

1986

c 33 Election Finances Act, 1986

Ontario

© Queen's Printer for Ontario, 1986

Follow this and additional works at: http://digitalcommons.osgoode.yorku.ca/ontario_statutes

Bibliographic Citation

Election Finances Act, 1986, SO 1986, c 33

Repository Citation

Ontario (1986) "c 33 Election Finances Act, 1986," *Ontario: Annual Statutes*: Vol. 1986, Article 38.

Available at: http://digitalcommons.osgoode.yorku.ca/ontario_statutes/vol1986/iss1/38

CHAPTER 33

**An Act to revise the Election Finances
Reform Act and to amend certain other Acts
respecting Election Financing**

Assented to July 10th, 1986

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

1.—(1) In this Act,

Definitions

“*bona fide* news reporting” includes interviews, commentaries or other works prepared for and published by any newspaper, magazine or other periodical publication or broadcast on the facilities of any broadcasting undertaking without charge to any political party, constituency association or candidate registered under this Act;

“broadcasting undertaking” means a broadcasting undertaking as defined in section 2 of the *Broadcasting Act* (Canada);

R.S.C. 1970.
c. B-11

“by-election” means an election other than a general election;

“campaign expense” means any expense incurred in relation to an election by or on behalf of a political party, constituency association or candidate registered under this Act during the period commencing with the issue of a writ for an election and terminating on polling day, other than,

(a) expenses incurred by a candidate in seeking nomination in accordance with the *Election Act, 1984*,

1984, c. 54

(b) a candidate's deposit as required under the *Election Act, 1984*,

(c) auditor's and accounting fees,

(d) interest on loans authorized under section 36,

(e) expenses incurred in holding a fund-raising function referred to in section 24,

- (f) expenses incurred for “victory parties” held and “thank you” advertising published after polling day,
- (g) expenses incurred in relation to the administration of the political party or constituency association,
- (h) transfers authorized under section 28,
- (i) fees paid in respect of maintaining a credit card facility, and
- (j) expenses relating to a recount in respect of the election,

but shall be deemed to include the value of any goods held in inventory for any candidate for use during a campaign period;

“campaign period” means the period commencing with the issue of a writ for an election and terminating three months after polling day;

“candidate” means,

1984, c. 54

- (a) a person who is duly nominated as a candidate for an electoral district in accordance with the *Election Act, 1984* by filing nomination papers with the returning officer for that electoral district following the issue of a writ of election,
- (b) a person who is nominated by a constituency association of a registered party in an electoral district as the official candidate of such party in the electoral district, or
- (c) a person who, on or after the date of the issue of a writ for an election in an electoral district, declares himself or herself to be an independent candidate at the election in the electoral district;

“Commission” means the Commission on Election Finances;

“constituency association”, in an electoral district, means the association or organization endorsed by a registered party as the official association of that party in the electoral district;

“contribution” does not include,

- (a) any goods produced for any political party, constituency association, candidate or leadership contestant by voluntary unpaid labour,
- (b) any service actually performed for any political party, constituency association, candidate or leadership contestant by an individual voluntarily, so long as such individual does not receive from his or her employer or from any person, corporation or trade union pursuant to an arrangement with the individual's employer, compensation in excess of that which he or she would normally receive during the period such service was performed, and
- (c) any moneys, goods or services solicited by or donated to a political party, constituency association, candidate or leadership contestant for purposes other than the purposes set forth in subsections 10 (1), 11 (1), 14 (2) and 15 (1), respectively;

"election" means an election to elect a member or members to serve in the Assembly;

"general election" means an election in respect of which election writs are issued for all electoral districts;

"leadership contest period" means the period commencing with the date of the official call for a leadership convention as set forth in the statement filed by a registered party under subsection 15 (2) and terminating two months after the date of the leadership vote;

"leadership contestant" means a person seeking election as leader of a registered party at a leadership convention called by that party for the purpose;

"leadership vote" means the date on which polling takes place to elect a leader of a registered party at a leadership convention;

"outdoor advertising facilities" means facilities, other than radio and television and newspapers, magazines and other periodical publications, of any person or corporation that is in the business of providing such facilities on a commercial basis for advertising purposes;

"person" includes a candidate but does not include a corporation or trade union;

1984, c. 54 “polling day” means the day fixed under the *Election Act, 1984* for holding the poll at an election;

“registered candidate” means a candidate registered under this Act;

“registered constituency association” means a constituency association registered under this Act;

“registered leadership contestant” means a leadership contestant registered under this Act;

“registered party” means a political party registered under this Act;

R.S.O. 1980, c. 228, “trade union” means a trade union as defined by the *Labour Relations Act* or the *Canada Labour Code* that holds bargaining rights for employees in Ontario to whom those Acts apply and includes any central, regional or district labour council located in Ontario;

R.S.C. 1970, c. L-1

“year” means calendar year.

Associated corporations
R.S.C. 1952, c. 148

(2) Where a corporation is associated with another corporation under section 256 of the *Income Tax Act* (Canada) and where one or both of those associated corporations does not or do not carry on an active business as that expression is defined in paragraph 125 (6) (d) of the *Income Tax Act* (Canada), the two associated corporations shall be considered as a single corporation for the purposes of this Act.

Contested constituency nominations

(3) This Act does not apply to campaigns and conventions carried on or held in relation to contested constituency nominations for endorsement of official party candidates.

Existing funds in trust

(4) This Act does not apply to,

- (a) funds held in trust at 3 o'clock in the afternoon of the 13th day of February, 1975; and
- (b) funds raised before the expiration of thirty days after the 13th day of February, 1975 by a fund-raising function organized before that day that are placed in trust,

for the purposes of a constituency association or the future candidacy of any person at an election or a future election campaign of any person, but the trustee or trustees of each such trust shall,

- (c) within sixty days after the 2nd day of May, 1975, report in writing to the Commission the existence of such trust and the total amount of the funds therein;
- (d) maintain the funds remaining in the trust from time to time on deposit with a financial institution that is lawfully entitled to accept deposits or in investments authorized for trust moneys by the *Trustee Act*;
- (e) not permit funds or other property to be added to the trust other than interest on the amounts on deposit or the income from the investments referred to in clause (d);
- (f) file with the Commission on or before the 30th day of April in each year a report of the expenditures from the trust during the previous year and the trustee's declaration that he or she has complied with the provisions of clauses (d) and (e); and
- (g) when the trust is terminated, forthwith notify the Commission thereof.

R.S.O. 1980.
c. 512

COMMISSION ON ELECTION FINANCES

2.—(1) The commission heretofore known as the Commission on Election Contributions and Expenses is continued under the name Commission on Election Finances and shall be composed of,

Commission
continued

- (a) two persons as nominees of each political party that is represented in the Assembly by four or more members of the Assembly and that nominated candidates in at least 50 per cent of the electoral districts in the most recent general election appointed, on the recommendation of the leader of the party, by the Lieutenant Governor in Council for a term of not more than five years;
- (b) a bencher of the Law Society of Upper Canada appointed by the Lieutenant Governor in Council for a term of not more than five years to hold office only while he or she remains a bencher;
- (c) the Chief Election Officer; and
- (d) the chairman of the Commission who shall be appointed by the Lieutenant Governor in Council for a term of five years.

Vice-chairman

(2) The members of the Commission shall elect one of the members appointed under clause (1) (a) as vice-chairman to serve as such for not more than two years.

Absence of chairman

(3) In the absence of the chairman, the vice-chairman may act as chairman.

Meetings

(4) The Commission shall meet on the call of the chairman or of five or more members.

Quorum

(5) Five or more members of the Commission and the chairman or vice-chairman constitute a quorum.

Members not to hold office with or contribute to party or constituency association

(6) Members of the Commission shall not, during their term of office, be members of the Assembly, candidates at an election or leadership contestants or hold office in any political party or constituency association or make contributions to any political party or constituency association registered under this Act.

Reappointment

(7) Any member of the Commission, including the chairman, may be reappointed for one additional term.

Remuneration of members

(8) The chairman of the Commission shall be paid such salary and the other members except the Chief Election Officer shall be paid such *per diem* allowances as may be determined by the Lieutenant Governor in Council.

Staff

3.—(1) The Commission may employ an Executive Director, legal counsel, auditors and such staff as it considers necessary to properly carry out its responsibilities under this Act.

Office accommodation and supplies

(2) The Commission may lease such premises and acquire such equipment and supplies as are necessary to properly carry out its responsibilities under this Act.

Powers and duties

4.—(1) The Commission, in addition to its other powers and duties under this Act, shall,

- (a) assist political parties, constituency associations, candidates and leadership contestants registered under this Act in the preparation of returns required under this Act;
- (b) ensure that every registered constituency association, registered candidate and registered leadership contestant has appropriate auditing services in order to properly comply with this Act;

- (c) examine all financial returns filed with the Commission;
 - (d) conduct periodic investigations and examinations of the financial affairs and records of registered political parties, registered constituency associations, registered candidates and registered leadership contestants in relation to election campaigns;
 - (e) reimburse candidates and political parties for election expenses in accordance with section 46;
 - (f) recommend any amendments to this Act that the Commission considers advisable;
 - (g) report to the Attorney General any apparent contravention of this Act;
 - (h) prescribe forms and the contents thereof for use under this Act and provide for their use;
 - (i) prepare, print and distribute forms for use under this Act;
 - (j) provide such guidelines for the proper administration of this Act as it considers necessary for the guidance of auditors, political parties, constituency associations, candidates and leadership contestants and any of the officers thereof; and
 - (k) publish, in respect of each campaign period, a joint summary of the income, expenses and subsidy of each candidate, together with the income and expenses of the constituency association endorsing the candidacy of that candidate, in a newspaper or newspapers having a general circulation in the electoral district in which the candidate stood for election.
- (2) The Commission shall report annually upon the affairs of the Commission to the Speaker of the Assembly who shall cause the report to be laid before the Assembly if it is in session or, if not, at the next ensuing session.
- (3) The Commission shall, within sixty days following the campaign period in respect of each general election, make recommendations to the Speaker of the Assembly with respect to,

Annual
report

Recommendations
to Speaker

- (a) changes in limits on contributions to registered constituency associations, candidates or political parties;
- (b) changes in limits on campaign expenses which may be incurred during a campaign period by candidates or political parties;
- (c) changes in levels of public funding of candidates or political parties;
- (d) changes in public funding of auditor's fees charged to constituency associations, candidates, political parties and leadership contestants; and
- (e) any other changes in monetary limits that it considers appropriate,

and the Speaker shall cause such recommendations to be laid before the Assembly if it is in session or, if not, at the next ensuing session.

Powers of
Commission
under
R.S.O. 1980,
c. 411

5. For the purpose of carrying out any investigation or examination under this Act, the Commission has the powers of a commission under Part II of the *Public Inquiries Act*, which Part applies to such investigation or examination as if it were an inquiry under that Act.

Powers of
inspection

6. For the purposes of an investigation or examination under this Act, a representative of the Commission, upon production of an authorization from the Commission to enter the premises (referred to in the authorization) in which the books, papers and documents of a political party, constituency association, candidate or leadership contestant relevant to the subject-matter of the investigation or examination are kept, may at any reasonable time enter such premises and examine such books, papers and documents.

Information

7. Such information with respect to the affairs of a registered party, registered constituency association, registered candidate or registered leadership contestant that is reasonably required in respect of its duties under this Act as the Commission may request shall be provided by the registered party, registered constituency association, registered candidate or registered leadership contestant within thirty days after receiving a written request therefor from the Commission or within such extended period as the Commission may determine.

8. The remuneration of the members of the Commission and the expenditures required for the operation of the Commission are payable out of moneys appropriated therefor by the Legislature. Expenditures
of
Commission

9. The accounts and financial transactions of the Commission shall be audited annually by the Provincial Auditor. Audit

REGISTRATION

10.—(1) No political party and no person, corporation or trade union acting on behalf of the political party shall accept contributions for the purposes of the political party or for the purposes of any constituency association or for the candidacy of any person at an election or for an election campaign of any person unless the political party is registered under this Act. Registration
of parties

(2) Any political party that,

Qualifications
for
registration

(a) nominates candidates in at least 50 per cent of the electoral districts following the issue of a writ for a general election; or

(b) at any time other than during a campaign period and within one year of the Commission making a determination under subsection (7) that the name of the political party and the abbreviation thereof, if any, is registrable, provides the Commission with the names, addresses and signatures of 10,000 persons who,

(i) are eligible to vote in an election, and

(ii) endorse the registration of the political party concerned,

may apply to the Commission for registration in the register of political parties.

(3) The Commission shall maintain a register of political parties and subject to this section shall register therein any political party that is qualified to be registered and that files an application for registration with the Commission, setting out, Application
for
registration

(a) the full name of the political party;

(b) the political party name or abbreviation to be shown in any election documents;

- (c) the name of the leader of the political party;
- (d) the address of the place or places in Ontario where records of the political party are maintained and of the place in Ontario to which communications may be addressed;
- (e) the names of the principal officers of the political party;
- (f) the name of the chief financial officer of the political party;
- (g) the names of all persons authorized by the political party to accept contributions;
- (h) the name and address of every chartered bank, trust company or other financial institution in Ontario that is lawfully entitled to accept deposits to be used by the political party as the depositories for contributions made to that political party;
- (i) the names of the political party signing officers responsible for each depository referred to in clause (h); and
- (j) a statement of the assets and liabilities of the political party as of a date not earlier than ninety days prior to the date of its application for registration attested to by the chief financial officer.

Registration
by
Commission

(4) Upon receipt of an application for registration of a political party, the Commission shall examine the application and determine if the political party can be registered, and,

- (a) if the political party can be registered, enter it in the register of political parties and so inform the political party; or
- (b) if the political party cannot be registered, so inform the political party with written reasons for its determination.

Name of
political
party

(5) The Commission shall not register a political party where the name of the party includes the word "independent" or where, in the opinion of the Commission, the name or the abbreviation of the name of the party so nearly resembles the name, abbreviation of the name or sobriquet of a registered party as to be likely to be confused with that registered party.

(6) Where any change in the information referred to,

Variation
of register

(a) in clause (3) (a) or (b) is proposed to be made, the registered party shall notify the Commission in writing of the proposed change and, unless the Commission determines that the proposed change is so significant as to constitute an entirely new name or abbreviation, the Commission shall, subject to subsection (5), vary the register of political parties accordingly; or

(b) in clauses (3) (c) to (i) occurs, the registered party shall notify the Commission in writing within thirty days of such alteration and, upon receipt of such notice, the Commission shall vary the register of political parties accordingly.

(7) A political party which intends to apply to the Commission for registration under clause (2) (b) shall, prior to canvassing for signatures for the purpose, submit to the Commission the full name of the political party and the abbreviation thereof, if any, and the Commission shall determine whether the name and abbreviation thereof, if any, is registrable in accordance with subsection (5).

Submission
of name to
Commission

(8) Where the Commission determines that the name and abbreviation thereof, if any, of a political party is registrable, that name and abbreviation thereof, if any, shall be reserved for the political party for a period of one year following the date that the Commission makes the determination and, during the period, the political party shall be deemed to be a registered political party for the purposes of subsection (5).

Reservation
of name

11.—(1) No constituency association of a registered party and no person, corporation or trade union acting on behalf of the constituency association shall accept contributions for the purposes of the constituency association or for the purposes of the registered party or for the candidacy of any person at an election or for an election campaign of any person unless the constituency association is registered under this Act.

Registration
of
constituency
associations

(2) The Commission shall maintain a register of constituency associations and, subject to this section, shall register therein any constituency association of a registered party that files an application for registration with the Commission setting out,

Application
for
registration

(a) the full name of the constituency association and of the registered party by which it is endorsed;

- (b) the address of the place or places in Ontario where records of the constituency association are maintained and of the place in Ontario to which communications may be addressed;
- (c) the names of the principal officers of the constituency association;
- (d) the name of the chief financial officer of the constituency association;
- (e) the names of all persons authorized by the constituency association to accept contributions;
- (f) the name and address of every chartered bank, trust company or other financial institution in Ontario that is lawfully entitled to accept deposits to be used by the constituency association as the depositories for all contributions made to that constituency association;
- (g) the names of the constituency association signing officers responsible for each depository referred to in clause (f); and
- (h) a statement of the assets and liabilities of the constituency association as of a date not earlier than ninety days prior to the date of its application for registration attested to by the chief financial officer.

Registration
by
Commission

(3) Upon receipt of an application for registration of a constituency association, the Commission shall examine the application and determine if the constituency association can be registered and,

- (a) if the constituency association can be registered, enter it in the register of constituency associations and so inform the constituency association; or
- (b) if the constituency association cannot be registered, so inform the constituency association with written reasons for its determination.

Variation
of register

(4) Where any of the information referred to in clauses (2) (a) to (g) is altered, the registered constituency association shall notify in writing the Commission within thirty days of any such alteration and, upon receipt of any such notice, the Commission shall vary the register of constituency associations accordingly.

12.—(1) Every political party and every constituency association that is registered under the *Election Finances Reform Act* on the day before this Act comes into force shall be deemed to be registered under this Act.

Certain political parties and constituency associations deemed registered
R.S.O. 1980, c. 134

(2) All registered constituency associations shall be deemed to be deregistered on the day after the day Royal Assent is given to the *Representation Act, 1986*, and notwithstanding subsection 13 (7), all funds of any association not required to pay outstanding debts shall be held by its chief financial officer in trust for disposition in accordance with subsection (4).

Deregistration of constituency associations
1986, c. 30

(3) A new constituency association, consistent with the newly established electoral districts under the *Representation Act, 1986*, may forthwith apply for registration under section 11.

Registration of new constituency associations

(4) The chief financial officer of a constituency association that has been deregistered under subsection (2) shall be deemed for the purposes of subsection 45 (1) to have ceased to hold office as such on the day on which the constituency association is deregistered but notwithstanding that such chief financial officer no longer holds office, notwithstanding any other provision of this Act, he or she shall be responsible,

Responsibility of chief financial officer

- (a) for recording as to amount and source each contribution accepted after the constituency association is deregistered under subsection (2) and before a new constituency association is registered in accordance with subsection (3), but no later than the 1st day of September, 1986, and for depositing the amounts in a trust account maintained in a chartered bank, trust company or other institution in Ontario that is lawfully entitled to accept deposits and for turning over the amounts and records as to source to the chief financial officer of the constituency association or associations registered in succession thereto forthwith upon its or their registration in accordance with subsection (3), who shall be responsible for issuing receipts therefor; and
- (b) for paying outstanding debts and expenses incurred in relation to the administration of the constituency association from funds which he or she holds in trust and for paying over any balance or charging any liability to the chief financial officer of the constituency association or associations registered in succession thereto forthwith upon its or their regis-

tration in accordance with subsection (3) in such proportions as the registered political party endorsing such association or associations determines.

Registration of constituency associations *pro tem* for general election or by-election 1986, c. 30

(5) In the event the Legislature is dissolved before the 1st day of September, 1986, or in the event a by-election is called before the day the *Representation Act, 1986* comes into force, and if all registered constituency associations have been deregistered under subsection (2), a registered party may authorize the registration with the Commission of constituency associations or of a particular constituency association *pro tem* for the purposes of the general election following the dissolution of the Legislature or for the purposes of the by-election and any such constituency associations or association have or has all the powers and responsibilities of a registered constituency association under this Act.

Deregistration of parties and constituency associations, on application

13.—(1) The Commission may deregister,

- (a) a registered party on an application therefor by the registered party; or
- (b) a registered constituency association on an application therefor by the constituency association and the registered party concerned.

For non-compliance with certain provisions of Act

(2) The Commission may deregister,

- (a) a registered party where no registered constituency association of that party nominates a candidate at a general election or where the registered party fails to comply with subsection 10 (6), 34 (3) or 45 (3) or where the chief financial officer of the political party fails to comply with section 42 or 43; or
- (b) a registered constituency association where the constituency association fails to comply with subsection 11 (4), 34 (3) or 45 (3) or where the chief financial officer of the constituency association fails to comply with section 42 or 43.

Notice of proposal to deregister party or association

(3) Where under subsection (2) the Commission proposes to deregister,

- (a) a political party, it shall send by registered mail notice of its proposal with written reasons therefor to the political party; or
- (b) a constituency association, it shall send by registered mail notice of its proposal with written rea-

sons therefor to the constituency association and the political party concerned,

and the political party or constituency association so notified, within thirty days after the sending of the notice, may request the Commission in writing to review its proposal.

(4) Where the Commission receives a written request to review its proposal, it shall review the proposal and give the political party and constituency association notified under subsection (3) an opportunity to make representation to the Commission and following a review of the proposal the Commission may withdraw its proposal or deregister the political party or constituency association, as the case may be, and shall, Review

- (a) where the proposed deregistration involves a political party, notify it in writing; and
- (b) where the proposed deregistration involves a constituency association, notify in writing the constituency association and the political party concerned,

of its decision.

(5) Where a political party is deregistered, the registered constituency associations of such political party are thereby also deregistered. Party and associations thereof deregistered

(6) Where a political party or constituency association is deregistered for failure to comply with section 42 or 43 or subsection 45 (3), it may not apply for registration until the financial statements as required by section 42 or 43 or subsection 45 (3), together with the auditor's report thereon as required by subsection 41 (4), that were not filed have been filed with the Commission. Reregistration

(7) Where a political party or constituency association is deregistered, all funds of the political party or constituency association not required to pay any outstanding debts thereof shall be paid over to the Commission and held by the Commission in trust for the political party or constituency association and, if the political party or constituency association does not become registered under this Act within a period of two years following its deregistration, the funds shall escheat to the Commission to be used by the Commission in carrying out its responsibilities under this Act. Disposition of funds upon deregistration

(8) Where a registered party or a registered constituency association applies to the Commission for deregistration under Duty of chief financial officer

subsection (1), the chief financial officer of the registered party or constituency association shall, at the same time, file with the Commission financial statements of assets and liabilities and of income and expenses of the political party or constituency association, as the case may be, for which he or she acted for the period commencing with the day immediately following the most recent period for which a financial statement has been filed with the Commission under section 42 or this section and ending on the last day upon which any financial activity of the political party or the constituency association, as the case may be, has occurred, together with the auditor's report thereon as required by subsection 41 (4).

Registration
of candidate

14.—(1) Every candidate shall, prior to the polling day, file with the Commission an application for registration under this Act.

Idem

(2) No person and no person, corporation or trade union acting on behalf of such person and, except as provided under subsections 10 (1) and 11 (1), no political party or association or organization thereof acting on behalf of such person, shall accept contributions for the candidacy of such person at an election or for an election campaign of such person unless such person is a candidate registered under this Act.

Application
for
registration

(3) The Commission shall maintain a register of candidates in relation to each election and, subject to this section, shall register therein any candidate that files an application for registration with the Commission setting out,

(a) that the candidate,

1984, c. 54

- (i) has been duly nominated in accordance with the *Election Act, 1984* by filing nomination papers with the returning officer in an electoral district following the issue of a writ of election, together with the name of the electoral district,
- (ii) has not been so nominated in accordance with the *Election Act, 1984* but has been nominated by a constituency association registered under this Act and has enclosed with the application a statement to that effect by the chief financial officer of the constituency association, together with the name of the constituency association and the electoral district, or
- (iii) has not been so nominated in accordance with the *Election Act, 1984* but, after the issue of a

writ for an election in an electoral district, has declared as an independent candidate at the election in that electoral district, together with the name of the electoral district;

- (b) the full name and address of the candidate;
 - (c) the political party affiliation, if any, of the candidate;
 - (d) the address of the place or places in Ontario where records of the candidate are maintained and of the place in Ontario to which communications may be addressed;
 - (e) the name of the auditor and chief financial officer of the candidate;
 - (f) the names of all persons authorized by the candidate to accept contributions;
 - (g) the name and address of every chartered bank, trust company or other financial institution in Ontario that is lawfully entitled to accept deposits to be used by or on behalf of the candidate as the depositories for all contributions made to that candidate; and
 - (h) the names of the persons responsible for each depository referred to in clause (g).
- (4) A candidate who files an application under subsection (3),
- Effective date of registration
- (a) prior to the issue of a writ for an election shall be deemed to be registered effective from the issue of the writ; and
 - (b) after the issue of a writ for an election shall be deemed to be registered on the day of filing.
- (5) An application under subsection (3) may be filed with the Commission by registered mail in which case it shall be deemed to be filed on the day it is mailed.
- Mailing of application deemed filing
- (6) Where a registered candidate withdraws his or her candidacy prior to polling day or fails to file nomination papers with the returning officer under the *Election Act, 1984* or dies prior to polling day, the campaign period with respect to that candidate is deemed to expire on the day of the withdrawal of the candidacy, on nomination day or on the day of his or her
- Where candidate withdraws, etc.
1984, c. 54

death, whichever first occurs, and the chief financial officer for that candidate shall file with the Commission the statement referred to in section 43 within sixty days after the expiration of the campaign period with respect to that candidate.

Registration
of leadership
contestant

15.—(1) No person and no person, corporation or trade union acting on behalf of that person and no political party or association or organization thereof acting on behalf of that person shall accept contributions for the candidacy of that person for the leadership of a registered party or for a leadership campaign of that person unless that person is a leadership contestant registered under this Act.

Notice of
leadership
convention

(2) A registered political party that proposes to hold a leadership convention shall file with the Commission a statement setting forth the date of the official call of the leadership convention and the date fixed for the leadership vote.

Application
for
registration

(3) The Commission shall maintain a register of leadership contestants in relation to each leadership convention and, subject to this section, shall register therein any leadership contestant that files an application for registration with the Commission setting out,

- (a) the full name of the leadership contestant;
- (b) the address of the place or places in Ontario where records of the leadership contestant are maintained and of the place in Ontario to which communications may be addressed;
- (c) the names of the principal officers, including the chief financial officer and auditor, of the leadership contestant;
- (d) the names of all persons authorized by the leadership contestant to accept contributions;
- (e) the name and address of every chartered bank, trust company or other financial institution in Ontario that is lawfully entitled to accept deposits to be used by or on behalf of the leadership contestant as the depositories for all contributions made to that leadership contestant;
- (f) the names of the persons responsible for each depository referred to in clause (e); and
- (g) the certification of the registered party that the leadership contestant has met the constitutional

requirements of that party for eligibility to contest the leadership of that party.

(4) An application under subsection (3) shall not be filed with the Commission prior to the date of the official call of the leadership convention and unless the registered party that proposes to hold such leadership convention has filed with the Commission the statement referred to in subsection (2).

Time for
filing
application

(5) A leadership contestant who files an application under subsection (3) shall be deemed to be registered on the day of filing.

Deemed
registered
on day of
filing

16.—(1) All documents filed with the Commission are public records and may be inspected by any person upon request at the offices of the Commission during normal office hours.

Inspection
of informa-
tion on
file with
Commission

(2) Any person may take extracts from the documents referred to in subsection (1) and is entitled to copies thereof upon payment for the preparation of the copies at such rate as the Commission may determine.

Extracts

(3) No person, corporation or trade union shall use any of the information contained in any document filed with the Commission for purposes of commercial solicitation.

Not to be
used for
commercial
solicitation

CONTRIBUTIONS

17.—(1) Contributions to political parties, constituency associations, candidates and leadership contestants registered under this Act may be made only by persons individually, corporations and trade unions.

Contributors
and how
contributions
to be made

(2) Moneys contributed to political parties, constituency associations, candidates or leadership contestants registered under this Act in amounts in excess of \$25 shall be made only by,

How contri-
butions of
money to
be made

- (a) a cheque having the name of the contributor legibly printed thereon and drawn on an account in the contributor's name;
- (b) a money order signed by the contributor; or
- (c) in the case of moneys contributed by an individual, the use of a credit card having the name of the individual contributor imprinted or embossed thereon.

Depositing of
contributions

(3) All moneys accepted by or on behalf of a political party, constituency association, candidate or leadership contestant registered under this Act shall be paid into the appropriate depository on record with the Commission.

Return of
contributions
made in
contravention
of Act

18.—(1) Where the chief financial officer learns that any contribution received by or on behalf of the political party, constituency association, candidate or leadership contestant for whom he or she acts was made or received in contravention of any provision of this Act, the chief financial officer shall, within thirty days after learning that the contribution was made contrary to this Act and upon obtaining the contributor's copy of the receipt issued under section 26 in respect of that contribution, return the contribution or an amount equal to the sum contributed.

Anonymous,
etc., contribu-
tions

(2) Any contribution not returned to the contributor in accordance with subsection (1) or any anonymous contribution received by a political party, constituency association, candidate or leadership contestant registered under this Act shall not be used or expended, but shall be paid over to the Commission and become part of the funds of the Commission to be used by the Commission in carrying out its responsibilities under this Act.

Limitation on
contributions

19.—(1) Contributions by any person, corporation or trade union to political parties, constituency associations and candidates registered under this Act are limited to those set out in clauses (a) and (b) and shall not exceed.

(a) in any year,

(i) \$4,000 to each registered party, and

(ii) \$750 to any registered constituency association, but in respect of registered constituency associations of a registered party, an aggregate of \$3,000 to constituency associations of each registered party; and

(b) in any campaign period in addition to contributions authorized under clause (a),

(i) \$4,000 in relation to the election in such period to each registered party, and

(ii) \$750 in relation to the election in such period to any registered candidate, but in respect of candidates endorsed by a registered party, an

aggregate of \$3,000 to registered candidates of each registered party.

(2) Where writs for two or more by-elections bear the same date and provide for the same polling day, all such by-elections shall be deemed one election for the purposes of clause (1) (b). By-elections

(3) Any moneys used for a political campaign by a registered candidate out of the candidate's own funds shall be considered to be a contribution for the purposes of this Act and every registered candidate shall submit to the candidate's chief financial officer a statement in writing setting forth all campaign expenses paid or to be paid out of the candidate's own funds, together with all receipts and claims therefor, within three months after polling day. Candidate's funds considered contribution

20.—(1) Subject to section 32, no person, corporation or trade union shall contribute to any political party, constituency association, candidate or leadership contestant registered under this Act funds not actually belonging to the person, corporation or trade union or any funds that have been given or furnished by any person or group of persons or by a corporation or trade union for the purpose of making a contribution thereof. Contributor to contribute only funds belonging to contributor

(2) No political party, constituency association, candidate or leadership contestant registered under this Act, and no person on its, his or her behalf shall solicit or knowingly accept any contribution contrary to subsection (1). Prohibition to accept contributions contrary to subs. (1)

21. No political party, constituency association, candidate or leadership contestant registered under this Act shall accept funds from a federal political party registered under the *Election Expenses Act* (Canada) except that during a campaign period a registered party may accept from such a federal political party an amount not exceeding, in the aggregate, \$100 for each registered candidate endorsed by that registered party and such funds shall be considered not to be contributions for the purposes of this Act but shall be recorded as to source and deposited in the appropriate depository on record with the Commission. Funds from federal parties
1973-74, c. 51 (Can.)

22.—(1) The value of goods and services, other than those that are not contributions by reason of the definition of "contribution" in subsection 1 (1), provided to a political party, constituency association, candidate or leadership contestant registered under this Act shall be, Value of goods and services

- (a) where the contributor is in the business of supplying such goods or services, the lowest amount charged by the contributor for an equivalent amount of similar goods and services at or about the time and in the market area in which the goods or services are provided; and
- (b) where the contributor is not in the business of supplying such goods or services, the lowest amount charged, at or about the time the goods or services are provided, by any other person or corporation providing similar goods on a commercial retail basis or similar services on a commercial basis in the market area in which the goods or services are provided.

Amounts of \$100 or less may be considered not a contribution

(2) The provision of goods or services to a political party, constituency association, candidate or leadership contestant registered under this Act in any year, excluding any campaign period or part thereof in that year, or in any campaign period, having a value, in the aggregate, of \$100 or less may, at the option of the person, corporation or trade union providing such goods or services, be considered not to be a contribution for the purposes of this Act.

Where goods or services provided for price less than value determined under subs. (1)

(3) Where goods or services are provided to a political party, constituency association, candidate or leadership contestant registered under this Act for a price that is less than the value of the goods or services as determined under subsection (1), the amount that the price is less than such value shall, subject to subsection (2), be a contribution for the purposes of this Act.

Advertising as contribution

23.—(1) Where any person, corporation or trade union with the knowledge and consent of a political party or candidate registered under this Act promotes the political party or the election of the candidate or opposes any other registered political party or the election of any other registered candidate by advertising on the facilities of any broadcasting undertaking or by publishing an advertisement in any newspaper, magazine or other periodical publications or printed leaflets, pamphlets or other documents or through the use of any outdoor advertising facility and the amount of the cost thereof,

- (a) in the case of any single such political advertisement is more than \$100; and
- (b) in the case of any such political advertisements from a single source broadcast or published in any year, excluding any campaign period or part thereof in

that year, or in any campaign period in the aggregate exceeds \$100,

such amount shall be considered to be a contribution and, if done during the relevant period, a campaign expense for the purposes of this Act to the political party or candidate with whose knowledge and consent the political advertising was done.

(2) Notwithstanding subsection (1), where political advertising is provided on the facilities of any broadcasting undertaking without charge to registered political parties or to registered candidates in a particular electoral district in accordance with the provisions of the *Broadcasting Act* (Canada), the regulations thereunder and Guides published in accordance therewith, such political broadcasts shall not be considered to be a contribution or an election expense for the purposes of this Act to such political parties or candidates.

Where not considered to be a contribution

R.S.C. 1970, c. B-11

(3) No person, corporation, trade union or registered political party or constituency association shall cause any political advertisement to be broadcast on the facilities of any broadcasting undertaking or published in any newspaper, magazine or other periodical publication or through the use of any outdoor advertising facility unless he, she or it furnishes to the broadcaster or publisher of the political advertisement his, hers or its identification in writing, together with the identification, in writing, of any person, corporation or trade union or registered political party or constituency association sponsoring the political advertisement.

Identification

(4) Any broadcaster who broadcasts or any publisher who publishes a political advertisement shall maintain records for a period of two years after the date of the broadcast or publication setting forth such advertisement, the charge therefor and any material relating to identification furnished to the broadcaster or publisher in connection therewith and shall permit the public to inspect such records during normal office hours.

Records

(5) All political printed advertising, handbills, placards, posters and broadcast or telecast advertisements shall bear or make reference to the name of the person, corporation or trade union authorizing the political advertising.

Reference to person, etc., authorizing advertising

(6) For the purposes of this section, "political advertisement" and "political advertising" means any matter promoting or opposing any registered political party or the election of any registered candidate for which a fee is paid, but does not include any *bona fide* news reporting.

Definition

Fund-raising events

24.—(1) In this section, “fund-raising function” includes events or activities held for the purpose of raising funds for the political party, constituency association, candidate or leadership contestant registered under this Act by whom or on whose behalf the function is held.

Income to be reported

(2) The gross income from any fund-raising function shall be recorded and reported to the Commission by the chief financial officer of the political party, constituency association, candidate or leadership contestant registered under this Act that held or on whose behalf the function was held.

Where charge may be considered not a contribution

(3) Where a charge by the sale of tickets or otherwise is made for a fund-raising function, all or any portion of such charge, up to a maximum of \$25, may, at the option of the registered party, constituency association, candidate or leadership contestant by whom or on whose behalf the function was held, be considered not to be a contribution for the purposes of this Act.

Where amounts to be considered contribution

(4) Any amount paid for goods or services offered for sale at a fund-raising function in excess of the highest amount charged, at or about the time the goods or services are provided, by any other person providing similar goods on a commercial retail basis or similar services on a commercial basis in the market area in which the goods or services are provided, shall be considered to be a contribution for the purposes of this Act.

Collection of moneys at meetings

25. Where at a meeting held on behalf of or in relation to the affairs of a candidate, political party or constituency association registered under this Act money is given in response to a general collection of money solicited from the persons in attendance at the meeting, no amount shall be given anonymously by any person in excess of \$10 and the amounts so given shall be considered not to be contributions for the purposes of this Act but the gross amount collected shall be recorded and reported to the Commission by the chief financial officer of the candidate, political party or association, as the case may be.

Receipts

26. Every political party, constituency association, candidate or leadership contestant registered under this Act shall issue or cause to be issued receipts as required by the Commission for every contribution accepted.

Group contributions

27.—(1) Any contribution to a political party, constituency association, candidate or leadership contestant registered under this Act made through any unincorporated association or organization, except a trade union or an affiliated political

organization in accordance with subsection (3), shall be recorded by the unincorporated association or organization as to the individual sources and amounts making up such contribution.

(2) The amounts making up a contribution under subsection (1) that are attributable to any person, corporation or trade union are contributions of such person, corporation or trade union for the purposes of this Act.

Application of Act to amounts making up contribution

(3) An affiliated political organization may make a contribution in any year to the political party or any constituency association with which it is affiliated as if it were a person for the purposes of clause 19 (1) (a).

Contribution by affiliated political organization

(4) For the purposes of this section, "affiliated political organization" means any political organization that is affiliated with and endorsed by a political party or one or more constituency associations registered under this Act.

Definition

28. A registered party and any of its constituency associations or official candidates registered under this Act may transfer or accept funds, goods and services to or from each other and all such funds, goods, other than goods held in inventory for any candidate for use during a campaign period, and services accepted by such political party, constituency association or candidate shall be considered not to be contributions or campaign expenses for the purposes of this Act but shall be recorded as to source and any funds accepted shall be deposited in the appropriate depository on record with the Commission.

Transfer of funds, etc., among parties, constituency associations and candidates

29. No political party, constituency association or candidate registered under this Act and no person on its or his or her behalf shall knowingly accept any contributions in excess of the limits imposed by this Act.

Parties, etc., not to receive contributions in excess of limitations

30.—(1) No political party, constituency association, candidate or leadership contestant registered under this Act shall directly or indirectly,

Contributions prohibited from outside Ontario and to persons, etc., outside Ontario

(a) knowingly accept contributions from any person normally resident outside Ontario, from any corporation that does not carry on business in Ontario or from a trade union other than a trade union as defined in this Act; or

(b) contribute or transfer funds to any political party, constituency association, candidate or leadership contestant not registered under this Act, including a

1973-74,
c. 14 (Can.)

R.S.O. 1980,
c. 308

1973-74,
c. 51 (Can.)

federal political party registered under the *Canada Elections Act*, any federal constituency association or candidate at a federal election endorsed by such federal political party and any candidate at a municipal election under the *Municipal Elections Act*, except that "during an election" as defined in the *Canada Elections Act* a registered party may transfer to a federal political party registered under the *Election Expenses Act* (Canada) an amount not exceeding, in the aggregate, \$100 for each candidate at a federal election in a federal electoral district in Ontario who is endorsed as a candidate by that federal political party.

No transfer
of funds
from
constituency
association
to leadership
contestant

Annual
membership
fees

(2) No constituency association registered under this Act shall directly or indirectly contribute or transfer funds to any leadership contestant registered under this Act.

31. An annual membership fee paid for membership in a political party or in a constituency association of such party or in both may be considered not to be a contribution for the purposes of this Act provided such fee or, where a fee is paid to the party and to a constituency association of that party, the total of such fees does not exceed \$25 and the political party and constituency association maintain a membership list indicating the amount of such fee or fees paid by each member that is allocated to the political party or constituency association, as the case may be.

Trade
unions
check-off

32. Contributions of not more than 15 cents per month by any member of a bargaining unit represented by a trade union through payroll deductions shall not be considered contributions from a person for the purposes of this Act, but any amounts contributed to a political party, constituency association or candidate registered under this Act from such funds shall be deemed to be a contribution from the trade union.

Who may
accept
contributions
for candidate
or leadership
contestant

33. No contribution shall be accepted by a registered candidate or registered leadership contestant otherwise than through his or her chief financial officer or other person on record with the Commission as authorized to accept contributions.

Chief
financial
officer,
of party or
association

34.—(1) Every political party and constituency association that is applying for registration under this Act, before filing its application with the Commission, shall appoint a chief financial officer.

(2) Every candidate and every leadership contestant who is applying for registration under this Act, before filing his or her application with the Commission, shall appoint a chief financial officer.

of candidate
or leadership
contestant

(3) Where the chief financial officer of a political party, constituency association, candidate or leadership contestant, ceases for any reason to hold office as such, the political party, constituency association, candidate or leadership contestant, as the case may be, shall forthwith appoint another chief financial officer and shall immediately give notice in writing to the Commission of the name of the new chief financial officer.

Appointment
of new chief
financial
officer

(4) The chief financial officer of a political party, constituency association, candidate and leadership contestant registered under this Act in relation to the affairs of the party, constituency association, candidate or leadership contestant who appointed him or her shall be responsible for ensuring that,

Responsi-
bilities

- (a) proper records are kept of all receipts and expenditures;
- (b) contributions are placed in the appropriate depository;
- (c) proper receipts are completed and dealt with in accordance with this Act;
- (d) the financial statements as required by sections 42, 43 and 45 together with the auditor's report thereon are filed with the Commission in accordance with this Act; and
- (e) contributions consisting of goods or services are valued and recorded in accordance with this Act.

35.—(1) Where any person acting on behalf of,

Recording of
contributions

- (a) a political party or a constituency association registered under this Act, accepts in any year, excluding any campaign period or part thereof in that year, or in any campaign period;
- (b) a candidate registered under this Act, accepts in any campaign period; or
- (c) a leadership contestant registered under this Act, accepts in any leadership contest period.

a single contribution in excess of \$25 or contributions from a single source that in the aggregate exceed \$25, the chief financial officer of such political party, constituency association, candidate or leadership contestant, as the case may be, shall record all such contributions and, in the case of a single contribution in excess of \$100 or contributions from a single source that in the aggregate exceed \$100, the name and address of the contributor.

Separate
recording of
contributions

(2) All contributions referred to in subsection (1) accepted on behalf of a political party or a constituency association registered under this Act in any year, excluding any campaign period or part thereof in that year, shall be recorded separately from all contributions accepted on behalf of that political party or constituency association in any campaign period.

BORROWING

Borrowing
by parties,
etc.

36.—(1) A political party, constituency association, candidate or leadership contestant registered under this Act may borrow from any chartered bank or other recognized lending institution in Ontario, provided that all such loans and the terms thereof, including the name of any guarantor thereof, are recorded by the political party, constituency association, candidate or leadership contestant and reported to the Commission.

Limitation

(2) No political party, constituency association, candidate or leadership contestant registered under this Act shall receive any support in the form of a loan from any person, corporation, trade union, or unincorporated association or organization, other than from a registered party, a registered constituency association, or a chartered bank or other recognized lending institution as provided in subsection (1).

LOANS

Guarantee
of loans
to parties,
etc.,
prohibited

37.—(1) Subject to subsection (2), no person, corporation, trade union, unincorporated association or organization shall make, or sign, co-sign or provide collateral security for any loan, monetary obligation or indebtedness for or on behalf of any political party, constituency association, candidate or leadership contestant registered under this Act.

Exception

(2) Any person, corporation or trade union who is eligible to make a contribution under this Act may guarantee any loan referred to in subsection 36 (1).

When
guarantee
considered
contribution

(3) Any guarantee or any payment made by a guarantor in respect of a loan referred to in subsection 36 (1) shall not be

considered to be a contribution for the purposes of this Act, provided that, where the guarantor forgives or waives all or any part of the borrower's indebtedness that has been guaranteed, the amount so forgiven or waived shall be considered to be a contribution for the purposes of this Act and may be forgiven or waived only to the extent permitted under section 19.

CAMPAIGN ADVERTISING

38.—(1) No political party, constituency association or candidate registered under this Act and no person, corporation or trade union acting with its, his or her knowledge and consent shall, after the issue of a writ for an election and before the day immediately following polling day, except during the period of twenty-one days immediately preceding the day before polling day,

Period of
campaign
advertising
limited

- (a) advertise on the facilities of any broadcasting undertaking; or
- (b) procure for publication, cause to be published or consent to the publication of, except during such period, an advertisement in a newspaper, magazine or other periodical publication or through the use of outdoor advertising facilities,

for the purpose of promoting or opposing any registered party or the election of a registered candidate.

- (2) Subsection (1) does not apply to,

Exceptions

- (a) advertising of public meetings in constituencies;
- (b) announcing candidate or constituency headquarters' locations;
- (c) advertising for volunteer campaign workers;
- (d) announcing services for electors by candidates or constituency associations respecting enumeration and revision of lists of electors;
- (e) announcing services for electors on polling day; or
- (f) any other matter respecting administrative functions of constituency associations,

providing that advertisements, announcements and other matters are done in accordance with the guidelines of the Commission.

Extension of
period of
campaign
advertising

(3) Nothing contained in subsection (1) prohibits the procuring for publication, causing to be published or consenting to the publication of,

- (a) an advertisement referred to therein on the day immediately preceding polling day in a newspaper which is published in Ontario not more frequently than once a week and whose day of regular publication falls on the day immediately preceding polling day;
- (b) an advertisement referred to therein on the day immediately preceding polling day and on polling day through the use of any commercial billboard advertising facility; or
- (c) *bona fide* news reporting during the period referred to therein,

R.S.C. 1970,
c. B-11

or prohibits the broadcasting on the facilities of a broadcasting undertaking of *bona fide* news reporting in accordance with the provisions of the *Broadcasting Act* (Canada), the regulations thereunder and Guides published in accordance therewith during the period referred to therein.

Rates to be
charged to
parties,
constituency
associations
and
candidates
for
broadcast-
ing time and
advertising
space

(4) No person or corporation shall,

- (a) charge a registered party, constituency association or candidate, or any person acting with its, his or her knowledge and consent, a rate for broadcasting time on any broadcasting undertaking in the period beginning on the twenty-first day before the day immediately before polling day at an election and ending on the second day before polling day, that exceeds the lowest rate charged by the person or corporation for an equal amount of equivalent time on the same facilities made available to any other person in that period; or
- (b) charge a registered party, constituency association or candidate, or any person acting with its, his or her knowledge and consent, a rate for an advertisement in a periodical publication published or distributed and made public in the period referred to in clause (a) that exceeds the lowest rate charged by the person or corporation for an equal amount of equivalent advertising space in the same issue of the periodical or in any other issue thereof published or distributed and made public in that period.

CAMPAIGN EXPENSES

39.—(1) The total campaign expenses incurred by a registered party and any person, corporation, trade union, unincorporated association or organization acting on behalf of that party during any campaign period shall not exceed the aggregate amount determined by multiplying 40 cents by,

Limitation on campaign expenses, of political party

- (a) in relation to a general election, the number of electors entitled to vote, as certified by the Chief Election Officer under the *Election Act, 1984*, in the electoral districts in which there is an official candidate of that party; and

1984, c. 54

- (b) in relation to a by-election in an electoral district, the number of electors entitled to vote, as certified by the Chief Election Officer under the *Election Act, 1984*, in that electoral district.

(2) The total campaign expenses incurred by a registered candidate, the constituency association endorsing that candidate and any person, corporation, trade union, unincorporated association or organization acting on behalf of that candidate or constituency association during any campaign period shall not exceed the amount that is the aggregate of \$2 for each of the first 15,000 of the number of electors entitled to vote, as certified by the Chief Election Officer under the *Election Act, 1984*, in the candidate's electoral district and \$1 for each of the number of such electors in excess of 15,000 but not exceeding 25,000, and \$0.25 for each of the number of such electors in excess of 25,000.

of candidate and constituency association

(3) In relation to candidates in the electoral districts of Cochrane North, Rainy River, Kenora, Lake Nipigon, Algoma and Nickel Belt, as set out in the Schedule to the *Representation Act, 1986*, the amount determined under subsection (2) shall be increased by \$5,000.

Increase for certain candidates

1986, c. 30

(4) Where the total campaign expenses incurred by a registered party and any person, corporation, trade union, unincorporated association or organization acting on behalf of that party exceed the amount determined under subsection (1) or where the total campaign expenses incurred by a registered candidate, the constituency association endorsing that candidate and any person, corporation, trade union, unincorporated association or organization acting on behalf of that candidate exceed the amount determined under subsection (2), the amount of the subsidy, if any, payable to the political party's chief financial officer under subsection 46 (6) or to the candidate's chief financial officer under subsection 46 (1), as

Reduction of subsidy

the case may be, shall be reduced by an amount equal to such excess.

Approval
of chief
financial
officer

(5) No constituency association shall incur campaign expenses in an aggregate amount in excess of the amount that has been previously approved in writing by the chief financial officer of the candidate endorsed by that constituency association.

Time for
submission
of payment
claims

(6) Every person, corporation or trade union who has any claim for payment in relation to a campaign expense shall submit such claim within three months after polling day to the chief financial officer of the registered party, constituency association or candidate that incurred the campaign expense.

Payment of
expenses by
chief
financial
officer

(7) Every payment of a campaign expense shall be made by the chief financial officer of the registered party, constituency association or candidate that incurred the campaign expense and, except where the campaign expense is less than \$25, such campaign expense shall be vouched for by a statement setting forth the particulars and proof of payment.

Disputed
claims

(8) Where the chief financial officer of a registered party, constituency association or candidate disputes or refuses to pay any claim for payment in relation to a campaign expense, such claim shall be considered to be a disputed claim and the claimant may bring an action for payment in any court of competent jurisdiction.

FOUNDATION

Establish-
ment of
foundation

40.—(1) A political party shall, prior to filing an application for registration under this Act, establish a non-profit corporation as a foundation for the purposes of receiving and managing the assets, except the premises, equipment, supplies and other such property required for the administration of the affairs of the party, held by the political party immediately prior to filing such application and,

1980-81,
c. 40 (Can.)

R.S.O. 1980,
cc. 249, 512

(a) all the assets of the foundation shall consist of deposits with The Province of Ontario Savings Office, a bank to which the *Bank Act* (Canada) applies or a trust company registered under the *Loan and Trust Corporations Act* or shall be invested in investments authorized for trust moneys by the *Trustee Act*;

(b) no funds or other property shall be received by or transferred to the foundation after the filing of an application for registration of that political party other than interest on the amounts on deposit or the

income from investments referred to in clause (a); and

- (c) the foundation shall file with the Commission, on or before the 31st day of May in each year, a report of the expenditures of the foundation during the previous year.

(2) Funds transferred by the foundation to a political party, constituency association or candidate are not contributions for the purposes of this Act but shall be recorded as to amount and source by the recipient of the funds.

Foundation
funds not
contributions

(3) Subsection (1) does not apply, and shall be deemed never to have applied, to a political party whose assets, at the time of application for registration under this Act, consist only of the premises, equipment, supplies and other such property required for the administration of the affairs of the political party.

Application

AUDITORS

41.—(1) Every candidate and leadership contestant at the time of appointment of his or her chief financial officer, and every registered party and registered constituency association, within thirty days after becoming registered under this Act, shall appoint an auditor licensed under the *Public Accountancy Act* or a firm whose partners resident in Ontario are licensed under that Act and shall forthwith advise the Commission of the name and address of such auditor or firm.

Appointment
of auditor

R.S.O. 1980,
c. 405

(2) Where an auditor appointed under subsection (1) ceases for any reason, including resignation, to hold office as such, ceases to be qualified as provided in subsection (1) or becomes ineligible as provided in subsection (3), the candidate, leadership contestant, political party or constituency association, as the case may be, shall forthwith appoint another auditor licensed under the *Public Accountancy Act* or a firm whose partners resident in Ontario are licensed under that Act and shall forthwith advise the Commission of the name and address of such auditor or firm.

Idem

(3) No returning officer, deputy returning officer or election clerk and no candidate, or leadership contestant, or chief financial officer of a candidate or leadership contestant, or chief financial officer of a registered party or constituency association shall act as the auditor for the candidate, leadership contestant, registered party or constituency association, but nothing in this subsection makes ineligible the partners or firm with which such a person is associated from acting as an

Persons not
eligible

auditor for a candidate or registered party or constituency association or leadership contestant.

Auditor's
report

(4) The auditor appointed under subsection (1) or (2) shall make a report to the chief financial officer of the candidate, leadership contestant, political party or constituency association that appointed the auditor in respect of the financial statements, as required by sections 42, 43 and 45 and shall make such examination of the financial statements and supporting documentation as is necessary to enable the auditor to report thereon in accordance with generally accepted auditing standards.

Where
statement
required

(5) An auditor, in the report under subsection (4), shall make such statements as the auditor considers necessary in any case where,

- (a) the auditor has not received from the chief financial officer all the information and explanation that he or she has required; or
- (b) proper accounting records have not been kept by the chief financial officer so far as appears from the auditor's examination.

Right of
access

(6) An auditor appointed under subsection (1) or (2) shall have access at all reasonable times to all records, documents, books, accounts and vouchers of the candidate, leadership contestant, political party or constituency association that appointed the auditor and is entitled to require from the chief financial officer such information and explanation as in the auditor's opinion may be necessary to enable the auditor to report as required by subsection (4).

Auditor's
subsidy

(7) The Commission shall subsidize the cost of auditors' services for constituency associations, candidates and leadership contestants by paying,

- (a) to the auditor of each constituency association in respect of an audit for the association under sections 42, 43 and 45, the lesser of \$400 and the amount of the auditor's account to the association;
- (b) to the auditor of a candidate in respect of an audit for the candidate under sections 43 and 45, the lesser of \$800 and the amount of the auditor's account to the candidate; and
- (c) to the auditor of a leadership contestant in respect of an audit for the leadership contestant under sec-

tions 43 and 45, the lesser of \$600 and the amount of the auditor's account to the leadership contestant.

FINANCIAL STATEMENTS

42. The chief financial officer of every political party and constituency association registered under this Act shall, on or before the 31st day of May in each year, file with the Commission a financial statement,

Annual
filing of
financial
statement
and report

- (a) of assets and liabilities as at the end of the previous year;
- (b) of income and expenses for the previous year, excluding, in the case of a political party, the income and expenses relating to an election received or incurred in a campaign period and, in the case of a constituency association, all income and expenses received or incurred in a campaign period; and
- (c) setting out all the information required to be recorded under subsection 35 (1) for the previous year, excluding such information that relates to a campaign period.

of the political party or constituency association for which the chief financial officer acts, together with the auditor's report thereon as required by subsection 41 (4).

43.—(1) The chief financial officer of every political party, constituency association and candidate registered under this Act shall, within six months after polling day, file with the Commission a financial statement,

Filing of
financial
statement
relating to
campaign
period

- (a) in the case of a political party, of the income and expenses relating to the election received or incurred in the campaign period and in the case of a constituency association or candidate, of all income and expenses received or incurred in the campaign period;
- (b) of all campaign expenses, paid and outstanding, incurred in a campaign period and a statement of all disputed claims; and
- (c) setting out all the information required to be recorded under subsection 35 (1) that relates to the campaign period,

of the political party, constituency association or candidate for which the chief financial officer acts, together with the auditor's report thereon as required by subsection 41 (4).

By-elections

(2) In relation to a by-election, subsection (1) applies only to registered political parties and constituency associations that received contributions or made expenditures in relation to such by-election, and to registered candidates at such by-election.

Where
general
election
called

(3) Where writs for a general election are issued during a campaign period relating to a by-election, the campaign period relating to such by-election shall, for the purposes of subsection (1), be deemed to have terminated on the day before the day the writs for the general election were issued and the financial statements referred to in subsection (1) shall be filed with the Commission within three months after the deemed termination of the campaign period.

Filing of
financial
statement
relating to
leadership
contest

(4) The chief financial officer of every leadership contestant registered under this Act shall, within six months after the date of the leadership vote, file with the Commission a financial statement,

- (a) of all income and expenses received or incurred in a leadership contest period; and
- (b) setting out all the information required to be recorded under subsection 35 (1), of the leadership contestant for whom the chief financial officer acts, together with the auditor's report thereon as required by subsection 41 (4).

Surplus

(5) Where the leadership contestant's financial statement shows a surplus, such surplus shall be forthwith paid over to the registered party, the leadership of which the leadership contestant was contesting.

Failure of
candidate
or leadership
contestant
not elected
to file
statement
and report

44.—(1) Where the chief financial officer of a registered candidate or leadership contestant who is not declared elected fails to file a financial statement as required by section 43, together with the auditor's report thereon as required by subsection 41 (4), the candidate or leadership contestant, in addition to any other penalty, is ineligible to stand as a candidate at any election up to and including the next general election unless prior thereto he or she or the chief financial officer has filed such financial statement and the auditor's report thereon with the Commission.

Vacation
of seat

(2) Where,

- (a) in the case of a registered candidate who is elected as a member of the Assembly, the total campaign expenses incurred by the member during the campaign period relating to the election at which the candidate was elected exceeds the amount determined under subsection 39 (2); or
- (b) in the case of a registered candidate or registered leadership contestant who is elected or sitting as a member of the Assembly, the chief financial officer of the member fails to file a financial statement as required by section 43, together with the auditor's report thereon as required by subsection 41 (4),

the Commission shall notify the Speaker who shall inform the Assembly and, if the Assembly finds no mitigating reason for non-compliance, the member shall forthwith vacate his seat and, in addition, the member is liable to any other penalty that may be imposed under any Act.

- (3) Where a member is required to vacate his or her seat,

Speaker's
warrant

- (a) under clause (2) (a); or
- (b) under clause (2) (b), unless the member or his or her chief financial officer files a financial statement and the auditor's report thereon with the Commission within sixty days after the Speaker has informed the Assembly of the non-compliance under subsection (2),

the Speaker shall address a warrant under the hand and seal of the Speaker to the Chief Election Officer for the issue of a writ for the election of a member in the place of the member whose seat is vacated and the writ shall be issued accordingly.

45.—(1) Where the chief financial officer of a registered political party or constituency association ceases for any reason, other than death or incapacity, to hold office as such, the chief financial officer shall, within forty-five days following the day on which he or she ceased to hold office, file with the Commission financial statements of assets and liabilities and of income and expenses of the political party or constituency association, as the case may be, for which the chief financial officer acted for the period commencing with the day immediately following the most recent period for which a financial statement has been filed with the Commission under section 42 or this section and ending on the day on which he or she ceased to hold office, together with the auditor's report thereon as required by subsection 41 (4).

Where chief
financial
officer ceases
to hold office

Idem

(2) Where the chief financial officer of a registered candidate or leadership contestant ceases for any reason, other than death or incapacity, to hold office as such during a campaign period or leadership contest period, as the case may be, the chief financial officer shall, within forty-five days following the day on which he or she ceased to hold office, file with the Commission a financial statement of income and expenses of the candidate or leadership contestant for whom the chief financial officer acted for the period commencing with the later of the day of his or her appointment and the day the candidate or leadership contestant became registered with the Commission and ending on the day on which he or she ceased to hold office, together with the auditor's report thereon as required by subsection 41 (4).

Where
financial
statements
not filed

(3) Where, for any reason, the chief financial officer fails to file the financial statements required by subsection (1) or (2); or where the chief financial officer has died or become incapacitated, the political party, constituency association, candidate or leadership contestant, as the case may be, for which the chief financial officer acted shall, within sixty days following the day on which the chief financial officer ceased to hold office, file with the Commission the financial statements required by subsection (1) or (2), as the case may be, together with the auditor's report thereon as required by subsection 41 (4).

PUBLIC FUNDING OF CANDIDATE AND PARTY EXPENSES

Reimburse-
ment of
campaign
expenses

46.—(1) Every registered candidate in an electoral district who receives at least 15 per cent of the popular vote in such electoral district is entitled to be reimbursed by the Commission for the lesser of campaign expenses for the campaign period as shown on the statement of income and expenses filed with the Commission, in accordance with section 43, together with the auditor's report in accordance with subsection 41 (4), or an amount equal to 20 per cent of the maximum expenditure limit in accordance with subsection 39 (2).

Idem

1986, c. 30

(2) In relation to candidates in the electoral districts of Cochrane North, Rainy River, Kenora, Lake Nipigon, Algoma and Nickel Belt, as set out in the Schedule to the *Representation Act, 1986*, the amount determined under subsection (1) shall be increased by \$5,000.

No reim-
bursement
unless
financial
statement
and report
filed

(3) A candidate is not entitled to be reimbursed for expenses under subsection (1) unless the candidate or his or her chief financial officer has filed the financial statements of income and expenses as required by section 43, together with

the auditor's report thereon as required by subsection 41 (4), and the Commission is satisfied that such statements meet the requirements of this Act.

(4) Where the candidate's financial statement shows a deficit and the candidate is entitled to be reimbursed for expenses under subsection (1), the moneys payable to his or her chief financial officer shall be first applied to discharge the debts creating the deficit and should any deficit remain thereafter, in the case of a candidate endorsed as the official candidate of a registered party, the deficit shall be assumed by the registered constituency association endorsing that candidate.

Moneys to be applied to discharge debts of candidate

(5) Any surplus, determined by taking into account in the financial statement of a registered candidate the moneys, if any, paid to the candidate's chief financial officer under subsection (1), shall be forthwith paid over,

Surplus in candidate's account

(a) in the case of a candidate endorsed as the official candidate of a registered party, to that registered party or to the registered constituency association endorsing the candidate; and

(b) in the case of an independent candidate, to the Commission.

(6) Every registered party that receives at least 15 per cent of the popular vote in any electoral district and that has filed its statement of income and expenses with the Commission in accordance with section 43, together with the auditor's report in accordance with subsection 41 (4), is entitled to be reimbursed by the Commission for the aggregate amount determined by multiplying 5 cents by the number of electors entitled to vote, as certified by the Chief Election Officer under the *Election Act, 1984* in each electoral district in which the political party received 15 per cent of the popular vote and such moneys shall be payable to the political party's chief financial officer.

Reimbursement of political party's expenses

1984, c. 54

(7) A political party is not entitled to be reimbursed for expenses under subsection (6) unless its chief financial officer has filed the financial statements required by section 43, together with the auditor's report thereon as required by subsection 41 (4), and the Commission is satisfied that such statements meet the requirements of this Act.

Filing of financial statements required

(8) In this section,

Definitions

"independent candidate" means a person referred to in clause (c) of the definition of "candidate" in subsection 1 (1):

“popular vote” means the total counted ballots cast in favour of all candidates in an electoral district and does not include any rejected, cancelled, declined or unused ballot.

FORMS

Forms

47. All applications, returns, statements, balance sheets and other documents required to be filed with the Commission shall be filed in the form prescribed therefor by the Commission.

OFFENCES

Offence by chief financial officer

48.—(1) The chief financial officer of a political party, constituency association, candidate or leadership contestant registered under this Act who contravenes section 42, 43 or 45 is guilty of an offence and on conviction is liable to a fine of not more than \$1,000.

Offence by party or constituency association

(2) Where any contravention of this Act that is an offence by virtue of subsection (1) is committed by a chief financial officer of a political party, constituency association, candidate or leadership contestant registered under this Act, the political party, constituency association, candidate or leadership contestant for which the chief financial officer acts is guilty of an offence and on conviction is liable,

(a) in the case of a registered party, to a fine of not more than \$2,000; and

(b) in the case of a registered constituency association, registered candidate or registered leadership contestant, to a fine of not more than \$1,000.

Offence by corporation or union

49. Every corporation or trade union that contravenes any of the provisions of this Act is guilty of an offence and on conviction is liable to a fine of not more than \$10,000.

General offence

50. Every person, political party or constituency association that contravenes any of the provisions of this Act, for which contravention no penalty is otherwise provided, is guilty of an offence and on conviction is liable to a fine of not more than \$1,000.

Offence for obstructing investigation

51. No person shall obstruct a person making an investigation or examination under this Act or withhold from him or her or conceal or destroy any books, papers, documents or things relevant to the subject-matter of the investigation or examination.

52. No person shall knowingly make a false statement in any application, return, financial statement or other document filed with the Commission under this Act.

Offence
for false
statement

53. No person shall knowingly give false information to a chief financial officer or other person authorized to accept contributions.

Offence
for false
information

54.—(1) A prosecution for an offence under this Act may be instituted against a political party, constituency association or trade union in the name of the political party, constituency association or trade union and for the purposes of any such prosecution, a political party, constituency association or trade union shall be deemed to be a person.

Style of
prosecution
of party,
constituency
association
or union

(2) Any act or thing done or omitted by an officer, official or agent of a political party, constituency association or trade union within the scope of his or her authority to act on behalf of the political party, constituency association or trade union shall be deemed to be an act or thing done or omitted by the political party, constituency association or trade union.

Vicarious
responsi-
bility

55. No prosecution shall be instituted under this Act without the consent of the Commission and no prosecution shall be instituted more than one year after the facts upon which the prosecution is based first came to the knowledge of the Commission.

Consent of
Commission
and
limitation

56.—(1) The *Election Finances Reform Act*, being chapter 134 of the Revised Statutes of Ontario, 1980, is repealed.

Repeal

(2) Notwithstanding subsection (1), the *Election Finances Reform Act* shall be deemed to continue in force in respect of those persons registered with the Commission under that Act as candidates at a by-election for which a writ was issued prior to the day this Act receives Royal Assent.

Exception
R.S.O. 1980,
c. 134

COMPLEMENTARY AMENDMENTS

57. Subsection 28 (1) of the *Corporations Tax Act*, being chapter 97 of the Revised Statutes of Ontario, 1980, is amended,

- (a) by striking out “at an election of a member or members to serve in the Assembly” in the ninth and tenth lines; and
- (b) by striking out “\$4,000” in subclause (a) (iii) and inserting in lieu thereof “\$7,000”.

58. Subsection 7 (6) of the *Income Tax Act*, being chapter 213 of the Revised Statutes of Ontario, 1980, is repealed and the following substituted therefor:

Tax credit
for election
contributions

1986, c. 33

(6) In respect of the aggregate amounts (the aggregate of which amounts is hereafter in this subsection referred to as “the amount contributed”) that are contributions for the purposes of the *Election Finances Act*, 1986, and that are contributed in the taxation year by an individual to registered candidates, to registered constituency associations or to registered parties, every individual resident in Ontario on the last day of the taxation year may deduct from the amount by which his or her tax payable under this Act for that taxation year calculated without reference to this section exceeds the amount of the deduction to which he or she is entitled under subsection (2) for the taxation year,

- (a) 75 per cent of the amount contributed if the amount contributed does not exceed \$200;
- (b) \$150 plus 50 per cent of the amount by which the amount contributed exceeds \$200 and does not exceed \$800; or
- (c) the lesser of,
 - (i) \$450 plus 33 1/3 per cent of the amount by which the amount contributed exceeds \$800 if the amount contributed exceeds \$800, and
 - (ii) \$750,

provided that payment of each amount that is included in the amount contributed is proven by filing with the Minister receipts that are signed by a recorded agent of the registered candidate, registered constituency association or registered party, as the case may be, and that contain the information prescribed to be shown on such receipts.

59.—(1) Clauses 1 (1) (m) and (n) of the *Election Act*, 1984, being chapter 54, are repealed and the following substituted therefor:

- (m) “registered candidate” means a candidate registered with the Commission on Election Finances under the *Election Finances Act*, 1986;
- (n) “registered party” means a political party registered with the Commission on Election Finances under the *Election Finances Act*, 1986.

1986, c. 33

(2) Subsection 19 (3) of the said Act is amended by striking out “and” at the end of clause (d), by adding “and” at the end of clause (e) and by adding thereto the following clauses:

- (f) the determination, in consultation with the Chief Election Officer, of the total number of names on all the lists of electors for the electoral district; and
- (g) a certified statement of the total number of names on all the lists of electors as determined under clause (f) to be furnished as soon as possible to each candidate in the electoral district and to the Commission on Election Finances.

(3) Subsection 27 (9) of the said Act is amended by striking out “Commission on Election Contributions and Expenses under the *Election Finances Reform Act*” in the fourth, fifth and sixth lines and inserting in lieu thereof “Commission on Election Finances under the *Election Finances Act, 1986*”.

(4) The said Act is amended by adding thereto the following section:

63a. Immediately following polling day, the Chief Election Officer shall determine the number of electors that were entitled to vote in each electoral district and, as soon as possible thereafter, shall furnish a certified statement thereof to each candidate in the electoral district and to the Commission on Election Finances.

Statement by
C.E.O. of
number of
electors
entitled
to vote

60.—(1) This Act, except sections 57 and 58, comes into force on the day it receives Royal Assent.

Commence-
ment and
application

(2) Section 57 shall be deemed to have come into force on the 1st day of January, 1986, and applies to corporations in respect of amounts contributed on or after that date.

Idem

(3) Section 58 shall be deemed to have come into force on the 1st day of January, 1986, and applies to the 1986 and subsequent taxation years.

Idem

(4) Notwithstanding subsection (1) of this section, the definition of “trade union” in subsection 1 (1), subsection 1 (2), subsection 17 (2), clause 19 (1) (a), subsection 22 (2), subsections 24 (3) and (4), section 25, subsections 27 (1), (3) and (4), sections 31 and 32 and subsection 35 (1) apply in respect of the whole of the 1986 and each subsequent calendar year.

Application

(5) Notwithstanding subsection (1) of this section, the definition of “campaign period” in subsection 1 (1), clause

Idem

4 (1) (k), subsection 4 (3), clause 19 (1) (b), subsection 19 (3), subsections 38 (2) and (3), sections 39 and 43, subsections 44 (1), (2) and (3) and section 46 apply in respect of a general election or by-election, as the case may be, the writ for which was issued after the day this Act receives Royal Assent.

Idem

(6) Notwithstanding subsection (1) of this section, subsection 41 (7) applies in respect of audited statements the last day for the filing of which under this Act occurs after the day this Act receives Royal Assent.

Short title

61. The short title of this Act is the *Election Finances Act, 1986*.