

Municipal Election Campaign Finances **(Submitted by the Hamilton Chamber Of Commerce)**

Issue:

There is growing pressure being put on the provincial government to disallow corporations and unions to contribute to municipal campaign finances. Corporations and unions are allowed to contribute to provincial and federal campaigns allowing them tax deductions for their donations, whereas municipal donations are not. Hence, it is only through deducting contributions as corporate expenses that a business or union can receive the same fairness in tax benefits. Disallowing businesses and unions to contribute to campaign finances disenfranchises them from participating in the Municipal electoral process.

Background:

In its current form, the Election Campaign Finances section of the Municipal Elections Act prescribes, among other things, limitations to campaign donations, requirements for candidate's submission of financial records, and provisions for campaign audits where it is believed that a candidate has contravened the provisions of the Act. This has caused needless confusion in municipal elections amongst both donors and those running for office in terms of what are "legal" or "illegal" in terms of campaign financing.

To rectify this situation, the Municipal Elections Act must be amended to clearly identify accountability for election campaign finance issues, clearly outline the duties of a candidate with respect to compliance, and clearly establish reasonable limits for fund raising in municipal elections.

By implementing this recommendation, the following issues can also be addressed

1. Every candidate for municipal election, where the maximum spending limit for the candidate is over \$ 25,000.00, should be required to have a Chief Financial Officer whose responsibilities are similar to those of a chief financial officer or agent for a candidate in a provincial or federal election.
2. The Provincial Government can be authorized to review the maximum donation and campaign limits per candidate.
3. Define the word "constituent" in the Act as a citizen that is entitled to vote for a candidate in the specific election in question.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Amend the Municipal Act to circumvent any reform trying to disallow corporate and union municipal campaign finance donations.