



April 15, 2021

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Lucille Collard, Ontario Liberal critic, Attorney General
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Mike Schreiner, Ontario Green Party leader
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Re: Nonprofit sector concerns ignored on Bill 254, *Protecting Ontario Elections Act, 2021*

Dear MPPs Singh, Collard, and Schreiner,

You may recall that we copied you on our March 30 [letter to the Standing Committee](#) when they were considering Bill 254 two weeks ago.

We have just read the Third Reading version of the bill and were extremely disappointed to see that our concerns were not reflected in the Committee's amendments. In fact, while we asked for a lighter administrative burden, the Committee increased the burden on "third party advertisers" so they will have to send a separate report every time they spend \$1,000 (with a \$100,000 penalty for non-compliance).

While attention is focused on the pandemic response, Bill 254 is proceeding rapidly through the Legislature and many stakeholders are unaware of the serious implications for community voices. This bill means that many nonprofits may have to register as third-party advertisers as early as May 5, 2021, as the "pre-election period" is being extended to 12 months before the writ drops. There is simply not sufficient time to educate the nonprofit sector about these changes before they are in effect.

We ask that you raise a question in the Legislature during Third Reading debate about the impact of Bill 254 on community nonprofits and their ability to participate in public policy debate. At a minimum, the new provisions should not take effect until an awareness campaign has been launched by Elections Ontario.

Nonprofits play an essential role in bringing the voices of communities to the democratic process. The following are key points from our submission that we would like to hear raised in the Legislature:

- If a nonprofit works for the public benefit and their issue advocacy is part of their mission, ongoing, and nonpartisan, they should be exempt from pre-election advertising rules in Ontario as they are in most other jurisdictions in Canada.
- Bill 254 imposes new administrative burdens on “small spenders” that engage in issue-based (nonpartisan) pre-election advocacy.
 - Nonprofits that spend as little as \$42 a month will have to register and report spending separately (with a separate bank account) for advocacy on issues on which a candidate or political party has taken a position.
 - Nonprofits already publish their annual audited financial statements showing how they spend their money and who their major donors are.
- Election advocacy rules are more burdensome for community-based nonprofits than for political action groups because nonprofits operate year-round and have to keep two separate bank accounts if they register to advocate, whereas political action groups operate primarily during elections (and the pre-election period) and just have to keep one set of books for the campaign.
 - A more level playing field can be created for community-based nonprofits by enabling them to use their existing audited financial statements for reporting purposes.
- Current election advocacy rules constitute an unfair playing field for charities. It is inappropriate in the wake of the [“Canada Without Poverty” ruling](#) for the Ontario government to constrain charities in their participation in nonpartisan advocacy.

We are concerned that thousands of nonprofits will give up on engaging in public policy debate if they are subject to a heavy administrative burden for doing so one out of every four years in Ontario.

We urge you to bring up this important issue in the Legislature.

We look forward to working with you to ensure community voices are reaching politicians in the lead-up to Ontario’s 2022 Election.

Sincerely,

A handwritten signature in black ink, appearing to read "Cathy Taylor". The signature is fluid and cursive, with the first name "Cathy" being larger and more prominent than the last name "Taylor".

Cathy Taylor
Executive Director