

NEW CAMPAIGN FINANCE RULES FOR MANITOBA MUNICIPALITIES

New legislation brings important changes for Manitoba municipal elections. Bill 35, The Municipal Conflict of Interest and Campaign Financing Act, was passed October 8, 2009, and puts in place campaign finance rules for municipalities throughout Manitoba. The legislation applies to all general municipal elections and by-elections.

NEW CAMPAIGN FINANCE RULES

Campaign finance rules are a key component of transparent elections. Rules are already in place for federal and provincial elections, and for elections in many municipalities, large and small, across Canada. They have been in place in Winnipeg for many years.

This new legislation affects candidates, senior election officials (SEOs), chief administrative officers (CAOs) and municipal councils. The legislation:

- Requires municipalities to pass a campaign finance by-law establishing specific rules for their municipality;
- Requires candidates to register with the SEO before they can accept contributions and spend money on their campaigns;
- Establishes a campaign period when candidates can accept campaign contributions and spend money;
- Allows only residents of Manitoba to contribute to a candidate's campaign, and bans union and corporate contributions;
- Sets contribution limits;
- Requires potential candidates to keep a record of contributions and expenses and to file an election finance statement with the CAO.

A variety of supports to help candidates, councils, CAOs and SEOs are available. Manitoba Local Government has prepared a candidate's guidebook, campaign financing manuals and training seminars for CAOs and SEOs. *The Municipal Act Procedures Manual* has also been updated and distributed to all municipalities. As well, information on campaign financing is also available on the Department's website, at http://web5.gov.mb.ca/mfas/mfas_elections.aspx.

The AMM has also distributed a template Campaign Contributions and Expenses by-law to all municipalities.

Campaign Finance By-law:

All municipal councils will be responsible to pass a campaign finance by-law for their municipality. The by-law must contain certain provisions, to establish campaign finance rules in your municipality.

The template Campaign Contributions and Expenses by-law will contain all of the required legislative provisions. In addition, it will include a simple, easy to use election finance statement for candidates.



Municipalities should pass their campaign finance by-law before May 1, 2010, the beginning of the campaign period. The three resort communities of the Town of Winnipeg Beach, the Village of Dunnottar and the RM of Victoria Beach should have their by-law in place before January 25, 2010.

Candidate registration:

Prospective candidates must register with the SEO before they are allowed to accept contributions or spend money on their campaign. Most prospective candidates spend a nominal amount on their campaign, for example for gas expenses. Registration is required even where candidates anticipate spending only a nominal amount.

Candidates will be able to register well in advance of the election in order to begin their campaigns, but no later than the last day of nominations. Once registered, candidates may accept contributions or spend money during a campaign period that is established by legislation. The campaign period is approximately eleven months long, beginning six months before Election Day.

Prospective candidates who fail to register, and who accept contributions or spend money, could be subject to a fine of up to \$5,000.

Campaign contributions:

Not all candidates will receive contributions but for those that do, there are rules that need to be followed.

Legislation establishes who can contribute to a candidate's campaign and how much can be contributed. Only residents of Manitoba¹ will be allowed to make a contribution – union, corporate and anonymous donations are banned.

Limits on individual donations to candidates are:

- \$1,500 (per contributor) to a candidate for mayor / reeve and a councillor elected at large;
- \$750 (per contributor) for a candidate for a councillor elected by ward.

These limits will also apply to the amount that a candidate may contribute towards his or her own campaign. It is important to remember that gifts in kind are also considered contributions, and their value is counted in the contribution limit.

Campaign expenses:

During the course of their campaign most candidates will spend a minimal amount, such as gas for travelling throughout the municipality while they are campaigning.

Municipalities will establish the maximum amount a candidate can spend on their campaign in their Campaign Contributions and Expenses by-law. Councils will have discretion in the amount set and how it will be calculated. For example, some municipalities may want to consider:

- Setting a dollar amount per candidate so that all candidates are subject to the same limit;
- Setting an amount calculated on an amount per voter or resident. Limits would be different for candidates in a municipality that elects members on a ward basis.

Recording contributions and expenses:

Throughout the campaign period, candidates are responsible to keep records of any contributions they have received or expenses they have incurred. These records are important because they will assist candidates to later complete their election finance statement.

Filing an Election Finance Statement:

Once the election is over all registered candidates, regardless of whether they are nominated or elected, must file a simple election finance statement.

The election finance statement is filed with the CAO of the municipality by the deadline set in the municipality's by-law, and must be no later than 210 days after the election (May 25, 2011 for the October 2010 general municipal election).

Once filed, the statements may be viewed by any member of the public.

Filing is important and there are penalties if candidates do not file their election finance statement. A registered candidate who is elected may ultimately lose their council seat. A registered candidate who is not elected will not be able to run in the next general election.

STRONGER CONFLICT OF INTEREST RULES

Disclosure of statements of assets and interests:

Bill 35 also strengthened long-standing conflict of interest rules that apply to all members of council under *The Municipal Council Conflict of Interest Act*. Currently all council members are required to file a statement of assets and interests each year and to update the statement as changes occur. These requirements have not changed.

No changes have been made to when the Statement must be filed or what must be included in it. As in past, council members are only required to disclose real estate holdings in the municipality and personal financial interests that you, or your spouse or dependent child have. Remember, only the nature of the financial interest must be disclosed, not the financial details.


Beginning in 2009, council members' statements are now required to be available for public inspection. Beginning December 1, 2009, any person may ask at the municipal office during the municipality's office hours, to look at a member's 2009 statement (but not copy it). Statements for 2008 or earlier are

not available for public inspection Manitoba Local Government has updated the *Municipal Act Procedures Manual* to include new information about conflict of interest requirements. Information is also available at http://www.gov.mb.ca/ia/conflict_interest_act.html.

Employee code of conduct:

The legislation also requires municipalities to adopt a code of conduct for employees, a good business practice for any employer. Manitoba Local Government has updated the *Municipal Act Procedures Manual* to include a comprehensive section on how to develop an employee code of conduct. A sample code of conduct is also included.

New legislation reflects the principles of transparency and accountability that citizens expect of all levels of government. These important new changes are consistent with requirements currently in place for most municipal and provincial governments across Canada.

For additional information about new campaign finance and conflict of interest rules, contact your Municipal Services Officer, at (204) 945-2572. 

REFERENCE

1. Residents of the Flin Flon boundary area may contribute to a candidate running for election in the City of Flin Flon, as these individuals may also run and vote in the Flin Flon municipal election.



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