit to enact by-laws that at least attempt to govern municipal election campaign contribution and expense disclosure.

Not one of these municipal by-laws is even close in scope and transparency to either the federal *Canada Elections Act* or the provincial *Election Finances and Contributions Disclosure Act*. This begs the question: why would we have more stringent laws for MP candidates who run for election in ridings averaging 107,220ⁱⁱⁱ residents, and MLA candidates who run for election in ridings averaging 35,951 residents, and not have similar rules for mayoral candidates who run for election in a city of 933,945^{iv} residents?

University of Alberta Political Science Professor, Dr. James Lightbody in his 1995 book, Canadian Metropolitcs clearly identifies the problem and his suggestion of a possible solution:

“...the various thorny issues that surround campaign finance, now largely resolved federally and provincially, must be addressed by cities. Metropolitcs is expensive! In those provinces with out legal guidelines

ⁱⁱⁱ Federal re-distribution quotient (http://www.elections.ca/scripts/fedrep/federal_e/red/appendices_e.htm)

^{iv} City of Calgary 2004 population (http://www.municipalaffairs.gov.ab.ca/cfml/profiles/data/0046_4.htm)

(most), the absence of party caucus and extra-council formal organization means that anything goes. Individual candidates solicit the funds (forget the fiction of “arms-length” baggers), and councillors vote directly as individuals on very specific matters impinging on others’ gains. At the least, full disclosure enticed by tax-deduction receipts and liable official agents must be enacted if citizens are reasonably to survive the hugely competitive 1990s.”^v

Dr. Lightbody is correct to say most provinces do not have municipal campaign financing disclosure laws. Only British Columbia, Ontario, Quebec, Nova Scotia and Newfoundland and Labrador have enacted some form of disclosure law.

The CTF strongly believes the Alberta government should strengthen its *Local Authorities Election Act* to include transparent campaign finance disclosure provisions.

There are basically two sides to disclosure: contributions and expenditures.

Contributions

Considering contributions, there are many obvious reasons to require candidates to disclose who has contributed to their campaign and in what amount. Most of these reasons all lead back to transparency and voter confidence.

To ensure voter confidence – elections, the campaign process and the actions of elected representatives must have transparency. Voters know election campaigns cost a significant amount of money to run. Campaign donations are expected. To ensure voters have the ability to hold their elected officials accountable and to have confidence in the decision they are going to make on Election Day, full disclosure of who has contributed to each candidate must be made available to the voters. Furthermore, this information should be made available prior to Election Day, so voters have an opportunity to see who will seemingly have influence over each candidate, and make their vote accordingly.

When citizens have full disclosure of campaign contributions they not only have the ability to watch their elected officials for breaches of the public trust, but they can also choose to support only those candidates who they feel are likely to support a particular philosophy.

For example a small business owner might base his voting decision upon seeing a particular candidate has accepted campaign contributions from other small business owners. Or conversely, a union member might base his voting decision upon seeing a particular candidate has accepted campaign contributions from various public trade unions.

^v James Lightbody, “*Surviving City Politics*”, in James Lightbody, ed, Canadian Metropolitics: Governing Our Cities (Toronto: Copp Clark Ltd, 1995) p. 304.

Federally, individuals are restricted from contributing more than \$5,100 to the campaign of an individual MP and trade unions and corporations are restricted from contributing more than \$1,000. Provincially, individuals, trade unions and corporations are restricted from contributing more than \$2,000 during a campaign period to an MLA candidate. Both levels also restrict anonymous donations. These limits are put into place to discourage the potential influence these contributors might have. Pre-election contribution disclosure negates the need for campaign contribution limits. If every voter has access to the knowledge of who might have influence over each candidate, they can make their vote accordingly with the confidence of transparent information.

Actions between campaigns are also of the utmost importance, especially when they involve money. Currently the *LAEA* does not prescribe a set campaign period, thereby starting the next campaign period on the day following an election, by default. Candidates can legally accept donations for their election campaigns, years in advance of Election Day. This calls into question the actual nature of a “campaign donation”.

For example, right now in Alberta a land development company could give \$100,000 to an elected official in Lethbridge with the hope the official would approve a particular land deal. That elected official would not have to disclose this “contribution” until after the next municipal election in 2007. The citizens of Lethbridge would not find out about this “contribution” until after they have already voted in 2007, and might have to wait until 2010 to hold that official accountable through another election. If this same situation arose in Red Deer, and that “contribution” was considered by the candidate and by the donor as a “campaign contribution”, voters would never know any of this ever occurred.

Disclosure laws are only effective if the level of contribution disclosure is set at an appropriate level. For maximum transparency, every single donation of any value should be disclosed, but it might not be reasonable, possible or even cost-effective to record and disclose every single donation.

In Edmonton, Strathcona County and Lethbridge, all contributions of \$300 or more must be disclosed. In St. Albert, all contributions above \$201 must be disclosed. In Calgary the benchmark is set at \$100. Federally any contribution of \$200 or more must be disclosed. Provincially any contribution of \$375 or more must be disclosed.

The recent provincial Clark Inspection suggested setting the municipal contribution disclosure minimum at \$375^{vi}. While this is a good start, for those municipalities who already have their benchmark set much lower, a \$375 limit would not be increasing transparency for their citizens; it would in fact be reducing it.

^{vi} <http://www.municipalaffairs.gov.ab.ca/mahome/pdf/ClarkInspectionReportFinal.pdf>

Expenditures

Campaign expenses are the other side of the balance sheet. First, they confirm campaign suppliers provided products at fair-market value, or if they didn't, a donation-in-kind was disclosed. They also confirm for the public and the campaign donors that contributions were indeed spent on the campaign. If campaign contributions were not spent on their intended purpose of the campaign, it calls into question the nature of the contribution, was it actually a campaign contribution or was it a bribe?

This raises another issue of campaign surpluses. If a candidate is successful in raising more funds than they spent on their campaign, is it appropriate for that candidate to personally retain that surplus?

In Edmonton, their by-law clearly states, any surplus must be held in trust for that candidate's future election, or must be donated to a registered charity. Calgary has no such provision in their by-law and in fact, considers the surplus to be a "gift" to that candidate. That is not to say candidates who run surpluses in Calgary are not using their surpluses for future campaigns, but according to their by-law they don't have to.

Under current by-laws, Mayor Bronconnier could decide to use his \$360,083 campaign surplus to help fund his next election campaign, or if he chose he could use it to purchase his family a brand new house.

A look at cumulative surpluses from the 2004 election in Edmonton and Calgary clearly show a difference. In Edmonton 15 candidates ran campaign surpluses ranging from \$28,092.35 to \$1.00, with an average surplus of \$9,151.37. In Calgary 18 candidates ran campaign surpluses ranging from \$ 360,083.00 to \$478.76, with an average surplus of \$43,142.95. Even with mayoral candidates removed from the averages, Edmonton's City Councillor candidates with surpluses, on average declared \$8,794.77 in surplus funds. Calgary's aldermanic candidates with surpluses, on average declared \$24,499.42 in surplus funds. (Details in Appendix A)

It is impossible to know whether Calgary's by-law allowing candidates to keep their surplus funds caused candidates to minimize their spending while maximizing their fundraising, as a way to increase their personal finances. Or conversely if Edmonton's by-law requiring all surplus funds to be held in trust caused candidates to maximize their spending to ensure they didn't declare a significant surplus that would have to be held in trust.

Regardless, funds contributed to a candidate for the purposes of running that candidate's election campaign should be used for their campaign and not for anything else. Edmonton's by-law requiring surplus funds to be held in trust should be considered an appropriate measure.

Furthermore, campaigns currently do not have to disclose assets or credits that are created by campaign funds. Potentially, a campaign could overpay a supplier, such as

a campaign sign printer and leave the surplus funds as a credit for the next election. A campaign could also purchase assets that either may be used by the candidate after the election or used during the next election, such as a “campaign car” or a “campaign motor-home” or even “campaign gold-bricks”.

To further transparency on the expenditure side, laws must be put in place to require candidates to disclose to whom they paid money and for what product or service. In Calgary, Edmonton, and Strathcona County, candidates only have to disclose total spending, broken down into categories (salaries, rent, office supplies, printing, advertising, hosting, transportation, and other). In Lethbridge, candidates have to disclose an itemized list of all expenditures over \$100. St. Albert requires their candidates to disclose a list of all expenditures.

In a few cases, candidates provided fairly detailed lists of campaign expenditures, some disclosing to whom each cheque was made out, and for what purpose. In fact, one aldermanic candidate in Lethbridge, Dar Heatherington, provided copies of every receipt and invoice paid by her campaign in 2001. Yet these cases are rare, the majority of candidates disclosed the bare minimum required under the by-law, at most.

Even with full disclosure, steps must be taken to ensure disclosures are filed, and filed on time. Furthermore, the public must be ensured incomplete or inaccurate statements be corrected. There are countless examples of questionable, incomplete or unclear disclosures from the five Category 1 municipalities who currently have some disclosure by-laws.

Often disclosures are hand-written and illegible. Some have corrected errors, and handwritten notes on them. Some candidates do not use the forms provided by the municipality for their disclosure, this sometimes results in more information being provided, but it often results in less information being provided. (A sample list of irregular or incomplete filings can be found in Appendix B)

Also, many candidates file late or chose not to file at all. In 1995 in Calgary, 13 candidates filed their disclosures late, and two did not file at all. In 1998 in Calgary five candidates filed late, five did not file at all. In 2001 in Calgary, six candidates filed late, ten candidates did not file at all. In 2004 in Calgary, eight candidates did not file at all. Not surprisingly, all of the candidates who chose not to file their campaign contribution disclosures were not elected.

In Calgary, there is a requirement for campaigns that spend or receive over \$2,500 to be audited. This does not always occur. In 1995, Ward One aldermanic candidate, Nancy Craig spent \$13,703.94, yet did not have her disclosure audited. In 1998, Ward Six aldermanic candidate, Craig Burrows spent \$16,328.53, yet did not have his disclosure audited. In 2001, Ward Eight aldermanic candidate, Alan George Browne spent \$28,185.97, yet did not have his disclosure audited. Again not surprisingly, none of these candidates were elected.

A strong argument could be made that those who chose not to file, filed late, turned in incomplete, irregular or illegible disclosures or refused to have their disclosures audited, made that choice because there was little incentive to do otherwise. Had they been elected, it is doubtful they would have ignored Calgary's by-law for fear of the political fall-out.

This again shows why disclosures should be made prior to Election Day. Those who choose not to disclose, do so knowing the voters will be made aware of their seeming lack of transparency, and may vote accordingly.

The *LAEA* only allows for a maximum fine of \$1,000 for failure to comply with municipal disclosure by-laws. That fine is obviously not substantial enough to be a deterrent for many candidates. A potential loss of votes would undoubtedly be much more of incentive to disclose.

Furthermore, it is also unknown as to how well these by-laws are being enforced by the municipalities.

A memorandum from Surekha Kanzig a Corporate Services employee for the Regional Municipality of Wood Buffalo indicated in a March 8, 2004 advisory to Council that *"In 1992, the last time the Municipality adopted a Disclosure Bylaw, some candidates did not submit the required audited statements to the Municipality. After repeated requests for disclosure documents from the candidates, the Municipality did not seek a conviction/fine."*

While much of the information provided is regarding Category 1 municipalities, stronger provisions need to be put in place for all municipalities. Yet these provisions unquestionably need to be more stringent for Category 1 municipalities. Candidates in smaller municipalities are much less likely to seek out or accept campaign contributions, as many of these campaigns are self-funded. But in the rare occasion a candidate in a Category 2 or 3 municipality accepts contributions, voters and taxpayers in that municipality have the right to know, before they go to the polls.

The CTF recommends (for all three categories):

- 2.1 No candidate be allowed to accept a campaign contribution until such time they are officially nominated as a candidate.**
- 2.2 No candidate be allowed to accept a contribution after the seventh day prior to Election Day, and a full disclosure of all contributions greater than \$300 be publicly declared five days prior to Election Day.**
- 2.3 A full public disclosure of all expenditures be submitted to the election officer or clerk within 90 days of the election.**
- 2.4 All campaign surpluses be declared and held in trust for future election campaigns. If the candidate opts not to run for re-election the surplus be donated to a charity.**

The CTF recommends (for category 1 & 2 municipalities):

- 2.5 All campaign contributions and expenditures be independently audited and that audit be submitted along with candidate disclosure forms to the election officer or clerk's office for public disclosure within 90 days of a municipal election.**
- 2.6 All campaign assets and credits be disclosed and a fair-market value be established. If the value of the assets and credits puts a candidate into a surplus situation, those assets should be held in trust for use only upon next election or auctioned off with the proceeds being held in trust.**

3. Democratic Reform

Every year the CTF surveys our supporters on issues important to them. Consistently and historically our supporters have indicated very strong support for laws that increase political accountability and direct democracy. Examples of initiatives strongly supported by CTF supporters include citizens' initiative referendum legislation and recall legislation.

It is noted in the *LAEA* Consultation Paper that the Alberta Urban Municipalities Association recently carried a resolution to extend the term of office for municipal representatives from the current three years to four. Under no circumstance would the Canadian Taxpayers Federation support a move to increase the term of municipal office to four years from three. Obviously current elected officials have a vested interest in extending their own terms. They would undoubtedly prefer not to have to spend their time and energies convincing voters of their value.

But other than those elected officials, who would benefit from increasing the term of office?

Voters have the right to hold their elected officials accountable on a regular basis. In the United States, voters have the opportunity to vote on their Member of the House of Representatives every two years.

Edmonton had one year terms of office for Mayor and two year terms of office for Aldermen from 1892 until 1947 when the Mayor's term was extended to two years. This extension was approved in a plebiscite by Edmonton voters. In 1968, the Alberta Legislature passed the *Municipal Election Act*, which increased all municipal terms of office to three years^{vii}.

Many states such as California and provinces such as British Columbia have citizens recall laws allowing voters to force a recall vote. While all recall laws vary in each jurisdiction, most laws have very stringent requirements such as tight time frames and petition confirmations to enact recall of an elected official. Having such restrictive requirements ensures recall legislation will only be accessed in the face of considerable public outrage.

If Alberta had recall legislation in place for municipal politicians, voters in Lethbridge would have had an option to initiate the recall process to remove Alderman Dar Heatherington rather than wait for her to resign on her own.

The CTF recommends (for all three categories):

3.1 The municipal term of office not be increased, and remain at three years.

3.2 Any change to the term of office be approved by provincial referendum.

3.3 Citizens recall legislation be introduced for the municipal level.

^{vii} <http://www.edmonton.ca/citygov/election/History/Election%20History.doc>

CONCLUSION

The Alberta government through the work and recommendations of the *Local Authorities Election Act* Review Committee has an excellent opportunity to take decisive action on the recommendations made by this submission. Alberta also has an excellent opportunity to take a leadership role in democratic reform throughout Canada.

Likely those individuals and groups who have a vested interest in the status quo will recoil from some of the recommendations made in this submission, but the consideration should not be on how this is going to affect current campaign contributions or municipal elected officials. The consideration must be focused on taxpayers and voters all across Alberta.

The most essential question the *LAEA* review committee needs to ask when deciding its final recommendations is: who are these changes going to benefit?

Voter confidence in Alberta's municipal elections is in dire need of restoration, and the only way this will truly happen is through greater transparency and voter empowerment. This submission provides innovative recommendations focused on achieving greater involvement of citizens in their local election process. It also provides an incentive for citizens to take a greater interest in the actions of their elected representatives.

Pre-election disclosure of campaign contributions will allow voters to make informed decisions, and increase their confidence in the entire electoral system.

Citizens recall legislation will empower citizens to take a more active role in local government while ensuring municipal politicians are responsive to taxpayers.

Alberta needs to take action now to ensure voter turn-out doesn't continue to drop, voter confidence doesn't continue to be shaken, and voter involvement between elections isn't put on the backburner.

Appendix A

City of Calgary 2004 Campaign Surpluses

The City of Calgary's municipal election by-law 35M94, does not have a provision to deal with campaign surpluses. If a campaign raises more funds than it spends, the surplus becomes a "gift" to the candidate. These funds do not have to be held in trust for future campaigns, nor do they have to be donated to another candidate or non-profit organization if the candidate chooses not to run again.

The following candidates incurred cumulative campaign surpluses:

Candidate	Surplus
Dave Bronconnier	\$360,083.00
Dale Hodges	\$69,971.00
Ray Jones	\$59,334.00
Diane Colley-Urquart	\$59,262.25
Craig Burrows	\$51,105.00
Joe Ceci	\$37,472.18
Bob Hawkesworth	\$36,050.20
Linda Fox-Mellway	\$33,676.00
Frederick Gordon Lowe	\$26,407.32
Druh Farrell	\$18,091.00
Madeleine King	\$7,252.00
Barry Erskine	\$6,094.00
Helene Larocque	\$4,679.57
Diane Lynn Danielson	\$2,374.00
Ric McIver	\$2,254.25
David Heyman	\$1,431.11
Jim Stevenson	\$557.45
Naheed Nenshi	\$478.76
Average including mayoral candidates	\$43,142.95
Average excluding mayoral candidates	\$24,499.42

City of Edmonton 2004 Campaign Surpluses

The City of Edmonton's municipal election by-law 10407, does have a provision to deal with campaign surpluses. If a campaign raises more funds than it spends, the surplus must be held in trust for future campaigns or donated to non-profit organization if the candidate chooses not to run again.

The following candidates incurred cumulative campaign surpluses:

Candidate	Surplus
Bryan K. Anderson	\$28,092.35
Michael Phair	\$27,418.80
Bill Smith	\$19,793.00
Dave Thiele	\$15,280.38
Terry Cavanagh	\$15,056.93
Janice Melnychuk	\$7,910.02
Amarjeet Sohi	\$7,106.46
Samir Ghossein	\$4,500.00
Jane Batty	\$3,213.73
Jean-Paul Noujaim	\$3,145.60
David Loken	\$3,028.88
Mimi Williams	\$2,213.00
Karen Leibovici	\$421.94
Ron Hayter	\$88.47
Linda Sloan	\$1.00
Average including mayoral candidates	\$9,151.37
Average excluding mayoral candidates	\$8,794.77

Appendix B

Listed below are a few examples of irregular, unclear, or incomplete disclosure by candidates.

Calgary 2001 Election

2001 City of Calgary mayoral Candidate Joseph Schwartzberger did not have his disclosure forms declared before a Commissioner of Oaths as Calgary's by-law requires.

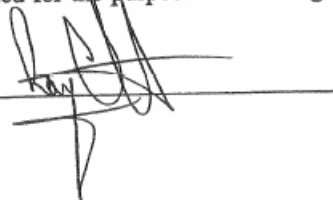
Excerpt from Schedule "C" declaration of City of Calgary 2001 mayoral candidate Ray Clark.

NOTE: Anonymous Donation of \$9,200 declared.

Rancho Realty (1975) ltd.	\$ 1,600
Topley Sanders Jepson	\$ 500
A&W Restaurants #330	\$ 139.98
Dockers Stores	\$ 660
Roadway Construction Ltd.	\$ 250
Anonymous Donation	\$ 9,200

I have no reason to believe that any cumulative campaign contributions from any Contributor in excess of \$100.00 have been received or expended for the purpose of assisting me in the Election other than those listed above.

Signature: _____



Calgary 2004 Election

Excerpt from Schedule "C" declaration of City of Calgary 2004 Ward Eight aldermanic candidate Stephen Chapman.

NOTE: Candidate declaration returned incomplete, two \$500.00 contributors names not listed.

Page 7 of Bylaw Number 35M94

Name and Qualifications of Auditor _____

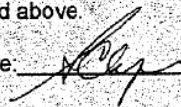
SCHEDULE "C"
(Amended By B/L 20M98)

LISTING OF CUMULATIVE CAMPAIGN CONTRIBUTIONS
FROM CONTRIBUTORS IN EXCESS OF \$100.00

I have accepted campaign contributions in excess of \$100.00 towards my campaign expenses from the following contributors and in the following cumulative amounts:

CONTRIBUTOR	AMOUNT
<u>Chris Yee</u>	<u>5435.60 (in kind)</u>
<u>Rad Sykes</u>	<u>300.00</u>
<u>Steve Swider</u>	<u>1000.00</u>
_____	<u>500.00</u>
_____	<u>500.00</u>
<u>B. Sykes</u>	<u>200.00</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I have no reason to believe that any cumulative campaign contributions from any contributor in excess of \$100.00 have been received or expended for the purpose of assisting me in the Election other than those listed above.

Signature: 

Excerpt from Schedule "B" declaration of City of Calgary 2004 Ward Nine aldermanic candidate Russell Welch.

NOTE: Indication that gifts-in-kind were received, but not provided on declaration.

SCHEDULE "B"

(Amended by B/L 20M98, 30M2003)

STATEMENT OF CAMPAIGN REVENUES AND CAMPAIGN EXPENSES
(WHERE EITHER EXCEEDS \$2,500.00)
FOR CANDIDATES FOR MUNICIPAL OFFICE WITHIN THE CITY OF CALGARY

Candidate Name: Russell Welch

Campaign Period: From Sept 2004 To October 18, 2004

CAMPAIGN PERIOD REVENUES:

Campaign Contributions:	
Fundraising Functions	
Cash Donations	<u>2000.00</u> * Note \$500 ⁰⁰ of this is
Donations in Kind	a contribution from
Other (detail)	my business, Rusty Pipe
	Mechanics Ltd
Total Contributions (To Schedule A):	<u>2000.00</u>
Other Revenues (including interest & self contributions)	<u>100.00</u>

TOTAL CAMPAIGN PERIOD REVENUES: 2100.00

CAMPAIGN PERIOD EXPENSES:

Nomination Deposit	<u>\$ 100.00</u>
Fundraising Costs	
Advertising/Printing	<u>1698.86</u>
Office/Facility Space Rental	
Office Administration	
Office Supplies & Equipment	<u>24.58</u>
Electoral Materials (Maps, List of Electors, Etc.)	
Food & Beverages/Entertainment	
Telephone/Communications/Utilities	
Insurance	
Distribution/Postage	
Transportation	
Other (detail)	<u>6.25</u> → Bank fees

TOTAL CAMPAIGN EXPENSES (To Schedule A): 1829.69

SURPLUS (DEFICIT) of Campaign Revenues Over Campaign Expenses: 270.31

ADD: Beginning Surplus (Deficit): 0

NET SURPLUS (DEFICIT) (To Schedule A): 270.31

ATTESTATION OF THE CANDIDATE

I declare that the above statement is a true account of all the campaign expenses and campaign revenues incurred by me or by my agent on my behalf in respect of the above campaign period.

Signature of Candidate: [Signature] Date: January 30, 2005

STATEMENT OF AUDITOR

I declare that I have audited the above Statement in accordance with generally accepted auditing standards. In my opinion this Statement presents fairly the candidates Campaign Revenues and Expenses for the Campaign Period.

Please note: I have requested an accounting/declaration of donations in kind from persons assisting my campaign, however none have been forthcoming. [Signature]

Excerpt from Schedule "A" declaration of City of Calgary Ward Six aldermanic candidate James S. Kohut.

NOTE: No expenses declared, not even mandatory \$100.00 candidate deposit.

SCHEDULE "A"

STATUTORY DECLARATION OF CANDIDATES FOR MUNICIPAL OFFICE WITHIN THE CITY OF CALGARY WITH CAMPAIGN EXPENSES AND CAMPAIGN CONTRIBUTIONS

1. JAMES S. KOHUT
(name)

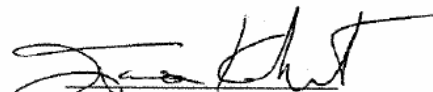
of 4520 20 AVE N.W.
(address)

in the Province of Alberta, do solemnly declare:

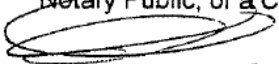
1. That I was a candidate for the position of Mayor/Alderman for the City of Calgary, in the election held on the 18 Day of OCTOBER, 19 2004.
2. That the following is a true account of all the campaign expenses and campaign contributions incurred by me or by my agent on my behalf in respect of the aforesaid election:

(a) Campaign Contributions received:	\$ <u>0</u>
(b) Campaign Expenses Incurred:	\$ <u>0</u>
(c) Total Surplus (Deficit):	\$ <u>0</u>
3. That I have no reason to believe that any monies other than those listed above have been expended by me or with my authority and consent or by any person for the purpose of assisting me in the election.
4. That I make this solemn declaration conscientiously, believing it to be true and knowing that it is of the same force and effect as if made under oath.

Declared before me at
in the Province of Alberta
this 31 Day of Jan. 19 2005


(Signature of Candidate)

(To be declared before a Justice of the Peace
Notary Public, or a Commissioner of Oaths, etc.)


..... D. McNamee
A COMMISSIONER FOR OATHS IN AND FOR
THE PROVINCE OF ALBERTA
Appointment Expires September 29, 2005

Edmonton 1995 Election

On Edmonton's 1995 Municipal Election, Schedule "A" declaration for mayoral candidate John C. Ramsey, dated December 29, 1995, listing \$243,416 in total campaign contributions, of which \$172,946 were contributions exceeding \$300.00. A letter was sent to John Ramsey by Acting Legislative Services Manager for the City of Edmonton, Fred Mitchell, on August 6, 1996 indicating that it was his understanding Mr. Ramsey had received additional campaign contributions after his last filing. Mr. Ramsey subsequently remitted a second declaration form listing an additional \$32,291 in contributions on December 22, 1996, 432 days after the October 16, 1995 municipal election.

On Edmonton's 1995 Municipal Election, Schedule "A" declaration for Ward Six aldermanic candidate Riaz Choudry, listed was \$500.00 in contributions exceeding \$300.00. The attached form disclosing the name, address and amount of the \$500.00 donation was not completed.

Edmonton 1998 Election

On Edmonton's 1998 Municipal Election, Schedule "A" declaration for Ward Five Councillor candidate, Adil D Pirbhai listed the date as February 16, 1999, yet there is a received stamp indicating it had been received after that date, which had then been altered by pen to read February 16, 1999. Regardless of this obvious alteration to official documents, Mr. Pirbhai remitted his declaration forms after the filing deadline of January 29, 1999.

On Edmonton's 1998 Municipal Election, Schedule "A" declaration for Ward Six Councillor candidate, Ziad Jaber's contribution attachment was provided hand-written on a blank piece of paper. Mr. Jaber also provided a summary of his expenses, hand-written on a blank piece of paper. It should be noted the City of Edmonton provides blank forms for both declaration documents, yet neither were used.

Edmonton 2001 Election

On Edmonton's 2001 Municipal Election, Schedule "A" declaration for Ward Two Councillor candidate, Neil Cameron, listed was \$2,000 in contributions exceeding \$300.00. \$1,000 of which is listed as being received from "anonymous", yet according to the City of Edmonton's disclosure by-law anonymous contributions over \$300.00 must be returned to the contributor or paid to the City's General Revenue Fund.

On Edmonton's 2001 Municipal Election, Schedule "A" declaration for Ward Three Councillor candidate, Ken Shipka's contribution and expenditure attachment was provided hand-written on a blank piece of paper. It should be noted the City of Edmonton provides blank forms for both declaration documents, yet neither were used.

Edmonton 2004 Election

A letter accompanied the 2004 Municipal Election, Schedule "A" declaration for Ward Two Councillor candidate, Tim Hajar indicating he had filed his statement after the January 31, 2005 deadline and further indicating he did not receive a copy of the

declaration form as it had “slipped” his mind. It should be noted that all declaration forms are available on the City of Edmonton website.

Ward Three Councillor candidate, Janice Melnychuk, like many other candidates provided her Schedule “A” declaration not on the city’s supplied forms, but rather on a similar computer form. Unfortunately this form did not provide lines four through seven that appear on the City’s form listing information on anonymous contributions. Although it should be noted while her declaration lacked some very important information, it went further into depth on campaign expenses than the city’s forms allow.

On Edmonton’s 2004 Municipal Election, Schedule “A” declaration for Ward Six Councillor candidate, Sean Diakiw listed \$0 in contributions and \$0 in expenses. Mr. Diakiw failed to even list his mandatory \$100 deposit to become a candidate.

Lethbridge 2001 Election

Aaron McColl and Bridget Pastoor, both aldermanic candidates in the 2001 City of Lethbridge municipal election submitted their declarations on forms created for the 1992 election rather than for the 2001 election. While the information on the forms is similar, the signed and commissioned declaration states the candidates were “a candidate...in the election held on the 19th day of October, 1992.”

Shaun Ward, an aldermanic candidate in the 2001 City of Lethbridge municipal election listed on his statutory declaration he had received \$645.00 in contributions. No Schedule “A” disclosing whether those contributions were above \$300.00 was submitted.

Lethbridge 2004 Election

Adam Larsen, an aldermanic candidate in the 2004 City of Lethbridge municipal election submitted his declaration on forms created for the 1992 elections rather than for the 2004 election. While the information on the forms is similar, the signed and commissioned declaration states Mr. Larsen “was a candidate...in the election held on the 19th day of October 1992.” Furthermore, whereas the Schedule “A” and “B” in the 2004 forms have a spot for the candidate to sign declaring the above statements are true, the 1992 form does not, therefore Mr. Larsen did not confirm the information he submitted with his signature on the aforementioned schedules.

Bob Tarleck, a mayoral candidate in the 2004 City of Lethbridge municipal election stated on his statutory declaration his total campaign spending was \$41,494.37, yet on his attached Schedule “B” listing of campaign expenses in excess of \$100.00, no individual expenses are listed, thereby indicating all of his \$41,494.37 of spending was done in increments of under \$100.00 and that no cumulative spending to a single vendor or service provider exceeded \$100.00.