



# Political Financing Handbook

for Third Parties, Financial Agents and Auditors

Draft – Month 2024

For consultation with third parties – do not use for an election or redistribute

EC 20227





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## About This Document

### Introduction to the handbook

This handbook is designed to help third parties, their financial agents and auditors in the financial administration of regulated activities during a federal pre-election period and election period.

It can be used for a fixed-date general election, non-fixed-date general election or by-election. The different rules for each election type are explained throughout the handbook.

This handbook is a general guideline. It is provided for information and is not intended to replace the *Canada Elections Act*. In all cases, the Act takes precedence over information and explanations provided in this handbook. How the Act applies to a particular case will depend on the circumstances of that case.

Elections Canada will review the contents of this handbook on a regular basis and make updates as required.

The handbook consists of nine chapters:

1. Reference Tables and Timelines
2. Registering a Third Party
3. Financial Administration: Overview of Resources
4. Financial Administration: Overview of Expenses
5. Regulated Activities: Pre-election Period of a Fixed-Date Election
6. Regulated Activities: Election Period
7. Identifying and Allocating Regulated Expenses
8. Interacting with Other Regulated Entities
9. Reporting

## Contact information

<b>Internet</b>	elections.ca
<b>Telephone</b>	<b>Political Entities Support Network</b> 1-800-486-6563  <b>Regular Hours</b> Monday to Friday, 9:00 a.m. to 5:00 p.m. (Eastern time)  <b>Elections Canada General Enquiries</b> 1-800-463-6868
<b>Fax</b>	<b>Political Financing</b> 1-888-523-9333 (toll-free)
<b>Mail</b>	<b>Elections Canada</b> 30 Victoria Street Gatineau, Quebec K1A 0M6
<b>Email</b>	<b>General Enquiries</b> info@elections.ca  <b>Political Financing Enquiries</b> political.financing@elections.ca  <b>Electronic Financial Return (EFR)—Enquiries and Submissions</b> efr-rfe@elections.ca



## 1. Reference Tables and Timelines

*The reference tables and timelines in this chapter are quick reference tools for the use of third parties, financial agents and auditors.*

*The chapter contains the following:*

- *Definition of terms—third party, regulated activities and issue-based activities*
- *Important deadlines—fixed-date election, non-fixed-date election and by-election*
- *Registration timelines—pre-election period and election period*
- *Interim reporting timelines—fixed-date election and non-fixed-date election*

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## Definition of terms

### What are the different election types, and why does it matter?

There are three election types at the federal level: fixed-date general elections, non-fixed-date general elections and by-elections. Third parties have to follow rules in all elections, but some rules are different by election type.

The table below defines each election type and mentions some key differences. More information about differences is provided in all relevant parts of the handbook.

Election type	Definition	Activities regulated in pre-election period?	Have to file interim returns?
<b>Fixed-date general election</b>	A general election held in October, four years after the last general election.  This is the default date for a general election, unless one is called earlier.	Yes, from June 30 of the election year until the day before the general election is called.	Yes, up to four interim returns may have to be filed in the pre-election and election periods.
<b>Non-fixed-date general election (also called a snap election)</b>	A general election called any time before the default date described above.	No	Yes, up to two interim returns may have to be filed in the election period.
<b>By-election</b>	An election to fill a vacancy in a specific electoral district between general elections.	No	No

### What is a third party?

A third party is generally a person or group that wants to participate in or influence elections other than as a political party, electoral district association, nomination contestant or candidate.

The term has different legal definitions in the pre-election period and election period, as explained below.

During a pre-election period (fixed-date general election only)	During an election period (all general elections and by-elections)
A third party is a person or group other than a: <ul style="list-style-type: none"> <li>• registered or eligible party</li> <li>• registered electoral district association</li> <li>• potential candidate</li> <li>• nomination contestant</li> </ul>	A third party is a person or group other than a: <ul style="list-style-type: none"> <li>• registered party</li> <li>• registered electoral district association</li> <li>• unregistered electoral district association of a registered party</li> <li>• candidate</li> </ul>

**Note:** In defining who is not a third party, a potential candidate means someone who is selected in a nomination contest, is deemed to be a candidate because they have conducted political financing transactions, or has the support of a political party to be a candidate of that party.

## What are regulated activities?

This handbook uses “regulated activities” as an umbrella term for partisan activities, election surveys, partisan advertising and election advertising.

The following table introduces the regulated activities. For full definitions and examples, see Chapter 5, **Regulated Activities—Pre-election Period of a Fixed-Date Election**, and Chapter 6, **Regulated Activities—Election Period**.

Regulated activity	Description
<b>Partisan activities</b>	<p>Activities carried out by a third party that promote or oppose a political party, nomination contestant, potential candidate, candidate or party leader, <b>other than</b> by taking a position on an issue with which the political party or person is associated.</p> <p><b>Note:</b> Activities to fundraise for the third party are excluded from partisan activities. Election advertising and partisan advertising are also excluded from partisan activities (they are reported as advertising instead).</p>
<b>Election surveys</b>	<p>Surveys about voting intentions or choices, or about an issue with which a registered party or candidate is associated, that a third party conducts or causes to be conducted during the pre-election period* or the election period.** The survey results are used in deciding whether or not to organize and carry out regulated activities, or in the organization and carrying out of regulated activities.</p>
<b>Partisan advertising</b> (pre-election period only)	<p>The transmission to the public by a third party, by any means during the pre-election period,* of an advertising message that promotes or opposes a political party, nomination contestant, potential candidate or party leader, <b>other than</b> by taking a position on an issue with which the political party or person is associated.</p>
<b>Election advertising</b> (election period only)	<p>The transmission to the public by a third party, by any means during the election period,** of an advertising message that promotes or opposes a registered party or candidate, <b>including</b> by taking a position on an issue with which the registered party or person is associated.</p>
<p>*The pre-election period starts on June 30 in the year of a fixed-date general election. It ends on the day before the general election is called.</p> <p>**The election period starts on the day the election is called and ends on election day when the polls close.</p>	

**Note:** A potential candidate is someone who is selected in a nomination contest, is deemed to be a candidate because they have conducted political financing transactions, is a member of Parliament or an incumbent, or has the support of a political party to be a candidate of that party.

**Note:** Partisan activities and election surveys conducted by provincially registered political parties are not regulated under the *Canada Elections Act*. However, their partisan advertising or election advertising is regulated, unless the activity or message is compelled by provincial legislation.

## Which issue-based activities are regulated?

Third parties often conduct activities that focus on an issue. If the activity does not identify a political entity, it might not be covered by the third party rules in a pre-election or election period. The tables below show different issue-based activities and what makes them regulated activities in each period.

For election advertising, a political entity's association with the issue matters. See the section **What is election advertising?** in Chapter 6, **Regulated Activities—Election Period** for more information.

### Issue-based activities in the pre-election period

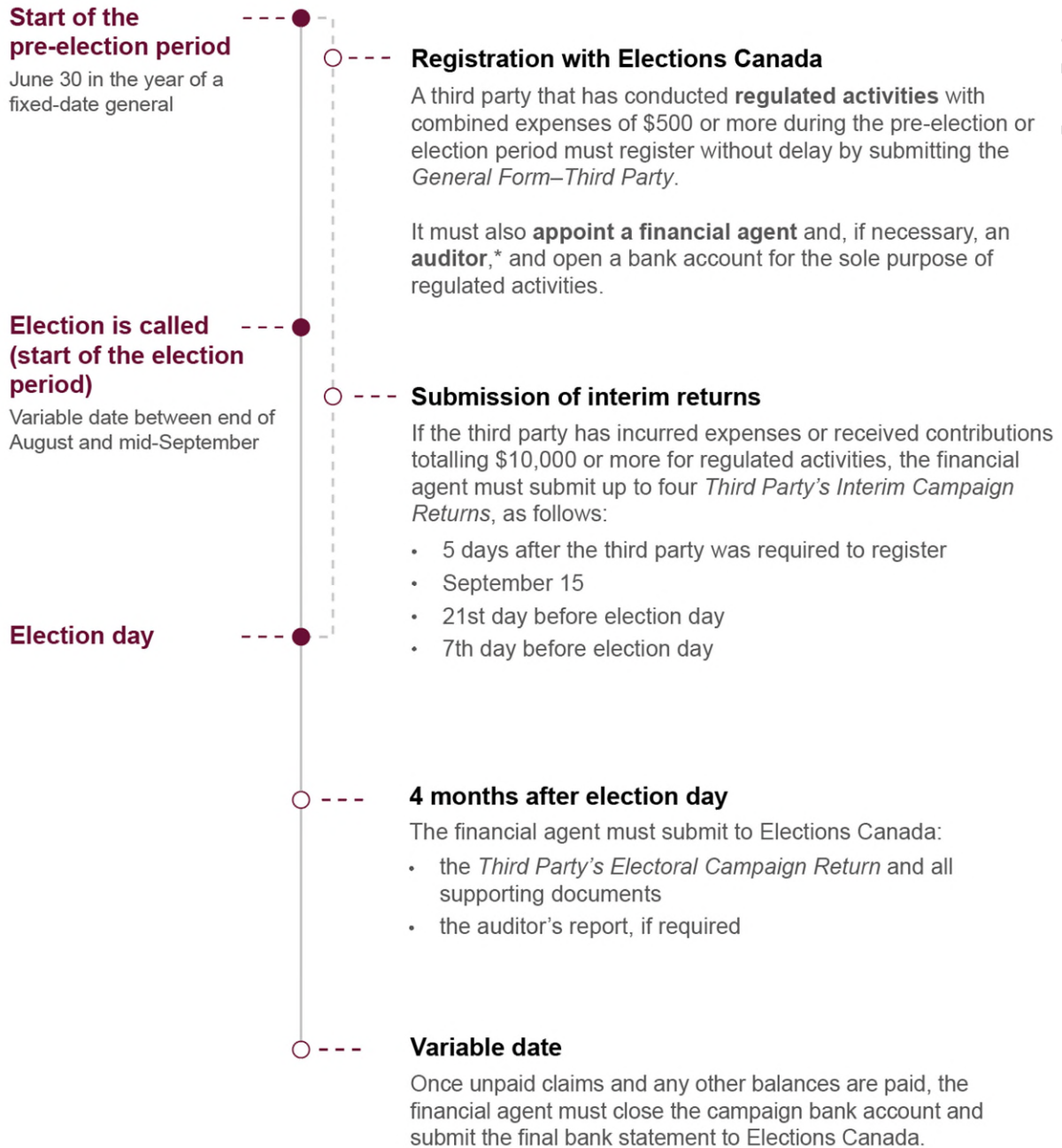
Activity in the pre-election period	Only takes a position on an issue	Also identifies a party, nomination contestant, candidate or party leader
<b>Partisan advertising</b> Examples: <ul style="list-style-type: none"> <li>• radio, television, newspaper ads</li> <li>• promoted (paid) social media</li> <li>• signs, billboards, flyers</li> </ul>	Not regulated	Regulated
<b>Partisan activity</b> Examples: <ul style="list-style-type: none"> <li>• calls, emails, texts, websites</li> <li>• organic (free) social media, including online videos</li> <li>• door-to-door canvassing, rallies, demonstrations</li> </ul>	Not regulated	Regulated
<b>Note:</b> An election survey conducted during a pre-election period that asks voters about an issue clearly associated with a registered party or candidate is regulated, if the results are used to decide whether or how to carry out other regulated activities.		

### Issue-based activities in the election period

Activity in the election period	Only takes a position on an issue	Also identifies a party or candidate
<b>Election advertising</b> Examples: <ul style="list-style-type: none"> <li>• radio, television, newspaper ads</li> <li>• promoted (paid) social media</li> <li>• signs, billboards, flyers</li> </ul>	Regulated, if the issue is clearly associated with a party or candidate	Regulated
<b>Partisan activity</b> Examples: <ul style="list-style-type: none"> <li>• calls, emails, texts, websites</li> <li>• organic (free) social media, including online videos</li> <li>• door-to-door canvassing, rallies, demonstrations</li> </ul>	Not regulated	Regulated
<b>Note:</b> An election survey conducted during an election period that asks voters about an issue clearly associated with a registered party or candidate is regulated, if the results are used to decide whether or how to carry out other regulated activities.		

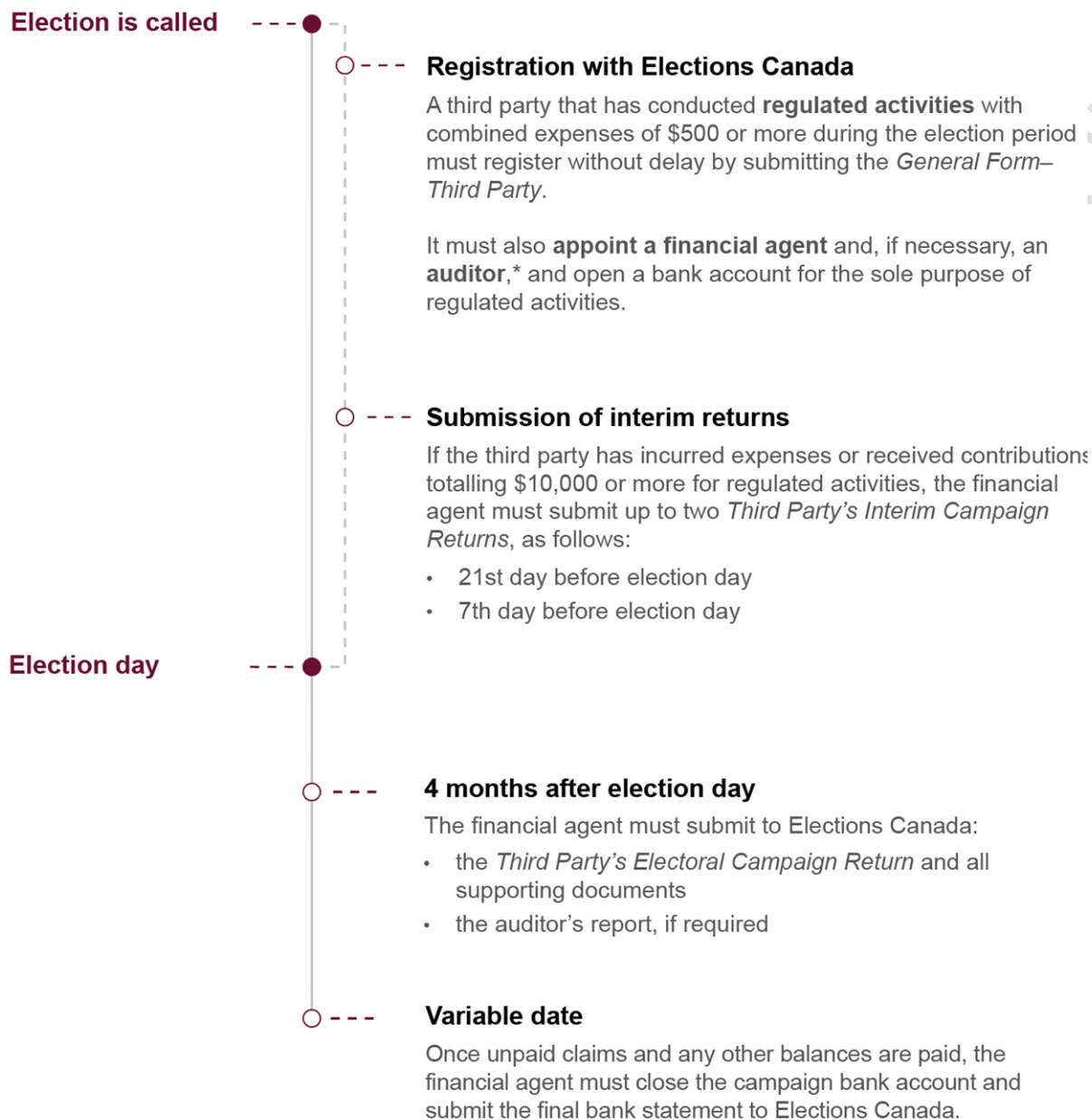
## Important deadlines by election type

### Important deadlines for a fixed-date general election



\*An auditor must be appointed without delay after the third party incurs expenses totalling \$10,000 or more for regulated activities that have been conducted.

## Important deadlines for a non-fixed-date general election



\*An auditor must be appointed without delay after the third party incurs expenses totalling \$10,000 or more for regulated activities that have been conducted.

## Important deadlines for a by-election

By-election is called

Registration with Elections Canada

A third party that has conducted **regulated activities** with combined expenses of \$500 or more during the election period must register without delay by submitting the *General Form–Third Party*.

It must also **appoint a financial agent** and, if necessary, an **auditor**,\* and open a bank account for the sole purpose of regulated activities.

Election day

4 months after election day

The financial agent must submit to Elections Canada:

- the *Third Party's Electoral Campaign Return* and all supporting documents
- the auditor's report, if required

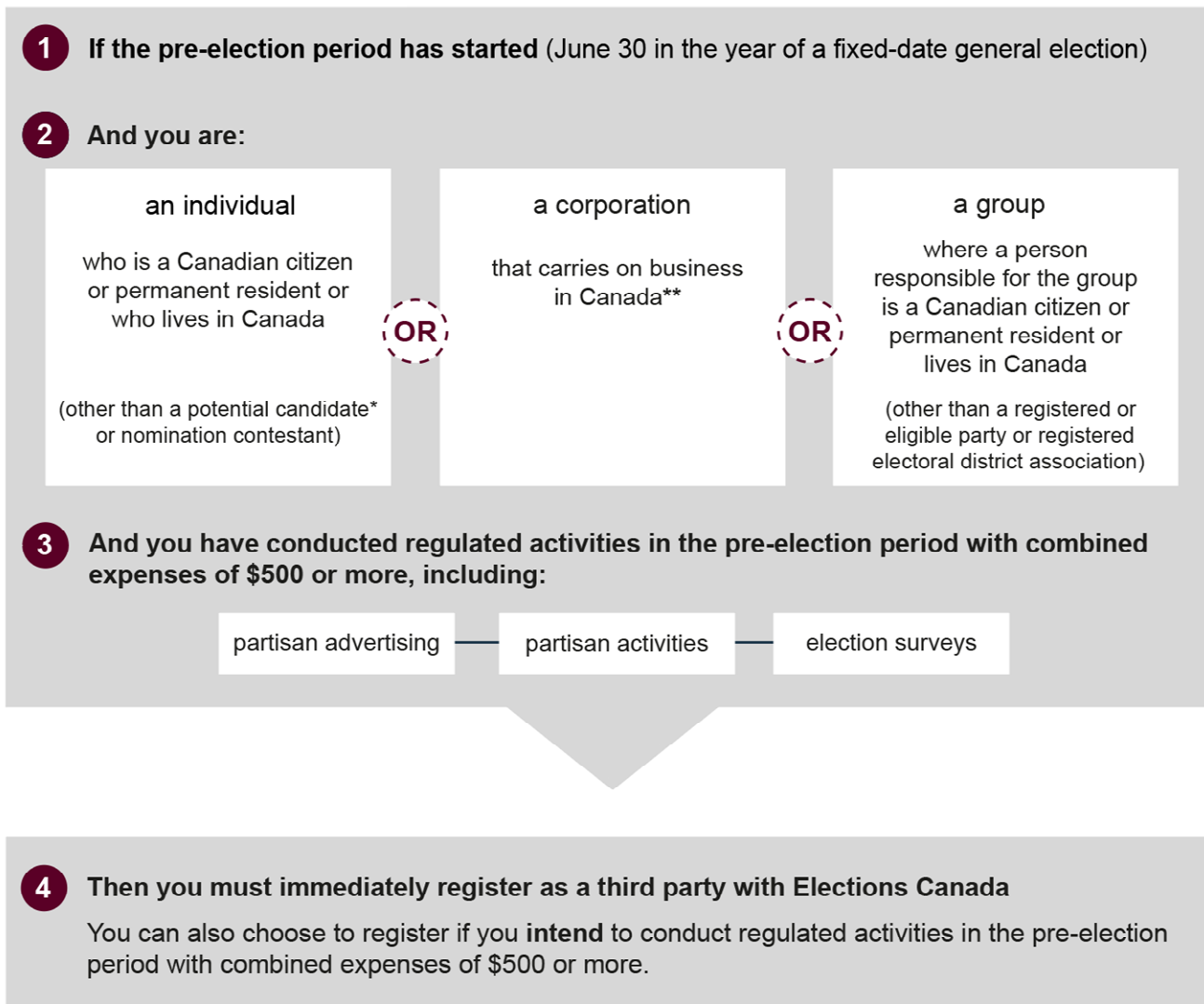
Variable date

Once unpaid claims and any other balances are paid, the financial agent must close the campaign bank account and submit the final bank statement to Elections Canada.

\*An auditor must be appointed without delay after the third party incurs expenses totalling \$10,000 or more for regulated activities that have been conducted.

## Registration timelines by election type

### Registering in a pre-election period (fixed-date general election only)



\*In defining who is not a third party, a potential candidate means someone who is selected in a nomination contest, is deemed to be a candidate because they have conducted political financing transactions, or has the support of a political party to be a candidate of that party.

\*\*A corporation incorporated outside Canada cannot register as a third party if, during the pre-election period, its **only** activity in Canada is to influence electors to vote or refrain from voting, either in general or for a particular candidate or registered party.



## Registering in an election period (all general elections and by-elections)

**1** If the election period has started (it starts on the day the election is called)

**2** And you are:

an individual

who is a Canadian citizen or permanent resident or who lives in Canada

(other than a candidate)

OR

a corporation

that carries on business in Canada\*

OR

a group

where a person responsible for the group is a Canadian citizen or permanent resident or lives in Canada

(other than a registered party or registered electoral district association)

**3** And you have conducted regulated activities in the election period with combined expenses of \$500 or more, including:

election advertising

partisan activities

election surveys

**4** Then you must immediately register as a third party with Elections Canada

You can also choose to register after the election is called, if you **intend** to conduct regulated activities with combined expenses of \$500 or more.

\*A corporation incorporated outside Canada cannot register as a third party if, during the election period, its **primary** purpose in Canada is to influence electors to vote or refrain from voting, either in general or for a particular candidate or registered party.

**Note:** A third party that registered during the pre-election period and is also required to register during the election period is deemed to be registered for the election period.

## Interim reporting timelines by election type

### Interim reporting for a fixed-date general election

#### Requirements

	Reporting threshold	Threshold is met when	Interim reports due
<b>Pre-election period</b>	<p>The third party:</p> <ul style="list-style-type: none"> <li>received contributions totalling \$10,000 or more for regulated activities and conducted regulated activities in the pre-election period with combined expenses of \$500 or more, or</li> <li>conducted regulated activities in the pre-election period with combined expenses of \$10,000 or more</li> </ul>	<p>Between:</p> <ul style="list-style-type: none"> <li>Sept. 21, 2021 (the day after the previous general election), and</li> <li>the day on which the third party became required to register</li> </ul> <p>Between:</p> <ul style="list-style-type: none"> <li>Sept. 21, 2021 (the day after the previous general election), and</li> <li>Sept. 14 or the last day of the pre-election period, whichever is earlier</li> </ul>	<p>5 days after the third party was required to register*</p> <p>Sept. 15</p>
<b>Election period</b>	<p>The third party:</p> <ul style="list-style-type: none"> <li>received contributions totalling \$10,000 or more for regulated activities and conducted regulated activities in the pre-election or election period with combined expenses of \$500 or more, or</li> <li>conducted regulated activities in the pre-election or election period with combined expenses of \$10,000 or more</li> </ul>	<p>Between:</p> <ul style="list-style-type: none"> <li>Sept. 21, 2021 (the day after the previous general election), and</li> <li>the 23rd day before election day</li> </ul> <p>Between:</p> <ul style="list-style-type: none"> <li>Sept. 21, 2021 (the day after the previous general election), and</li> <li>the 9th day before election day</li> </ul>	<p>21st day before election day</p> <p>7th day before election day</p>

\*A third party is required to register immediately after conducting regulated activities in the pre-election period with combined expenses of \$500 or more or in the election period with combined expenses of \$500 or more.

**Note:** Once a third party starts filing interim reports, it must file all remaining interim reports.

## Examples

<b>Scenario</b> (in these examples, the pre-election period is June 30 to Sept. 13 and the election period is Sept. 14 to Oct. 20, 2025)	<b>Required to register</b>	<b>Interim reports due</b>
<p>On May 10, the third party receives a \$50,000 contribution for regulated activities.</p> <p>On June 30, the third party begins broadcasting advertising on national radio at a cost of \$8,000.</p>	June 30	<ol style="list-style-type: none"> <li>1. <b>July 5</b> (for period between Sept. 21, 2021, and June 30, 2025)</li> <li>2. <b>Sept. 15</b> (for period between July 1 and Sept. 13)</li> <li>3. <b>Sept. 29</b> (for period between Sept. 14 and Sept. 27)</li> <li>4. <b>Oct. 13</b> (for period between Sept. 28 and Oct. 11)</li> </ol>
<p>On July 20, a third party sends out flyers at a cost of \$750 to promote a potential candidate.</p> <p>The third party receives a \$10,000 contribution for regulated activities on August 15.</p>	July 20	<ol style="list-style-type: none"> <li>1. <b>Sept. 15</b> (for period between Sept. 21, 2021, and Sept. 13, 2025)</li> <li>2. <b>Sept. 29</b> (for period between Sept. 14 and Sept. 27)</li> <li>3. <b>Oct. 13</b> (for period between Sept. 28 and Oct. 11)</li> </ol>
<p>From Aug. 1 to Aug. 13, a third party conducts partisan advertising at a cost of \$9,000.</p> <p>On Oct. 10, the third party conducts election advertising at a cost of \$1,000.</p>	Aug. 1	<ol style="list-style-type: none"> <li>1. <b>Oct. 13</b> (for period between Sept. 21, 2021, and Oct. 11, 2025)</li> </ol>
<p>In 2023, a third party received contributions totalling \$10,000 to conduct election surveys.</p> <p>On Sept. 17, 2025, it conducts an election survey at a cost of \$5,000.</p>	Sept. 17	<ol style="list-style-type: none"> <li>1. <b>Sept. 29</b> (for period between Sept. 21, 2021, and Sept. 27, 2025)</li> <li>2. <b>Oct. 13</b> (for period between Sept. 28 and Oct. 11)</li> </ol>
<p>From Oct. 2 to 9, a third party holds a series of national events promoting a registered party at a cost of \$12,000.</p>	Oct. 2	<ol style="list-style-type: none"> <li>1. <b>Oct. 13</b> (for period between Sept. 21, 2021, and Oct. 11, 2025)</li> </ol>

## Interim reporting for a non-fixed-date general election

### Requirements

	Reporting threshold	Threshold is met when	Interim reports due
Election period	The third party:	Between:	21st day before election day
	<ul style="list-style-type: none"> <li>received contributions totalling \$10,000 or more for regulated activities and conducted regulated activities in the election period with combined expenses of \$500 or more, or</li> <li>conducted regulated activities in the election period with combined expenses of \$10,000 or more</li> </ul>	<ul style="list-style-type: none"> <li>September 21, 2021 (the day after the previous general election), and</li> <li>the 23rd day before election day</li> </ul> Between: <ul style="list-style-type: none"> <li>September 21, 2021 (the day after the previous general election), and</li> <li>the 9th day before election day</li> </ul>	7th day before election day

**Note:** Once a third party starts filing interim reports, it must file all remaining interim reports. There are no interim reporting requirements for by-elections.

### Example

Scenario	Required to register	Interim reporting deadlines
A snap general election is called on Jan. 19, 2025. Election day is Feb. 24. On Jan. 25, a third party runs a national ad promoting a registered party at a cost of \$8,000. On Feb. 1, it holds an event promoting a candidate at a cost of \$2,000.	Jan. 25	1. <b>Feb. 3</b> (for period between Sept. 21, 2021, and Feb. 1, 2025) 2. <b>Feb. 17</b> (for period between Feb. 2 and Feb. 15)

## 2. Registering a Third Party

*This chapter outlines the registration requirements for the pre-election period and election period.*

*It covers the following topics:*

- *Requirement to register*
- *Registration process*
- *Role and appointment processes—financial agent and auditor*
- *Prohibition on foreign third parties*

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## Requirement to register

A person, corporation or group must register with Elections Canada as a third party immediately after it conducts one or more regulated activities:

- in a pre-election period with combined expenses totalling \$500 or more, or
- in an election period with combined expenses totalling \$500 or more

The following are eligible to become registered third parties:

- an individual who is a Canadian citizen or permanent resident or who lives in Canada
- a corporation that carries on business in Canada (including a municipal government), as long as it is not a foreign third party (see **Prohibition on foreign third parties** below)
- a group, if a person responsible for the group is a Canadian citizen or permanent resident or lives in Canada

A “group” is an unincorporated trade union, trade association or other group of persons acting together by mutual consent for a common purpose. This could include a political party registered at the provincial, territorial or municipal level.

Two groups with related aims, such as two trade union locals of the same parent union, may both separately register as third parties. However, they are prohibited from colluding with each other to circumvent the limit on regulated expenses.

**Note:** A person, corporation or group can also register as a third party if they **intend** to conduct regulated activities with combined expenses totalling \$500 or more. Registration cannot take place before the relevant period starts. For a pre-election period, this is June 30. For an election period, this is the day the general election or by-election is called.

**Note:** A third party that registers during the pre-election period and is also required to register during the election period is deemed to be registered for the election period.

## Registration process

### How to register

A third party that is required to register with Elections Canada must:

- appoint a financial agent, who must sign a declaration accepting the appointment
- appoint an auditor without delay, who must sign a declaration accepting the appointment, if the third party has incurred expenses totalling:
  - \$10,000 or more for regulated activities conducted during the pre-election period, or
  - \$10,000 or more for regulated activities conducted during the election period
- submit the *General Form—Third Party* to Elections Canada

If the third party is a trade union, corporation or other entity with a governing body, the group must pass a resolution authorizing it to incur expenses for regulated activities and include a copy in its application to register.

For example, the resolution could read: “The board hereby authorizes <name of the third party> to incur expenses regulated by the *Canada Elections Act* during the election period for the election held on <election date>. This resolution was approved by the majority of the board members.” A template can be obtained by contacting the Political Entities Support Network.

## Elections Canada's verification of the application

Elections Canada reviews the application for registration to determine whether the third party can be registered. Applications are examined in the order in which they are received.

A third party will not be registered if the application does not meet the requirements of the *Canada Elections Act* or if the name of the third party is likely to be confused with one of the following:

- in the pre-election period, the name of one of these regulated entities:
  - registered or eligible political party
  - nomination contestant
  - potential candidate or candidate
  - leadership contestant
  - leader of a registered or eligible political party, or
  - another registered third party
- in the election period, the name of one of these regulated entities:
  - registered or eligible political party
  - candidate
  - another registered third party

If a third party cannot be registered for any reason, Elections Canada will inform the person who signed the application for registration, explaining why and what steps must be taken. For example, they may need to submit a new application or simply provide missing information.

If the application is accepted, Elections Canada informs the person who signed the application for registration. Once registered, the person, corporation or group is referred to as a registered third party.

The registration is valid only for the election that was underway when the third party registered.

## Opening a bank account

A third party that is required to register must open a separate bank account for the sole purpose of its regulated activities. The account must be with a Canadian financial institution or certain authorized foreign banks, as defined by the *Bank Act*.

All financial transactions for regulated activities that involve the payment or receipt of money must go through this campaign account. If the third party intends to use its own funds to pay for regulated activities, it must deposit the funds from its general account into its campaign account.

An existing organization (for example, a corporation or union) whose expenses for salaries and overhead are drawn from its regular bank account may continue to pay those expenses from that account, but they must be reported in the financial returns.

## Registry of Third Parties

Elections Canada maintains a Registry of Third Parties that includes all the details provided by registered third parties in their application and subsequent updates.

**Note:** When third parties become registered, their names and partial addresses are published on the Elections Canada website.

## Role and appointment process—financial agent

Third party's financial agent		
<b>Role summary</b>		
<ul style="list-style-type: none"> <li>The financial agent is responsible for administering the third party's financial transactions related to regulated activities during the pre-election period and election period, and for reporting those transactions to Elections Canada as required by the <i>Canada Elections Act</i>.</li> <li>The financial agent may authorize another person to accept contributions or incur expenses for regulated activities, but that does not limit the responsibility of the financial agent.</li> <li>The financial agent's role continues until the third party fulfills all financial reporting requirements.</li> </ul>		
<b>Who is eligible during a pre-election period?</b>	<b>Yes</b>	<b>No</b>
Canadian citizen	✓	
Permanent resident of Canada	✓	
Potential candidate, candidate or their official agent		✗
Leadership contestant, their financial agent or their leadership campaign agent		✗
Nomination contestant or their financial agent		✗
Chief agent or registered agent of a registered party or eligible party		✗
Election officer or member of the staff of a returning officer		✗
<b>Who is eligible during an election period?</b>	<b>Yes</b>	<b>No</b>
Canadian citizen	✓	
Permanent resident of Canada	✓	
Candidate or their official agent		✗
Chief agent or registered agent of a registered party		✗
Election officer or member of the staff of a returning officer		✗
<b>Appointment process</b>		
<ul style="list-style-type: none"> <li>When the third party applies to register, it must submit the <i>General Form—Third Party</i>. This form must include the financial agent's name, address and telephone number.</li> <li>The financial agent has to sign a statement consenting to act in that capacity.</li> <li>If for any reason the financial agent is no longer able to continue in that role, the third party must appoint a new financial agent and notify Elections Canada without delay. The notice has to include a signed consent from the new financial agent.</li> <li>Although it is not a legal requirement, a financial agent should be experienced in managing finances. The role requires a strong ability to control, record and administer financial transactions as well as to create financial reports.</li> </ul>		



## Role and appointment process—auditor

Third party's auditor		
<b>Role summary</b>		
<ul style="list-style-type: none"> <li>The auditor, if one is required, has to examine the third party's financial records and give an opinion in a report as to whether the third party's financial return presents fairly the information contained in the financial records on which it is based.</li> <li>The auditor has a right to access all documents of the third party, and may require the third party or the financial agent of the third party to provide any information or explanation that is necessary to enable the auditor to prepare the report.</li> </ul>		
<b>Who is eligible during a pre-election period?</b>	<b>Yes</b>	<b>No</b>
Person who is a member in good standing of a corporation, an association or an institute of provincially accredited professional accountants (CPA designation)*	✓	
Partnership of which every partner is a member in good standing of a corporation, an association or an institute of provincially accredited professional accountants (CPA designation)*	✓	
Third party's financial agent		✗
Person who signed the third party's application for registration		✗
Election officer or member of the staff of a returning officer		✗
Potential candidate, candidate or their official agent		✗
Leadership contestant, their financial agent or their leadership campaign agent		✗
Nomination contestant or their financial agent		✗
Chief agent or registered agent of a registered party or eligible party		✗
<b>Who is eligible during an election period?</b>	<b>Yes</b>	<b>No</b>
Person who is a member in good standing of a corporation, an association or an institute of provincially accredited professional accountants (CPA designation)*	✓	
Partnership of which every partner is a member in good standing of a corporation, an association or an institute of provincially accredited professional accountants (CPA designation)*	✓	
Third party's financial agent		✗
Person who signed the third party's application for registration		✗
Election officer or member of the staff of a returning officer		✗
Candidate or their official agent		✗
Chief agent or registered agent of a registered party or eligible party		✗

## Third party's auditor

### Appointment process

- An auditor must be appointed using the *General Form—Third Parties* if the third party incurs expenses totalling \$10,000 or more for regulated activities conducted during the pre-election period or \$10,000 or more for regulated activities conducted during the election period.
- The auditor has to sign a statement consenting to act in that capacity.
- The third party must notify Elections Canada about the appointment without delay. If for any reason the auditor is no longer able to continue in that role, the third party must appoint a new auditor and notify Elections Canada without delay. The notice has to include a signed consent from the new auditor.
- The third party may have only one auditor at a time.

\*Provincially or territorially legislated accounting bodies may require auditors to meet other professional criteria in order to perform this role, such as holding a public accounting licence in the province or territory where the political entity is based and only accepting assignments that avoid a conflict of interest. This should be discussed with the auditor before the appointment.

**Note:** For a guide to preparing the auditor's report, please refer to guidance produced by the Chartered Professional Accountants of Canada. A link to the guide is posted on the Elections Canada website.

**Note:** The *Canada Elections Act* does not provide a subsidy in relation to audit services for registered third parties.

## Prohibition on foreign third parties

The *Canada Elections Act* prohibits foreign third parties from participating in elections and incurring expenses for regulated activities that take place during a pre-election period or an election period.

Type of third party	It is a foreign third party if...
Individual	<p>The individual:</p> <ul style="list-style-type: none"> <li>• lives outside Canada, <b>and</b></li> <li>• is not a Canadian citizen or permanent resident of Canada</li> </ul> <p>Based on the definition above, please note the following:</p> <ul style="list-style-type: none"> <li>• A Canadian citizen or permanent resident living abroad can register and be active as a third party.</li> <li>• Someone living in Canada who is not a Canadian citizen or permanent resident can register and be active as a third party, but they cannot use their own funds to pay for regulated activities. No third party can pay for regulated activities using funds from an individual who is not a Canadian citizen or permanent resident.</li> </ul>
Corporation or entity	<p>The corporation or entity was incorporated, formed or otherwise organized outside of Canada and also meets one of these conditions:</p> <ul style="list-style-type: none"> <li>• it does not carry on business in Canada, <b>or</b></li> <li>• it carries on business in Canada, but <ul style="list-style-type: none"> <li>– during the pre-election period, its <b>only</b> activity in Canada, or</li> <li>– during the election period, its <b>primary</b> purpose in Canada</li> </ul> </li> </ul> <p>is to influence electors to vote or refrain from voting, either in general or for a particular candidate or registered party.</p>
Group	<p>Of the people responsible for the group, none are Canadian citizens or permanent residents or live in Canada.</p>



## 3. Financial Administration—Overview of Resources

*This chapter describes the resources—monetary and non-monetary—that a third party can use to conduct its regulated activities and the related reporting that must take place.*

*It covers the following topics:*

- *Third party's own funds*
- *Loans*
- *Contributions*
- *Volunteer labour*

### Third party's own funds

A third party that exists outside the election, such as a corporation or union, can use its own funds to pay for regulated activities that take place during the pre-election period or election period. However, to do this:

- the funds must first be transferred from the third party's general bank account to its campaign bank account
- the regulated expenses paid with these funds must be reported in the third party's financial returns
- if the third party has revenues from a mix of foreign and domestic sources, it must transfer an amount no greater than its domestic funding to its campaign account so that foreign funds are not used (see the section **Prohibition on using foreign funds** later in this chapter)

An existing organization whose expenses for salaries and overhead are drawn from its regular bank account may continue to pay those expenses from that account, but they must be reported in the financial returns.

There is no limit on the amount of its own funds that a third party can deposit into its campaign account to pay for regulated activities.

### Loans

A third party can obtain loans to finance regulated activities. The loans must be reported in the third party's financial returns, and the funds must be deposited into the campaign bank account.

Loans can come from individuals who are Canadian citizens or permanent residents or from financial institutions, businesses or other organizations that operate in Canada. They cannot come from foreign entities (see the section **Prohibition on using foreign funds** later in this chapter).

There is no limit on the amount that a third party can borrow to pay for regulated activities.

## Contributions

### What is a contribution?

A contribution is donated money (monetary contribution) or donated property or services (non-monetary contribution).

In the case of registered third parties, the *Canada Elections Act* regulates only contributions provided for the purpose of regulated activities.

Monetary contribution	Non-monetary contribution
<p>A monetary contribution is an amount of money provided that is not repayable. It must be deposited into the campaign bank account.</p> <p>Monetary contributions include cash, cheques or money orders, credit card or debit card payments, and online payments (other than contributions of cryptocurrency).</p>	<p>The amount of a non-monetary contribution is the commercial value of a service (other than volunteer labour) or of property, or the use of property or money, to the extent that it is provided without charge or at less than commercial value.</p> <p>This includes contributions of cryptocurrency and forgone interest on loans.</p>

### What is commercial value?

Non-monetary contributions are recorded at commercial value.

Commercial value, in relation to property or a service, is the lowest amount charged at the time that it was provided for the same kind and quantity of property or service, or for the same use of property or money, by:

- the person who provided the property or service (if the person who provided it is in that business), or
- another person who provides that property or service on a commercial basis in the area (if the person who provided the property or service is not in that business)

In other words, commercial value is generally the amount charged in a store for an item or a service.

#### **Example**

A self-employed graphic designer who is a Canadian citizen offers to design an advertising pamphlet for the third party free of charge. The commercial value of this service has to be recorded as a non-monetary contribution from the graphic designer. In this case, the commercial value is the lowest amount the graphic designer normally charges for the service.

**Note:** If the commercial value of a non-monetary contribution is \$200 or less, and it is from an individual not in that business, the contribution amount is deemed to be nil.

## Who can contribute to a third party, and who can accept contributions?

Individuals who are Canadian citizens or permanent residents, and businesses or other organizations that operate in Canada, can make contributions to a third party for regulated activities.

A third party must not use funds from a foreign entity to pay for regulated activities or for advertising that promotes or opposes a political entity at any time.

There is no limit on the amount of contributions that may be made by contributors. Contributor types must be reported in the third party's financial return, as follows:

- individuals
- businesses and commercial organizations
- governments
- trade unions
- corporations without share capital other than trade unions
- unincorporated organizations or associations other than trade unions

Third parties can make contributions to other third parties as long as, based on the context of the transaction, it is not an attempt by the third parties to circumvent the limit on regulated expenses (see the section **Prohibitions on exceeding or circumventing the limit** in Chapter 4, **Financial Administration—Overview of Expenses**).

The third party is prohibited from using a contribution for regulated activities if:

- it does not know the name and address of the contributor, or
- it is unable to determine the type of contributor

Contributions provided during the pre-election period or election period for regulated activities must be accepted by the third party's financial agent or a person authorized in writing by the financial agent.

**Note:** Delegating a person to accept contributions for regulated activities does not limit the responsibility of the financial agent.

## Prohibition on using foreign funds

A third party must not use funds from a foreign entity to pay for regulated activities. It must not circumvent, or attempt to circumvent, the prohibition or collude with any other person or entity for that purpose.

A foreign entity includes:

- an individual who is not a Canadian citizen or permanent resident
- a corporation or entity organized outside Canada
  - that does not carry on business in Canada, or
  - whose only activity in Canada is to influence electors to vote or refrain from voting, either in general or for a particular candidate or registered party in the election
- a trade union that does not hold bargaining rights for employees in Canada
- a foreign political party
- a foreign government or an agent of a foreign government

## Contributor identification

Contributions received for regulated activities must be reported in the third party's financial returns. Other contributions may also have to be reported. The table below explains what to keep in mind.

Contributions received	What to keep in mind
Up to \$200 from an individual or group	Contributions up to \$200 are aggregated by contributor type. The third party must keep a record of the contributor's name and address.
Totalling more than \$200 from an individual or group	The contributor's name, address and type, as well as the amount and date of contributions, must be reported.  If a contributor is a numbered company, the name of the chief executive officer or president must also be reported.
Made for various identified purposes, including for regulated activities	The third party needs to report in detail only the contributions that were received for the purpose of regulated activities.  Other contributions made for general purposes that the third party decides to use for regulated activities are reported as the third party's use of its own resources.
Some made for regulated activities, but third party cannot identify which ones	The third party must list the name and address of every contributor who made contributions totalling more than \$200 for any purpose from the day after the previous general election to the last day of the election being reported on.
<b>Note:</b> When total contributions from a contributor are more than \$200, their name, partial address and contribution amounts as disclosed in the financial return will be published on the Elections Canada website.	

### Examples

1. A Canadian not-for-profit association makes a \$50,000 contribution to a third party for regulated activities. The third party deposits the amount in the bank account that was opened for the campaign and reports the contribution in its financial return.
2. After an election is called, a third party decides to organize an event in support of a candidate. Olga, a self-employed event planner who is a Canadian citizen, offers to organize the event free of charge. Olga would normally charge \$2,000 for this service. The third party reports the commercial value of the service, \$2,000, as a non-monetary contribution from Olga.
3. Jared, a permanent resident of Canada, donates a \$175 software licence to the third party to create election advertising during the election period. Because Jared is not in the business of selling or renting office supplies and the commercial value of the licence is \$200 or less, the non-monetary contribution is deemed to be nil and is not reported.
4. During a by-election, a Canadian polling firm conducts an election survey free of charge on behalf of the third party. The commercial value of the service is a non-monetary contribution from the corporation. Even if the commercial value is \$200 or less, the contribution has to be reported because it is not from an individual.
5. An organization's website solicits contributions for various named initiatives. One initiative is the promotion of a registered party through advertising and get-out-the-vote activities in the next election. The third party receives many contributions in response to its general solicitation, but it is not clear which contributions are provided specifically to fund its regulated activities. In its financial return, the third party must therefore list the name and address of every contributor who has donated more than \$200 for any purpose from September 21, 2021, up until the last day of the election being reported on.



## Accepting contributions of cryptocurrency

A contribution of cryptocurrency is non-monetary. The contribution amount is the commercial value of the cryptocurrency at the time that it was received.

For contributions up to \$200, if the contributor is an individual and not in the business of selling cryptocurrencies, the contribution amount is deemed nil.

In all instances, third parties should be mindful of the rules in the *Canada Elections Act* against circumventing contribution restrictions and watch for unusual amounts or patterns in contributions that they receive.

### OGI reference

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2019-12, *Cryptocurrencies*, on the Elections Canada website.

## Volunteer labour

### What is volunteer labour?

Volunteer labour is any service provided free of charge by a person outside of their working hours, excluding a service provided by a self-employed person who normally charges for that service.

Volunteer labour is not a contribution.

### Who is eligible to volunteer?

Any person (who is not a corporation, trade union, association or group) can volunteer for a third party, even if they are not a Canadian citizen or permanent resident.

But a self-employed person cannot volunteer a service that they would normally charge for. That is a non-monetary contribution and not volunteer labour.

People who work on-call or variable hours can volunteer for a third party, as long as they are not self-employed in the field and their employer has not instructed them to work for the third party while receiving standby pay or other compensation.

Volunteer labour cannot be provided by corporations, trade unions, associations or groups. In providing free or discounted labour, an organization would be making a non-monetary contribution to a third party.

**Note:** To know whether a person is an employee or self-employed, ask whether they receive a salary or wages, payroll deductions and a T4 slip from their employer or corporation at tax time. If they do, the person is an employee for the purpose of the *Canada Elections Act* and can volunteer in the same capacity as their line of business, outside their working hours.

### **Examples**

1. Nana, who is employed as a teacher, makes phone calls for the third party during the evenings, asking voters to support a candidate. This is volunteer labour and is therefore not a contribution.
2. Eve works for an advertising firm and is paid to be on standby on weekends. When she is not doing work for the corporation during these hours, Eve folds flyers provided to her by the third party and distributes them in her neighbourhood. This is volunteer labour and is therefore not a contribution.
3. Erik, a self-employed accountant, offers to become the third party's auditor free of charge. Because Erik is self-employed and normally charges for that service, this is not volunteer labour but a non-monetary contribution. However, Erik could volunteer other services. For example, he could volunteer as the financial agent.

### **Paying volunteers for part of their work**

Volunteers can be paid for part of their work related to regulated activities, but the paid work is not volunteer labour. An agreement must be in place before the work is performed. It can specify incentive- or performance-based terms of remuneration rather than a fixed rate. The expenses incurred under the agreement (the payments for the work) are regulated expenses and have to be reported.

## 4. Financial Administration—Overview of Expenses

*This chapter introduces the concept of regulated expenses and explains the limits for regulated activities. Other chapters provide more details on identifying and allocating specific types of expenses.*

*It covers the following topics:*

- *Administering expenses: basic rules and responsibilities*
- *What are regulated expenses, and who can authorize them?*
- *Relationship between non-monetary contributions and expenses*
- *Expenses limits for a pre-election period and election period*
- *When expenses are not cancellable*
- *Prohibitions on exceeding or circumventing the limit*

### Administering expenses

#### Basic rules and responsibilities

The *Canada Elections Act* sets limits on all expenses that a third party incurs to carry out regulated activities during a pre-election period and election period. The limits are listed below, and the activities are described in chapters 5 and 6. All regulated expenses must be reported in the financial returns.

A third party that is required to register has to maintain proper books and records to ensure accurate reporting of regulated expenses and compliance with the *Canada Elections Act*. This includes having all financial transactions for regulated activities go through the campaign bank account. (See the exception for existing organizations paying salaries and overhead in the section **Third party's own funds** in Chapter 3, **Financial Administration—Overview of Resources**.)

The third party's auditor, if one is required, must have access to the third party's books and records at any reasonable time and may require the third party to provide any additional information or explanation needed to prepare the auditor's report.

The campaign bank account must stay open until all unpaid claims and any outstanding balance have been dealt with after the election. The third party must then send the final bank statement to Elections Canada.

#### What are regulated expenses, and who can authorize them?

##### Regulated expenses

This handbook uses "regulated expense" as an umbrella term for partisan advertising expenses, election advertising expenses, partisan activity expenses and election survey expenses.

Regulated expenses include:

- amounts paid
- liabilities incurred
- the commercial value of donated property and services (other than volunteer labour)
- the difference between an amount paid or liability incurred and the commercial value of the property or services (when they are provided at less than their commercial value)

When a regulated activity takes place during the pre-election period or election period, the associated expense is subject to the limit for that period, regardless of when the expense was incurred.

The expense is usually the amount that the third party was charged for property or services related to a regulated activity, unless this amount was less than commercial value.

Commercial value, in relation to property or a service, is the lowest amount charged at the time that it was provided for the same kind and quantity of property or service, or for the same use of property or money, by:

- the person who provided the property or service (if the person who provided it is in that business), or
- another person who provides that property or service on a commercial basis in the area (if the person who provided the property or service is not in that business)

In other words, commercial value is generally the amount charged in a store for an item or a service.

### Who can authorize expenses?

Expenses incurred during a pre-election period or election period for regulated activities must be authorized by the financial agent or a person authorized in writing by the financial agent.

**Note:** Delegating a person to incur expenses for regulated activities does not limit the responsibility of the financial agent.

### Non-monetary contributions are also expenses

The third party incurs an expense when it accepts a non-monetary contribution in relation to a regulated activity.

When property or services are received from an eligible contributor at no charge, the full commercial value is a non-monetary contribution. (Keep in mind that if a service is provided free of charge by an eligible volunteer, there is no contribution and no expense. See the section **Volunteer labour** in Chapter 3, **Financial Administration—Overview of Resources** for details.)

When property or services are purchased from an eligible contributor for less than commercial value, the difference between the purchase price and the commercial value is a non-monetary contribution.

In both cases, the full commercial value of the property or service is a regulated expense.

#### Example

The third party engages a Canadian corporation to design election advertising material for the upcoming election, and the corporation gives the third party a 30% discount, which it does not offer to other customers. As a result, the corporation has made a non-monetary contribution (30% of the commercial value of the service) to the third party. The full commercial value of the service (the amount the corporation would normally charge for the service) is an election advertising expense subject to the limit for the election period.

**Note:** If the commercial value of a non-monetary contribution provided for regulated activities is \$200 or less, and it is from an individual (who is a Canadian citizen or permanent resident) not in the business of providing that property or service, the contribution is deemed to be nil and no expense has to be reported.

## Expenses limits for a pre-election period and election period

### Expenses limits

The *Canada Elections Act* imposes expense limits for regulated activities that take place during general elections, by-elections and the pre-election period of fixed-date general elections.

There is an overall limit on the third party's total expenses in a regulated period and a local limit on expenses targeting a given electoral district in that period.

The tables below show the limits for a non-fixed-date general election or by-election and for a fixed-date general election.

Non-fixed-date general election or by-election: Limits on expenses for regulated activities between April 1, 2023, and March 31, 2024*		
Where the limit applies	General election	By-election
Overall	\$579,950	n/a
Given electoral district	\$4,971	\$4,971

\*These limits have been adjusted for inflation for 2023–2024. The base amounts are \$350,000 and \$3,000 for a general election period and \$3,000 for a by-election.

Fixed-date general election (no earlier than October 2025): Limits on expenses for regulated activities between April 1, 2025, and March 31, 2026*		
Where the limit applies	Pre-election period	Election period
Overall	At least \$700,000	At least \$350,000
Given electoral district	At least \$7,000	At least \$3,000

\*The limits for a fixed-date general election in 2025 will not be known until early 2025 because they must be adjusted for annual inflation. The base amounts are \$700,000 and \$7,000 for a pre-election period, and \$350,000 and \$3,000 for a general election period.

**Note:** The pre-election period starts on June 30 in the year of a fixed-date general election and ends on the day before the general election is called. The election period starts on the day the election is called and ends on election day when the polls close.

### Limit in a given electoral district

The expense for a regulated activity always counts against the overall limit. It also counts against the local limit in a given electoral district if it promotes or opposes the election of one or more of the following:

- during a pre-election period, specific potential candidates or nomination contestants in that electoral district
- during an election period, specific candidates in that electoral district

For example, a regulated activity counts at the local level during an election period if it:

- identifies a specific candidate by name, photo, image, etc., or
- takes a position on an issue associated particularly with a candidate (not just the party in general)

An activity does not have to take place within the electoral district to count locally. For example, a highway sign that names a candidate (other than a party leader) is subject to the local limit even if it is outside the electoral district boundaries.

**Note:** Activities that identify a registered party rather than a candidate may still count against the local limit, if there is evidence that the third party is in fact conducting candidate-targeted activities that purport to be party-targeted ones (for example, based on public statements or heavy spending in a few electoral districts).

If candidates from multiple electoral districts are targeted in an activity during an election period (or potential candidates or nomination contestants during a pre-election period), the expenses should be allocated against the local limits in a reasonable way. This may be an equal allocation among electoral districts or an allocation based on the geographic size or population size of each district.

It is possible to allocate:

- production cost, if it is different for each electoral district (e.g. the number of signs or flyers used)
- distribution cost, if it is different for each electoral district (e.g. social media ad reach, postage)
- both production and distribution costs, if one communication is distributed through one medium to reach all electoral districts (e.g. a regional television or radio ad)

**Note:** It is not possible to allocate production or distribution costs if only one candidate, potential candidate or nomination contestant is targeted, even if distribution goes beyond their electoral district. The full expense for the activity counts toward the local limit.

## When expenses are not cancellable

In the case of a non-fixed-date general election or a by-election, a third party might not be able to cancel a regulated activity on the day the election is called. Under these circumstances, the third party is deemed not to have incurred regulated expenses for the uncancellable activities.

## Prohibitions on exceeding or circumventing the limit

A third party is prohibited from:

- exceeding the limit on expenses incurred for regulated activities
- circumventing, or attempting to circumvent, the limit on expenses for regulated activities

Circumventing the limit includes the third party splitting itself into two or more third parties, or acting in collusion with another third party, so that their combined regulated expenses exceed the limit.

It is possible to share or use another third party's material, as long as this action does not violate the prohibition on circumventing the limit. Using material produced by another third party may result in a non-monetary contribution from that other third party and a regulated expense for both third parties, assuming they both used the material.

## 5. Regulated Activities— Pre-election Period of a Fixed-Date Election

*This chapter defines and gives examples of regulated activities that take place during the pre-election period. It explains how expenses for these activities are treated.*

*It covers the following topics:*

- *Partisan advertising and expenses in the pre-election period*
- *Partisan activities and expenses in the pre-election period*
- *Election surveys and expenses in the pre-election period*

### **Partisan advertising and expenses in the pre-election period**

#### **What is partisan advertising?**

Partisan advertising is the transmission to the public during the pre-election period of an advertising message that promotes or opposes:

- a registered party or an eligible party, or
- the election of a potential candidate, nomination contestant or leader of a registered party or eligible party

Advertising in the pre-election period is not partisan advertising if it promotes or opposes a political entity only by taking a position on an issue with which the entity is associated. This is known as issue advertising.

However, it will be partisan advertising if it promotes or opposes a political entity in any other way, including by showing a logo or linking to a web page that identifies the entity (see the next section).

#### **What it means to promote or oppose a political entity**

For the purposes of partisan advertising, promoting or opposing, in relation to a registered party or eligible party, may include but is not limited to:

- naming the party
- identifying the party, including by its logo
- providing a link to a web page that names or identifies the party

For the purposes of partisan advertising, promoting or opposing, in relation to the election of a potential candidate, nomination contestant or leader of a registered party or eligible party, may include but is not limited to:

- naming the person
- showing a photograph, cartoon or drawing of the person
- identifying the person, including by political affiliation or by a logo
- providing a link to a web page that does any of the above

## What qualifies as partisan advertising on the Internet?

Messages communicated over the Internet are partisan advertising only if:

- they meet the general criteria for partisan advertising (see the section **What is partisan advertising?** above), **and**
- they have, or would normally have, a placement cost (such as sponsored or boosted content)

For greater certainty, the following are not partisan advertising:

- messages sent or posted for free on social media platforms such as Twitter and Facebook (including posts by a social media influencer who is expressing their personal political views without being paid)
- messages sent by email or through other messaging services (including texts sent through a cellular or mobile network)
- videos posted for free on social media platforms such as YouTube and Instagram
- content posted on the third party's website (the ongoing expenses for creating and maintaining a website are not placement costs)

**Note:** If the third party decides to sponsor or boost social media content that was originally posted for free, it may become partisan advertising and require a tagline. In such a case, the third party would have to comply with the tagline requirement.

**Note:** Although some communications over the Internet are not partisan advertising, they may be partisan activities, and the associated expenses would be subject to the limit.

### Information to be held in an online registry

Regulated online platforms (that is, websites or applications that meet certain criteria for monthly visitors or users) have to maintain a registry of political advertising.

When a third party purchases partisan advertising online, to make sure it complies with the law, it should:

- inform the platform that it is conducting political advertising
- ask whether the platform is regulated by the rules in the *Canada Elections Act* and needs information for its registry (unless the platform has already made this clear)

If the platform is regulated, the third party must provide it with:

- an electronic copy of the advertisement
- the name of the financial agent who authorized its distribution on the platform

The platform must publish this information in its registry from the day the ad runs until two years after election day.



## Partisan advertising expenses

Expenses incurred for producing partisan advertising messages and transmitting them during the pre-election period are subject to the pre-election period expenses limit, no matter when the expenses were incurred.

This includes any non-monetary contribution received to the extent that the property or service is used in relation to producing or transmitting a partisan advertising message.

### Examples

1. The third party runs a national radio ad during the pre-election period, promoting a policy issue with which one registered party is closely associated but not naming the party. This is not partisan advertising. The expenses are not regulated and do not have to be reported. (As issue advertising, this particular advertisement would be a regulated expense if it ran during the election period.)
2. The third party buys advertising space in a national newspaper to oppose a registered party during the pre-election period. Because the message directly opposes the party, this is partisan advertising. The advertisement must include an authorization statement from the third party. The expenses to produce and distribute the advertisement are partisan advertising expenses subject to the limit for the pre-election period.
3. The third party hires a media firm to place banners on websites and social media platforms during the pre-election period, directing users to a video posted on YouTube that promotes a potential candidate. The clickable banners are too small for the authorization statement, so the statement is displayed at the start of the video. The cost of the banners is a partisan advertising expense subject to the limit for the pre-election period. In addition, the expenses for the video—including design and production costs—are partisan activity expenses subject to the limit for the pre-election period.
4. During the pre-election period, employees of a third party are instructed to send out messages on social media, supporting a potential candidate. Because the messages are posted for free, this is not partisan advertising. However, it is a partisan activity. All expenses incurred in relation to this activity, such as production costs, direct labour costs and overhead allocation, are partisan activity expenses subject to the limit for the pre-election period.

### OGI reference

For a detailed discussion of this topic, including guidance on influencers, please refer to Elections Canada's interpretation note 2020-05, *Partisan and Election Advertising on the Internet*, on the Elections Canada website.

## Other rules: Taglines

The third party must identify itself in or on any partisan advertising and indicate that it has authorized the advertising. The tagline must include the third party's name, phone number and civic or Internet address. It must be clearly visible or otherwise accessible.

The following wording is suggested: "Authorized by <name of the third party>, <civic or Internet address>, <phone number>."

For advertising on the Internet, where the authorization statement cannot be included on the advertising message because of its size, this is acceptable if the statement is made immediately apparent to the viewer by following the link in the advertising message.

## Partisan activities and expenses in the pre-election period

### What is a partisan activity?

A partisan activity is an activity carried out by a third party to promote or oppose:

- a registered party or eligible party, or
- the election of a potential candidate, nomination contestant or leader of a registered party or eligible party

**Note:** A potential candidate is someone who is selected in a nomination contest, is deemed to be a candidate because they have conducted political financing transactions, is a member of Parliament or an incumbent, or has the support of a political party to be a candidate of that party.

Any activity may qualify as a partisan activity, including but not limited to:

- making telephone calls
- sending text messages or using other messaging services
- creating and sending out organic social media content, whether done by humans or bots (note that paying for sponsored content in the pre-election period is partisan advertising, not a partisan activity)
- canvassing door to door
- holding get-out-the-vote activities and rallies
- creating a campaign website

An activity is **not** a partisan activity if it promotes or opposes a political entity only by taking a position on an issue with which the political entity is associated.

**Note:** Partisan activities or election surveys conducted by provincially registered political parties are not regulated activities for the purposes of the *Canada Elections Act*.

#### Examples

1. During the pre-election period, the third party's employees canvass door to door and ask voters to sign a petition in support of a health issue. They do not talk about any political entities at the door, though one candidate in the riding is closely associated with the issue. This is not a partisan activity. The expenses are not regulated and do not have to be reported.
2. The third party creates a website about an economic issue. It sends registered and eligible parties a questionnaire about their position on the issue and publishes the responses on the website during the pre-election period. The responses are posted without an evaluation or commentary that indicates approval or disapproval. This is not a partisan activity. The expenses are not regulated and do not have to be reported.
3. A third party that exists year-round has employees who take calls from the public. During the pre-election period, in the course of some conversations, the employees make comments that promote or oppose a registered party. Partisan activities have to be authorized by a third party. These telephone calls are a partisan activity of the employer only if the employees were directed to use them as a means to push out partisan messages. If the employees were not directed in this way, then the calls are not a partisan activity.
4. A third party creates a website with riding-by-riding poll results to encourage strategic voting against a registered party. The website does not directly say which party is being opposed, but it flags certain ridings as winnable with strategic voting and it is clear from the analysis which party is being opposed. This website is a partisan activity.

## Activities with members, employees or shareholders are included

An activity is a partisan activity (but not partisan advertising) even if it is directed at the third party's own members, employees or shareholders. The activity is captured whether it is done in person or remotely, one at a time or in groups.

For example, if a third party surveys its members about their voting intentions and then sends them an email promoting the top choice, both of these are regulated: the first is an election survey (see the section **Election surveys and expenses in the pre-election period** later in this chapter), while the second is a partisan activity.

The law excepts a communication from being **advertising** if it is sent to members, employees or shareholders because it is transmitted to a private group. This simply means that the message is not subject to the tagline requirement or online ad platform registry. It can still be a partisan activity.

## Fundraising activities are excluded

A fundraising activity that the third party organizes primarily to raise money for its regulated expenses is not a partisan activity, even if it identifies a specific registered or eligible party, nomination contestant, potential candidate or candidate.

But not all activities that bring in contributions are “fundraising activities.” For in-person or virtual events organized by the third party:

- If there is **no admission fee**, the event is not a fundraising activity. It is regulated as a partisan activity, even if funds are raised in other ways during the event.
- If **tickets are sold or entry fees are collected**, the event is a fundraising activity rather than a partisan activity. The related expenses—other than for advertising—are not subject to the spending limit.

**Note:** Even if an event is not a partisan activity, advertising before the event (such as invitations) or at the event (such as pamphlets) is regulated if it meets the definition of partisan advertising.

For direct mail or phone calls, including a request for contributions in a partisan communication does not change it from a partisan activity to a fundraising activity. The full expense is subject to the spending limit.

Some administrative costs related to fundraising are also excluded from partisan activity expenses. These include expenses incurred to process contributions (such as bank charges, credit card processing fees and labour costs for data entry) and backend costs for website contribution pages or online stores.

### Examples

1. The third party sells tickets for \$100 to a fundraising dinner during the pre-election period. The funds will be used in part to support the third party's regulated activities. While the fundraising event is not regulated as a partisan activity, the contributions it receives are regulated and must be reported. As well, a banner at the event promotes a candidate, so the third party must report a partisan advertising expense for the banner.
2. During the pre-election period, the third party sends text messages to electors in a riding, calling for the defeat of a registered party. The message also solicits a contribution, stating that every donated dollar will help. This communication is a partisan activity. The fact that it includes a fundraising component does not exempt it from regulation.

## Media activities and certain publications are excluded

Media activities such as news, editorials and interviews conducted by ongoing media organizations are not partisan activities, even if they could be perceived to favour one political party, nomination contestant, potential candidate or party leader over others. News media organizations are not themselves exempted, but rather the nature of their activities normally falls outside the scope of regulated activities.

This is also true of publications that regularly present news and research, such as policy magazines and academic journals, or previously planned one-time publications, such as books that are being sold for no less than their commercial value.

Where a publication is not a regulated activity, promoting the sale of the publication using reasonable advertising practices for that medium is also not a regulated activity.

An activity or publication whose purpose is to promote or oppose a political party, nomination contestant, potential candidate or party leader, rather than to offer media or academic services, may be a partisan activity. All the facts of a case must be taken into consideration, including the following:

- whether the activity would have gone ahead without an election
- whether the activity is carried out year-round or on a regular basis
- whether the organization uses the activity as a main source of revenue (including to draw in advertising or subscription sales)
- whether the activity was partisan in nature
- any relationship between the third party organization or individual with a political party, nomination contestant, potential candidate or party leader

## Partisan activity expenses

Expenses incurred for organizing partisan activities and carrying them out during the pre-election period are subject to the pre-election period expenses limit.

This includes any non-monetary contribution received to the extent that the property or service is used in relation to organizing or carrying out partisan activities.

### **Examples**

1. During the pre-election period, the third party organizes a door-to-door campaign in a riding to oppose the selection of a nomination contestant. This is a partisan activity. The expenses for organizing the event, including transportation costs and remuneration paid to canvassers, are partisan activity expenses of the third party and are subject to the limit in the riding for the pre-election period.
2. During the pre-election period, the third party hires a Canadian calling service provider to call voters across the country, asking them to vote for a registered party. The calls are a partisan activity. The calling service provider does not charge for the service, so its commercial value (the amount the company would normally charge for making the calls) is a non-monetary contribution. The same amount is also a partisan activity expense of the third party and is subject to the limit for the pre-election period.
3. The third party sends text messages to voters during the pre-election period, promoting a potential candidate in the riding. This is a partisan activity. All associated expenses, such as writing and distributing the text messages, are partisan activity expenses subject to the limit in the riding for the pre-election period.

## Other rules: Mass text messaging

Mass text messages sent by third parties during the pre-election period are partisan activities if they promote or oppose a political party, potential candidate, nomination contestant or party leader. Expenses incurred, including the cost of production and distribution, are partisan activity expenses.

The CRTC regulates text messages of a third party under Canada's Anti-Spam Legislation only if the messages are commercial in nature. A text whose primary purpose is to solicit a contribution is excluded from that definition. This means that text messages asking for an elector's vote or financial support are not regulated by the CRTC.

Since a text message is not partisan advertising, there is no requirement to identify the sender under the *Canada Elections Act*, though it is recommended as a best practice.

**Note:** For more information on text messaging, please refer to the CRTC's web page entitled "Frequently Asked Questions About Canada's Anti-Spam Legislation."

## Election surveys and expenses in the pre-election period

### What is an election survey?

An election survey collects data from electors: whether they intend to vote in an election, who they intend to vote for or did vote for, or their opinions regarding an issue with which a registered party or a candidate is clearly associated.

An election survey is a regulated activity when it is conducted by or on behalf of a third party during the pre-election period and the results are used:

- in deciding whether or not to organize and carry out regulated activities, or
- when organizing and carrying out partisan activities or transmitting advertising messages

Survey companies themselves do not need to register when they are commissioned and paid by another person or group to conduct an election survey.

**Note:** Partisan activities or election surveys conducted by provincially registered political parties are not regulated activities for the purposes of the *Canada Elections Act*.

### Surveys of members, employees or shareholders are included

An election survey is regulated even if it is directed at the third party's own members, employees or shareholders. As an example, if a third party surveys its members about their voting intentions and then sends them an email promoting the top choice, these are both regulated activities.

## Election survey expenses

Expenses incurred for election surveys conducted during the pre-election period are subject to the pre-election period expenses limit, no matter when the expenses were incurred.

This includes any non-monetary contribution received to the extent that the property or service is used in relation to conducting election surveys.

### **Examples**

1. The third party hires an election polling company to conduct a survey for \$1,500 during the pre-election period about voting intentions in a riding. It uses the survey results to decide if organizing partisan activities will be worth the investment. The \$1,500 is an election survey expense subject to the limit in that riding for the pre-election period.
2. Before the pre-election period begins, a third party conducts a survey to evaluate support for the governing party. Based on the findings, they launch a partisan advertising campaign during the pre-election period. Because the survey was conducted before the pre-election period, the survey expenses are not regulated expenses, but the expenses for the partisan advertising are.

## 6. Regulated Activities—Election Period

*This chapter defines and gives examples of regulated activities that take place during the election period of a general election or a by-election. It explains how expenses for these activities are treated.*

*It covers the following topics:*

- *Election advertising and expenses in the election period*
- *Partisan activities and expenses in the election period*
- *Election surveys and expenses in the election period*

### Election advertising and expenses in the election period

#### What is election advertising?

Election advertising is the transmission to the public during the election period of an advertising message that promotes or opposes a registered party or the election of a candidate.

Election advertising **includes** taking a position on an issue with which a registered party or candidate is clearly associated, without identifying the party or candidate. This is known as issue advertising.

#### What it means to promote or oppose a political entity

For the purposes of election advertising, in relation to a registered party, promoting or opposing may include but is not limited to:

- naming the party
- identifying the party, including by its logo
- providing a link to a web page that names or identifies the party

For the purposes of election advertising, in relation to the election of a candidate or party leader, promoting or opposing may include but is not limited to:

- naming the person
- showing a photograph, cartoon or drawing of the person
- identifying the person, including by political affiliation or by a logo
- providing a link to a web page that does any of the above

#### Issue advertising: Issues clearly associated with a registered party or candidate

Sometimes an issue is so clearly associated with a particular party or candidate that advertising on the issue has the effect of promoting or opposing them, even though they are not mentioned in the ad. The *Canada Elections Act* regulates this advertising on the basis that it promotes or opposes parties and candidates as effectively as ads that specifically mention them. The aim is to foster transparency and a level playing field.

But not all ads that talk about an issue are regulated. To be regulated, an ad must take a position on an issue that is clearly associated with a party or candidate. The broader the message, the less likely it is that a clear association will be found. Context is also important in determining whether or not an ad is regulated.

For example, an ad saying “We support the environment” or “We want a better economy” is unlikely to be associated with a particular party or candidate. It is generally a position of all parties, though their ideas for achieving the goal may differ. By contrast, an ad saying “We oppose building Highway X,” when championing or opposing the highway has been central to one or more candidates’ or parties’ campaigns, is likely to be regulated.

There is no definitive list of issues that are regulated. It is parties and candidates who decide which issues are election issues during a campaign, and new issues or new positions can come to the forefront at any time.

Once an issue becomes clearly associated with a party or candidate during the election period, any future advertising that takes a position for or against the issue is regulated. Advertising that has already been transmitted is not retroactively subject to the rules.

### **Example**

A community group runs a non-partisan awareness campaign about a justice issue by placing 10 ads in local newspapers. A week into the election period, after three ads have run, a local candidate begins using the issue as a central part of their platform, and it becomes clearly associated with them. Any future ads on this issue are election advertising. If the expense for the seven remaining ads is \$500 or more (including the original production cost), the group can choose to either cancel the ads or register as a third party. Note that if the ads are uncancellable, the group is deemed not to have incurred regulated expenses for them and is not required to register.

## **What qualifies as election advertising on the Internet?**

Messages communicated over the Internet are election advertising only if:

- they meet the general criteria for election advertising (see the section **What is election advertising?** above), and
- they have, or would normally have, a placement cost (such as sponsored or boosted content)

For greater certainty, the following are not election advertising:

- messages sent or posted for free on social media platforms such as Twitter and Facebook (including posts from a social media influencer who is expressing their personal political views without being paid)
- messages sent by email or through other messaging services (including texts sent through a cellular or mobile network)
- videos posted for free on social media platforms such as YouTube and Instagram
- content posted on the third party’s website (the ongoing expenses for creating and maintaining a website are not placement costs)

**Note:** If the third party decides to sponsor or boost social media content that was originally posted for free, it may become election advertising and require a tagline. In such a case, the third party would have to comply with the tagline requirement

**Note:** Although some communications over the Internet are not election advertising, they may be partisan activities and the associated expenses would be subject to the limit.



### Information to be held in an online registry

Regulated online platforms (that is, websites or applications that meet certain criteria for monthly visitors or users) have to maintain a registry of political advertising.

When a third party purchases election advertising online, to make sure it complies with the law, it should:

- inform the platform that it is conducting political advertising
- ask whether the platform is regulated by the rules in the *Canada Elections Act* and needs information for its registry (unless the platform has already made this clear)

If the platform is regulated, the third party must provide it with:

- an electronic copy of the advertisement
- the name of the financial agent who authorized its distribution on the platform

The platform must publish this information in its registry from the day the ad runs until two years after election day.

### Election advertising expenses

Expenses incurred for producing election advertising messages and transmitting them during the election period are subject to the election period expenses limit, no matter when the expenses were incurred.

This includes any non-monetary contribution received to the extent that the property or service is used in relation to producing or transmitting an election advertising message.

#### Examples

1. The third party runs a national radio ad during the election period, promoting a policy issue with which one registered party is closely associated but not naming the party. This is election advertising. The advertisement has to include an authorization statement from the third party. The expense for the advertisement—including its scripting, recording and transmission—is an election advertising expense subject to the limit for the election period. (As issue advertising, this particular advertisement would not be a regulated expense if it ran only during the pre-election period.)
2. The third party hires a media firm to place banners on websites and social media platforms during the election period, directing users to a video posted on YouTube that promotes a candidate. The clickable banners are too small for the authorization statement, so the statement is displayed at the start of the video. The cost of the banners is an election advertising expense subject to the limit for the election period. In addition, the expenses for the video—including design and production costs—are partisan activity expenses subject to the limit for the election period.
3. In anticipation of a by-election, the third party mails out flyers in a riding, asking voters to support a candidate who will be running. The by-election is called two days later, and the third party is unable to stop the distribution of the flyers. This is not election advertising and the expenses are not regulated.
4. A group page has been created by the third party on a free social networking site during the election period. Volunteers manage the page and post articles to update followers on election issues important to the third party. They ask followers to vote for candidates that share the third party's views. Because the messages are posted for free, this is not election advertising. However, it is a partisan activity. The expenses related to creating and posting the messages are partisan activity expenses subject to the limit for the election period.

5. The third party is on social media and notices a Twitter post from a news outlet with an article headline that is favourable to a registered party. The third party retweets the news outlet's post and also pays to boost the visibility of its retweet. The boosted post is election advertising. The third party's post has to include an authorization statement, and the expense to create and boost the post is an election advertising expense. There is no regulated expense for the news outlet's article or post.

#### **OGI reference**

For a detailed discussion of this topic, including guidance on influencers, please refer to Elections Canada's interpretation note 2020-05, *Partisan and Election Advertising on the Internet*, on the Elections Canada website.

#### **Other rules: Tagline**

The third party must identify itself in or on any election advertising and indicate that it has authorized the advertising. The tagline must include the third party's name, phone number and civic or Internet address. It must be clearly visible or otherwise accessible.

The following wording is suggested: "Authorized by <name of the third party>, <civic or Internet address>, <phone number>."

For advertising on the Internet, where the authorization statement cannot be included on the advertising message because of its size, this is acceptable if the statement is made immediately apparent to the viewer by following the link in the advertising message.

#### **Other rules: Blackout period**

The *Canada Elections Act* prohibits the transmission of election advertising to the public in an electoral district on election day before the close of all polling stations in the electoral district.

The blackout does not apply to the distribution of pamphlets or putting up signs, posters or (non-web) banners during that period.

The blackout also does not apply to the transmission of a message on the Internet that was placed before the blackout period began and was not changed during that period—for example, an advertisement placed in a weekly online magazine.

However, if an Internet advertisement is actively transmitted to different users daily and the third party is able to control the transmission date—for example, a paid social media or search engine advertisement—the blackout must be respected. This means that existing organic content cannot be boosted on election day.

## Partisan activities and expenses in the election period

### What is a partisan activity?

A partisan activity is an activity carried out by a third party to promote or oppose:

- a registered party or eligible party, or
- the election of a candidate, potential candidate, nomination contestant or leader of a registered party or eligible party

Any event may qualify as a partisan activity, including but not limited to:

- making telephone calls
- sending text messages or using other messaging services
- creating and sending out organic social media content, whether done by humans or bots (note that paying for sponsored content in the election period is election advertising, not a partisan activity)
- canvassing door to door
- holding get-out-the-vote activities and rallies
- creating a campaign website

An activity is **not** a partisan activity if it promotes or opposes a political entity only by taking a position on an issue with which the political entity is associated.

**Note:** Partisan activities or election surveys conducted by provincially registered political parties are not regulated activities for the purposes of the *Canada Elections Act*.

### Examples

1. During the election period, the third party's employees canvass door to door and ask voters to sign a petition in support of a health issue. They do not talk about any political entities at the door, though one candidate in the riding is closely associated with the issue. This is not a partisan activity. The expenses are not regulated and do not have to be reported.
2. The third party creates a website about an economic issue. It sends candidates a questionnaire about their position on the issue and publishes the responses on the website during the election period. The responses are posted without an evaluation or commentary that indicates approval or disapproval. This is not a partisan activity. The expenses are not regulated and do not have to be reported.
3. A third party that exists year-round has employees who take calls from the public. During the election period, in the course of some conversations, the employees make comments that promote or oppose a registered party or candidate. Partisan activities have to be authorized by a third party. These telephone calls are a partisan activity of the employer only if the employees were directed to use them as a means to push out partisan messages. If the employees were not directed in this way, then the calls are not a partisan activity.
4. A third party creates a website with riding-by-riding poll results to encourage strategic voting against a registered party. The website does not directly say which party is being opposed, but it flags certain ridings as winnable with strategic voting and it is clear from the analysis which party is being opposed. This website is a partisan activity.

## Activities with members, employees or shareholders are included

An activity is a partisan activity (but not election advertising) even if it is directed at the third party's own members, employees or shareholders. The activity is captured whether it is done in person or remotely, one at a time or in groups.

For example, if a third party surveys its members about their voting intentions and then sends them an email promoting the top choice, both these are regulated: the first is an election survey (see the section **Election surveys and expenses in the election period** later in this chapter), while the second is a partisan activity.

The law excepts a communication from being **advertising** if it is sent to members, employees or shareholders because it is transmitted to a private group. This simply means that the message is not subject to the tagline requirement, online ad platform registry or ad blackout period. It can still be a partisan activity.

## Fundraising activities are excluded

A fundraising activity that the third party organizes primarily to raise money for its regulated expenses is not a partisan activity, even if it identifies a specific registered party or candidate.

But not all activities that bring in contributions are “fundraising activities.” For in-person or virtual events organized by the third party:

- If there is **no admission fee**, the event is not a fundraising activity. It is regulated as a partisan activity, even if funds are raised in other ways during the event.
- If **tickets are sold or entry fees are collected**, the event is a fundraising activity rather than a partisan activity. The related expenses—other than for advertising—are not subject to the spending limit.

**Note:** Even if an event is not a partisan activity, advertising before the event (such as invitations) or at the event (such as pamphlets) is regulated if it meets the definition of election advertising.

For direct mail or phone calls, including a request for contributions in a partisan communication does not change it from a partisan activity to a fundraising activity. The full expense is subject to the spending limit.

Some administrative costs related to fundraising are also excluded from partisan activity expenses. These include expenses incurred to process contributions (such as bank charges, credit card processing fees and labour costs for data entry) and backend costs for website contribution pages or online stores.

### Examples

1. The third party sells tickets for \$100 to a fundraising dinner during the election period. The funds will be used in part to support the third party's regulated activities. While the fundraising event is not regulated as a partisan activity, the contributions it receives are regulated and must be reported. As well, a banner at the event promotes a candidate, so the third party must report an election advertising expense for the banner.
2. During the election period, the third party sends text messages to electors in a riding, calling for the defeat of a registered party. The message also solicits a contribution, stating that every donated dollar will help. This communication is a partisan activity. The fact that it includes a fundraising component does not exempt it from regulation.

## Media activities and certain publications are excluded

Media activities such as news, editorials and interviews conducted by ongoing media organizations are not partisan activities, even if they could be perceived to favour one registered party or candidate over others. News media organizations are not themselves exempted, but rather the nature of their activities normally falls outside the scope of regulated activities.

This is also true of publications that regularly present news and research, such as policy magazines and academic journals, or previously planned one-time publications, such as books that are being sold for no less than their commercial value.

Where a publication is not a regulated activity, promoting the sale of the publication using reasonable advertising practices for that medium is also not a regulated activity.

An activity or publication whose purpose is to promote or oppose a registered party or candidate, rather than to offer media or academic services, may be a partisan activity. All the facts of a case must be taken into consideration, including the following:

- whether the activity would have gone ahead without an election
- whether the activity is carried out year-round or on a regular basis
- whether the organization uses the activity as a main source of revenue (including to draw in advertising or subscription sales)
- whether the activity was partisan in nature
- any relationship between the third party organization or individual with a registered party or candidate

## Partisan activity expenses

Expenses incurred for organizing partisan activities and carrying them out during the election period are subject to the election period expenses limit, no matter when the expenses were incurred.

This includes any non-monetary contribution received to the extent that the property or service is used in relation to organizing or carrying out partisan activities.

### **Examples**

1. During the election period, the third party organizes a door-to-door campaign in a riding and offers rides to voters who intend to vote for a particular candidate. This is a partisan activity. The expenses for organizing and carrying out the activity, including planning, transportation and remuneration paid to canvassers, are partisan activity expenses subject to the limit in the riding for the election period.
2. During the election period, the third party uses a catering service to organize a barbecue outside a candidate's campaign office, drawing attention to the candidate and promoting their platform. It is done without the candidate's prior knowledge. This is a partisan activity. The catering company does not charge for the service, so its commercial value (the amount the company would normally charge for catering a barbecue) is a non-monetary contribution. The same amount is also a partisan activity expense of the third party and is subject to the limit in the riding for the election period.
3. The third party hires a calling service provider to conduct calls in the province during the election period, informing voters about the third party's position on a specific issue. During the calls, voters are also encouraged to vote for a registered party. This is a partisan activity. Expenses incurred for the calls are partisan activity expenses subject to the overall limit for the election period.

## Other rules: Telephone calls

Calls made by third parties to voters during the election period are partisan activities if they promote or oppose a political party, candidate, potential candidate, nomination contestant or party leader. Expenses incurred, including the cost of production and distribution, are partisan activity expenses.

**Note:** Even if a call is not a partisan activity, the third party may be subject to the rules below.

Whether or not telephone calls are a partisan activity, third parties must follow certain rules if they use voter contact calling services. These are services involving the making of calls during an election period for any purpose related to an election, including:

- promoting or opposing a registered party, its leader, a candidate or a nomination contestant or any position on an issue with which such a party or person is associated
- encouraging electors to vote or to refrain from voting
- providing information about the election, including information about voting hours and the location of polling stations
- gathering information about how electors voted in past elections or will vote in the election or their views on a registered party, its leader, a candidate or a nomination contestant or any issue with which such a party or person is associated
- raising funds for a registered party, a registered association, a candidate or a nomination contestant

If a script is used for the telephone calls, the third party must keep the following for one year after the end of the election period:

- a copy of each unique script used
- a record of every date on which the script was used
- a list of every telephone number called

The rules are administered and enforced by the Canadian Radio-television and Telecommunications Commission (CRTC). The Commissioner of Canada Elections is responsible for enforcing the requirement to keep a copy of the scripts and recorded messages.

**Note:** For the rules on voter contact calling services, please refer to the CRTC's Voter Contact Registry web page. A link to the page is posted on the Elections Canada website.

## Other rules: Mass text messaging

Mass text messages sent by third parties during the election period are partisan activities if they promote or oppose a political party, candidate, potential candidate, nomination contestant or party leader. Expenses incurred, including the cost of production and distribution, are partisan activity expenses.

The CRTC regulates text messages of a third party under Canada's Anti-Spam Legislation only if the messages are commercial in nature. A text whose primary purpose is to solicit a contribution is excluded from that definition. This means that text messages asking for an elector's vote or financial support are not regulated by the CRTC.

Since a text message is not election advertising, there is no requirement to identify the sender under the *Canada Elections Act*, though it is recommended as a best practice.

**Note:** For more information on text messaging, please refer to the CRTC's web page entitled "Frequently Asked Questions About Canada's Anti-Spam Legislation."

## Election surveys and expenses in the election period

### What is an election survey?

An election survey collects data from electors: whether they intend to vote in an election, who they intend to vote for or did vote for, or their opinions regarding an issue with which a registered party or a candidate is clearly associated.

An election survey is a regulated activity when it is conducted by or on behalf of a third party during the election period and the results are used:

- in deciding whether or not to organize and carry out regulated activities, or
- when organizing and carrying out partisan activities or transmitting advertising messages

Survey companies themselves do not need to register when they are commissioned and paid by another person or group to conduct an election survey. However, they still need to follow the rules set out in **Publication of election survey results based on recognized statistical methods** below if they are the first organization to transmit the results.

**Note:** Partisan activities or election surveys conducted by provincially registered political parties are not regulated activities for the purposes of the *Canada Elections Act*.

### Surveys of members, employees or shareholders are included

An election survey is regulated even if it is directed at the third party's own members, employees or shareholders. As an example, if a third party surveys its members about their voting intentions and then sends them an email promoting the top choice, these are both regulated activities.

### Election survey expenses

Expenses incurred for election surveys conducted during the election period are subject to the election period expenses limit, no matter when the expenses were incurred.

This includes any non-monetary contribution received to the extent that the property or service is used in relation to conducting election surveys.

#### **Example**

At the start of the election period, the third party hires an election polling company to conduct a survey for \$12,000 to identify ridings with a large number of undecided voters. The third party uses the survey results to organize partisan activities in some ridings. The \$12,000 is an election survey expense subject to the limit for the election period.

## Other rules: Publication of results based on recognized statistical methods

When an election survey is based on recognized statistical methods, whether or not it is a third party regulated activity, the first person who transmits the results to the public during an election period must publish the following information about the survey:

- the name of the survey sponsor
- the name of the person or organization that conducted the survey
- the dates or period during which the survey was conducted
- the population from which the sample of respondents was drawn
- the number of people who were contacted to participate in the survey
- if applicable, the margin of error for the data
- the address of the website on which a report by the survey's sponsor is published

If the survey is transmitted to the public by means other than broadcasting, the wording of the survey questions for which the data was obtained must be provided.

### Report by survey sponsor

If a third party conducts an election survey or pays for one to be conducted, the third party is the survey sponsor. If it is the first to transmit the survey results, the third party must publish a report. The report must be published on a public website and stay there for the remainder of the election period.

The report has to include the following:

- the name and address of the survey sponsor
- the name and address of the person or organization that conducted the survey
- the dates or period during which the survey was conducted
- information about the data collection method
  - the sampling method
  - the population from which the sample was drawn
  - the initial sample size
  - the number of individuals who were asked to participate and the numbers and respective percentages of them who participated, refused and were ineligible
  - the dates and time of day of the interviews
  - the method used to recalculate data to take into account participants who expressed no opinion, were undecided or failed to respond to any or all of the survey questions
  - any weighting factors or normalization procedures used in deriving the results
- the wording of the survey questions and, if applicable, the margins of error for the data

**Note:** If another person transmits the survey results during the election period, they must inform the survey sponsor so that it can prepare and publish the report.

## Other rules: Publication of results not based on recognized statistical methods

When an election survey is not based on recognized statistical methods, whether or not it is a third party regulated activity, the first person who transmits the results of the survey to the public during an election period must include a statement that the survey was not based on recognized statistical methods.



## Other rules: Blackout period

Whether or not an election survey is a third party regulated activity, election survey results that have not been previously transmitted to the public in an electoral district may not be transmitted on election day before all polls close in that electoral district.

## Other rules: Telephone surveys

Whether or not a survey conducted by telephone is a third party regulated activity, third parties must follow certain rules if they use voter contact calling services to conduct the survey. These are services involving the making of calls during an election period for any purpose related to an election, including:

- promoting or opposing a registered party, its leader, a candidate or a nomination contestant or any position on an issue with which such a party or person is associated
- encouraging electors to vote or to refrain from voting
- providing information about the election, including information about voting hours and the location of polling stations
- gathering information about how electors voted in past elections or will vote in the election or their views on a registered party, its leader, a candidate or a nomination contestant or any issue with which such a party or person is associated
- raising funds for a registered party, a registered association, a candidate or a nomination contestant

If a script is used for the telephone calls, the third party must keep the following for one year after the end of the election period:

- a copy of each unique script used
- a record of every date on which the script was used
- a list of every telephone number called

The rules are administered and enforced by the CRTC. The Commissioner of Canada Elections is responsible for enforcing the requirement to keep a copy of the scripts and recorded messages.

**Note:** For the rules on voter contact calling services, please refer to the CRTC's Voter Contact Registry web page. A link to the page is posted on the Elections Canada website.



## 7. Identifying and Allocating Regulated Expenses

*This chapter helps a third party identify which expenses count as part of the expense for a regulated activity. In addition, because separate expense limits apply to activities that take place at different times, this chapter explains how to allocate expenses between the pre-election and election periods, outside those periods and during by-elections.*

*It covers the following topics:*

- *Identifying expenses for regulated activities*
- *How to allocate expenses when a third party uses its own resources*
- *How to allocate expenses for websites and web content*
- *Allocating expenses between the pre-election period and election period*
- *Allocating expenses during by-elections*

## Identifying expenses for regulated activities

Third parties incur a variety of expenses for regulated activities that they conduct during a pre-election period or election period. Some of them are costs specific to the activity (paying workers, buying advertising space or signs), while others are more general (overhead costs, expenses of volunteers).

Expenses incurred for regulated activities that take place during the pre-election period or the election period are subject to separate limits, so it is important to properly identify and report them. The examples below show the range of expenses that are captured.

Regulated activity	Regulated expenses
<b>Lawn sign advertising:</b> an employee designs the lawn signs, they are printed at a stationery store, and a company installs them	<ul style="list-style-type: none"> <li>• Labour cost for the hours the employee spent on design</li> <li>• Reasonable allocation of the general overhead of the third party's office expenses, if any (e.g. based on labour hours)</li> <li>• Cost to print the signs at the store</li> <li>• Cost of sign installation (including labour and stakes)</li> </ul>
<b>Direct mail advertising:</b> volunteers design, print and fold flyers at the third party's permanent office (also used for non-campaign purposes), and the flyers are mailed to voters	<ul style="list-style-type: none"> <li>• Cost of materials used to print the flyers</li> <li>• Reasonable allocation of the general overhead of the third party's office expenses (e.g. based on square footage used)</li> <li>• Cost of refreshments provided to volunteers</li> <li>• Cost of postage for mailing the flyers</li> </ul>
<b>Organic social media:</b> volunteers create their own content and publish it on the third party's social media accounts	<ul style="list-style-type: none"> <li>• Expenses incurred by volunteers to create content, such as equipment rental (excludes use of personal computer or cell phone)</li> </ul>
<b>Barbecue to promote candidate:</b> an employee organizes the event, a company provides food and drinks for free and temporary workers are hired to run the barbecue	<ul style="list-style-type: none"> <li>• Labour cost for the hours the employee spent organizing</li> <li>• Reasonable allocation of the general overhead of the third party's office expenses (e.g. based on employee labour hours)</li> <li>• Commercial value of donated food and drinks</li> <li>• Remuneration paid to temporary workers</li> </ul>
<b>Election survey:</b> volunteers call electors from the campaign office to ask who they will vote for, and an employee analyzes the results to target partisan activities	<ul style="list-style-type: none"> <li>• Labour cost for the hours the employee spent developing the survey script and analyzing results</li> <li>• Cost of specialized software used to map the results</li> <li>• Costs of the temporary campaign office, such as rent and utilities (accounted for once for all activities)</li> </ul>

## Allocating overhead expenses when a third party uses its own resources

If the third party uses its office, equipment and paid staff to organize and carry out regulated activities, the third party must allocate the office expenses in accordance with the activities carried out. Office expenses include rent or property tax, utility cost, insurance, maintenance services, etc.

The third party should make a reasonable allocation for each component of costs: salary, equipment, supplies, materials, printing equipment and computers. Elections Canada accepts any reasonable basis for allocation of overhead—for example, an allocation based on labour hours or square footage used.

If the third party is an individual using their own resources—for example, a home computer or personal cell phone—no expenses need to be allocated.

## Allocating expenses for websites and web content

Third parties commonly use websites to promote or oppose a political entity. This means some portion of the costs to design, host and maintain the websites are partisan activity expenses in the pre-election period, election period, or both. Social media accounts might also be used.

### Websites

When a website is designed for the campaign, the regulated expense for each period in which it is used is calculated by:

- using the actual expense incurred to produce the website
- adding the prorated cost to host and maintain the website

When a pre-existing website is used for the campaign, the regulated expense for each period in which it is used is calculated by:

- identifying the pages that contain content used for the campaign and determining the commercial value of designing equivalent pages (or the actual expense incurred to produce those pages, whichever is lower)
- adding the prorated cost to host and maintain those pages

### Web content

Expenses to produce and distribute web content are always regulated expenses when the content is first posted during a pre-election period or election period to promote or oppose a political entity. Web content includes text, audio, visuals, videos and promotional applications.

If content was produced entirely or in part using volunteer labour, only the actual expense incurred by the third party is a regulated expense. This may include materials, equipment rental and paid labour.

Expenses to produce and distribute pre-existing web content that remains accessible during the pre-election or election period, whether on the third party's website or social media pages, is a regulated expense if the third party:

- incurred the expense to produce the content for the campaign, or
- promoted the content during the pre-election period or election period

Promotion, in the context of pre-existing web content, is to transmit or draw attention to an item of content through any means, such as advertising, mass emails, social media postings, re-posting of content, or coordinated promotion through another entity, person or group.

## Allocating expenses between the pre-election and election periods

The *Canada Elections Act* imposes a limit on expenses that a third party can incur for regulated activities in different periods. See the section **Expenses limits for a pre-election period and election period** in Chapter 4, **Financial Administration—Overview of Expenses** for the limits.

When a third party conducts regulated activities during the pre-election period or the election period, the associated expenses are subject to a limit, regardless of when they were incurred. When an activity is split across periods, there are a few points to consider:

- Even if they were incurred before the election, most expenses related to a regulated activity are subject to a limit (for example, the production cost of a pre-existing campaign ad).
- The expenses for planning and producing a regulated activity (for example, design, production and organization costs) are never allocated between the different periods. If the regulated activity takes place during both the pre-election and election periods, the full expense to plan and produce the regulated activity counts toward both limits.
- If an activity in the pre-election period continues into the election period, the expense for distribution may in some circumstances be allocated between the different periods (for example, when advertising is charged per day).
- Expenses cannot be moved between periods to stay within the limits.

The table below gives examples of allocating expenses over the different periods.

When the activity takes place	Examples	Regulated expenses
Before the pre-election period	Survey of residents in the riding at the end of May about their voting intentions	<ul style="list-style-type: none"> <li>• No regulated expense for the survey, even if the results are used during the election</li> </ul>
Starts before June 30 and continues during the pre-election period	Advertisement starting on May 31 and continuing until July 31	<ul style="list-style-type: none"> <li>• All expenses for the advertisement, including design and production costs</li> <li>• Distribution cost calculated for the pre-election period between June 30 and July 31</li> </ul>
	Telephone calls to electors on June 15, July 15 and August 15	<ul style="list-style-type: none"> <li>• All expenses for the scripts, including design and production</li> <li>• Cost of making the calls during the pre-election period (July 15 and August 15)</li> </ul>
	Election survey designed in early June and conducted in August	<ul style="list-style-type: none"> <li>• All expenses for designing and conducting the survey, if the results are used for a regulated activity</li> </ul>
Only during the pre-election period	BBQ on August 15 to promote a candidate	<ul style="list-style-type: none"> <li>• All expenses for the event, including planning, promotional material, labour costs, food, etc.</li> </ul>

When the activity takes place	Examples	Regulated expenses
Starts during the pre-election period and continues during the election period	Same election survey conducted first on July 31 and again on September 30	<ul style="list-style-type: none"> <li>Expenses for conducting the survey on July 31 are pre-election period expenses</li> <li>Expenses for conducting the survey on September 30 are election period expenses</li> <li>All expenses for designing the survey are both pre-election period expenses <b>and</b> election period expenses</li> </ul>
	Advertisement in local paper for 5 days in August and 10 days in October	<ul style="list-style-type: none"> <li>Expenses for distribution are allocated between the pre-election period (5 days = 1/3) and election period (10 days = 2/3)</li> <li>All expenses for designing and producing the advertisement are both pre-election period expenses <b>and</b> election period expenses</li> </ul>
Only during the election period	A rally on October 10 using signs created before the election period	<ul style="list-style-type: none"> <li>All expenses for the rally, including planning and organizing the event, labour costs, security, etc.</li> <li>All expenses for designing and producing the signs</li> </ul>

**Note:** In the case of a by-election or a non-fixed-date general election, a third party might be unable to cancel a regulated activity on the day the election is called. The third party is deemed not to have incurred regulated expenses for an uncancellable activity.

### Examples

- From June 20 to July 15 in the year of a fixed-date election, the third party runs an advertisement in a national newspaper, opposing the leader of a registered party. The cost to produce the ad is \$5,000, and the cost to distribute the ad for 25 days is \$12,000, or \$480 a day. The partisan advertising expense is \$12,200 ( $\$5,000 + (\$480 \times 15 \text{ days})$ ) and is subject to the limit for the pre-election period. The distribution cost of \$4,800 for the 10 days before the pre-election period is not subject to the limit.
- On June 20 in the year of a fixed-date election, the third party installs billboards across the country, promoting a registered party. The billboards remain in place until election day. The third party pays \$25,000 to design, produce and install the billboards and \$18,000 as the billboard rental cost for the duration of 123 days (June 20 to October 20). The regulated expenses are calculated and reported as follows:
  - The distribution cost (that is, the rental cost for the billboard) is allocated between the pre-election period and the election period. The billboards are up for 77 days during the pre-election period, and the third party reports \$11,268.30 ( $(\$18,000 / 123) \times 77$ ) as a partisan advertising expense. The rental cost for the 36-day election period is \$5,268.30 ( $(\$18,000 / 123) \times 36$ ), and this is an election advertising expense. The distribution cost for the days before the pre-election period is not subject to the limit.
  - The full production cost (that is, design, production and installation of the billboard) is both a partisan advertising expense and an election advertising expense. In other words, the full production cost, \$25,000, is subject to both the pre-election period and the election period limits.
- The third party intends to conduct a survey during an election period. It has an employee design the survey in the pre-election period at a cost of \$1,000, then conducts the survey during the election at a cost of \$4,000 and uses the results for a partisan activity. The full cost of \$5,000 to design and conduct the survey is an election survey expense subject to the election period limit.

## Allocating expenses during by-elections

A third party that exists outside elections may, as part of its everyday operations, conduct activities that sometimes overlap with a by-election period. Expenses incurred by the third party to conduct election advertising, a partisan activity or an election survey during a by-election period are regulated expenses only if the activity was conducted for the by-election.

The totality of circumstances should be considered, including whether the activity mentions the by-election or an issue of particular interest in the electoral district, how many days into the election period it was transmitted, whether the communication was planned close to the 180-day limit for the by-election being called, and how the communication fits into the third party's overall strategy.

If a regulated activity takes place during and for a by-election, 100% of the planning and production cost is a regulated expense. This is true even if the regulated activity takes place in a broader area than the by-election riding.

If a regulated activity such as election advertising takes place in a broader area than the by-election riding, the regulated expense for distribution (if applicable) is what it would actually cost to distribute to the smallest area that includes the by-election riding. If there is no smaller distribution area for the specific medium used, then 100% of the distribution cost is a regulated expense.

If multiple by-elections are underway at the same time, and the same regulated activity takes place in more than one electoral district, a third party may allocate the expenses among the affected districts.

**Note:** There is no pre-election period for a by-election.

### Examples

1. There is a by-election underway in Scarborough–Agincourt. The third party runs an ad promoting a registered party on XYZ News across Ontario. The third party paid \$4,000 to produce the ad and \$2,000 to run the ad on XYZ Ontario. For this advertising, the smallest distribution area that includes Scarborough–Agincourt is XYZ Toronto. The actual cost to run the ad on XYZ Toronto would have been \$1,600. The regulated expense subject to the limit is therefore \$5,600 (\$4,000 production + \$1,600 distribution).
2. Several by-elections are underway, and the ridings belong to different broadcast areas. The third party purchases election advertising that promotes a registered party and is transmitted a different number of times in these broadcast areas. The third party divides the production cost evenly among the ridings and reports the actual transmission cost for each riding.
3. By-elections are underway in three ridings. The third party pays a corporation \$3,000 to plan a rally in each riding, supporting a registered party. The third party also pays \$3,000 for 1,000 signs and distributes them based on the expected number of attendees: it sends 200 signs to the first riding, 300 to the second riding and 500 to the third riding. The financial agent reports the expenses subject to the limit in each riding as follows:
  - he allocates the design and production cost for the 1,000 signs between the ridings, based on the number of signs they receive: \$600 for the 200 signs in the first riding, \$900 for the 300 signs in the second riding and \$1,500 for the 500 signs in the third riding
  - he allocates the expenses incurred for planning and organizing the rallies evenly between the ridings: \$1,000 for each of the three ridings
  - he reports the actual cost to send the signs to each riding
  - he reports the local cost for each rally (permits, security, expenses of volunteers, etc.)



## 8. Interacting with Other Regulated Entities

*The Canada Elections Act restricts how third parties can interact with regulated political entities and associated persons. Generally, the Act seeks to ensure that third parties operate independently of other entities to preserve the integrity of the political financing regime.*

*Specifically, the Act directly prohibits collusion between third parties and regulated entities for the purpose of circumventing the party's or candidate's spending limits, or for the purpose of influencing third parties' regulated activities.*

*As well, third parties must always be careful not to make ineligible contributions to regulated entities by working too closely with them. Coordination between a third party and a regulated entity that leads to the regulated entity benefiting from a good or service paid for or provided by the third party may result, directly or indirectly, in a contribution.*

*This chapter explains these prohibitions in greater detail. It covers the following:*

- *What is collusion?*
- *Specific prohibitions on colluding with political entities and associated persons*
- *Risk that coordinated activities will result in a non-monetary contribution*

### **What is collusion?**

Collusion is generally an agreement made between two or more people or groups to achieve an objective prohibited by law. The agreement does not have to be made in writing and may be express or implied.

The Act specifically prohibits certain types of collusion between third parties and regulated entities.

### **Specific prohibitions on colluding with political entities**

#### **Colluding with a registered party**

The third party must not collude with a registered party in order to:

- circumvent the registered party's limit on partisan advertising expenses or election expenses, or
- influence the third party in its regulated activities that it carries out during a pre-election period or election period, including by sharing information

#### **Colluding with a potential candidate or a person associated with their campaign**

A third party must not collude with a potential candidate or a person associated with a potential candidate's campaign (including the official agent) in order to influence the third party in its regulated activities, including by sharing information.

#### **Colluding with a candidate or a person associated their campaign**

A third party must not collude with a candidate or a person associated with a candidate's campaign (including the official agent) in order to:

- circumvent the candidate's election expenses limit, or
- influence the third party in its regulated activities, including by sharing information

## What is collusion for the purpose of influencing a third party's regulated activities?

Any agreement, express or implied, between a party, candidate or potential candidate on the one hand and a third party on the other, that has the objective of influencing a third party's regulated activities, is prohibited by these collusion provisions.

However, where a third party independently engages in activities that result from agreeing with a party's or candidate's platform, this is not collusion. In such a case, although there is agreement on policy goals, there is no agreement about the regulated activities of the third party. In addition, simple communication by a party to a third party of the party's policies or positions on an issue is not collusion, as there is no discussion about the activities a third party should undertake. Mere interaction without a common intent to influence a third party's activities is not collusion.

When a third party invites a party leader, potential candidate or candidate to an event, and the invitation can reasonably be seen to have the purpose of promoting their election, the event is regulated. It is either a partisan activity or a contribution to the political entity (see **Risk that coordinated activities will result in a non-monetary contribution** below).

The event is a partisan activity if the third party organizes it independently and on its own initiative. It is prohibited for a political entity to collude with a third party to influence such an activity, including by sharing information.

Basic communication between a third party and political entity about an event does not affect the third party's independence and does not amount to collusion. The third party can seek agreement about logistics (date, time, and the party leader's, potential candidate's or candidate's topic), provided that these communications are not strategic discussions to maximize the benefit to the political entity's wider campaign. The third party can also inform the political entity about the venue, audiovisual equipment, other speakers and the audience.

Each situation must be examined on its own facts.

### Examples

1. A candidate emails a third party with a promotional message and asks it to cut, paste and send the message to voters on its contact list on the Thursday before advance polls. The third party declines the request. Agreeing to send this email would be collusion because the information was shared to influence the third party's regulated activity.
2. A candidate emails a third party and asks it to support her campaign. She includes some of her key platform messages in the email. The third party decides that it wishes to support the candidate and does so by forwarding the platform messages to its contact list. This is not prohibited because there was no agreement to influence the third party's regulated activity.
3. A registered party meets with a third party to inform the third party of its policy on a particular matter. After the meeting, the third party decides to share this information with voters on its contact list and to run ads supporting the party. This is not prohibited because there was no agreement to influence the third party's regulated activities.
4. A registered party asks a social media influencer (who, as any other individual, is a third party) for a free endorsement during the election period. The influencer asks the party what they would like the endorsement to say and when it should be posted. An influencer is permitted to post their personal political views without it being election advertising. However, the registered party cannot share information about their preferred content and timing. This would be collusion to influence the third party's regulated activity. If the registered party wants to direct the content and timing, it must pay the influencer as an advertiser or accept the commercial value of such an advertisement as a non-monetary contribution (if the influencer is an eligible contributor).

5. A third party is organizing its annual barbecue during the election period. It informs a local candidate of the event date in case they wish to attend. The candidate decides to show up and gives a short, informal speech. This is not prohibited because there was no agreement to influence the third party's regulated activities.
6. A third party contacts the registered party to find out where to direct volunteers to help canvass for the registered party. The registered party asks that volunteers contact the party's volunteer coordinator so that they can canvass as members of the registered party's own campaign. If the third party wants to canvass using its own messages and resources, the registered party cannot provide strategic information on where to canvass. This would be collusion to influence the third party's regulated activity.
7. During an election period, a labour union holds a members' meeting on the next round of collective bargaining. The union invites a party leader whom it supports to address members for 15 minutes, but there is no coordination beyond the non-strategic basics of the event time and topic. This is not prohibited because basic communication about the event is not an agreement to influence the third party's regulated activity.
8. A registered party contacts a third party and provides a list of candidate campaigns that need funds. The third party calls its supporters and asks them to make contributions to these candidates. This is prohibited because the registered party shared strategic information with the third party to influence the third party's regulated activity.

#### *OGI reference*

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2021-01, *Participating in Third Party Campaign-Style Events During Pre-election and Election Periods*, on the Elections Canada website.

### **Risk that coordinated activities will result in a non-monetary contribution**

Whether outside or during an election, third parties will sometimes conduct activities that benefit a registered party, candidate, registered association, leadership contestant or nomination contestant. As a general rule, if the third party acts independently of the regulated entity, there is no contribution. Rather, the activity is an expense of the third party and is subject to all applicable rules.

However, if the third party works with the regulated entity, the third party activity may be a contribution.

If the third party directly provides goods or services to the regulated entity, this is clearly a contribution. As well, if an activity is coordinated with a regulated entity, the expense that the third party incurs for the activity may be a non-monetary contribution to the entity. Any such contribution will be subject to all the contribution rules of the Act, including the contribution limit and the prohibition on anyone other than an individual who is a Canadian citizen or permanent resident making a contribution.

**Note:** The following are indicators of what is and is not coordination that results in a contribution being made, but each situation is different and must be evaluated based on all relevant facts. As a best practice, third parties should act independently of regulated political entities to avoid making ineligible or illegal contributions.

The coordination of an activity that benefits a political entity may result in a contribution if the political entity did one or more of the following:

- requested or suggested that the third party undertake the activity
- was materially involved in decisions about the activity
- gave the third party information about the plans or needs of the political entity that influenced how the third party organized or undertook the activity

On their own, the following types of coordination do not result in a contribution:

- the third party publicly endorses the political entity
- the political entity gives the third party information about its policy positions
- the political entity gives the third party publicly available information
- the political entity and third party attend the same event or invite one another's members to an event

**Note:** In cases where there was no coordination because the political entity was not aware of the activity, or did not act in a manner that would indicate that it accepted the contribution, a third party may nevertheless be contravening the prohibition against circumventing the contribution limits or the restrictions on the source of contributions. This would be the case, for example, if the third party assumed the costs related to the holding of a party's convention or to carry out a party membership drive.

### **Examples**

1. During the election period, a party leader requests to make a policy statement in a company's factory with employees standing in the background. The company agrees. As the event is being held on the registered party's behalf, it results in a potential contribution. The company must invoice the registered party for the commercial value of property and services it provided for the event so that it does not make an illegal contribution. That amount is also an election expense of the registered party. As the commercial value of using part of the factory floor as a meeting space is not ascertainable, it is not included in the calculation.
2. During the election period, a third party organization decides to hold an event to endorse a registered party. The third party and the party work together to arrange the time, place, speaking points and guest list. Given this coordination, the event results in a potential contribution. The third party must invoice the registered party for the commercial value of property and services it provided for the event so that it does not make an illegal contribution. That amount is also an election expense of the registered party.
3. During the pre-election period, a candidate's official agent asks a third party corporation to use its internal resources to help recruit volunteers for an upcoming event. The third party must not agree to the request. Recruiting volunteers in this way would be a contribution to the candidate.

### **OGI reference**

For a detailed discussion of this topic, please refer to Elections Canada's interpretation note 2021-01, *Participating in Third Party Campaign-Style Events During Pre-election and Election Periods*, on the Elections Canada website.

## 9. Reporting

*This chapter describes the financial reports that must be completed and submitted by set deadlines under the Canada Elections Act.*

*It covers the following topics:*

- *Reporting obligations for a fixed-date general election*
- *Reporting obligations for a non-fixed-date general election*
- *Reporting obligations for a by-election*
- *Submitting reports to Elections Canada*
- *Requesting a filing deadline extension*

For a timeline of interim reporting obligations, see **Interim reporting timelines by election type** in Chapter 1, **Reference Tables and Timelines**.

**Note:** Forms and instructions are available on the Elections Canada website.

## Reporting obligations for a fixed-date general election

Reports in this table must be submitted to Elections Canada by a third party representative.

Report	Filing conditions	What to report	Deadline
<i>General Form— Third Party</i>	Registration: a person or group has conducted one or more regulated activities in the pre-election period or election period with combined expenses of \$500 or more	Details about the third party for the registry	Immediately <sup>1</sup>
<i>General Form— Third Party</i>	Change of registry information	New information for the registry	Without delay after the change
<i>Third Party's Interim Campaign Return</i>  (first return in the pre-election period) <sup>2</sup>	Met the threshold <sup>3</sup> for interim reporting between: <ul style="list-style-type: none"> <li>September 21, 2021 (the day after the previous general election), and</li> <li>the day on which the third party became required to register</li> </ul>	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021, and the day on which the third party became required to register</li> <li>Expenses incurred for regulated activities that took place between June 30 and the day the third party was required to register</li> </ul>	5 days after the third party was required to register
<i>Third Party's Interim Campaign Return</i>  (second return in the pre-election period) <sup>2</sup>	Met the threshold <sup>3</sup> for interim reporting between: <ul style="list-style-type: none"> <li>September 21, 2021, and</li> <li>September 14, 2025, or the last day of the pre-election period, whichever is earlier</li> </ul>	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021, and September 14, 2025, or the last day of the pre-election period, whichever is earlier</li> <li>Expenses incurred for regulated activities that took place between June 30 and September 14 or the last day of the pre-election period, whichever is earlier</li> </ul>	September 15
<i>Third Party's Interim Campaign Return</i>  (first return in the election period) <sup>2</sup>	Met the threshold <sup>4</sup> for interim reporting between: <ul style="list-style-type: none"> <li>September 21, 2021, and</li> <li>the 23rd day before election day</li> </ul>	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021, and the 23rd day before election day</li> <li>Expenses incurred for regulated activities that took place between June 30 and the 23rd day before election day</li> </ul>	21 days before election day
<i>Third Party's Interim Campaign Return</i>  (second return in the election period) <sup>2</sup>	Met the threshold <sup>4</sup> for interim reporting between: <ul style="list-style-type: none"> <li>September 21, 2021, and</li> <li>the 9th day before election day</li> </ul>	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021, and the 9th day before election day</li> <li>Expenses incurred for regulated activities that took place between June 30 and the 9th day before election day</li> </ul>	7 days before election day

Report	Filing conditions	What to report	Deadline
<i>Third Party's Electoral Campaign Return</i> <sup>5</sup>	Must be submitted by every registered third party	<ul style="list-style-type: none"> <li>Contributions received for regulated activities between September 21, 2021, and election day</li> <li>Expenses incurred for regulated activities that took place between June 30 and election day</li> </ul>	4 months after election day
Auditor's report	Required if the third party incurred expenses totalling \$10,000 or more for regulated activities	Whether the third party's financial return presents fairly the information contained in the financial records	4 months after election day

<sup>1</sup> Registration for the pre-election period cannot take place before June 30. Registration for election period cannot take place before the day the election is called.

<sup>2</sup> Do not include transactions already reported in an interim return or in the return for a prior election.

<sup>3</sup> The third party has conducted regulated activities in the pre-election period with combined expenses of \$10,000 or more, or it has conducted regulated activities in the pre-election period with combined expenses of \$500 or more and has received contributions totalling \$10,000 or more for regulated activities.

<sup>4</sup> The third party has conducted regulated activities in the pre-election or election period with combined expenses of \$10,000 or more, or it has conducted regulated activities in the pre-election or election period with combined expenses of \$500 or more and has received contributions totalling \$10,000 or more for regulated activities.

<sup>5</sup> Do not include transactions already reported in the return for a prior election.

## Reporting obligations for a non-fixed-date general election

Reports in this table must be submitted to Elections Canada by a third party representative.

Report	Filing conditions	What to report	Deadline
<i>General Form— Third Party</i>	Registration: a person or group has conducted one or more regulated activities in the election period with combined expenses totalling \$500 or more	Details about the third party for the registry	Immediately <sup>1</sup>
<i>General Form— Third Party</i>	Change of registry information	New information for the registry	Without delay after the change
<i>Third Party's Interim Campaign Return<sup>2</sup></i>	Met the threshold <sup>3</sup> for interim reporting between: <ul style="list-style-type: none"> <li>September 21, 2021 (the day after the previous general election), and</li> <li>the 23rd day before election day</li> </ul>	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021, and the 23rd day before election day</li> <li>Expenses incurred for regulated activities that took place between the start of the election period and the 23rd day before election day</li> </ul>	21 days before election day
<i>Third Party's Interim Campaign Return<sup>2</sup></i>	Met the threshold <sup>3</sup> for interim reporting between: <ul style="list-style-type: none"> <li>September 21, 2021, and</li> <li>the 9th day before election day</li> </ul>	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021, and the 9th day before election day</li> <li>Expenses incurred for regulated activities that took place between the start of the election period and the 9th day before election day</li> </ul>	7 days before election day
<i>Third Party's Electoral Campaign Return<sup>4</sup></i>	Must be submitted by every registered third party.	<ul style="list-style-type: none"> <li>Contributions received for regulated activities between September 21, 2021, and election day</li> <li>Expenses incurred for regulated activities that take place during the election period</li> </ul>	4 months after election day
Auditor's report	Required if the third party incurred expenses totalling \$10,000 or more for regulated activities	Whether the third party's financial return presents fairly the information contained in the financial records	4 months after election day

<sup>1</sup> Registration cannot take place before the election is called.

<sup>2</sup> Do not include transactions already reported in an interim return or in the return for a prior election.

<sup>3</sup> The third party has conducted regulated activities in the election period with combined expenses totalling \$10,000 or more, or the third party has conducted regulated activities in the election period with combined expenses totalling \$500 or more and has received contributions totalling \$10,000 or more for regulated activities.

<sup>4</sup> Do not include transactions already reported in a return for a prior election.



## Reporting obligations for a by-election

Reports in this table must be submitted to Elections Canada.

Report	Filing conditions	What to report	Deadline
<i>General Form— Third Party</i>	Registration: a person or group has conducted one or more regulated activities in the election period with combined expenses totalling \$500 or more	Details about the third party for the registry	Immediately <sup>1</sup>
<i>General Form— Third Party</i>	Change of registry information	New information for registry	Immediately after a change of registry information
<i>Third Party's Electoral Campaign Return<sup>2</sup></i>	Must be submitted by every registered third party	<ul style="list-style-type: none"> <li>Contributions received between September 21, 2021 (the day after the previous general election), and election day</li> <li>Expenses incurred for regulated activities that took place during the election period</li> </ul>	4 months after election day
Auditor's report	Required if the third party incurred expenses totalling \$10,000 or more for regulated activities	Whether the third party's financial return presents fairly the information contained in the financial records	4 months after election day
<sup>1</sup> Registration cannot take place before the day the by-election is called.			
<sup>2</sup> Do not include transactions already reported in a return for a prior election.			

## Supporting documents

Third parties must keep the documents evidencing expenses. These include invoices, bank statements, deposit slips and cancelled cheques. Elections Canada might request documents evidencing expenses over \$50 during the review of the third party returns, and the third party is required to provide them.

## Corrections

On review, Elections Canada may correct the *Third Party's Electoral Campaign Return* if the correction does not materially affect its substance.

Elections Canada may send a written request to the third party to correct or revise the *Third Party's Electoral Campaign Return*. In that case, the third party must submit the corrected or revised return within the specified period.

A third party may apply to Elections Canada to correct or revise the *Third Party's Electoral Campaign Return* return, using the *Request for Amendment* form. The application must be made immediately after the third party becomes aware of the need for a correction or revision. An amended report must be submitted within 30 days after the correction or revision is authorized.

## Requesting a filing deadline extension

The *Canada Elections Act* specifies deadlines for submitting reports. The third party may apply for an extension on the *Third Party's Electoral Campaign Return* if they cannot submit it on time.

**Note:** The *Third Party's Interim Campaign Return* (if one or more are required) is not eligible for an extension.

Extension requests			
	Extension available from Elections Canada	Additional extension available from Elections Canada	Extension available from a judge
<i>Third Party's Electoral Campaign Return</i>			
Original submission, including the auditor's report	Yes	No	Yes
Corrected or revised, as requested by the third party	Yes	Yes	No
Corrected or revised, as requested by Elections Canada	No	No	No*

\*Corrections or revisions requested by Elections Canada are not eligible for extensions and must be filed within the specified period. However, the third party can apply to a judge to be relieved of the obligation of complying with the request.

### Submitting a request for an extension

The third party may send a request to Elections Canada for a filing deadline extension. The request must be received by Elections Canada within two weeks after the filing deadline.

**Note:** Only a judge may grant an extension requested more than two weeks after the deadline has passed.

Elections Canada will grant an extension unless the third party's failure to provide the document was deliberate or was the result of a failure to exercise due diligence.

If Elections Canada refuses to authorize an extension or if the third party is unable to file the required documents within the extended period, the third party may apply to a judge for an extension. Elections Canada must be notified of any such application.

### Submitting reports to Elections Canada

Financial forms (with instructions) are available on the Elections Canada website in fillable PDF format.

#### Options for submitting financial reports to Elections Canada

##### Option 1—Online (Political Entities Service Centre)

###### Log in

- Log in to the Political Entities Service Centre at [csep-pesc.elections.ca](https://csep-pesc.elections.ca). (Use the email address that Elections Canada has on file for you in the Registry of Third Parties.)
- Click on the Electronic Financial Returns tab.

###### Interim campaign return / Electoral campaign return

- Upload the campaign return (in PDF format) and any supporting documents.
- Follow the on-screen steps to apply digital consent and submit the return.

###### Extension and amendment requests

- Where signatures are required, sign the pages by hand and scan the form.
- Upload the form (in PDF format) and any supporting documents

###### Note

- Other forms of electronic submission may not be accepted. If you are not using the Political Entities Service Centre to apply digital consent, handwritten signatures are required.
- The third party can print a confirmation of its submission and track the status in the Political Entities Service Centre.
- When submitting online, there is no need to send physical copies by mail. We recommend keeping a copy of all documents submitted.

## Option 2—Mail or fax

### Any financial reports

- Where signatures are required, sign the pages by hand.
- Send the reports to Elections Canada by courier, mail or fax.
- Send supporting documents to Elections Canada by courier or mail.

### Mail

Elections Canada  
30 Victoria Street, Gatineau, Quebec K1A 0M6

### Fax

Political Financing  
1-888-523-9333 (toll-free)

### Note

- When submitting by mail or fax, the person making the submission should give their name, role and the third party's name.
- We recommend keeping a copy of all documents submitted.