

Note for remarks by

**Kathleen Wynne
Premier of Ontario**

APRIL 11, 2016

STATEMENT ON ELECTION FINANCING REFORM

CHECK AGAINST DELIVERY

As you know I have just had a meeting with the Leader of the Official Opposition and the Leader of the Third Party to discuss election financing reform. I will be meeting tomorrow with the Leader of the Green Party. I want to thank the Leaders for meeting with me — as we move forward with reform it is my hope that we can put partisanship aside and work together on changes that are in the best interests of the people we serve.

I am committed to changes in election and political party financing in Ontario. I believe it is important that these changes be in place or significantly underway before the June 2018 election, with initial changes legislated for January 1, 2017. Je m'engage à changer les règles vis-à-vis du financement électoral et des partis politiques en Ontario. Je crois qu'il est important que ces changements soient mis en place ou soient dans le processus d'être mis en place avant les élections de juin 2018, incluant des changements législatifs initiaux au 1^{er} janvier 2017.

It is clear that there are flaws in the current legislation, which all parties have been operating under. The reality is that Ontario's election financing system has not kept up with changes made federally and in some other provinces. The current system also does not meet today's public expectations. I am determined to make changes that are right for Ontario. And I believe it is important that we now move expeditiously to make these changes.

Our government has already undertaken a number of initiatives to make election financing more transparent. In 2007, we introduced third-party advertising rules and real-time disclosure for political donations. Last June, I announced that we would make further changes to the Elections Act. And, as I announced last week, our government plans to introduce legislation on political donations this spring, including measures to transition away from union and corporate donations. Notre gouvernement prévoit introduire un projet de loi sur le financement politique à l'Assemblée législative ce printemps. Ce projet de loi va inclure des mesures nous permettant de nous éloigner des dons des syndicats et des corporations.

I believe in leadership by example. That's why I have made the decision to cancel upcoming private fundraisers that I or Ministers attend.

It is important we get this right. That is why I have met with the Leaders to discuss these important issues.

I want to give the Leaders time to consult with their respective parties so their feedback and input can be reflected in the legislation that we introduce.

I therefore intend to bring forward legislation in May before the Legislature rises on June 9. With the agreement of the Legislature, we would send that legislation to Standing Committee sooner than usual, after First Reading to allow for a first opportunity to make amendments based on public input, before Second Reading. In addition, further legislative committee hearings after Second Reading will allow for another round of input and amendments.

This would allow for consultation immediately, while the Legislature is still sitting, and for further consultation during the summer, across Ontario, in agreed-upon locations. The first government witness invited to appear before the legislative committee hearings would be

Ontario's Chief Electoral Officer. In the meantime, as the legislation is being drafted, we will consult regularly with the Chief Electoral Officer.

I believe that to delay the reform process, by striking another, additional committee or process, does not acknowledge the reality that there is already a broad consensus on the actions that need to be taken.

The legislation we will bring forward this spring will include the following:

First — reform of third-party advertising rules, including definitions, anti-collusion measures and penalties. Maximum spending limits on third-party advertising will be severely constrained for election periods and constraints considered for pre-election periods.

Second — a ban on corporate and union donations.

Third — reduction of maximum allowable donations to a figure that is in the range of what is permitted federally for each Party; to all associations, nomination contestants and candidates, as well as leadership campaigns.

Fourth — constraints on loans/loan guarantees to parties and candidates, including leadership candidates

Fifth — reform of by-election donation rules.

Sixth — overall reduction in spending limits by central parties in election periods and introduction of limits between elections.

And seventh — introduction of leadership and nomination campaign spending limits and donation rules.

There are some critical decision points associated with these issues. I know there will be public discussion about them, but I also want input from the other party Leaders. These are the questions I asked in our meeting:

- On the issue of third-party advertising, we are proposing a much lower spending limit. What should that limit be? What should the constraints on third-party advertising be between elections? Should there also be an individual contribution limit for those advertising campaigns?
- We are proposing a ban on corporate and union donations, which would begin on January 1, 2017. Should there be a transitional subsidy based on vote counts from the previous election? If so, how long should the transition period be in order to allow all parties to adjust?
- We are proposing a lower limit on donations. Should that limit be phased in over time?

- We are proposing that, during by-elections, that there be no special doubling of donations to the central party. By-election campaigns should be restricted to raising funds only to the allowable limit, both locally and centrally. What are the other Leaders' thoughts on how we should manage any by-elections that occur before the legislation is in effect?
- We are proposing overall spending limit reductions in the writ period and setting limits between elections. We would like the Leaders' input on this.
- We are proposing setting spending limits for leadership and nomination campaigns. What should these spending and donation limits be?

The government also intends to bring forward separate legislation this fall to amend the Elections Act, including proposals to:

- Change the fixed election date for the next general election to the spring of 2018
- Allow provisional registration of 16- and 17 year-olds
- Establish a single address authority in Ontario
- Eliminate the first blackout period for all elections, and
- Integrate, simplify and modernize a range of election processes as per the advice of the Chief Electoral Officer.

The Leaders I met with today also made some specific requests that I would like to respond to directly.

Patrick Brown has called for an immediate public inquiry. All parties have been following the rules as they exist now. It's clear that those rules need to be changed, which is why we've committed to introducing new legislation this spring. Our party has been following the rules that exist with integrity, and I can only assume the other parties have as well.

He has asked for the establishment of an all-party select committee. The legislation we introduce will be debated publicly and go through the legislative committee process — there will be opportunities for the opposition and the public to participate. We're committed to making sure that is a robust review that engages Ontarians across the province. Striking another, additional committee does not acknowledge that there is already a broad consensus in place on what needs to be done. We want to move quickly to bring about change.

Mr. Brown wants to limit third-party advertising. We agree. That's why the new legislation will put limits on third-party advertising. I look forward to hearing from the opposition about what those limits should be, and how we prevent collusion and enforce those limits. We need to limit the amount third parties can spend on advertising while respecting the fundamental right for all Ontarians to have a voice in elections, and between elections.

Mr. Brown wants to ban corporate and union donations. Our proposed legislation would do so. He wants to end ministerial fundraising targets and fundraising. Ministers need to fundraise, just as all MPPs do, to support their work during campaigns. We will introduce legislation this spring that would ban union and corporate donations. In the meantime, I believe in leadership by example. That is why I have made the decision to immediately cancel upcoming private fundraisers that I or Ministers attend.

Ministers can do small group high-value fundraisers with two stipulations:

1. The event is publicly disclosed before it occurs.
2. The Minister is not meeting/fundraising with stakeholders of his/her ministry.

Future Liberal fundraisers will be made public on the OLP website.

Mr. Brown wants to strengthen restrictions on lobbyists. This government strengthened the lobby rules in 2014 in response to recommendations by the integrity Commissioner. These changes included new powers for the Registrar, including the power to investigate alleged violations of the Act, the ability to provide guidance and direction on lobbyist conduct, and the power to prohibit lobbying for up to two years. They will come into force this July. We are open to ideas to further improve the lobby rules.

Ms. Horwath has said that people need to know that Ontario politics, quote: “isn’t under the influence of big money.” Political donations do not buy policy decisions. Any suggestion otherwise is completely false. As Premier, I’ve always been clear that decisions made by me and my Cabinet are always made with the best interests of Ontarians in mind. That’s why we’re committed to a rational, depoliticized and evidence-based process when determining policy. And our government’s decisions, including creating jobs for today and tomorrow, reflect that commitment. We’ve all recognized that the existing rules all parties operate under need to be changed, which is why our government will be introducing new legislation this spring to ban corporate and union donations.

Ms. Horwath today put forward a proposal for an advisory panel on political finance reform and electoral participation. I believe what we are proposing today addresses her request for a timely, open and credible process to reach consensus on these issues. I met with the leaders to start the process of consulting the parties, and hope to hear their further input and recommendations. The legislation will also undergo an extensive review by a legislative committee over the spring and summer, allowing Ontarians to voice the opinions through public hearings. All three parties will have the opportunity to invite individuals and organizations to appear. We also set out a clear timeline for changes to be legislated.

Ms. Horwath has also stated that the first step to reforms should be a meeting of the leaders of the three political parties with Ontario’s Chief Electoral Officer to discuss the practical steps needed to move ahead. The Chief Electoral Officer provided his recommendations in his report following the last election. We’re looking closely at those recommendations and intend to act on many of them. We’ll also continue to engage with the Chief Electoral Officer to better

understand his advice, and would encourage the other parties to do the same. I have written to the Chief Electoral Officer today to make clear that the government will be calling him as its first witness to appear before the legislative committee that will consider the reforms proposed in the spring legislation.

Ms. Horwath has also asked that my office be removed from the reform process and place Ontario's non-partisan Chief Electoral Officer in charge of framing the legislation in this area. The drafting of the new legislation will be done by the Ministry of the Attorney General. That is the responsibility of government. The Chief Electoral Officer cannot write government legislation, but we will be taking his recommendations seriously and continue to seek his advice as we move forward.

As I said earlier, it is important to get this right. I look forward to working with the other Leaders to reach consensus and move quickly to bring about these needed reforms. Je vais travailler avec les chefs de l'opposition pour en arriver à un consensus et aboutir à des réformes rapidement.

I'm happy to take your questions now.