

Committee of the Whole (1) Report

DATE: Tuesday, January 18, 2022

WARD(S): ALL

TITLE: 2022 CONTRIBUTION REBATE PROGRAM

FROM:

Wendy Law, Deputy City Manager, Legal and Administrative Services and City Solicitor

ACTION: DECISION

Purpose

To detail the Contribution Rebate Program and confirm Council's support for continuing the program for the 2022 Municipal Elections.

Report Highlights

- The Contribution Rebate Program was first implemented in 2010 and continued for the 2014 and 2018 Municipal Elections.
- A record 531 rebates were issued to eligible contributors, totaling a value of \$75,198.75, for the 2018 Contribution Rebate Program.
- No substantive changes to the qualifications or formula are recommended for the 2022 Contribution Rebate Program.

Recommendations

1. That the Contribution Rebate Program be continued in 2022, with the same formula and requirements as the 2018 program; and
2. That any campaign surpluses fund the Contribution Rebate Program.

Background

The Contribution Rebate Program was first established for the 2010 Municipal Elections as part of an overall strategy to encourage candidate participation and citizen engagement in the electoral process.

Section 88.11 of the Municipal Elections Act, 1996, as amended, allows a municipality to pass a by-law to provide for payment of rebates to individuals who make contributions to candidates for office on the municipal council.

In 2009, on the recommendation of the City of Vaughan's Task Force for Democratic Participation and Renewal, Council approved the establishment of a Contribution Rebate Program for the 2010 Municipal Election. The program was introduced with two key objectives:

- 1) To reduce candidates' dependence on financial contributions from corporations and trade unions (and thereby support their participation in the electoral process); and
- 2) To increase citizen engagement in the electoral process.

The Contribution Rebate Program included the following requirements:

- Candidate participation was voluntary;
- Individual contributors had to be residents of Vaughan, and an eligible elector on the final voters list as amended, in order to be eligible to receive a rebate;
- Contributions from corporations and trade unions were not eligible for a rebate;
- Candidates, their spouse, siblings, parents, grandparents, children and grandchildren were not eligible to receive a rebate;
- Contributions of less than \$50 were not eligible for a rebate;
- Contributions of goods and services were not eligible for a rebate;
- Contributions of inventory or money from a prior election were not eligible for a rebate;
- Proceeds from fundraisers were not eligible for a rebate; and
- Participating candidates were required to file an audited financial statement, regardless of the amount of money raised or spent.

Rebates were calculated as follows:

- The minimum contribution qualifying for a rebate was \$50;
- The rebate was 75% of the contribution; and
- The maximum rebate was \$150 regardless of the number of contributions made by any individual contributor to one or more candidates for Vaughan Council.

The Contribution Rebate Program was continued for the 2014 Municipal Election and 2018 Municipal Election, albeit with updates including removing the requirement for an audited financial statement for those candidates not otherwise required to do so under the *Municipal Elections Act, 1996*, revise the application deadline to 90 days from the appropriate filing deadline, and that campaign surpluses be directed to fund the Contribution Rebate Program.

Previous Reports/Authority

[Item 2, Report No. 46, Committee of the Whole \(Working Session\), December 11, 2017](#)

Analysis and Options

The City Clerk/Returning Officer recommends continuing the Contribution Rebate Program for the 2022 Municipal Election based on the qualifications and formula used for the 2018 Contribution Rebate Program. Amendments to the *Municipal Elections Act*, 1996, made in advance of the 2018 Municipal Election have had a significant impact in the rebate program participation rate.

The number of rebates issued under the Contribution Rebate Program declined between 2010 and 2014, largely due to the decline in the number of Council candidates over the same period of time. The number of rebates declined from 434 in 2010 to 341 in 2014, representing an approximately 20% decline in rebates issued to contributors.

The 2018 Municipal Election saw a significant reversal in the decline in rebate program participation, with 531 rebates issued, representing a 56% increase over 2014, and a 22% increase over 2010 rates. This increase is likely linked to the legislative changes that ended campaign contributions from corporations and trade unions, whose contributors likely gave to candidates on an individual basis instead, thereby qualifying under the provisions of the program. Table A, below, details Contribution Rebate Program participation over the last three election cycles and the total value of surplus contributions paid to the City and directed to subsidizing the cost of the rebate program.

Election Year	2010	2014	2018
Rebates Issued	434	341	531
Value of Issued Rebates	\$61,717.50	\$48,615.00	\$75,198.75
% Change	-	-21%	+56%
Surplus Contributions	\$34,997.60	\$8,124.45	\$14,822.69

Table A: Contribution Rebate Program Statistics

Based on the continued strength of the program participation, it is recommended that the program be continued with the current requirements for qualification, and the existing formula for calculating the value of the rebates issued to eligible contributors. No substantive alterations or changes to the program are proposed for the 2022 Contribution Rebate Program.

Financial Impact

The Contribution Rebate Program is funded by the City's Election Reserve. Campaign surpluses received by the City Clerk/Returning Officer will be directed towards subsidizing the cost of administering the Contribution Rebate Program.

Broader Regional Impacts/Considerations

There are no regional implications associated with this report.

Conclusion

The Contribution Rebate Program provides rebates to individual residents of the City of Vaughan who contribute funds to the campaigns of candidates for Vaughan Council during a municipal election. The 2018 Municipal Election saw record participation in the Contribution Rebate Program, with 531 rebates issued to eligible contributors in Vaughan.

The costs incurred through the implementation of the program are borne by the City's Election Reserve as has been the case in all previous elections. No substantive changes or alterations to the program are recommended for the 2022 Municipal Election.

For more information, please contact Evan Read, Manager, Elections and Special Projects, ext. 8241.

Attachments

N/A

Prepared by

Evan Read, Manager, Elections and Special Projects, ext. 8241

Approved by



Wendy Law, Deputy City
Manager, Legal & Administrative
Services and City Solicitor

Reviewed by



Nick Spensieri, City Manager