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February 2003

The Honourable Claude Richmond
Speaker of the Legislative Assembly
Province of British Columbia
Parliament Buildings
Victoria, British Columbia
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Honourable Speaker:

Pursuant to section 13 (1) (a) of the *Election Act*, I have the honour to present the 2002 Annual Report of the Chief Electoral Officer to the Legislative Assembly.

This Annual Report of the Chief Electoral Officer covers the period January 1, 2002 to December 31, 2002.

Respectfully submitted,

Harry Neufeld
Chief Electoral Officer

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Chief Electoral Officer's Message

Section 13 of the *Election Act* requires there to be an Annual Report prepared on the work done under the direction of the Chief Electoral Officer.

As I took my Oath of Office on November 7, 2002, I can hardly claim that the efforts of Elections BC were under my direction for anything other than the last seven weeks of the year.

During 2002, two people provided strong and capable direction for the vast majority of the work done by the electoral agency. Credit for this executive leadership belongs to the now-retired previous Chief Electoral Officer, Robert A. Patterson, and the Deputy Chief Electoral Officer, Linda M. Johnson.



Ms. Johnson was assigned the role of Acting Chief Electoral Officer while the five-month process of selecting a new Officer was underway, and she ensured that the organization never lost its stride.

I am pleased to be able to report that I have inherited a small permanent organization of 30 specialized staff who are highly dedicated to the Office's non-partisan role of administering electoral democracy in British Columbia.

Part of Elections BC's organizational challenge is that this small core team needs to perform ongoing programs while being continually ready to administer a variety of province-wide and district-specific events, both scheduled and on demand.

This report provides a description of how that challenge was faced in 2002.

Harry Neufeld
Chief Electoral Officer



Elections BC

Our Role and Mandate

Elections BC is the non-partisan office of the Legislature responsible for administration of the *Election Act*, the *Recall and Initiative Act*, the conduct of referenda under the *Referendum Act*, and the *Constitutional Amendment Approval Act*.

Our office administers the most comprehensive range of electoral legislation in Canada, with the *Recall and Initiative Act* being unique in the Commonwealth. Our core work includes event administration, planning and logistics, policy and procedure development, training, information collection and data maintenance.

The mandate of Elections BC can be divided into the following four general areas.

Event Administration

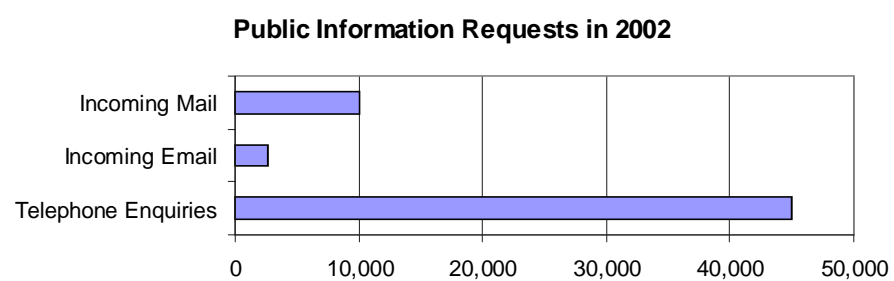
Elections BC must maintain a constant state of readiness for by-elections, referenda, plebiscites, and recall and initiative campaigns. These events can occur at any time, often with overlapping time frames. Under the *Constitution Act*, provincial general elections are now held on fixed dates. The next provincial general election is set for May 17, 2005.

Logistics and contingency planning are at the centre of many of our activities. Event planning and administration must be flexible to allow for rapid response to emerging issues. District Electoral Officers need to be appointed and trained to administer elections at the electoral district level, under the direction of the Chief Electoral Officer. Thorough testing of all plans is critical to ensure voting officials are able to perform their duties effectively and that voters face no administrative barriers to exercising their provincial electoral democratic rights.



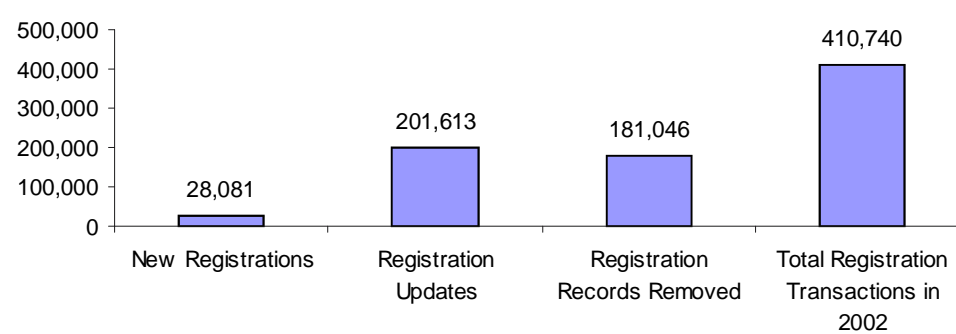
Public Information

Elections BC staff provide information to the public on all aspects of our business. In 2002, we received more than 50,000 enquiries from the general public by phone, mail and electronic mail.



Voter Registration

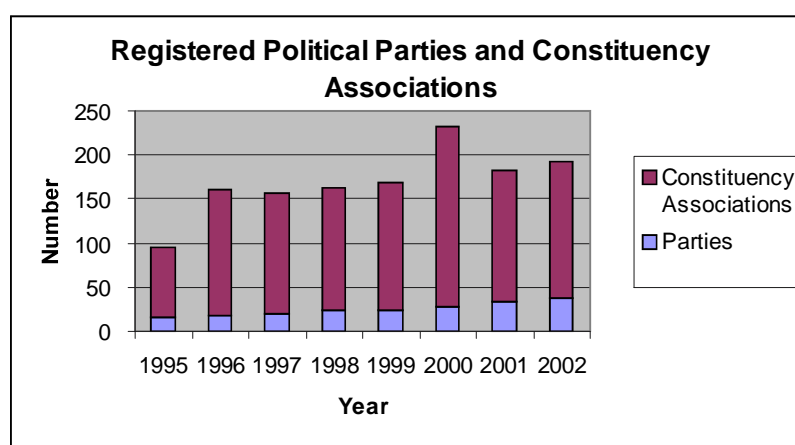
Elections BC has maintained a continuous voters list for more than 70 years, and was the first provincial jurisdiction in Canada to computerize the voters list. Voter registration and list maintenance are an important part of our day-to-day operations. In 2002, there were 410,740 voters list transactions processed.



Electoral Finance Administration

Our office is responsible for the registration of political parties, constituency associations, advertising sponsors and other participants in the electoral and initiative processes. British Columbia has the highest number of registered political parties of any electoral jurisdiction in Canada. There were 37 political parties and 155 constituency associations registered on December 31, 2002.

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All registered political parties and constituency associations must file annual financing reports. Each report is reviewed for compliance. Elections BC also conducts periodic audits of the financial affairs of these participants.

Through education and outreach efforts, including workshops, our office has helped achieve a dramatic improvement in election financing legislation compliance.

In addition to political parties and constituency associations, there were also 43 election advertising sponsors registered on December 31, 2002.

Our Vision, Mission and Values

Vision

Elections BC is an efficient, effective and non-partisan organization that ensures the fair and impartial administration of the Election Act and Recall and Initiative Act. The citizens of British Columbia have confidence in the electoral process and believe that Elections BC acts with equity. The provisions of the Election Act and Recall and Initiative Act are understood and respected, and British Columbians enjoy unfettered access to their democratic rights established by the Charter of Rights and Freedoms.

Mission

To serve the people of British Columbia by ensuring the effective and impartial administration of the electoral process.

Values

Elections BC respects the rule of law, and works with integrity, transparency, neutrality and independence. Value is placed on honesty, knowledge and professionalism. We operate with fairness and equity and respect individual differences and individual rights.



British Columbia's Chief Electoral Officer

Under the authority of the *Election Act* and *Recall and Initiative Act*, responsibility for the fair and impartial administration of provincial electoral events and referenda, recalls and initiatives lies with the Chief Electoral Officer. As a statutory officer of the Legislature, the Chief Electoral Officer reports directly to the Legislative Assembly through the Speaker.

Robert A. Patterson retired as Chief Electoral Officer for British Columbia on June 6, 2002, when his term expired. He held the position since 1990.

Deputy Chief Electoral Officer Linda M. Johnson was appointed and served as acting Chief Electoral Officer from June 21 to November 6.

On May 30, 2002, a Special Committee was established by the Legislative Assembly to select and recommend appointment of a new Chief Electoral Officer. On October 10, the Special Committee unanimously recommended Harry Neufeld's appointment. Mr. Neufeld took the Oath of Office as B.C.'s new Chief Electoral Officer on November 7.

Harry Neufeld's background includes more than 20 years experience in electoral management. He has held senior positions with Elections BC, the United Nations and Elections Canada. Mr. Neufeld's education includes a BA from the University of Lethbridge and a MA (Political Science) from the University of Victoria. He has written numerous articles on electoral management published by the International Institute for Democracy and Electoral Assistance (IDEA), the International Foundation for Election Systems (IFES) and the United Nations Electoral Assistance Division.

Our Goals

The five major goals of Elections BC	
1	Be innovative in efficient, effective and impartial administration of electoral and initiative legislation
2	Maintain an appropriate state of readiness for electoral and initiative events
3	Ensure all qualified voters have the opportunity to vote
4	Foster public awareness of the electoral process
5	Maintain a current, complete and accurate voters list

Overview of 2002 Electoral Events

During 2002, Elections BC was responsible for administering three electoral events.

Treaty Negotiations Referendum

Between April 2 and May 15, our office administered the Treaty Negotiations Referendum – the largest vote conducted entirely by mail by any provincial jurisdiction. The referendum was carried out pursuant to the *Referendum Act*, and the Treaty Negotiations Referendum Regulation, which came into force March 15, 2002.

In anticipation of the 2002 referendum, our office began preliminary planning sessions and research for government on different models to consider for administering a province-wide referendum. We presented government with two models. The first was vote-by-mail, estimated to cost \$9 million. The second model was the traditional ballot box method, estimated to cost \$18 million. Vote-by-mail was the model chosen.

In January, computer applications were developed to support the mail-out to more than 2.1 million voters, voter registration processing, and address updates by toll-free information centre operators. Computer applications were also developed to scan bar codes on voter certification envelopes and to retrieve and verify voter signatures. These programs recorded if someone had already voted, preventing any attempts to vote more than once, and recorded and reported counts of "yes" and "no" votes for each ballot question.

Two additional work sites were leased, one for preliminary mail handling and sorting, the other for ballot counting and the toll-free information centre.

In early March, seventy 1-800 information operators were trained and hired. The Elections BC information centre's primary purpose during the referendum was to provide voters with voter registration information, information on requesting and completing referendum packages, and other questions related to the referendum process. Between March 18 and May 17, operators assisted more than 30,300 voters across the province.



On March 15 printing of certification envelopes and assembly of voting packages began. Mail-out of voting packages to registered voters commenced April 2, and from April 2 to 12, Canada Post began delivery to registered voters. A total of 2,144,759 voting packages were mailed by the May 1 deadline for requesting a voting package.

By the May 15 deadline for return of ballots, 790,182 voters had returned voting materials to Elections BC. There were 26,702 packages not considered in the ballot count, as they did not meet the requirements of the Treaty Negotiations Referendum Regulation. The 763,480 ballots considered represented 35.84% of total registered voters.

Processing the 790,182 voting packages took place in two locations over six weeks. Staff validated voter identification, scanned and verified signatures, and counted ballots. As work in the mail sorting facility and toll-free information centre diminished, experienced staff were transferred to the verification and counting location.

Mail handling and preliminary sorting were conducted at a separate facility for security reasons. Due to anthrax scares across North America, all staff handling mail were given extensive occupational health and safety training and use of gloves was mandatory. Six voting packages were provided to the police or disposed of in a secure manner due to apparent contamination, none of which posed a threat to staff. Voters sent more than 2,000 letters and written comments about issues such as the lack of a mechanism to cast a "protest vote". Some voters returned their certification envelopes unsigned, as they may not have understood the procedures in place to protect the secrecy of their vote and ensure that the vote was cast by a registered voter and that no individual voted more than once.

An electronic signature verification process was used to validate registered provincial voter records. The voters list system was also reviewed before new registrations were accepted. To ensure consistency, ballots from eligible voting packages were counted twice by independent teams of referendum officials and the totals entered into a Statement of Votes system.

On July 3, the Acting Chief Electoral Officer reported the results to the Speaker of the Legislative Assembly, indicating the majority of votes were cast in favour of each of the eight questions posed on the ballot.

At the conclusion of counting, the two off-site processing sites and toll-free information centre were closed. Scanning and reviewing of documents commenced. Voting materials were sent to

an off-site secure location for retention, as required under the legislation, and a comprehensive debriefing was held.

The total cost of administering the province-wide vote-by-mail referendum was \$3,090,942. The original estimate was \$9 million. This estimate assumed participation by two million voters. As participation was significantly lower, the actual cost was much less. As a result, fewer staff were required, data entry levels were lower, and return postage costs were much lower than anticipated.

Initiative to Establish a Proportional Representation Electoral System

Under the *Recall and Initiative Act*, the Chief Electoral Officer issued a petition for an Initiative to Establish a Proportional Representation Electoral System to proponent Adriane Carr on May 13, 2002. The Act allows voters in British Columbia to propose new laws or changes to existing laws.

Prior to issuing the petition to the proponent, a significant amount of staff time was required to review the complex draft Bill.

The Act states that if more than 10% of registered voters in each provincial electoral district, who were registered to vote on the day the petition was issued, sign an initiative petition within the 90-day canvassing period, the Chief Electoral Officer must send a copy of the verified petition and draft Bill to the Select Standing Committee on Legislative Initiatives for consideration. The committee, after reviewing the Bill, may either table a report recommending introduction, or refer the initiative to the Chief Electoral Officer for an initiative vote. An initiative vote is legislated to occur on the last Saturday of September every third year after September 28, 1996.

On August 12, Adriane Carr, the initiative proponent, returned the petition to the Acting Chief Electoral Officer with 98,165 of the required 212,473 signatures. Since the *Recall and Initiative Act* came into force in 1995, none of the six initiative petitions have had sufficient signatures to meet the 10% threshold required.

Under the *Recall and Initiative Act*, initiative petition participants must file financial disclosure reports within 28 days after the end of the petition period. A summary of the initiative financing report for the proponent, Adriane Carr, can be found in Appendix E. All initiative advertising sponsors must file disclosure reports if the value of their initiative advertising was \$500 or more. Five initiative advertising sponsors incurred advertising expenses of \$500 or more. Summaries of their disclosure reports can also be found in Appendix E.

Delta South Recall Petition

On November 26, 2002, under the *Recall and Initiative Act*, the Chief Electoral Officer approved the issuance of a recall petition to proponent John Bayne, for the recall of Val Roddick, Member of the Legislative Assembly representing the electoral district of Delta South.

The recall petition must be submitted to the Chief Electoral Officer by January 27, 2003.

The Act states that the proponent has 60 days from when the petition is issued to collect signatures. The proponent must collect signatures from 40% of the voters who were registered to vote in the Member's electoral district at the last election, and who are currently registered as voters in British Columbia. When the proponent submits the petition to Elections BC, the Chief Electoral Officer has 42 days to complete the verification of signatures.

If the verification process shows that sufficient valid signatures are on the petition and the financing requirements have been met by the proponent, the Member ceases to hold office and a by-election must be called within 90 days. The recalled Member can run as a candidate in the by-election.

Overview of Our Operations

The year 2002 began with a dramatic restructuring of Elections BC. Our office had regional operations for 20 years, but changes in legislation and improvements in technology had resulted in the gradual reduction of regional operations from eight offices to four. Budget reductions implemented April 1, 2002, led to the remaining four offices closing in March 2002.

Our regional offices had primarily been responsible for voter registration, voters list maintenance and access to other Elections BC programs. In most communities, Government Agents are appointed as District Registrars of Voters and provide voter registration services on behalf of Elections BC. The regional offices were located in communities where there was not a Government Agent. Closure of the offices resulted in consolidation of the voters list maintenance program in headquarters. Five staff from our regional offices were relocated to headquarters, and 10 employees were terminated.

Government Agents continue to provide voter registration services in their communities. However, residents of Greater Victoria, Greater Vancouver and the Lower Mainland now must deal with Elections BC by mail, telephone or Internet for the purposes of general voter registration, voters list updating and other programs.

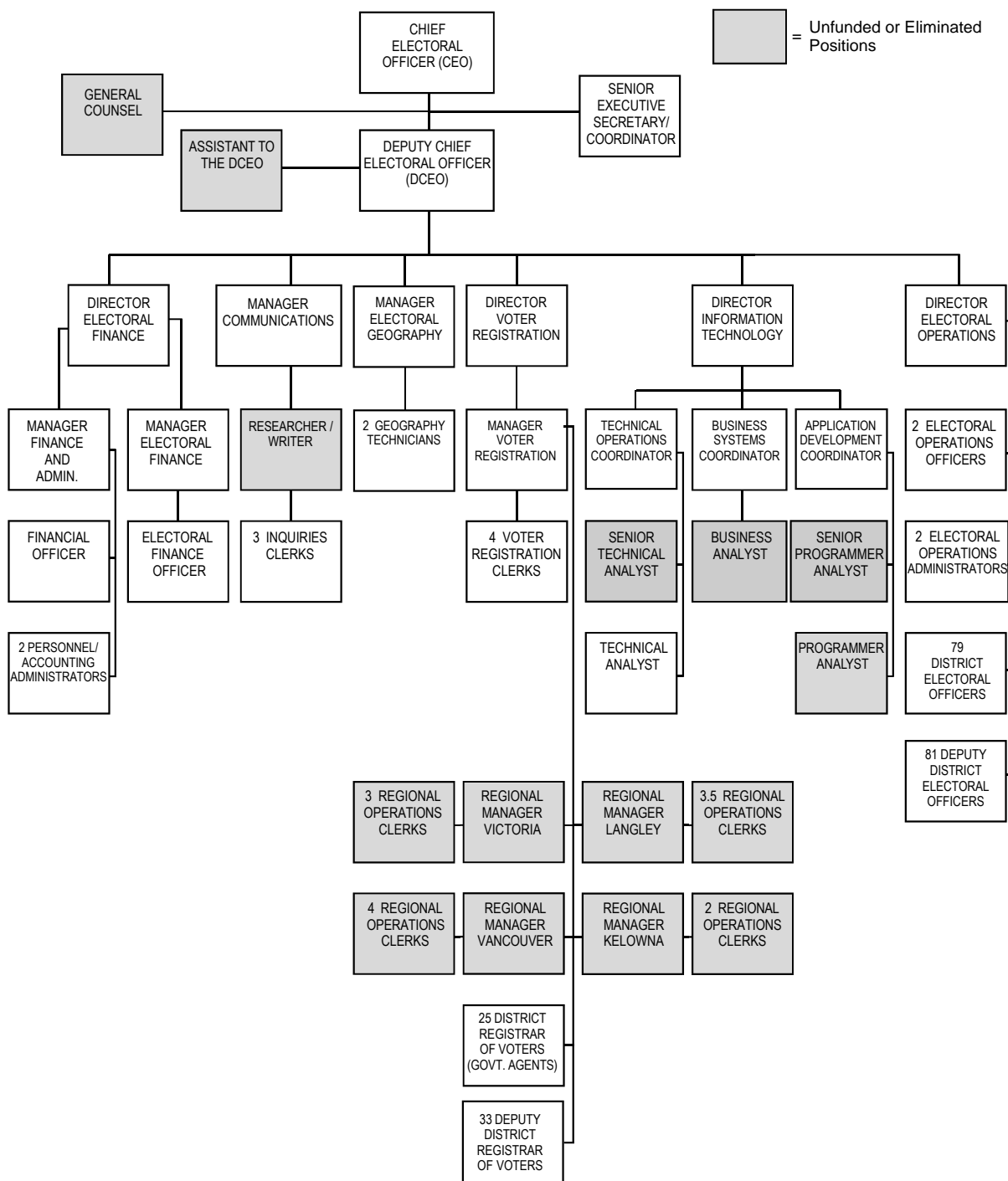
The long-term implications of this restructuring are not yet known. Our office is making every effort to ensure office closures will not significantly inconvenience voters or candidates during an election or by-election. However, the currency, completeness and accuracy of the voters list has been dependent on the efforts of knowledgeable staff. The loss of skilled and experienced employees inevitably affects the work of Elections BC, and effective new measures must now be found to meet the scope of work required by statute.

In addition, many positions in headquarters have been held vacant as the effects of the regional office closures are assessed. Other positions were combined to reduce costs and provide efficiencies. Elections BC expects to finalize restructuring in 2003, as part of continued organizational planning.

The following organization chart represents Elections BC after initial restructuring. Highlighted positions have either been eliminated or are no longer funded.



Elections BC's Organization Chart



Our Divisions

Elections BC is divided into eight divisions, each with a specific functional role. To meet our goals, the divisions work collaboratively on many activities, with cross-training implemented to maximize the ability to respond quickly and efficiently with fewer resources. The following provides an overview of each Elections BC division.

Communications

Access to Information

Our Communications division is responsible for ensuring the voting public, news media, political parties and other stakeholder and special interest groups have access to information, both between electoral events and during events.

The division handles all media relations, public educational materials, Web site management, printing, desktop publishing and operation of the toll-free information line.

Public confidence in the administration of all aspects of the electoral process is essential to maintain a healthy democracy. Our task is to be continually aware of the need to ensure impartiality, accessibility and transparency.

The division's biggest challenges are to respond effectively and efficiently to changing demographics, fiscal restraints and unpredictable timing of by-elections, recall and initiative campaigns, and to respond quickly to issues.

Education

Research conducted on behalf of Elections BC and statistical information from the provincial voters list indicates young people (18-24 years of age) tend not to vote.

In November 2002, our Communications division began development of a Grade 11 Education Kit. The kit will assist Social Studies teachers across the province in teaching the electoral democracy elements of the Grade 11 curriculum. The anticipated completion date of the Grade



11 Education Kit is August 2003, at which time all Grade 11 Social Studies teachers in B.C. will be provided with a copy.

Communications developed a similar Education Kit in 2001 for Grade 5 students. Included was an evaluation form to determine if the kit helped in teaching the democracy elements of the Grade 5 curriculum. The overall message from teachers was the kit proved to be an excellent resource.

With these two projects, the division is striving to increase awareness and understanding of the importance of electoral democracy to youth.

Communications Division Activities for 2003:

- Work with teachers to ensure youth understand the provincial electoral process and their democratic right to vote.
- Increase internal communications with federal and municipal electoral administrators.
- Build relationships with ethnic groups to establish partnerships and increase communications regarding voter education.

Electoral Geography

Our Electoral Geography division is responsible for boundary and address management, map production, an address register and the location index.

Boundaries Create Building Blocks

Elections BC uses two sets of spatial building blocks for electoral administration. The first set is the 79 electoral districts, prescribed by the *Electoral Districts Act*.

Dividing up the electoral districts into smaller blocks, called voting areas, makes the second set of administrative units. This is done so that administration of the voting process is accessible to the voter and manageable for electoral administration. There are currently 8,462 voting areas established under section 80 of the *Election Act*. The Act requires that each voting area have no more than 400 registered voters.

Other criteria used for creating and managing voting areas include municipal boundaries, transportation patterns, geographic features, communities of interest, new addresses, new roads, and accessibility to one's voting place. These factors are used to monitor the health of voting

areas. When changes are required, voting area redistribution takes place. The scope can vary, from a narrowly defined area to province-wide redistribution. A planned 2002 review of voting areas has been delayed until mid-2003 due to budget constraints.

The division produces maps that show electoral district and voting areas, roads, water features and other boundaries. More than 500 maps are produced, ranging from small maps for advertising purposes to large detailed maps of each electoral district. Any changes to voting area boundaries or voting area numbering cause a new map series to be generated for that electoral district.

A Foundation of Addresses

Our Electoral Geography division manages an address register that contains more than 1.8 million addresses. It is a part of a larger spatial database called the Integrated Digital Electoral Atlas (INDEA). INDEA contains not only electoral boundaries and addresses, but also roads, rivers, lakes, islands, railways, schools, property divisions, parks and regional districts. These components are maintained in a tightly woven digital data structure.

One of INDEA's main functions is to validate addresses it receives from Elections BC's Electoral Information System. Other sources of addresses include the government's Internet-based Multiple Address Change program, Insurance Corporation of B.C. driver's licence updates, or are supplied directly by the province's voters. Voters, voting places and registration centres are all linked to the address register within Elections BC's new Electoral Information System.

Maintaining the address register, roads, and the base map is an ongoing activity.

In addition to normal day-to-day address and road correction activities, our Electoral Geography division has the challenge of finishing the conversion of address data from Elections BC's 20-year old Provincial Voters List System to the new Electoral Information System. As a result, the division is in the process of modifying some 187,000 addresses of all different types and categories, with most addresses only partially complete according to current minimum standards. As some addresses are currently linked to voters or voting places, they cannot simply be removed from the database.

Electoral Geography Division Activities for 2003:

- Complete conversion of address data from the Provincial Voters List System to the new Electoral Information System.
- Review voting areas and redistribute as required.
- Document and maintain address resolution mechanisms for the address register.
- Identify addresses where no registered voters currently reside ("empty addresses") through internal and external data matching.
- Exchange road and address data with Elections Canada and conduct periodic reviews of currency and completeness.
- Ensure all residential addresses are linked to an electoral district and voting area.

Electoral Finance

Our Electoral Finance division is responsible for ensuring compliance with electoral financing law in accordance with provisions of the *Election Act* and *Recall and Initiative Act*. This includes: maintaining the register of political parties and constituency associations, reviewing financial reports, training financial agents, performing audits of financial reports and investigations, and issues management.

Maintaining the Register of Political Parties and Constituency Associations

Maintaining the register of political parties, constituency associations, advertising sponsors, leadership contestants, recall participants and initiative participants is an Electoral Finance division responsibility. As of December 31, 2002, there were 37 political parties, 155 constituency associations and 43 election advertising sponsors registered in British Columbia. During 2002, six new political parties and 14 new constituency associations were registered and two political parties and nine constituency associations were deregistered. Appendices A and B list additions and deletions to the political party and constituency association registers during the year.

Although section 159 of the *Election Act* requires registered political parties and constituency associations to file notice of change in registration information within 60 days of the change, Elections BC spends considerable time prompting these entities to provide the information - more than 10% of the Electoral Finance department's time in 2002, in fact. In addition to our legislated mandate to maintain the currency of the register, updated information is necessary to

ensure prompt delivery of timely information regarding the financing requirements of the *Election Act*.

Reviewing Financial Reports

All registered political parties and registered constituency associations must file annual financial reports with our office by March 31 of the following calendar year. These reports are similar to financial statements in that they include balance sheets, income statements and other supporting schedules. During 2002, 181 of the 183 political entities required to file annual financial reports complied. Two political parties were deregistered as a result of their failure to file a report.

Every financial report filed with Elections BC is reviewed to ensure compliance with the provisions of the *Election Act*. All identified errors or omissions are discussed with the financial agent. Most problems are resolved over the telephone. When there are substantial errors or omissions, the financial agent must file an amended report with our office.

Because the annual financial reports covered the year 2001, they included that year's provincial general election activity. This made the reports significantly larger and more complex than those for a non-election year. Despite the challenges for financial agents who are not accountants or bookkeepers, most were cooperative and responsive to our queries.

During the year, we also dealt with three political party leadership contests, the Initiative to Establish Proportional Representation and the Delta South recall petition. Nine financial reports were filed with our office in relation to the first four events. The recall petition financing reports are not due until February 2003.

Nearly 55% of the division's time was spent reviewing the financial reports of parties, constituency associations, leadership contestants, initiative proponents and initiative advertising sponsors. Every financial report filed with Elections BC is scanned and made available to the public both in the office and on our Web site at <http://www.elections.bc.ca>. During the year, the division scanned more than 230 original reports and more than 420 amended reports that resulted from its reviews.



Training Financial Agents

Each spring, the division conducts training sessions aimed at assisting financial agents to complete their annual financial reports. In 2002, two training sessions were held, one in Vancouver and one in Victoria, with a total of 24 people attending. The audience size was smaller than normal, largely because seven similar sessions were conducted before and after the 2001 general election, with nearly 200 people in attendance.

During the year our Electoral Finance division staff met personally with representatives of political parties and constituency associations to assist with their specific questions. As well, the division answered more than 1,700 phone enquiries. Nearly 60% of enquiries were received during the first four months of the year, as individuals prepared for the annual financial reporting deadline.

Audits of Financial Reports and Investigations

Section 276 of the *Election Act* requires the Chief Electoral Officer to conduct periodic investigations of the financial affairs of registered political parties, registered constituency associations, candidates, leadership contestants and registered advertising sponsors.

To select entities for further audit and/or investigation, each financial report is subject to a risk-based analysis. Eighteen reports filed for the 2001 general election were selected for an audit. These audits were conducted by Elections BC staff and completed in 2002. Of the 18 audits, one resulted in an in-depth audit, performed by the firm of Kroll Lindquist Avey. None of the audits resulted in any material findings.

In response to a complaint from a member of the public, Kroll Lindquist Avey was contracted to look into tax receipts issued on behalf of a candidate. At the conclusion of the investigation, no significant contraventions were identified.

Issues Management

The division responds to inquiries from the general public, media and other regulatory bodies. Many inquiries involve interpretations of the financing provisions of the *Election Act* and the *Recall and Initiative Act* and explanations of the information included in the financial reports filed with Elections BC. During the past year, the division spent more than 10% of its time resolving these issues.

The Manager of Electoral Finance organized and participated on an international panel at the annual conference of the Council on Governmental Ethics Laws in Ottawa. The session explored how the accounting and legal professions can work in cooperation to perform effective analysis and audits of election financing reports. The division also worked with other Canadian electoral jurisdictions, taxation authorities and accounting bodies to share information and streamline operations.

Finance and Administration Department

Our Finance and Administration department, a branch of the Electoral Finance division, supports the finance and administration requirements of the Chief Electoral Office, District Electoral Officers and District Registrars of Voters. The department plans and manages the provision of financial, administrative and human resources services for Elections BC. This includes developing capital and operating budgets, monitoring expenditures, purchasing, contract administration, asset control and facilities management. It also includes human resources services such as recruitment and selection, training, performance appraisal, classification, payroll, leave management and benefits administration.

The "shrink and grow" nature of Elections BC poses unique challenges. From a base of approximately 30 employees, Elections BC grows to 30,000 workers on General Voting Day for a general election. Every employee is paid through a payroll system supported by the Finance and Administration department. During a general election, the department hires approximately eight additional accounts and payroll staff to process transactions and perform post audits of expenditures incurred by District Electoral Officers. This change in staffing levels and transaction volumes requires the department to maintain knowledge and experience in all aspects of administration, finance, human resources and payroll.

The unpredictable nature of some electoral events calls for a constant state of readiness in order to respond to demands with little or no warning. This includes ensuring sufficient equipment and materiel is on hand at all times. Space shortages during the year led to frequent moves within the office to accommodate additional staff and activities. Larger events often require acquisition of additional temporary space, furniture and equipment, data cabling and telephone installation.



Electoral Finance Division Activities for 2003:

- Continue discussions with the office of the Auditor General regarding shared corporate services and implement shared services agreed to.
- Plan and organize Elections BC's office move to a new location.
- Finalize transition of the election supply warehouse from Langley to Victoria.
- Implement Web-based training on annual financial reports of registered political parties and constituency associations.
- Receive and conduct compliance reviews on annual financial reports filed by registered political parties and constituency associations.
- Perform risk-based audits on political entities and conduct investigations upon receiving complaints or evidence of contraventions.
- Provide training sessions and maintain detailed guides for financial agents to facilitate compliance.
- Attend workshops and conferences; study and adopt best practices; maintain information sharing network with other electoral jurisdictions to ensure staff are knowledgeable and have access to current information and are able to respond quickly to issues and develop innovative solutions.

Electoral Operations

Our Electoral Operations division is responsible for ensuring an event readiness program is in place to administer electoral events under the *Election Act* and the *Recall and Initiative Act*. Continuous planning, testing and preparations are needed to meet legislated deadlines.

District Electoral Officer Appointments

Section 18 of the *Election Act* requires appointments for District Electoral Officers (DEO) and Deputy District Electoral Officers (DDEO) to expire six months after a provincial general election. After the 2001 provincial general election, the division placed a province-wide newspaper advertisement which resulted in more than 280 applications for 164 positions. Many were expressions of interest in being considered for reappointment. Appointees were selected through an interview process and attended a training conference in December 2002. The training agenda included Elections BC's administrative and electoral processes and provided the opportunity for all attendees to benefit from the experiences of those reappointed. Prior to the May 17, 2005, provincial general election, the Electoral Operations division will conduct a series of training sessions.



Event Readiness Program

Preparation for a general election starts as soon as the previous election has officially concluded. The corporate focus is on the requirements for potential by-elections. An organizational election plan is reviewed periodically to ensure divisional projects are in place and tested. Activities in our Electoral Operations division are critical to election readiness and include: reviewing policies and procedures; incorporating recommendations from post event debriefings; training DEOs and their deputies in all aspects of election administration; training Department of National Defence personnel to administer voting to deployed military personnel; updating instruction manuals, activity calendars, forms, and guides; developing training aids, including videos; and assuring that the availability of voting places and DEO operational requirements are confirmed regularly.

In addition, plans must be in place for administering events such as recalls, initiatives and referenda. In managing these projects, our Electoral Operations division is responsible for hiring and training staff; operating a specialized signature verification process; administering controls and statistical reports; and participating in post-event reviews to identify opportunities for improvement.

It is an immense challenge to ensure legislated deadlines are met. The four Electoral Operations staff are assisted by the DEOs, Deputy DEOs, and trained temporary employees with the number of staff growing to more than 30,000 during a provincial general election. The demands require a management plan that is constantly being tested and updated prior to each event.

Electoral Operations Division Activities for 2003:

- Prepare recall operational plans and potentially administer multiple recall events.
- Recruit and train District and Deputy District Electoral Officers.
- Develop training framework for election officials, upgrade education materials and delivery mechanisms.
- Review and update electoral event plans for by-elections, referenda, recalls, initiatives and general election.

Information Technology

Our Information Technology division is accountable for providing reliable, innovative and cost-effective information management systems, computer networks and services for Elections BC. Within the office, the division leads information technology (IT) and systems planning, management of all IT contracts, implementation of corporate IT initiatives, systems operations, administration, security and maintenance. The division supports two major applications: the Electoral Information System, and the Recall and Initiative Verification System, as well as smaller applications related to electoral events.

The division continually monitors activity in other jurisdictions involving information technology in electoral administration and issues such as Internet voting and electronic voting.

Electoral Information System (EIS) Project

During 2002, the IT division was responsible for the full production implementation of the Electoral Information System. EIS spans most of the functions of Elections BC with the exception of activities related to verification of recall and initiative petitions. The modules in EIS are: Address Register Management, Administrative Information Management, Voters List Management, Electoral Boundary Management, and District Electoral Officer office support.

The implementation of EIS entailed working with other divisions on the data conversion and acceptance of more than three million voter, address and administrative records. Once the records had been converted, the division developed and tested routines to accept voters list updates from other sources, such as the Insurance Corporation of B.C.'s Motor Vehicles division, the government's new Internet-based Multiple Address Change program and the Ministry of Health's Vital Statistics branch.

Recall and Initiative Verification System (RIVERS)

The Recall and Initiative Verification System (RIVERS) provides the means to scan and count petition sheets and retrieve images of the petition sheet lines for comparison with signatures of eligible voters. It also records who has signed the petition on which page and petition line, to identify any apparent duplicates, and maintains counts of the accepted and rejected petition lines. The system must be updated and tested regularly to cope with changes in computer software technology or other application systems.

During the year, the division modified the RIVERS system in preparation for both initiative and recall petitions and to accept details of eligible voters based on data extracted from the new EIS.

Information Technology Division Activities for 2003:

- Improve and augment existing external data load routines to support voter registration. This may include new agreements with the federal government and B.C. municipalities.
- Provide support to all divisions in their business and data analysis requirements.
- Replace outdated hardware and superseded operating systems to come in line with current government standards and arrange for the necessary training to support new technology.
- Monitor world electoral processes and events for technology innovations that might be implemented or adopted in B.C. and remain aware of significant issues.
- Manage, administer, operate and support business, Web, and office automation servers, and desktop computers.
- Plan for by-elections and recall petitions.
- Support "empty address" data analysis/data extraction. (An "empty address" is a B.C. residential address where we have no registered voters.)
- Create programs to mail a "Where to Vote" information card to occupants of "empty addresses" to encourage participation in electoral events.
- Revise the Information Technology Calendar to reflect use of the new EIS system. Test and rehearse by-election and general election IT-related procedures and processes.
- Participate in a voters list audit in partnership with Elections Canada. This project will develop computer applications and statistical processes to examine the completeness, currency and accuracy of the voters lists and identify opportunities for shared cost or jurisdiction-based projects to enhance the voters lists. The division will also create or support data extract and load procedures for any new data-sharing agreements.
- Develop Internet-based processes to facilitate voter registration.
- Define and implement EIS enhancements including enhanced reporting capabilities.

Voter Registration

Our Voter Registration division is responsible for maintaining the provincial voters list. The list is recorded on an electronic database that includes names, birthdates, and residential and mailing addresses of all registered provincial voters.

District Registrars of Voters (DRVs), their Deputies (DDRVs) and division staff systematically review the completeness, currency, and accuracy of voter information to ensure the quality of the list is able to support electoral events.

Changes to the voters list are continuous. New voters are added and changes in registration status are reported by voters daily. In addition, address changes are received monthly from electronic driver's licence records maintained by the Insurance Corporation of B.C. Monthly reports of deceased voters are received from the Ministry of Health's Vital Statistics branch. Government's Multiple Address Change Web site (<http://www.addresschange.gov.bc.ca>), established in 2001, enables citizens to update their voter registration status as well as their driver and medical services records.

The closure of regional offices in Victoria, Vancouver, Langley and Kelowna effective March 31 marked the end of an era and the beginning of a new one. In recent years, improvements in information technology and the availability of integrated data systems have gradually diminished the primary reliance on manual clerical processing to maintain the provincial voters list. Increasingly, more communications with voters are by telephone, facsimile and the Internet.

Establishing a centralized voter registration team in Victoria posed transitional challenges for maintenance and enhancement of the provincial voters list. Former regional employees merged with staff at headquarters to form an effective working team. Previously, a significant amount of staff time had been dedicated to data entry and updates of the voters list. The role of voter registration staff has now focused more on assessing and analyzing the accuracy of voter registration information, and resolving exceptions in the merger of voter registration files with external data sources such as government's Multiple Address Change program. In the future, there will be greater reliance on outsourcing bulk data entry of voter registration activity arising from electoral events and voter registration drives. While total resources dedicated to the provincial voters list have been substantially reduced, internal and external resources associated with information technology processing, systems development, and computer maintenance support now comprise a more significant proportion of overall voter registration expenditures.

The reorganization encouraged development of close working relationships among voter registration staff, systems analysts and specialists in the Electoral Geography division. This enabled the division to meet its responsibilities for day-to-day list maintenance and the provision of timely support for electoral events that occurred during the year. Implementation of the new Electoral Information System and refinement of administrative procedures are undertaken with a view towards continuously improving services to voters.

Over the summer months, the division received 70 requests from local government authorities for extracts of the provincial voters list to be used as the basis for creating voters lists for the November local government elections. These extracts are supplied at an average cost of \$160 per jurisdiction. This minimal cost saves hundreds of thousands of dollars in enumeration or other list creation costs to local taxpayers. In return, Elections BC receives new voter registration applications and registration updates from local governments.

As the year drew to a close, additional resources and effort were required to process updated voter registration information received from the November local government elections. This was necessary to ensure the provincial voters list was current for the Delta South recall petition, and to prepare for anticipated recall petition applications early in 2003.

Voters who wish to register to vote, or who wish to verify or update their registration information, may contact Elections BC or any Government Agent office. A toll-free information number (1-800-661-8683/TTY 1-888-456-5448) is also available. Voters may also register in conjunction with any voting opportunity.

Voter Registration Division Activities for 2003:

- Maintain the provincial voters list at an optimal state of currency, completeness and accuracy for support of anticipated electoral events.
- Expand and strengthen partnership agreements with Elections Canada and local governments to move toward the goal of shared voters list information between all levels of government in B.C.
- Review and redefine the roles and responsibilities of DRVs and DEOs in the administration of voter registration during electoral events.
- Explore cost-effective alternatives to a general enumeration in order for the provincial voters list to be sufficiently complete and current for the 2005 provincial general election.

Our Finances

The process for approval of Elections BC's budget changed significantly in 2001. Previously, Treasury Board allocated the budget. In 2001, the Select Standing Committee on Finance and Government Services was created and formally given the role of reviewing the service plans and budgets of the Statutory Officers.

On November 21, 2001, Elections BC appeared before the Select Standing Committee on Finance and Government Services and presented its first service plan and the budget requirements for the fiscal years 2002/03 through 2004/05.

The committee tabled its report with the Legislative Assembly on December 19, 2001, and recommended a reduction to Elections BC's 2001 baseline operating budget of 15% in 2002/03, an additional 15% in 2003/04 and a further 15% in 2004/05, for a three-year reduction of 45%. The budget for each year would be \$8,510,200, \$7,008,400 and \$5,506,600, respectively.

On November 20, 2002, the new Chief Electoral Officer, his Deputy and the Director of Electoral Finance, met with the Select Standing Committee on Finance and Government Services and presented Elections BC's service plan, including budget requirements for 2003/04 through 2005/06.

Elections BC demonstrated the target reductions in funding that had been established in December 2001 would prevent Elections BC from meeting its statutory mandate. When the committee reported to the Legislative Assembly on December 13, 2002, it recommended increasing our office's operating budget for 2003/04 to \$7,509,000. It further recommended the 2004/05 and 2005/06 operating budgets be \$6,507,800.

Operating Budget

	2001/02 Budget	2001/02 Actual	Variance	2002/03 Budget (note 3)
	\$	\$	\$	\$
Funding				
Voted appropriation	33,581,000	33,581,000	-	13,589,000
Expenses				
Salaries of permanent and temporary employees	2,472,876	12,069,404	(9,596,528)	3,040,000
Employee benefits	456,922	1,100,277	(643,355)	655,000
	2,929,798	13,169,681	(10,239,883)	3,695,000
Travel	100,000	185,542	(85,542)	59,000
Professional services	75,100	2,061,153	(1,986,053)	277,000
Information systems	485,534	2,909,062	(2,423,528)	2,453,000
Office and business expenses	338,094	4,123,267	(3,785,173)	2,246,000
Informational advertising and publications	-	305	(305)	-
Statutory advertising and publications	-	1,596,389	(1,596,389)	1,008,000
Utilities, supplies, operating equipment and vehicles	22,480	14,505	7,975	40,000
Amortization (note 1)	32,300	1,845,056	(1,812,756)	2,752,000
Building occupancy	780,000	2,193,775	(1,413,775)	1,047,000
Other expenses	-	-	-	12,000
Restructuring costs	-	909,550	(909,550)	-
Statutory expenditures (note 2)	28,817,694	-	28,817,694	-
Total Expenses	33,581,000	29,008,285	4,572,715	13,589,000
Funding Returned	-	4,572,715	(4,572,715)	-

Note 1:
For the 2001/02 budget, this amortization is for office computers and furniture only. Amortization for Elections BC program specific systems is included in the statutory budget for that year.

Note 2:
Prior to 2002/03, Elections BC budgeted statutory expenditures to the program level only. Although this amount was not budgeted to the stob level, expenditures were coded to stobs.

Note 3:
The 2002/03 budget includes \$5 million to administer the Treaty Negotiations Referendum.



Appendices



Appendix A

Political Parties that were Registered During 2002

- British Columbia Grey Party
- Democratic Idealists Party
- Link BC
- Moderate Democratic Movement, The
- People of British Columbia Millionaires Party, The
- Your Political Party of BC

Political Parties that were Deregistered During 2002 for Failure to File 2001 Annual Financial Reports

- Central Party, The
- We The People Party

Appendix B

Constituency Associations that were Registered During 2002

- Burnaby-Edmonds Constituency Association Party Of Citizens Who Have Decided To Think For Themselves And Be Their Own Politicians
- Coquitlam-Maillardville Constituency Association Green Party Political Association of British Columbia
- Kelowna-Lake Country Constituency Association Green Party Political Association of British Columbia
- Maple Ridge-Pitt Meadows Constituency Association Green Party Political Association of British Columbia
- Nanaimo Constituency Association Green Party Political Association of British Columbia
- Nelson-Creston Constituency Association Unity Party of British Columbia
- North Coast Constituency Association Green Party Political Association of British Columbia
- North Vancouver-Lonsdale Constituency Association British Columbia Social Credit Party
- Oak Bay-Gordon Head Constituency Association Green Party Political Association of British Columbia
- Saanich South Constituency Association Green Party Political Association of British Columbia
- Shuswap Constituency Association Unity Party of British Columbia
- Surrey-Cloverdale Constituency Association Unity Party of British Columbia
- Surrey-White Rock Constituency Association Unity Party of British Columbia
- West Vancouver-Garibaldi Constituency Association Green Party Political Association of British Columbia

Registered Constituency Associations that were Deregistered During 2002 at the request of their Registered Political Party

- Bulkley Valley-Stikine Constituency Association Reform Party of British Columbia
- Cariboo North Constituency Association Reform Party of British Columbia
- Okanagan-Vernon Constituency Association Reform Party of British Columbia
- Peace River North Constituency Association Reform Party of British Columbia
- Peace River South Constituency Association Reform Party of British Columbia
- Prince George North Constituency Association Reform Party of British Columbia
- Prince George-Mount Robson Constituency Association Reform Party of British Columbia
- Prince George-Omineca Constituency Association Reform Party of British Columbia
- West Kootenay-Boundary Constituency Association Reform Party of British Columbia

Appendix C

Orders of the Chief Electoral Officer

Section 280 of the *Election Act* establishes the authority of the Chief Electoral Officer to make specific or general orders. During 2002, nine orders were made by the Chief Electoral Officer.

Order No.	Date	Order
ORD001-2002	April 3, 2002	Eight registered political parties and 22 registered constituency associations were granted extensions to the deadline for filing their annual financial report for the 2001 calendar year.
ORD002-2002	April 30, 2002	Two registered constituency associations were granted extensions to deadlines for filing their annual financial report for the 2001 calendar year.
ORD003-2002	May 2, 2002	Due to extraordinary circumstances, voting packages were issued to four voters after the May 1, 2002, deadline (Treaty Negotiations Referendum Regulation, section 7).
ORD004-2002	May 3, 2002	Due to extraordinary circumstances, a voting package was issued to one voter after the May 1, 2002, deadline (Treaty Negotiations Referendum Regulation, section 7).
ORD005-2002	May 6, 2002	Due to extraordinary circumstances, a voting package was issued to one voter after the May 1, 2002, deadline (Treaty Negotiations Referendum Regulation, section 7).

Orders of the Chief Electoral Officer (continued)

Order No.	Date	Order
ORD006-2002	May 9, 2002	Due to extraordinary circumstances, a voting package was issued to one voter after the May 1, 2002, deadline (Treaty Negotiations Referendum Regulation, section 7).
ORD007-2002	May 30, 2002	One registered political party and four registered constituency associations previously granted extensions for filing their annual financial report for the 2001 calendar year, were granted a further extension.
ORD008-2002	June 27, 2002	One registered political party, previously granted an extension for filing its annual financial report for the 2001 calendar year, was granted a further extension.
ORD009-2002	July 2, 2002	Two registered constituency associations, which did not file their annual financial report for the 2001 calendar year, were granted an extension.

Appendix D

Regulations of the Chief Electoral Officer

Section 283 of the *Election Act* establishes the authority of the Chief Electoral Officer to make regulations. During 2002, one regulation was made by the Chief Electoral Officer.

Regulation No.	Regulation
292/2002	Form F-CA(A) - Annual Financial Report Constituency Association, used by registered constituency associations for filing their annual financing reports, was amended following review by the Election Advisory Committee in June 1999.

Appendix E

Summary of Initiative Financing Reports - Initiative to Establish a Proportional Representation Electoral System

**Adriane Carr
Proponent
\$**

Income

Initiative Contributions

Individuals	56,166
Corporations	25,890
Unincorporated business/commercial organizations	40
Trade unions	500
Non-profit organizations	4,316
Other contributors	15,485
Anonymous contributions	1,141
Total Initiative Contributions	103,538

Fundraising income	-
Other income	1,557
Total Income	105,095

Expenses

Bank charges	116
Brochures	1,798
Convention, workshop and meeting fees and rentals	2,000
Data processing	339
Furniture and equipment	465
Media advertising	19,800
Newsletters	16,640
Office rental	2,320
Office supplies, stationery	1,006
Postage and courier	12,259
Printing	5,281
Professional services	16,408
Salaries and benefits	9,655
Signs	630
Social functions	926
Telecommunications	3,625
Travel	12,161
Utilities and maintenance	59
Total cost of fundraising functions	550
Total Expenses	106,038

Surplus/(Deficit)

Initiative expense limit	570,530
Initiative expenses subject to limit	105,429
Initiative expenses not subject to limit	550
Other expenses	59

Summary of Initiative Financing Reports - Initiative to Establish a Proportional Representation Electoral System (continued)

Initiative Advertising Sponsors

	Beckett, Lara	Central Okanagan Pro Rep	Hague, John J.
	\$	\$	\$
Inflows			
Contributions			
Individuals	989	1,393	-
Corporations	-	-	-
Unincorporated business/ commercial organizations	-	-	-
Trade unions	-	-	-
Non-profit organizations	-	-	-
Other contributors	400	131	-
Anonymous contributions	-	150	-
Total Initiative Contributions	1,389	1,674	-
Amount of sponsor's assets used	-	-	888
Total Inflows	1,389	1,674	888
Outflows			
Advertising by Category			
Brochures	419	132	-
Newspapers	39	329	-
Radio	80	-	-
Signs	94	298	-
Television	-	-	798
Other	757	1,202	90
Total Advertising Expenses	1,389	1,961	888

Summary of Initiative Financing Reports - Initiative to Establish a Proportional Representation Electoral System (continued)

Initiative Advertising Sponsors

	Kamloops Proportional Representation Committee \$	Munroe, Donald B. \$
Inflows		
Contributions		
Individuals	320	139
Corporations	-	-
Unincorporated business/ commercial organizations	-	-
Trade unions	-	-
Non-profit organizations	250	-
Other contributors	-	-
Anonymous contributions	1,077	456
Total Initiative Contributions	1,647	595
Amount of sponsor's assets used	-	122
Total Inflows	1,647	717
Outflows		
Advertising by Category		
Brochures	99	-
Newspapers	-	236
Radio	-	-
Signs	-	84
Television	-	-
Other	325	397
Total Advertising Expenses	424	717

Summary of Initiative Financing Reports - Initiative to Establish a Proportional Representation Electoral System (continued)

An initiative advertising sponsor who spends less than \$500 during an initiative petition or initiative vote period is not required to file a financial disclosure report. The following initiative advertising sponsors filed reports indicating they spent less than \$500:

- Beyer, Charles (Chuck)
- Burgoon, Marilyn
- Comox Valley Constituency Association of the Green Party Political Association of British Columbia
- Gale, Alison
- Green Party Political Association of British Columbia
- New Democratic Party of B.C.
- New Westminster Constituency Association of the Green Party Political Association of British Columbia
- Okanagan Vernon Pro Rep
- Roy, Valerie E
- Saanich North and the Islands Constituency Association of the Green Party Political Association of British Columbia
- Schulmann, Bernard
- Victoria-Beacon Hill Constituency Association of the Green Party Political Association of British Columbia
- Wheatley, Michael John

Appendix F

The composition and role of the Election Advisory Committee is established by sections 14, 15 and 16 of the *Election Act*. For more information on the Election Advisory Committee, including past meeting minutes, see Elections BC's Web site at <http://www.elections.bc.ca/eac/eacmain.html>.

Minutes of the Election Advisory Committee Meeting held June 7, 2002

Welcome and Introductions:

Linda Johnson, Deputy Chief Electoral Officer, called the meeting to order and welcomed the members of the committee. Ms. Johnson announced the retirement of Robert Patterson, Chief Electoral Officer and the establishment of a committee to select a new Chief Electoral Officer. The meeting agenda and a document describing the composition and role of the EAC were distributed.

Purpose of Meeting:

Ms. Johnson explained that the purpose of the meeting was to review and discuss 39 recommendations for amendments to the *Election Act*. The recommendations will be included in the Chief Electoral Officer's report on the 37th Provincial General Election.

Development of Recommendations:

Ms. Johnson stated that the recommendations were developed as a result of experiences from the 2001 general election as well consultation with District Electoral Officers, District Registrars of Voters and political parties. We also receive comments and suggestions from the public and other clients. In addition, we monitor what is happening in other jurisdictions.

Update on Previous Recommendations:

The Chief Electoral Officer developed 51 recommendations after the 1996 provincial general election, of which one has been brought into force. In March 1999, four additional recommendations were made, two of which have been brought into force. An outstanding recommendation from 1999, to restrict access to the provincial voters list for electoral purposes only, has not been included in the current list of recommendations. Elections BC is in the process of finalizing a request for legislation, which will be submitted to government in June 2002.

Mr. MacKay-Dunn asked what Elections BC's timing is for the Chief Electoral Officer's report on the 37th Provincial General Election, and asked what opportunities the committee had to bring things forward. He also asked if the contents of Bill 59 would be discussed.

Ms. Johnson stated that consultation with the Election Advisory Committee is intended to be a two-way process. The *Election Act* requires the Chief Electoral Officer to consult with the committee before making any recommendations for amendments to the Act, and the process is ongoing. Bill 59 was introduced at the end of the spring session and will likely be debated in the fall. It amends the *Election Act* and the *Recall and Initiative Act*. Ms. Johnson stated that consultation with the Election Advisory Committee was the final step before completing the Chief Electoral Officer's report, which is to be submitted to the Speaker in Fall 2002.

Mr. MacKay-Dunn asked if the committee could make their own suggestions for changes to legislation and if there was any recommendation for the extending of election financing report filing deadlines.

Ms. Western stated that the Chief Electoral Officer chose recommendations based on what appeared to be most important from experiences gained through the 2001 provincial general election. She also stated that Elections BC has found that education is key for the financial agents and has resulted in far fewer extension requests and late filings.

Ms. Johnson stated that a number of the recommendations for discussion at this meeting are brought forward from our previous recommendations. Some of our earlier recommendations have been dropped, as more experience with the Act and improved communication and education has resulted in better compliance. There are also a number of new recommendations.

Signage Proposal:

Recommendation: During each electoral event this office receives numerous complaints from residents of rental properties and strata properties in regard to the fact that they are forbidden from displaying election advertising posters on their own premises. The *Election Act* is silent on this issue; however, the *Canada Elections Act* specifically permits such activity. With reflection on the *Canadian Charter of Rights and Freedoms*, and specifically section 2 (b) as it relates to freedom of expression, consideration should be given to permitting individuals to display election advertising posters on the premises of their dwelling units.

Discussion:

There was no discussion on this item.

**Proposal - Section 24 - Order for a general election: and Section 25 - Order for a by-election:
Recommendation: Tuesday be made General Voting Day for all elections held under the Election Act.**

In the Chief Electoral Officer's report on the 36th Provincial General Election, there was a recommendation for a fixed day of the week for General Voting Day. By an amendment to the *Constitution Act* in 2001 to establish a fixed election date, Tuesday has been established as General Voting Day for the next general election. For consistency, it would be desirable to establish that General Voting Day for all elections be a Tuesday.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 27 - General voting day:

Recommendation: Provision should be made that children will not be in attendance at school on General Voting Day for a general election. The example of Quebec may be followed or General Voting Day could be designated as either an "administrative day" or a "non-instructional day" as defined in the School Calendar Regulation.

A Tuesday voting day presents a major concern for children's safety. The most accessible, convenient, and well-known locations for voting places are public schools, but using these facilities creates potential risk to students' safety. These safety concerns continue to be raised with this office by parents and school administrators. The best option would be to not have students in attendance at school on General Voting Day. In the province of Quebec, General Voting Day has been declared "a holiday for pupils in every school of a school board situated in an electoral district in which an election is held" [section 306, Quebec *Election Act*]. This solution has worked extremely well.

Discussion:

Mr. MacKay-Dunn questioned if this provision is just in Quebec and stated his concern about parent hardship with more daycare costs. He also questioned that if there hasn't been a problem reported, was there a need to institute the provision. He believes that the electoral process is more of a "civics class" for children to learn about the electoral process.

Ms. Johnson agreed that it provided an educational opportunity. She also stated that now that there is prior knowledge of the election date, it could be combined with the professional day planning for the school year. Ms. Johnson also stated that complaints have come from parents about the security of their children.

Mr. Bonner stated that he had no problem with the provision if the recommendation for a reduction to three hours off for voting was brought into force.

Mr. MacKay-Dunn asked that it be noted that the committee should show caution about this recommendation.

Mr. Hignell supported the recommendation if it is combined as a professional day for teachers.

Ms. Johnson noted that the recommendation could be built into the *School Act*, and that it could be limited to general elections.

Mr. Neely supported the recommendation, if included as a professional day rather than adding an additional non-instructional day, but stated that by-elections should be dealt with separately.

Proposal - Section 31 - Who may register:

Recommendation: Permit the provisional voter registration of 16 year olds.

At less than 30% of those eligible, voter registration by voters 18 - 24 years of age is the lowest of all age groups. Many theories have been put forward for the lack of participation by this age group, but once registered, the youth segment turn out to vote at the same rate as the rest of the voter population. The challenge is to get youth registered. The most effective means of registering youth is to approach them in high school. Currently, voter registration is restricted to those at least 18 years of age; an age when many youth have left high school. Australia has addressed this issue in a unique way. Its electoral legislation allows for a provisional voter registration of 17 year olds. In British Columbia, using the age of 16 would permit Elections BC to work with schools and the drivers' licensing program to ensure maximum exposure to the registration process for young voters. The voting age could continue to be 18, with provisional registration becoming active on an individual's 18th birthday.

Discussion:

Mr. Reichert asked how provisional registration would work on the provincial voters list in regards to how the "under eighteens" would be listed.

Mr. Bonner had the same concern.

Ms. Johnson stated that the provisional voter registration would be held until the voter's 18th birthday.

Mr. Neely questioned if the provisional voter would be available on the voters list.

Ms. Johnson replied that the voters would not appear on the provincial voters list until their record was activated on their 18th birthday.

Mr. MacKay-Dunn remarked that he felt this recommendation was a nice idea. He added that because this age group is transient, Elections BC would not know where they are if they have just graduated from high school and may move or travel.

Ms. Johnson advised the committee that if a voter moves and changes their driver's licence, Elections BC could receive the update through the Motor Voter system.

Mr. Reichert commented that if a student was attending college or university elsewhere, they would not necessarily apply for a new drivers licence.

Ms. Johnson reminded the committee that individuals attending an educational facility have a choice whether to use their new address or their "home" address for voting purposes.

Proposal - Section – 46 (2) (e) - Updating the Provincial list of voters:

Recommendation: Permit the Chief Electoral Officer to establish by regulation criteria by which names may be removed from the list of voters.

As a result of Where To Vote notices returned during an election, information supplied by provincial and municipal election officials or through the Motor Voter Program, Elections BC regularly becomes aware of voters who no longer reside at the address shown on the list of voters. Section 46 requires that, before a voter's name is removed from the list of voters, a notice be mailed to these voters advising them that their name will be removed if they do not contact the Chief Electoral Officer within 60 days. This is not an effective use of resources as Elections BC knows the voter is no longer at the address on file and the notice will be returned as undeliverable. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. Reichert asked when the mail is returned, can the Chief Electoral Officer remove the voter from the provincial list.

Ms. Johnson replied that the *Election Act* states the voter can only be removed after a 60-day period.

Mr. MacKay-Dunn inquired what the provincial list of voters looked like these days.

Ms. Johnson stated that the 2001 general election and the recent referendum resulted in many updates. The list appears to be both current and accurate.

Proposal - Section 48 - Access to lists of voters during election:

Recommendation: It is recommended that the reference to the District Registrar of Voters in subsection (1) be replaced with a reference to the Chief Electoral Officer.

This section requires candidates in an election to obtain their copies of the lists of voters from their respective District Registrar of Voters. Section 22 of the Act requires that a District Registrar be an individual who is employed in the public service of the Province. For 48 electoral districts these appointments were held by our regional office managers. With the closure of our regional offices due to budget reductions, there are no longer District Registrars in the regions previously administered by these offices. That role has been transferred to headquarters in Victoria. Consequently, there will be no regional District Registrar from whom candidates will be able to obtain their lists of voters. Candidates could obtain their lists of voters from their respective District Electoral Officers if section 48 were amended to read that the Chief Electoral Officer is to provide the lists of voters, which could then be delegated to the District Electoral Officers.

Discussion:

There were no comments on this recommendation.

Proposal - Section 57 - Standing nominations filed with the chief electoral officer:

Recommendation: Standing nomination papers of those individuals who have withdrawn or who fail to complete their filing should be retained in the office of the Chief Electoral Officer.

The *Election Act* requires that all standing nomination papers be forwarded to the respective District Electoral Officers by the Chief Electoral Officer following the close of the standing nomination period. This includes those papers from individuals who have withdrawn their candidacy during the standing nomination period and those who failed to complete the filings required for a standing nomination. As these particular individuals are not candidates, there should not be a requirement to forward their nomination papers to District Electoral Officers. In past elections, a number of these individuals have reconsidered and decided to become candidates and have filed a second set of nomination documents directly with a District Electoral Officer. Having two sets of nomination documents for the same individual in a District Electoral Office has resulted in considerable confusion for all involved. Consequently, the standing nomination documentation for these individuals should be retained at the office of the Chief Electoral Officer. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 64 - Withdrawal of candidate:

Recommendation: It is recommended that the deadline for withdrawal as a candidate be changed to 48 hours before the start of Advance Voting.

The Act permits candidates to withdraw their candidacy up to 48 hours before the start of General Voting. At the 2001 general election over 116,000 voters cast ballots in advance of General Voting Day. At the 1996 general election, over 90,000 voters voted during the Advance Voting period. Also at the 1996 election, four candidates withdrew their candidacy after the Advance Voting period. Consequently, voters were effectively disfranchised by having cast their vote for one of those candidates. This recommendation was contained in the report on the 1996 general election.

Discussion:

Mr. MacKay-Dunn questioned if this recommendation would change the "wasted" vote.

Ms. Johnson replied that yes, the "wasted" vote would be avoided. Ms. Johnson added that voters who use Advance Voting are doing so based on information at the close of nominations. By moving the withdrawal deadline to before the commencement of Advance voting, the 5% of voters who vote during that period would not risk having the candidate of their choice withdraw.

Mr. MacKay-Dunn asked if this would then allow the party involved to replace the candidate.

Ms. Johnson stated that the party cannot replace a candidate after the close of nominations.

Proposal - Section 74 - Time off from work for general voting:

Recommendation: The number of hours free from employment in order to vote be reduced to three hours from four hours.

The provision of four hours free from employment in order to vote on General Voting Day dates back to 1902. With modern transportation and the numerous voting opportunities that are available to all voters throughout the election period, there is no justifiable need to provide four hours for a voter to travel to a voting location. Federal election legislation was recently amended to provide three hours, down from four hours. All other provinces and territories except for Quebec and Yukon provide three hours (except Prince Edward Island, which provides one hour). This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. Neely stated that he does not support this recommendation. He also noted that during the federal election this was a huge problem for single parents. After leaving work, getting to daycare and commuting, the voter did not have time to vote.

Ms. Johnson replied that the federal voting places in B.C. close earlier than those for provincial elections and recognized that the commuting voter will always be a problem.

Mr. Neely reiterated that he was very opposed to this recommendation.

Ms. Hill added that during the last general election a bus strike made it that much more difficult for the 9-5 worker to get to the voting places.

Mr. MacKay-Dunn stated that he didn't think this recommendation was a problem.

Proposal - Section 77 (4) - Special voting opportunities [also Section 80 (4) - Voting areas]:

Recommendation: It is recommended that the term "special voting area" be replaced with the term "reserved voting area" to avoid confusion with "special voting."

The term "special voting area" implies that voting is conducted on an absentee basis with ballots placed in certification envelopes when, in fact, General Voting procedures are followed with ballots placed directly into a ballot box. These voting areas are established for facilities where the voters are normally resident, such as long-term care residences. Each of these voting areas is specifically identified by its physical address. The word "special" should be replaced with another term to eliminate confusion with "special voting".

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 86 (4) - Ballots:

Recommendation: In order to permit the Chief Electoral Officer to deal effectively with the ballot issue of candidates with the same name, it is recommended that the words "and the approval of those candidates" be deleted.

Where two or more candidates in an electoral district have the same name, the Chief Electoral Officer may modify the names or include additional information in order to differentiate those candidates. However, the *Election Act* requires that all of those candidates agree with the Chief Electoral Officer's determination. If agreement is not achievable, candidates and voters will be adversely affected by confusion with the same names. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. MacKay-Dunn questioned if the section read "same" or "similar". He added that the section should read "same or similar" such as the *Company Act*, to differentiate between candidates, as the *Company Act* differentiates between companies.

Ms. Johnson stated that this recommendation is only referring to names as they appear on a ballot.

Mr. Bonner asked how many times Elections BC has encountered this situation.

Mr. Johnson responded that this has occurred once, to date.

Mr. Reichert added that this situation occurred in the Burnaby North electoral district.

Mr. Bonner expressed his opposition to the Chief Electoral Officer having control over a candidate's name and asked if the candidates can use more initials to differentiate themselves.

Mr. MacKay-Dunn stated his total disagreement with Mr. Bonner.

Ms. Johnson reminded the that the overriding problem is the time factor, noting that Elections BC must produce the list of candidates and ballots as soon as possible after the close of nominations and couldn't possibly deal with this situation through the courts in the time frame available.

Mr. Bonner stated that he felt the decision should be up to the candidate.

Mr. Hignell stated that what should be paramount is that the voter can understand.

Mr. Bonner repeated his concern that this recommendation is too much control for the Chief Electoral Officer.

Mr. MacKay-Dunn said that there is not enough time to deal with it in another way, nor is it economical for courts and judges to be involved.

Proposal - Section 134 - Consideration of certification envelopes:

Recommendation: Make it clear that where reference is made to a ballot in section 124, it should be read as a certification envelope in relation to section 134 (3).

This section deals with the consideration of certification envelopes in preparation for final count. It references section 124, which deals with objections to the acceptance of a vote or rejection of a ballot. During the final count of the 2001 general election, the reference in section 124 (4) to ballots became problematic in interpretation of section 134 (3), as the process established in section 124 (4) requires the marking of the back of the ballot, which under section 134 (3) has not yet been removed from the

certification envelope. It would be preferable to establish specific rules with respect to the process to be followed in recording an objection to whether a certification envelope is to remain unopened.

Discussion:

There were no comments regarding this recommendation.

Proposal – Section 155 (3) (g) - Registration of a political party, and Section 157 (3) (e) - Registration of a constituency association:

Recommendation: Section 155 (3) (g) be amended to require the filing of contact addresses of each of the principal officers of a political party and section 157 (3) (e) be similarly amended for constituency associations.

Section 155 (3) sets out the information which a political party must file as part of its application for registration. Clause 155 (3) (i) requires the filing of the name and address of the financial agent. Often the contact address for the political party and the address where records are kept is that of the financial agent. There have been numerous instances where the financial agent has given up that role, and Elections BC has not been informed of the name and address of the new financial agent. Consequently, we have no way to contact that political party. Clause 155 (3) (g) requires that only the names of the principal officers of the political party be filed as part of the application. To ensure that Elections BC has more than one address through which it can correspond with a political party, principal officers of a political party should have contact addresses on file with Elections BC. Similar issues regularly arise with constituency associations, consequently, more information is also needed for principal officers of the associations.

Discussion:

Mr. Bonner inquired if the *Election Act* was too vague and perhaps it should be limited to the top three or four officers.

Ms. Western stated that Elections BC must have at least two officers on file.

Mr. Hignell suggested that the number required be limited to two.

Mr. Bonner disagreed.

Mr. MacKay-Dunn stated that the Liberal Party is silent on the number of officers.

Mr. Bonner suggested that perhaps the committee should clarify what it feels are "principal officers".

Ms. Johnson said that the *Election Act* does not define how parties or constituency associations are structured.

Proposal - Section 155 (3) (j) - Registration of a political party, and Section 157 (3) (h) - Registration of a constituency association:

Recommendation: Amend sections 155 (3) (j) and 157 (3) (h) to require the account numbers as well as the names and addresses of the savings institutions to be filed as part of the registration documentation.

Section 276 of the *Election Act* requires the Chief Electoral Officer to "conduct periodic investigations of the financial affairs of registered political parties, registered constituency associations, candidates, leadership contestants and registered sponsors for the purpose of ensuring compliance with this Act". The Chief Electoral Officer also conducts audits and other financial investigations. These investigations have been significantly hampered by the inability of this office to access bank account records because there is no requirement to file account numbers when filing the names and addresses of the savings institutions to be used by the political party or constituency association.

Discussion:

Mr. MacKay-Dunn asked if, during Elections BC's audit process, Elections BC is able to enter a bank and request to audit an account if the account number is available.

Ms. Western replied that Elections BC is capable of requesting the account information but that the banks are understandably reluctant, and even though the financial agent is contacted, Elections BC has had difficulty in obtaining the information.

Mr. MacKay-Dunn inquired if Elections BC has done this in the past.

Mr. Cockburn replied that the parties involved are always notified first.

Mr. Neely stated he felt if the privacy issue is dealt with, as a party that promotes full disclosure, he fully supports this recommendation.

Mr. Bonner expressed his concern and total disagreement with the recommendation.

Mr. MacKay-Dunn noted that the Liberal Party doesn't have a position on this recommendation. He added that the proposal imposes discipline on an organization, and that the party would have to consider the recommendation, though the right to audit is established.

Proposal - Section 159 - Changes in registration information:

Recommendation: Amend section 159 to include an administrative penalty of suspension of registration of an organization, which does not file notice of a change within 60 days after it occurs, until the updated information is provided.

This section requires that registered political parties and registered constituency associations file with the Chief Electoral Officer notice of any change in the information contained in their registration documentation within 60 days after the change occurs. The majority of the changes are in relation to changes in principal officers and financial agents. Many organizations fail to advise this office of such changes. This results in considerable administrative effort on the part of this office to find out who the new officers and agents are and how to contact them. Section 262 establishes an offence and provides penalties, up to \$5,000 and/or imprisonment for up to one year, for failure to do so. Realistically, it is unlikely that the Crown would prosecute such an offence. It would be more effective to have an administrative penalty of suspension of registration until the updated information is filed with the Chief Electoral Officer. A suspension of registration prohibits the issuance of tax receipts, the incurring of election expenses, and identification on the ballot.

Discussion:

Ms. Western commented that Elections BC is frequently not notified when an organizational change occurs and this is problematic.

Mr. Neely asked if there had been any consideration of requiring the registration of all constituency associations.

Mr. MacKay-Dunn expressed that registering constituency associations is a financial burden that some parties choose not to take.

Mr. MacKay-Dunn and Mr. Reichert commented that the financial activities of non-registered constituency associations are reported through the party.

Ms. Johnson explained that it is unknown if the registration of a constituency association makes a difference. She stated that what ensures full disclosure is the commitment of the party to compliance with the legislation and the level of control they have over the constituency association. For unregistered constituency associations, it is the party that must make the disclosure.

Ms. Western noted that the problem with total constituency association registration is that Elections BC doesn't know where the constituency associations are. Many parties don't have any constituency associations, registered or unregistered.

For registered constituency associations, Elections BC often can't confirm the contacts when organizational changes are made and Elections BC may not be notified until long after the fact. Ms. Western added that the *Election Act* requires registered parties and registered constituency associations to notify the Chief Electoral Officer within 60 days of a change. The Act establishes fines and/or imprisonment for not submitting the information within 60 days of the change, but it is unlikely that the Crown would prosecute such cases.

Mr. Bonner questioned if an administrative penalty applied if filing errors are found.

Ms. Western commented that there is no penalty for filing errors.

Proposal - Section 162 - Registers and other information open to the public:

Recommendation: Amend section 162 to exclude the account numbers from information available for public inspection.

This section requires that the registers of political parties and constituency associations, and the information filed by those organizations, be available for public inspection. The recommendation above that account numbers of the savings institutions used by political parties and constituency associations be filed with Elections BC would result in those account numbers being made public. Such information should be confidential.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 170 - Financial reports required on deregistration, and Section 171 - Assets of deregistered organization to be held in trust:

Recommendation: It is recommended that a deadline of six months be established for the filing of the final financial report and any surplus funds.

The Act requires that a deregistered organization submit financial reports and any surplus funds, to be held in trust by the Chief Electoral Officer, following the deregistration. There is no deadline, however, by which the organization is to do so, which can effectively mean no final report or accounting for the organization's funds. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Recommendation: Add a provision that an audit is only required if there has been \$5,000 or more in expenditures or political contributions since the filing of the last financial report.

Section 170 requires an organization to file two separate financial reports upon deregistration; one at official deregistration and one upon the financial wrap-up of the organization. Both of these reports must be audited. For a small organization with limited financial resources the required audits may cost more than the funds available. Consideration should be given to setting a financial threshold below which audits would not be required.

Discussion:

Mr. Neely questioned if this recommendation would apply to parties with \$5,000 or less in assets. He also commented that the amount of money required for administration, auditors, etc. is so great that deregistered organizations simply don't have the cash. He suggested that the threshold should be \$10,000.

Mr. Reichert stated that he was opposed to raising the limit.

Mr. Bonner concurred.

Mr. Neely stated that registered constituency associations are an added expense for a party and if the limit is at \$5,000 then it is not a level playing field with non-registered constituency associations.

Mr. Hignell agreed to the limit increase to \$10,000.

Ms. Western reminded the committee that the Chief Electoral Officer has the authority to require an audit at any time.

Mr. Bonner suggested that \$7,500 splits the difference and added that \$10,000 makes more sense, however \$5,000 is ideal for transparency.

Ms. Western noted that there are extremely few cases in which the audits would be required if the limit was \$5,000.

Ms. Johnson clarified that audits were not required for deregistration as a result of redistribution of electoral districts.

Mr. MacKay-Dunn stated that he felt this was a transparency issue.

Proposal - Section 175 - Requirement for financial agent:

Recommendation: Amend section 175 (4) to require a registered political party or registered constituency association to appoint a new financial agent within 60 days of the vacancy occurring.

The Act requires registered political parties and registered constituency associations to have a financial agent, and if the appointment of the financial agent ends for any reason, the organization must appoint a new one "as soon as possible". There is often a considerable delay in appointing new financial agents, and Elections BC finds it very difficult to complete compliance reviews when there is no one in that capacity. The absence of a financial agent is contrary to the intent of the Act, and means no one is accountable for the financial affairs of the organization. It would be appropriate to establish a deadline for replacing financial agents to ensure continuity and compliance with the requirements of the Act.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 177 (2) (b) - Obligations of financial agent:

Recommendation: It should be made clear that a financial agent of a political party, constituency association or candidate must establish a separate bank account for each organization or candidate.

The Act requires that the financial agent for every party, constituency association and candidate establish an account in a savings institution to process their respective financial transactions. A clarifying amendment is required to ensure that financial agents recognize that there must be a separate account established for each organization and candidate to prevent the combining of financial transactions and to ensure an adequate audit trail. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. MacKay-Dunn inquired if it was permissible to have more than one account.

Ms. Johnson replied that political parties and constituency associations could have more than one account; it was the use of a single account by more than one candidate or organization that is the problem.

Proposal - Section 178 - Deputy financial agent for issuing tax receipts:

Recommendation: Permit a deputy financial agent to file financing reports in the absence or incapacity of the financial agent.

The Act restricts the authority of deputy financial agents to the receiving of political contributions and the issuing of income tax receipts for those contributions. The Act should be amended to permit deputy financial agents to file financing reports in the absence or incapacity of the financial agent. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. Reichert questioned if a deputy financial agent would have the same responsibilities as the financial agent.

Ms. Western and Ms. Johnson agreed that the deputy financial agent would have the same responsibilities.

Proposal - Section 179 - Appointment of auditor:

Recommendation: Amend section 179 (2) to require a candidate, registered political party or registered constituency association to appoint a new auditor within 60 days of the vacancy occurring.

The Act requires registered political parties, registered constituency associations and candidates to have an auditor, and if the appointment of the auditor ends for any reason, a new one be appointed "as soon as possible". There is often a considerable delay in appointing a new auditor, and Elections BC finds it very difficult to complete compliance reviews when there is no one in that capacity. The absence of an auditor is contrary to the intent of the Act. It would be appropriate to establish a deadline for replacing auditors to ensure availability and compliance with the requirements of the Act.

Discussion:

Mr. Neely expressed that constituency associations have auditors therefore the problem is one of notification.

Mr. MacKay-Dunn stated that the recommendation was reasonable.

Proposal - Section 180 (6) - Political contributions generally:

Recommendation: Provisions should be made for transfers between candidates of the same registered party and between registered constituency associations of the same registered party and for transfers between a registered party and its leadership contestants.

The Act provides for vertical transfers between the various "levels" of a registered political party, but there is no provision for horizontal transfers between entities at the same level, for example between registered constituency associations or between candidate campaigns. The horizontal reallocation of resources, as transfers, should be provided for in the Act. Furthermore, consistent with our recommended amendment to section 193 regarding the incurring and paying of leadership expenses, registered political parties and their leadership contestants should be permitted to make transfers to each other. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. Reichert noted that political parties do not want to lose transparency and questioned if it would prevent disclosure.

Ms. Western stated that this provision was the same as with candidates and that the transfers are disclosed.

Ms. Johnson added that the money gets reported as a transfer, as well as a contribution to the original recipient.

Proposal - Section 186 (1) (c) - Restrictions on making political contributions:

Recommendation: Provision should be made for political contributions by the electronic transfer of funds from a bank account in the name of the contributor and by credit card without the need for a signature.

The Act requires a signed document (cheque, money order, credit card slip) from a contributor who makes a political contribution in an amount greater than \$100. This requirement does not allow for an electronic transfer of funds by a debit card, or contributions by credit card on the Internet or by telephone, all of which are now standard methods for financial transactions.

Discussion:

Mr. MacKay-Dunn questioned if the transaction were completed through a Web site, would the Web site owner have to be registered.

Ms. Johnson answered that the Web site owner would only have to be registered if they qualified as an election advertising sponsor.

Proposal - Section 183 - Election expenses, and Section 203 - Expenses not to be included in calculating amounts subject to limit:

Recommendation: Make a clarifying amendment to section 203 (1) (f) that: although a deficit incurred in holding a fundraising function during a campaign period is an election expense, the cost incurred in holding any fundraising function is not an election expense subject to the expense limit.

Section 183 (3) provides that "a deficit incurred in holding a fundraising function during a campaign period is an election expense". Section 203 (1) (f) provides that "expenses incurred in holding a fundraising function if no deficit is incurred" are to be excluded from expenses subject to expenses limits. The Act is not clear about how one is to deal with costs incurred in holding a fundraising function that does incur a deficit. If both costs and the deficit itself were reported as separate election expenses, the amount of the costs would be counted twice. This needs to be clarified in the Act.

Discussion:

Mr. Reichert and Mr. MacKay-Dunn questioned if this provision affected public policy.

Ms. Johnson commented that legislative counsel identified this as a drafting error, and that it was not intended to affect public policy.

Mr. Neely suggested that the committee revisit this recommendation another time.

Mr. MacKay-Dunn clarified that they (Liberal Party) support technical changes.

Proposal - Section 189 (3) - Prohibited contributions must be returned:

Recommendation: It is recommended that instead of destroying the tax receipts, as is now required, the financial agent be required to mark them "Void" and retain the receipts for at least 5 years, the same time period established by section 177 (2) d) for the retention of financial records by the financial agent.

The Act requires a financial agent to recover and destroy tax receipts that have been issued for prohibited contributions. Should the Commissioner of Income Tax wish to conduct an audit, there is no assurance that invalid receipts were actually recovered and not used by the taxpayer. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 177 (2) – Obligations of financial agent, and Section 207 (3) (g) – Annual financial reports by registered political parties and constituency associations, and Section 209 (2) (e) – Election financing reports by candidates, and Section 210 (2) (e) – Election financing reports by registered political parties and constituency associations, and Section 211 (2) (c) – Leadership contestant financing reports:

Recommendation: Amend section 177 (2) to include the due date as information that must be recorded at the time a loan is made. Amend sections 207 (3) (g), 209 (2) (e), 210 (2) (e) and 211 (2) (c) to require the disclosure of the due date of loans.

These sections establish the information that must be disclosed in relation to loans. The Act does not specify that the due date of the loan be recorded or disclosed. However, section 181 (3) establishes that a debt becomes a political contribution if it remains unpaid for six months after becoming due if no legal proceedings to recover the debt have been commenced by the creditor. It is therefore important that the due date of the loan be recorded and disclosed to establish whether the debt has become a political contribution.

Discussion:

Mr. Bonner inquired about the payback period and if it were extended.

Mr. MacKay-Dunn asked about the status of the unpaid portions, how they would be disclosed.

Ms. Johnson answered that the time frame could be as long as initially agreed. When the debt was due, the unpaid portion became a political contribution after six months if no action was taken. This was why it was necessary to know the due date, so Elections BC could determine if the debt was properly characterized.

Proposal - Section 183 - Election expenses, and Section 184 - Contestant expenses:

Recommendation: Amend sections 183 (4) (b) and 184 (4) (b) to cover travel "from" the electoral district.

In clause (4) (b) of both sections 183 and 184, the Act refers of travel "to or within" an electoral district - but not travel "from" the electoral district. For candidates, this was temporarily dealt with at the May 1996 general election by a regulation referred to in section 183 (4) (f). A preferable solution would be to amend both sections, to address this drafting error. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 193 - Restrictions on who may incur election and contestant expenses:

Recommendation: Permit persons authorized in writing by the financial agent to incur election and contestant expenses and be reimbursed upon production of receipts.

a) The vastness of the Province and the particular geography of electoral districts often make it impractical to expect the financial agent, of a political party or of a candidate, to incur and/or pay all election expenses. The Act does permit the financial agent to authorize others to incur election expenses, however, in a restrictive manner. The Act should be amended to permit those authorized in writing by the financial agent to incur and pay for election expenses and be reimbursed for the expenses from the designated account in a savings institution. Permit the same for leadership contestants. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Recommendation: Permit the registered political party to pay for leadership contestant expenses of all contestants.

b) Political parties may have leadership contestants who do not have access to sufficient financial resources to allow travel throughout the Province or to undertake some other contestant activity. A party may wish to assist those contestants by paying for some expenses. The Act does not provide for this situation. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 201 - Political party expenses on behalf of leadership contestant:

Recommendation: Add a provision to section 201 that if a registered political party incurs a contestant expense on behalf of a leadership contestant, the expense must be included in the contestant expenses of the leadership contestant and that the financial agent of the party must notify the contestant's financial agent of any such expenses.

This section stipulates that if a registered political party incurs an election expense on behalf of a candidate the financial agent of the political party must notify the financial agent of the candidate and that the election expense must be included in the election expenses of the candidate. If our recommended amendment to section 193 permitting registered political parties to pay for expenses on behalf of their leadership contestants is accepted, such expenses should be deemed to be contestant expenses of the leadership contestant and the financial agent of the party should be required to notify the contestant's financial agent.

Discussion:

Mr. MacKay-Dunn questioned if consideration had been allowed for media-related costs during a campaign (e.g. accompanying leader on a campaign bus, etc.).

Mr. Bonner asked what was the legislation in that regard.

Ms. Western stated that currently political parties cannot incur expenses on behalf of leadership contestants.

Note: During the 2001 general election the Chief Electoral Officer made a regulation regarding media accompanying campaign tours. A copy of B.C. Regulation 136/2001 is appended.

Proposal - Section 207 (3) (d) - Annual financial reports by registered political parties and constituency associations, Section 209 (2) (d) - Election financing reports by candidates, and Section 210 (2) (d) - Election financing reports by registered political parties and constituency associations:

Recommendation: Require reporting of transfers of 'goods and services' as well as money to be consistent with section 180 (6).

These clauses require the reporting of transfers of money, but not the transfer of goods and services. To be consistent with section 180 (6), however, this clause should be amended to include the transfer of goods and services. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Proposal - Sections 207, 209, 210 and 211 - Filing of annual financial reports and election or leadership contestant financing reports:

Recommendation: Require financial agents to file copies of supporting documentation along with the financing reports required under sections 207, 209, 210 and 211, if the reported income or expenses (excluding transfers) exceeds \$5,000.

In order to conduct proper compliance reviews of financing reports it has become more evident each year that supporting documentation to these reports, including copies of bank statements, deposit slips, cancelled cheques, invoices and tax receipts are required to facilitate the work. Without supporting documentation, Elections BC staff spend numerous hours in communication with the financial agents clarifying information in the reports. However, there should be a threshold below which filers would be exempt from providing the supporting documentation.

Discussion:

Mr. MacKay-Dunn stated that without a change in the time limit for filing, this recommendation was asking too much.

Mr. Bonner agreed that this was way too much to ask in the time frame allowed.

Mr. Neely agreed.

It was suggested that this recommendation be dropped, and that Elections BC advise specific filers if such documentation will be required.

Proposal - Section 207 - Annual financial reports by registered political parties and constituency associations, and Section 210 - Election financing reports by registered political parties and constituency associations:

Recommendation: Add a section to clarify the requirement that financing reports of registered political parties and registered constituency associations include the financial information for all organizations controlled by the political entity.

To ensure adequate and consistent reporting of registered political parties and constituency associations, the financial activities and information of all controlled organizations must be disclosed. Failure to do so could result in political parties having control over significant assets which are not reported. This recommendation was also in the report on the 1996 general election.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 211 (a) - Leadership contestant financing reports:

Recommendation: Add a provision requiring transfers made or received by the leadership contestant be disclosed in the leadership contestant financing report.

This section establishes the information that must be disclosed in a leadership contestant financing report. If our recommended amendments to section 180 (b) regarding the permitting of transfers between registered parties and their leadership contestants are accepted, any such transfers made or received by the leadership contestant should be disclosed.

Discussion:

There were no comments regarding this recommendation.

Proposal - Section 213 - General requirements for reports:

Recommendation: Remove the requirement that financing reports be prepared in accordance with "generally accepted accounting principles" and replace with an accounting basis that is prescribed by regulation.

The term "generally accepted accounting principles" (GAAP) has a very strict interpretation. GAAP is established by the Canadian Institute of Chartered Accountants and requires significantly more disclosure than that of the *Election Act*. Reference to GAAP should be removed from the Act and another standard be prescribed by regulation, for example using the accrual basis of accounting. This will give flexibility for all who have to work with the Act and be more easily amended to meet changing needs. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. Bonner concurred that GAAP is pretty broad.

Mr. MacKay-Dunn cautioned that the committee should be careful of what is accepted by law.

Ms. Western stated that accounting standards that can be more easily understood by their volunteers would be more appropriate.

Mr. Hignell suggested that perhaps a prescribed method would be good.

Ms. Western stated that she and Mr. Cockburn were working on an electronic bookkeeping process, as part of electronic filing. However budget cuts won't allow them to continue at this time.

Proposal - Section 223 - Deregistration of political party or constituency association for failure to file financial reports:

Recommendation: A registered political party be deregistered if 50% or 15, whichever is the lesser number, of its constituency associations do not comply with the financial filing requirements of the *Election Act*.

This section requires the deregistration of a political party or a constituency association of a political party if it fails to file a required financing report under Division 6 of Part 10 of the *Election Act*. Section 213 of the Act permits the financial agent of a political party to file a financial report on behalf of a constituency association of the party and on behalf of party candidates. Section 224 requires that a political party be deregistered if a specified number of its candidates at a general election do not file their election financing reports. Experience has shown that political parties are not keeping contact with their constituency associations and, as a result, many constituency associations are not meeting their financial filing obligations under the Act. A deregistration consequence similar to that under section 224 in relation to candidates should be placed on political parties with regard to the financial filings of constituency associations.

Discussion:

Mr. Bonner pointed out that the recommendation was not setting a specific number.

Mr. Cockburn suggested that the number would be 50% or 15, similar to the candidate's guidelines.

Mr. MacKay-Dunn asked if either number would apply.

Mr. Cockburn stated the threshold would be which ever is lower.

Mr. Neely agreed with the recommendation.

Mr. Hignell asked if there was any other penalty.

Mr. Cockburn stated what is set out in the Act.

Proposal - Section 224 - Deregistration of political party for failure of candidates to file election financing reports:

Recommendation: Reference to the failure to file a supplementary financial report under section 212 should be made in section 224.

Upon review of a financial report submitted under section 209, it may be discovered that significant information would be disclosed in a supplementary financing report required under section 212. The failure to file such a supplementary report should be recognized and reflected in section 224. This recommendation was also in the report on the 1996 general election.

Discussion:

Ms. Western stated that this recommendation was "housekeeping".

Proposal - Section 228 - Election advertising and opinion surveys:

Recommendation: The definition of election advertising be amended to exclude the expression of individuals' personal political views on the Internet.

The current definition of election advertising is so broad in its scope that certain contraventions cannot realistically be enforced, in particular, the transmission of messages by individuals on the Internet.

Discussion:

Mr. MacKay-Dunn questioned if the recommendation included email or the running of Web sites. He added that this is so significant that their party must discuss and contemplate the recommendation.

Mr. Neely asked if this recommendation would apply to a political party's Web page.

Ms. Western pointed out that this recommendation is aimed at individuals' Web sites where a political view is expressed.

Mr. Bonner questioned if an ad on a person's Web site would qualify.

Mr. Neely asked how this is currently handled.

Ms. Western stated that Elections BC does not have the manpower to search the Internet for personal views on Web sites, however if someone finds it and brings it to the attention of Elections BC, Mr. Cockburn will research the site and contact the individuals.

Ms. Johnson explained that the *Canada Elections Act* specifically exempts media that are not within the jurisdiction of the CRTC.

Mr. MacKay-Dunn repeated that this issue needs further study.

Mr. Bonner suggested that this recommendation should be withdrawn.

Proposal - Section 231 - Election advertising must identify sponsor:

Recommendation: The Act should be amended to either exempt certain classes of such "advertising" or to specify the classes of advertising to which sponsor identification would apply.

It is impractical to print "authorization" statements on many minor items of personal wear or use, such as buttons, caps, T-shirts, bumper stickers. This recommendation was also in the report on the 1996 general election.

Discussion:

Mr. MacKay-Dunn said that this has to be the most popular change.

Mr. Bonner remarked that he was not a fan of the legislation.

Ms. Johnson stated that the Chief Electoral Officer could identify classes of advertising media.

Mr. MacKay-Dunn agreed and added that the Chief Electoral Officer could expressly exempt items but give flexibility.

Mr. Reichert commented that there are some things that challenge this recommendation, such as a stage banner at a fundraising rally.

Mr. MacKay-Dunn said that flexibility is key. He also asked about displaying the political party's financial agent name as opposed to the candidate's financial agent on advertising.

Ms. Johnson stated that Elections BC would consider adding Mr. MacKay-Dunn's request to the recommendations.

Mr. Neely agreed.

Mr. Hignell asked if the telephone number was essential in sponsor disclosure on advertising.

Ms. Western confirmed the telephone number was required under the Act.

Next Steps:

Ms. Johnson advised the attendees that minutes would be drafted and forwarded to them for review. The Report of Chief Electoral Officer on the 37th Provincial General Election would be tabled in the Fall sitting of the Legislative Assembly. She reminded the attendees that a committee had been formed to recommend a new Chief Electoral Officer and suggested that the next meeting be set following that appointment.

Ms. Johnson welcomed further comments about the recommendations and invited the members to forward them to Elections BC.

Adjournment:

The meeting was adjourned at 12:30 p.m.