



# The Citizens' Initiative Act – Bill 211

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## Empowering Taxpayers and Improving Democracy

Sponsored by Progressive Conservative MLA Tony Abbott, the *Citizens' Initiative Act* (Bill 211) will give Albertans the right to propose legislation on an issue of their choice, and have it voted on in a referendum. The *Citizens' Initiative Act* will increase accountability and openness, and help solve the “democratic deficit”. It is a small step towards transforming Alberta from a spectator democracy to a participant democracy.

### The democratic deficit

Canada and Alberta have a democratic deficit. On election day, politicians are servants of the people, and the taxpaying public is in charge. But the other 99.9% of the time, MPs and MLAs have an absolute monopoly on power.

If MPs and MLAs do not respond to voter concerns about a particular issue, voters must wait up to five years for the next election before anything can be done to address that specific problem. And when that election finally arrives, many different issues will demand attention. So any particular issue (such as MPs' salaries and pensions) can be easily forgotten or ignored – especially by well-entrenched incumbents. Incumbent politicians are able to build and maintain a high profile in their ridings. Most of them do not face serious challenges to their re-election.

During elections, debate on issues is often dominated by media commentary and special interest groups; most voters just watch and listen. The people themselves have limited power to determine which issues are appropriate for discussion in the public arena.

This is a spectator democracy, rather than a participant democracy. In a spectator democracy, taxpayers can observe what happens, but 99.9% of the time they have no direct say. Citizens can ask their politicians to do something, but politicians have the power to ignore voters for up to five years at a time.

In today's spectator democracy, politics centre on personalities. This is partly because voters have no real or direct say on issues. Voters are limited to placing an “x” beside one candidate, unable to indicate what portion of the party platform they agree with or disagree with. Voting choice is limited to a “blank cheque” endorsement of a party, without any means of expressing an opinion on important issues. The winning political party (even if it only received 45% of the vote) interprets its victory as complete approval of its entire platform.

In a spectator democracy, the government alone has the right to initiate a referendum on an important issue; citizens do not. Issues which are difficult or controversial tend to be avoided or ignored. Special interest groups can often influence politicians behind closed doors, without having to explain or justify their agendas to the public. The average voter is powerless to rein in politicians who are out of touch. The response is apathy and cynicism.

## The benefits of citizens' initiative

The *Citizens' Initiative Act* will enhance Alberta's representative democracy by giving voters the right to propose legislation and have it voted on in a non-binding referendum. This *Act* gives Albertans the right to do what the government already has the right to do: hold a referendum in which citizens have a direct say on a specific issue. It gives voters more choice.

Citizens' initiative improves democracy by changing the focus of politics towards issues rather than personalities. It recognizes the principle that if voters are wise enough to vote for MLAs, they are also smart enough to vote in a referendum on an issue of their choice.

Citizens' initiative protects taxpayers and puts them on the same playing field as special interest groups. It forces organized pressure groups to make their case to the public, not just to a small number of politicians and bureaucrats.

By increasing the individual voter's effectiveness, citizens' initiative decreases voter apathy and cynicism. Citizens' initiative enables the active participation of all voters in their democracy. It reduces the influence of those who lobby politicians behind closed doors. Citizens' initiative gives taxpayers the power to ensure that difficult and controversial issues cannot be avoided or ignored.

Citizens' initiative makes politicians more accountable and more responsive to taxpayer concerns at all times. The fact that citizens *could* put a proposal on the ballot puts pressure on politicians to reflect Albertans' views.

In short, the *Citizens' Initiative Act* will increase accountability and openness in Alberta, empower taxpayers, and improve our representative democracy.

## Premier Klein's commitment to increasing accountability

At the United Alternative conference in Ottawa in 1999, Premier Klein stated that we need "practical approaches to issues such as recall, referenda, plebiscites, and other ways to increase accountability."

The *Citizens' Initiative Act* is a step towards increasing political accountability in Alberta.

## Referendums are the Canadian way

Contrary to popular myth, Canada has a rich tradition of referendums on issues: giving women the right to vote, daylight savings time, liquor prohibition, regulation of the sale of liquor, military conscription, public health insurance, direct democracy legislation, balanced budget legislation, and constitutional change.

In addition to *hundreds* of municipal referendums held in towns and cities across Canada, there have been over 60 referendums at the federal and provincial levels since 1878.

National referendums were held on liquor prohibition (1898), mandatory military conscription (1942), and constitutional changes proposed in the Charlottetown Accord (1992).

In a 1916 referendum, men in British Columbia voted 68% in favour of giving women the right to vote. British Columbians have also voted on daylight savings time (1952 and 1972), public health insurance (1948), and laws to prohibit or regulate the sale of alcohol (1909, 1916, 1924 and 1952). In a plebiscite held concurrently with the 1991 provincial election, over 80% of British Columbians voted in favour of having legislation to enable citizens' initiative as well as the recall of MLAs.

Voters in Saskatchewan have had their say in referendums on direct democracy legislation (1913), the prohibition of liquor and the regulation of its sale (1916, 1920, 1924, and 1934), choice of local time zones (1956), balanced budget legislation (1991), legislation requiring that constitutional amendments be ratified by referendum (1991), and government funding of hospital abortions (1991).

Manitobans have voted on liquor-related issues (1892, 1902, 1916, 1923 (twice), and 1927) and the marketing of coarse grains (1952).

Ontarians have voted on the prohibition of liquor and the regulation of its sale in 1894, 1902, 1919 and 1921.

Quebecers voted on prohibiting beer and wine in 1919, and on sovereignty in 1980 and 1995. In 1987 the residents of northern Quebec voted on the constitutional future of northern Quebec.

In the Northwest Territories, a referendum was held in May of 1992 on the location of a new boundary line, and in November of that year the residents of the eastern Arctic voted to create Nunavut.

Newfoundlanders voted to join Canada in 1948. The residents of Prince Edward Island voted for a fixed-link crossing to the mainland in 1988. Nova Scotia, P.E.I. and Newfoundland have also held numerous referendums on prohibiting liquor and regulating its sale.

## Alberta's heritage of direct democracy

Like the other provinces, Alberta's history of referendums includes votes on the prohibition of alcohol and the regulation of its sale (1915, 1920, 1923, and 1957).

From 1913 to 1958, Alberta had a *Direct Legislation Act*, by which 20% of the voters could petition the Legislature to pass a proposed law. The Legislature had to enact the proposed law, or submit it to voters in a binding referendum.

In 1948, Albertans voted 50.03% in favour of “the generation and distribution of electricity being continued by the Power Companies as at present,” and 49.97% in favour of “the generation and distribution of electricity being made a publicly owned utility administered by the Alberta Government Power Commission.” Ernest Manning’s Social Credit party favoured private ownership, but promised to honour the results of the referendum, which was held the same day as the provincial election.

Albertans voted 51% against switching to daylight savings time in 1967, and 61% in favour in 1971. These two referendums were also held in conjunction with provincial elections, allowing Albertans to vote for the candidates and parties of their choice, and also have a direct say on a matter of concern.

In 1992 Albertans, along with other Canadians, voted on the constitutional changes proposed in the Charlottetown Accord.

Albertans already have the right to initiate referendums on issues of their choice at the municipal level.

Under Alberta’s *Election Act*, the provincial cabinet can authorize a non-binding referendum on new legislation, or changes to existing legislation, on any subject matter, when and as often as it appears desirable.

Under Alberta’s *Constitutional Referendum Act*, the cabinet can authorize a binding referendum on a question “relating to the constitution of Canada or relating to or arising out of a possible change to the Constitution of Canada.”

## Citizens’ initiative in other jurisdictions

Switzerland allows for citizen-initiated referendums in its 26 cantons (provinces) and on the federal level. Direct democracy has been a Swiss tradition ever since the Swiss voted to ratify their constitution in 1848. In a country whose seven million people are divided among French-, German-, and Italian-speaking citizens, the signatures of 100,000 voters will put a proposal for constitutional change to a national referendum. For laws passed by the federal Parliament, 50,000 signatures are required to force a referendum on its acceptance or rejection by the people. Through referendums, the Swiss have successfully dealt with issues such as immigration, tax increases, the ratification of international treaties, and constitutional change.

The B.C. Legislature passed citizens’ initiative legislation in 1995. It requires the signatures of 10% of *registered voters* (not 10% of the number of people who voted in the last election) to put a proposal on the ballot – a threshold so high that the legislation has proven to be practically unworkable. The new B.C. Liberal government of Gordon Campbell has pledged to amend the legislation to make it workable. Other jurisdictions with workable citizens’ initiative legislation require signatures from 1% to 3% of the voting population to put a proposal on the ballot.

Since 1898, Americans in 23 different states have voted on issues including: giving women the right to vote; reducing property taxes; physician-assisted suicide; defining marriage; requiring future tax

increases to be subjected to voter approval; racial preferences in hiring; Sunday shopping; legalizing the medicinal use of marijuana; outlawing steel traps in hunting; campaign finance reform; term limits for politicians; the minimum wage; the eight-hour work day; limiting government spending increases to inflation and population growth; controlling pollution; funding for private schools; banning cockfighting; raising tobacco taxes.

When voting on proposals, citizens prove themselves to be discriminating and cautious. Only 40% of citizens' initiatives are approved by voters in U.S. states.

## Citizens' initiative – the taxpayer's friend

Property taxes in California in the 1970s increased so much that elderly people on fixed incomes were forced to sell their homes. Property taxes were based on house values, and sometimes rose as much as 200% in one year. Politicians did not address the problem. Unable to pay the ever-rising rates, low-income families continued to be forced out of their homes. In 1978, citizens collected enough signatures to put Proposition 13 on the ballot, which would limit property tax increases to 2% per year. Although only four out of 120 legislators supported Proposition 13, it passed with 65% voter support in a state-wide referendum. Proposition 13 slowed down the growth in property taxes, enabling people on lower or fixed incomes to keep their homes. It is still the law in California today.

Californians have also voted to raise tobacco taxes, something which their politicians had refused to do in the face of powerful pressure from tobacco corporations.

Voters in Maryland and Florida have approved citizen-initiated laws which require that any future tax increase be submitted to voters for their approval in a referendum.

In Washington state, voters approved a citizen-initiated law to index the growth in government spending to the rate of inflation and population increases. In force since 1995, this law protects taxpayers by forcing legislators to prioritize spending within reliable and predictable parameters.

Oregon voters in 1996 approved a citizen-initiated law to cut property taxes and control their future growth.

A more recent example of taxpayer empowerment took place in the state of Massachusetts. In 2000, 59% voted in favour of a citizens' initiative to reduce the state income tax rate back down to 5%. In the midst of a fiscal crisis in 1989, Massachusetts legislators passed a "temporary" increase in the income tax rate from 5% to 6.25%. But once the crisis passed, "temporary" became "permanent" even while government spending increased faster than inflation and population growth. The promise of the increase being temporary was not being honoured, but the majority of politicians refused to act. Citizens gathered signatures to place the tax cut proposal on the ballot, and 59% of voters saw to it that the promise was kept. Income tax will be back down to 5% by 2003.

The *Citizens' Initiative Act* expressly prohibits an initiative that would impose a tax, or require the expenditure of taxpayers' money. This legislation cannot be used by special interest groups to pressure the Alberta government to fund a pet project or program. It cannot be used by organized pressure groups to influence the process of putting together the annual budget.

## How the *Citizens' Initiative Act* would work

The *Citizens' Initiative Act* would give Albertans the right to petition for the holding of a non-binding referendum to pass, amend or repeal a provincial law.

1. Any Albertan, age 18 or older, could sponsor a draft law.
2. The draft law must be within provincial jurisdiction, must not impose a tax, must not require the expenditure of taxpayers' money, and must not violate the Canadian Charter of Rights and Freedoms.
3. The sponsor would have to obtain signatures from a number of voters equivalent to 10% of those who voted in the previous election. More than 100,000 Albertans would need to sign the petition. Further, this 10% requirement must also be met in at least two thirds of the province's 83 ridings.
4. If the sponsor obtained the 100,000-plus signatures in a six-month period, the proposed law would be voted on in a province-wide referendum.
5. The province-wide referendum would be held in conjunction with a provincial election, or in conjunction with province-wide municipal elections.
6. If 60% or more of Albertans, including 60% or more in two thirds of the province's 83 ridings, vote in favour of the draft law, it would be introduced as a Bill in the Legislature
7. In the Legislature, that Bill (the draft law) would be passed, amended or defeated by MLAs, like any other Bill.

## Responding to criticisms

### **“Referendums oversimplify issues”**

Elections – not referendums – oversimplify issues by limiting the voter to placing one “x” beside one candidate, in the face of a myriad of issues, parties, personalities, and policies. By voting for that one candidate, the voter cannot express any disagreement with particular policies of that candidate or her/his party. In contrast, referendums enable real and meaningful debate on specific issues. This debate involves all citizens, not just political party candidates, opinion leaders, and media elites.

### **“Referendums will erode the social fabric”**

Referendums give more control to taxpayers, and put a small dent in the politicians' absolute monopoly on power. Giving taxpayers a greater and more direct say in how their province is run *strengthens* the social fabric. Referendums also strengthen the social fabric by getting citizens to communicate with each other, rather than just lobbying the politicians and listening to media elites.

### **“Referendums can be bought by special interest groups”**

In Canada’s 1992 referendum on the Charlottetown Accord, the “yes” side spent more than ten times as much as the “no” side, and lost. A ridiculous proposal (eg. a law requiring all cars to be painted yellow) will fail no matter how much money is spent promoting it. Organized pressure groups already influence politicians at all three levels of government – usually behind closed doors. Referendums force lobby groups out into the open to explain and justify its agenda to all citizens, rather than focussing on swaying politicians behind closed doors. Referendums reduce the power of special interest groups because they take place in the open and involve all citizens.

### **“Referendums are a poor substitute for representative democracy”**

Referendums are *not* a substitute for representative democracy. Referendums *enhance* representative democracy by enabling voters to have a real and direct say on key issues of concern. The *Citizens’ Initiative Act* will merely make it possible – though not easy – for Albertans to initiate a referendum on an important issue. That is a far cry from holding a referendum on every issue. The thresholds in the *Citizens’ Initiative Act* are very high, making it impossible to push trivial matters forward or abuse the system.

### **“Referendums stop government from doing its job”**

If the *Citizens’ Initiative Act* becomes law, MLAs will continue voting on Bills as always, and cabinet ministers will continue to run the departments of health, education, infrastructure, social services, and the like. Albertans would not be responsible for the day-to-day running of a province, or putting together the province’s annual budget.

### **“Voters will be confused by emotional oratory and misrepresentations by special interest groups”**

How can voters be smart when electing their MLAs, and at the same time be unwise when voting on a specific issue in a referendum? If citizens are able to vote for a candidate without being manipulated by emotional oratory, why would they be confused by special interest groups in a referendum? Taxpayers are quite capable of deciding major issues of principle, whereas MLAs sometimes suffer from “Dome Disease.”

### **“Referendums trample on minority rights”**

The *Citizens’ Initiative Act* expressly prohibits legislative proposals which run counter to the Charter of Rights and Freedoms. Even if Albertans vote for a proposal and it is then introduced as a Bill in the Legislature, MLAs still have the final say on amending or rejecting that Bill. Further, there is no guarantee that elected representatives do a better job – or a worse job – than the public at large in safeguarding minority rights. In a 1916 referendum in B.C., men voted more than two-to-one in favour of giving women the right to vote.

### **“Referendums are divisive”**

Some *issues* are divisive; referendums are merely a way of deciding them. When MLAs decide on a divisive issue, it does not make that issue any less divisive. The advantage of referendums is that they involve all voters, not just the politicians. Therefore, the losing side of a referendum is better able to accept the result, knowing that its viewpoint has been heard and considered.

### **“Citizens’ initiative is too costly”**

The *Citizens’ Initiative Act* provides for a referendum to be held on the same day as a provincial election, or province-wide municipal elections. The only additional cost to taxpayers would

be printing an extra set of ballots – a very small price to pay for enhancing democracy and increasing accountability.

**“We elect representatives because today’s issues are too complex for ordinary people”**

Politicians often vote along party lines without fully understanding an issue. Getting elected, in and of itself, does not raise a person’s IQ to a higher level. Further, the *Citizens’ Initiative Act* does not allow Albertans to make day-to-day decisions on running the province; it merely allows for the holding of a referendum on a major issue of concern.

**“The citizens’ initiative process would be abused to promote frivolous or trivial matters”**

The *Citizens’ Initiative Act* has safeguards which guarantee that the process cannot be abused. Placing an issue on the ballot requires a number of signatures equal to 10% of the number of Albertans who voted in the last provincial election: more than 100,000 signatures. This 10% requirement must also be met in at least two thirds of the province’s 83 ridings. These signatures must be gathered within a period of six months. No person or group would spend that much time and effort on a trivial matter. Few voters would endorse a trivial matter.

**“Voters would be confused by a proliferation of initiatives”**

The *Citizens’ Initiative Act* provides that no more than five (5) proposals can be placed on the ballot. However, the threshold of obtaining more than 100,000 signatures is so high that it would be hard to place even one proposal on the ballot, let alone five.

**“Having citizens’ initiative in place will cause politicians to avoid responsibility”**

To the contrary, jurisdictions with citizens’ initiative see them used to tackle the tough issues that politicians avoid to protect their popularity. Voters need not concern themselves with staying in office; their only concern is having to live with the referendum’s result. In any event, if the *Citizens’ Initiative Act* becomes law, MLAs will still have to deal with issues and vote on Bills as before.

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The *Citizens’ Initiative Act* will be voted on by Alberta’s MLAs when the Legislature reconvenes in September or October of 2001.