More than 85,000 call for changes to Bill C-76 to stop the unethical influence of big money in federal politics

Posted on October 17, 2018 by Bradford

Bill C-76 makes bad move of more than doubling interest group spending limit during elections, doesn’t lower undemocratically high limits on donations to parties and candidates

Bill should also be changed to prohibit Canadian-based subsidiaries of foreign-owned businesses from spending money on pre-election and election advertising because they are owned by foreigners

FOR IMMEDIATE RELEASE:
Wednesday, October 17, 2018

OTTAWA – Today, as the House of Commons Procedure and House Affairs Committee continues its review of Bill C-76, Democracy Watch called on the Committee to decrease donation limits and not to increase the spending limits for third parties,
following up on its call last week that the Committee make changes to extend the federal privacy law to cover political parties, and to actually stop secret, false online election ads.

Democracy Watch testified at the hearings on Bill C-7 in June and pointed to several weaknesses in the bill. While Bill C-76 reduces some key barriers to voting, it does little else to ensure fair, democratic elections.

Bill C-76, like the recently enacted Bill C-50 that comes into effect on December 18th, is a charade that does nothing to stop the unethical influence of big money in Canadian politics. The Bill doesn’t change the annual individual donation limits of $1,575 to each party and another $1,575 to the riding associations of each party (both increased each year by $25) nor does it decrease the $5,000 amount an election candidate can give to their own campaign or the $25,000 a party leadership candidate can give to their campaign.

These high donation limits are much more than an average adult Canadian can afford – they favour wealthy donors and candidates and facilitate funnelling of donations from businesses and unions through their executives (which has occurred in every jurisdiction in Canada with such high donation limits). Democracy Watch recently filed complaints with the federal Ethics Commissioner and Lobbying Commissioner about Liberal Party fundraising events involving ministers and lobbyists who lobby them (as revealed by the Globe and Mail).

As well, Bill C-76 more than doubles the spending limits for third party interest groups and individuals during election campaigns (from approximately $200,000 up to $500,000). The Liberals claim this increase is needed because the spending limit is being extended to cover election surveys and “partisan activities” such as door-knocking, phone calls and rallies but only citizen groups do those kinds of activities (businesses usually only spending money on ads). As a result, the limit should be increased only for citizen groups as the increase in the limit will more than double the amount of advertising businesses can do during an election campaign period.

“The only way to stop big money in politics is to stop big donations and Bill C-76 does nothing to lower the federal donation limits that are much higher than an average Canadian can afford, and that allow lobbyists to buy influence with politicians and parties,” said Duff Conacher, Co-founder of Democracy Watch. “Bill C-76 also more than doubles the ad spending limits for interest groups and lobbyists during elections which will increase the power of wealthy interests to dominate election campaign debates with massive advertising campaigns. Canadian-based subsidiaries of foreign-owned businesses should especially be prohibited from advertising during Canadian elections because they are owned by foreigners.”

Bill C-76 also sets meaninglessly high limits of $1.5 million for party ad spending and $1 million for third-party (interest group) ad spending during the 60-75 days before the
election campaign period begins. The limits are meaningless because it is highly unlikely that any party or third-party will spend anywhere near those amounts during July and August – the only times the limits will apply (as the pre-campaign limits only apply when the election is held on the fixed election date of the third Monday in October). As well, the pre-campaign limit only applies to “partisan advertising” that promotes or opposes a party or a candidate, not to issue-based advertising.

The key changes that must be made to democratize the federal political finance system are as follows:

1. limit annual combined total donations of money, property and services by individuals to $100-200 to each party (Quebec’s limit is $100), and establish the same limit on candidates donating to their own campaign, with all donations routed through the election watchdog agency (as in Quebec);
2. prohibit loans to political parties, riding associations and candidates, except from a public fund (with loans limited to the average annual amount of donations received during the previous two years);
3. strictly limit spending leading up to, and during election campaigns by parties, nomination race and election candidates, third party interest groups, and also candidates in party leadership races, and prohibit Canadian-based subsidiaries of foreign-owned businesses from spending money on election-related advertising;
4. require disclosure of all donations and gifts of money, property, services and volunteer labour given to any party, riding association, politician, nomination race, election or party leadership candidate, including the identity of the donor’s employer, and board and executive affiliations (and the identity of anyone who assists with any fundraising or fundraising event);
5. give annual public funding for parties based on each vote received during the last election (no more than $1 per vote, with a portion required to be shared with riding associations);
6. give annual public funding matching up to $1 million that each political party raises (Quebec matches up to $200,000);
7. give public funding matching up to $25,000 that each nomination race and election candidate (including independent candidate) raises (similar to Quebec’s matching funding system), and public funding matching up to $200,000 that each party leadership campaign candidate raises, and;
8. require election, donation and ethics watchdogs to conduct annual random audits to ensure all the rules are being followed by everyone;
9. Elections Canada, or the Auditor General, must be empowered to review all government advertising and to stop or change any ad that is partisan or misleading;
10. all penalties for violating donation and spending rules must be increased to minimum $100,000 fine and a multi-year jail term, and loss of any severance payment, and a partial clawback of any pension payments;
11. Elections Canada and the Commissioner of Canada Elections must be required to disclose the rulings they make on all complaints they receive as soon as they
make the ruling, and to disclose the rulings they make on all investigations they initiate themselves.

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Democracy Watch’s Money in Politics Campaign
More than 17,000 call on House Committee to strengthen Bill C-76 to stop secret, fake online election ads and invasions of privacy by political parties

Posted on October 11, 2018 by Bradford

Are Liberals protecting their own data mining and their social media company friends or will they make the public interest changes called for by experts, committees and Canadians?

Over the next week, Democracy Watch will highlight other key undemocratic changes made in Bill C-76 – the Trudeau Liberals must have been joking when they called it the “Election Modernization Act”

FOR IMMEDIATE RELEASE:
Thursday, October 11, 2018

OTTAWA – Today, as the House of Commons Procedure and House Affairs Committee continues its review of Bill C-76, Democracy Watch announced that more than 17,000 Canadians have either signed its online petition on Change.org or its letter-writing campaign calling for changes to stop secret, false online election ads or signed its online petition calling for political parties to be covered by the federal privacy law, and other key privacy protection changes.

Democracy Watch’s petitions were submitted to the House Committee, and it also testified at the hearings on Bill C-76 in June and pointed to several weaknesses in the bill that will do little to protect political parties from abusing Canadians’ personal information or to stop secret, false online election ads.

While Bill C-76 reduces some key barriers to voting, it does little else to ensure fair, democratic elections – over the next week Democracy Watch will reveal other significant, undemocratic steps backwards in the bill that make it far from an “Election Modernization Act” as the Trudeau Liberals have titled the bill.

Democracy Watch’s privacy protection petition calls for changes to strengthen the rules, enforcement and penalties and apply them to all businesses and government institutions, including political parties. Privacy commissioners across Canada have called for parties to be covered by privacy laws as has another House Committee report released in June. In its current form, Bill C-76 only requires political parties to have a privacy policy that they enforce themselves.
Democracy Watch’s online election ad petition and campaign call for key changes to ensure that all election advertising, in media and social media, complies with the Canada Elections Act’s prohibitions on false ads that exceed political party, candidate and third-party spending limits. Many experts have also called for similar changes.

In its current form, Bill C-76 only prohibits social media companies from knowingly running an ad paid for by a foreigner or foreign entity. That will do nothing to stop secret, fake online election ads paid for by Canadians or Canadian entities, and will do little to stop foreign-paid ads as the social media companies will just claim they didn’t know the ads were paid for by foreigners.

As CTV detailed in March 2017, the Liberal Party uses Data Sciences Inc., run by Prime Minister Trudeau’s friend Tom Pitfield, for its data management of the private, personal information it gathered on Canadian voters. And as CTV in that article, and also Maclean’s magazine detailed in October 2017, Mr. Pitfield also heads up the think tank Canada 2020, which has Facebook and Google as partners (see logos at bottom of page) and executives from Facebook Canada and Google Canada as advisers.

And as the Ottawa Citizen detailed in May 2018, Liberal Party-connected lobbyists and executives work for Facebook, Google, Microsoft, with their friends and/or former colleagues now working for Trudeau Cabinet ministers. In late April, Democracy Watch filed a complaint with the federal Lobbying Commissioner about Facebook Canada failing to register as a lobbying company, and about a Facebook executive doing favours for Trudeau Liberal Cabinet ministers.

“Will the Trudeau Cabinet make the changes called for by experts, committees and thousands of Canadians to ensure the privacy of Canadians and the integrity of federal elections are protected or will the Trudeau Liberals continue to hide behind weak and flawed bills that only protect the Liberal Party and their many friends in social media companies?” asked Duff Conacher, Co-founder of Democracy Watch. “Businesses and political parties and social media companies cannot be trusted to protect Canadians’ privacy or to stop fake or foreign ads on their own because they are in a conflict of interest since they make money from privacy invasions and ads.”

Democracy Watch’s online election ad petition and campaign call for changes to ensure that all election advertising, in media and social media, complies with election laws that:

- prohibit foreigners from running ads (such as section 331 and section 282 of the Canada Elections Act);
- prohibit false ads (such as section 482 of the Canada Elections Act), and;
- at the federal level and in seven provinces, limit spending on advertising by “third party” interest groups and individuals (an eighth province, Alberta, requires registration of third parties, and doesn’t allow contributors from outside the province).
The problem is mainly with social media sites, like Facebook, through which ads can be targeted directly and only to a specific individual's page. Unlike an ad in a newspaper or on radio or TV, election watchdog agencies, the media and the public can't track these targeted online social media ads because only the targeted individual sees the ad. As a result, they can't ensure the ads comply with the law.

“Canada’s democracy faces the new threat of fake and foreign online election ads, and we need to fight back with changes to elections laws to stop these ads,” said Conacher. “Social media companies cannot be trusted to stop fake or foreign ads on their own because they are in a conflict of interest since they make money from the ads and also some of the companies have significant ties to the Trudeau Liberals.”

Democracy Watch’s Stop Fake Online Election Ads campaign calls for the following six key changes:

1. prohibit media and social media companies from publishing election-related ads during the six months leading up to an election if the ad is paid for with foreign currency (such as Russian rubles);
2. require media and social media companies to report every election-related ad to the election law enforcement agency during the six months leading up to an election so the ad can be reviewed to determine if it makes a clearly false claim about a party or candidate;
3. require media and social media companies to report to the election law enforcement agency who placed and paid for each ad, and how much was spent on the ad, so agency can determine if the amount spent on the ad violates the legal limit (including the amount spent on having employees or contractors or bots share, like or retweet the ad);
4. require the government to establish an independent commission (whose members are appointed by non-governmental bodies like the Canadian Judicial Council) to conduct a public, merit-based search for the next Chief Electoral Officer (CEO) of Elections Canada (and for the next head of the election law enforcement agency in each province), with the commission giving a shortlist of nominees to the party leaders from which they will all choose together one person as the head of the agency;
5. give the head of the election law enforcement agency (who, at the federal level, is the Commissioner of Canada Elections) the power, during the six months leading up to an election, to order clearly false, illegal ads be deleted from media and social media sites, and require the head to issue these orders within a few days of receiving the information about each ad, and;
6. give the head of the election law enforcement agency the power to impose significant fines on social media companies and advertisers who violate the rules (the fines must be large enough to discourage attempts to violate the rules).
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Bill C-76 must be changed to strengthen rule prohibiting baiting voters with false promises during federal elections

Rule must be strengthened because Commissioner of Canada Elections negligently refused to enforce it to sanction PM Trudeau’s false electoral reform promise, continuing the Commissioner’s weak record that includes 3,000 secret rulings

Bill C-76 also makes more false claims about election candidates legal

And, as DWatch pointed out last week, Bill C-76 also increases the ability of wealthy interests to dominate election debates with ads, and doesn’t do enough to protect voters’ privacy or to stop secret, fake online election ads

FOR IMMEDIATE RELEASE:
Monday, October 22, 2018
OTTAWA – Today, as Bill C-76 heads back to the House of Commons from the House Procedure Affairs Committee, Democracy Watch called on MPs, among other key changes to the bill, to strengthen the rule in the Canada Elections Act prohibiting parties and candidates from baiting voters with false election promises, and not to narrow the scope of the rule in the law that prohibits false claims about candidates.

The first rule (subsection 482(b)) clearly prohibits false election promises by parties and candidates but it needs to be strengthened because the Commissioner of Canada Elections negligently refuses to enforce it. The Commissioner responded to Democracy Watch’s complaint about Liberal Party leader Justin Trudeau baiting voters with his false promise of electoral reform during the 2015 election with a decision refusing to enforce the rule.

This is not the first time that the Commissioner of Canada Elections has negligently failed to enforce the law. Elections Canada has kept more than 3,000 rulings on election complaints secret since 1997 because they may make the Commissioner look bad.

“Bill C-76 must be changed to strengthen the rule in Canada’s election law prohibiting parties and candidates from violating voters’ fundamental rights by baiting them with false promises because the Commissioner of Canada Elections refuses to enforce the rule,” said Duff Conacher, Co-founder of Democracy Watch. “This is not the first time the Commissioner has failed to effectively enforce the federal elections law as the Commissioner has an overall weak record including many secret rulings.”

As well, Bill C-76 narrows the scope of the rule that prohibits false claims about candidates (section 91 of the Canada Elections Act). The current rule prohibits any false claim “in relation to the personal character or conduct of a candidate or prospective candidate.” Bill C-76 narrows the rule so it only covers false claims that these people (and party leaders and officials) violated the law or have been charged or investigated for a violation, and false claims about the citizenship, place of birth, education, professional qualifications or membership in a group or association of these people.

“To ensure that candidates’ campaigns can’t be undermined by false accusations, Bill C-76 must be changed to maintain the current broad rule in Canada’s election law that prohibits essentially all false claims,” said Conacher.

Democracy Watch also called for Bill C-76 to be changed to make the Chief Electoral Officer, Commissioner of Canada Elections, and Director of Public Prosecutions actually independent from the federal Cabinet. Currently, all three are chosen through processes that are completely controlled by the Cabinet (as are many other federal democratic good government watchdogs), which taints them all with ruling party partisanship.

As well, Democracy Watch called for changes to the bill to require Elections Canada, the Commissioner, and the Director of Public Prosecutions to all issue a public ruling on

Democracy Watch is raising these concerns about Bill C-76 following up on its calls last week that the House Procedure Affairs Committee make other changes to the bill:

1. to actually stop secret, false online election ads and to extend the federal privacy law to cover political parties (the Liberals voted against an amendment to extend the privacy law to cover parties), and;
2. to decrease donation limits and not to increase the spending limits for third parties (and to ban Canadian-based, foreign-owned businesses from doing any election advertising).

Democracy Watch [testified at the Committee’s hearings on Bill C-76 in June](https://www.democracywatch.ca/assets/files/2018-07/20180723-listen-to-democracy-watch.pdf) and highlighted all these serious flaws in the bill, along with [20 or so other changes needed to ensure fair, democratic elections](https://www.democracywatch.ca/press-releases/2016/11-28/20-changes-needed-to-fair-democratic-elections) that Democracy Watch submitted to Special Committee on Electoral Reform and to the government in fall 2016. While [Bill C-76](https://www.parl.gc.ca/DocumentLibrary/Legislation/24th/2018/eng/c74-eng.pdf) reduces some key barriers to voting, it does little else to address key undemocratic election problems.

“If federal politicians actually want to protect the integrity of Canadian elections, Bill C-76 must also be changed to effectively stop secret, false online election ads, protect voter privacy, lower donation limits, not increase interest group ad spending limits, strengthen the independence, effectiveness and accountability of enforcement agencies, increase penalties for violations, and to add many other key fair, democratic election reforms,” said Conacher.

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