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Submission to the House of Commons Standing Committee on Procedure and House Affairs for its Review of Foreign Election Interference

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Democracy Watch's Co-founder Duff Conacher [presented on Tuesday, November 5, 2024](#) before the Standing Committee on Procedure and House Affairs concerning [its review of Bill C-65](#), An Act to Amend the *Canada Elections Act (CEA)*. This submission sets out details concerning the points made during the presentation, as well as details proposed amendments to the Bill, and other needed changes.

A. Amendments that should have been made to Bill C-65 to help stop disinformation, undemocratic third-party influence and foreign interference, and close information gaps

Below through sub-parts 1-5 of Part A, Democracy Watch sets out a summary of reasons, and the call it made in its testimony in November 2024 for the Committee to make amendments to Bill C-65, all of which fit within the legislative framework of the Bill, to close loopholes in the Bill that allowed for secret, unethical and undemocratic influence in federal Canadian elections and political processes and also facilitate foreign interference. Closing these loopholes will help stop disinformation, undemocratic third-party influence and foreign interference.

Also proposed below in Part A, sub-part 5, is an amendment Democracy Watch proposed in its testimony in November 2024 to add three studies to the list of studies that Bill C-65 mandated Elections Canada to undertake, studies that will provide key information needed to actually, finally, have a coherent, ethical, democratic, fair and egalitarian political finance and electoral system that prevents foreign interference.

Further below, Part B of this submission provides a summary of other key changes needed to fully and effectively prevent, prohibit and penalize disinformation, undemocratic third-party influence and foreign interference in Canadian elections and political processes, with links to five policy papers that Democracy Watch submitted in fall 2024 to the Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions (“Hogue Inquiry”).

1. Prohibit all false claims during elections

Bill C-65 contained several provisions adding prohibitions on various types of false claims that are not already prohibited in the *CEA*. Section 13 of the Bill proposed to amend the *CEA* by adding section 92.1 and 92.2 (prohibiting false information in a nomination application form). Section 79 of the Bill expanded the situations in which section 481 (producing publications that claim to be from the Chief Electoral Officer (CEO) applies. Section 80 of the Bill expanded the situations in which section 482 applies (misuse of computer to influence or disrupt the election). Section 81 added section 482.01 (prohibiting various false claims including re: election results). And sections 82 and 92 and subsection 90(2) of the Bill added these measures to the list of offences in the *CEA*.

Bill C-76,¹ enacted in 2019, amended section 91 of the *CEA* to narrow the prohibition on making false claims about candidates from:

¹ Government of Canada, Bill C-76, online: LEGISinfo, <https://www.parl.ca/LegisInfo/BillDetails.aspx?billId=9808070&Language=E>.

“with the intention of affecting the results of an election, knowingly make or publish any false statement of fact in relation to the personal character or conduct of a candidate or prospective candidate.”

to cover only false statements concerning specific characteristics of a candidate, such as claiming that they have been convicted or charged, or a claim about their place of birth, citizenship, education, qualifications etc. The requirement that the statement be made with the intent to affect the outcome of the election remained.

Echoing a 2013 report by the Chief Electoral Officer (CEO) that called for measures to prevent disinformation ([Click here to see](#) the English version, and [click here to see](#) the French version), both the CEO and the Commissioner of Canada Elections (CCE) appealed in 2018 to the House of Commons and Senate committees that reviewed Bill C-76 to return section 91 to the broader past wording so that claims such as that a candidate was racist or homophobic would be covered, and also to remove the requirement to prove intent as it would be very difficult, if not impossible, to prove in many cases.² In effect then, Bill C-76 legalized many false claims about federal election candidates.

It makes no sense to prohibit some false claims but allow other false claims, and it makes no sense to require proof that the false claim was intended to influence or even disrupt the election.

The position of the CEO and the CCE that section 91 needs to be broadened in both scope and enforceability is correct. Further, the rule should simply be expanded to cover all false claims made during election campaigns, whether about a candidate or not, and made in any manner, medium or place.

False claims by candidates and party leaders, including false election promises, should also be prohibited. There is a provision already in the *CEA* prohibiting this, but in an error-filled ruling in March 2018, the CCE refused to enforce that provision (subsection 282.8(b) – formerly subsection 482(b)).

Disinformation (and misinformation) is false information and, as a result, it poisons the information environment. Democracy Watch’s position is that false claims are always an illegitimate exercise of freedom of expression, whether or not they are state-sponsored or amplified. False statements mislead voters, and so they are a clear violation of the fundamental *Charter* section 3 right of all voters to cast an informed ballot. Protecting the right to cast an informed ballot is more important than protecting the right of people and entities to mislead

² Joan Bryden, “Bill won’t stop hackers from sowing election confusion: watchdogs,” online: CTVNews.ca, November 6, 2018, <https://www.ctvnews.ca/politics/bill-won-t-stop-hackers-from-sowing-election-confusion-watchdogs-1.4166380>.

voters. According to Supreme Court of Canada rulings, and several Canadian statutes, the *Charter* right to freedom of expression does not include the right to mislead others.

Like the laws in Canada that prohibit false claims by taxpayers, immigrants and refugees, and businesses and business executives, such an expanded rule will not be enforced in every case successfully. As with the suggested rule prohibiting false promises proposed in the previous sub-part, a broad prohibition on false claims will likely only be applied to blatantly false claims. However, such a prohibition will likely change the behaviour of at least some people, hopefully including party leaders given their prominent role and profile during campaigns. Any reduction in disinformation during elections will also improve the quality of election debates by making them more connected to reality.

The CEO's November 2024 report *Protecting Against Threats to the Electoral Process*, unfortunately, continues in Part 1 the approach of many commentators of proposing to prohibit some false claims made with the intent of affecting the results or disrupting the election or calling into question the legitimacy of the election. [Click here to see](#) the English version of the CEO's report, and [click here to see](#) the French version, both on Elections Canada's website. Again, it makes no sense to prohibit only some false claims, and it makes no sense (as the previous CEO and CCE both pointed out) to require intent to be proven because that makes the prohibition essentially unenforceable.

Several surveys in recent years show that a large majority of Canadians want false claims concerning or affecting political processes prohibited and removed from the Internet and social media. [Click here to see](#) a summary and links to those surveys (in English only).

For a detailed explanation of the above reasons for recommendations 1-6 that are set out below, [click here to see](#) the English version on the Committee's website of Democracy Watch's October 2024 submission to the Standing Committee on Access to Information, Privacy and Ethics concerning its study of the impact of disinformation and misinformation on parliamentarians, a submission which sets out a detailed system for preventing, prohibiting and penalizing all false claims in politics. [Click here to see the French version](#) of the submission on the Committee's website (as translated for the Ethics Committee by the House of Commons translation service).

Recommendations 1-6 below fit within the legislative framework of Bill C-65, which means the Committee can amend the Bill in the ways proposed in each recommendation, which will help stop disinformation. As set out in Part B further below, Democracy Watch's submission to the Ethics Committee sets out

many other recommendations for key changes to fully and effectively prevent, prohibit and penalize disinformation. Recommendations 1-6 are as follows:

Recommendation 1:

Add to section 81 of Bill C-65 the following simple measure to prohibit everyone and every entity from making any false claims during a pre-election or election period:

482.01(1)

(h) anything related to the election.

Recommendation 2:

Also, as the CEO's Recommendation 1.4 to amend section 480.1 and 481 proposes in his November 2024 report *Protecting Against Threats to the Electoral Process* add the following section 482.02 to section 81 of Bill C-65 to prohibit all false claims between elections made within or outside Canada:

482.02

(1) Every person or entity is guilty of an offence that makes or publishes a statement in any format that they know is false or misleading in respect of any issue or matter concerning any federal political or government process.

(2) Subsection (1) applies regardless of the place where the false statement is made or published and regardless of the manner or medium or place in which the false statement is made, distributed, transmitted or published.

Recommendation 3:

Also to clearly prohibit all false claims, add to section 44 of Bill C-65 a provision that amends subsection 282.8(b) of the *CEA*, which states:

“Intimidation, etc.

282.8. Every person is guilty of an offence who ...

(b) by any pretence or contrivance, including by representing that the ballot or the manner of voting at an election is not secret, induces a person to vote or refrain from voting or to vote or refrain from voting for a particular candidate at an election.”

to change “by any pretence or contrivance...” to

“by any pretence, contrivance or false claim or statement made in any manner or medium or place no matter how it is made, distributed, transmitted or published....”

Recommendation 4:

As the CEO and CCE have called for, and to ensure the prohibitions on false claims are actually effective and enforceable, change the words “with the intention of affecting the results” and “with the intention of affecting the results or disrupting the conduct of an election” to “during a pre-election period or election period” in every provision in Bill C-65 that includes those words, and in every provision in the *CEA* that already includes those words.

Recommendation 5:

As the CEO proposes in recommendations 2.2 and 2.3 in his November 2024 report *Protecting Against Threats to the Electoral Process*, extend all the prohibitions on false claims in the *CEA*, including the recommended changes set out above (and, as also recommended by the CEO in recommendations 2.9 to 2.11 in his report, also extend other related *CEA* provisions), to apply also to nomination contests and party leadership contests and between election policy-making processes, and do not require intent to be proven.

Recommendation 6:

Given it is relatively easy and inexpensive to establish a survey company that uses very questionable online survey techniques that are not statistically valid, and to promote survey results on social media and Internet sites and with media releases to try to influence voters, the past provision in the *CEA* should be re-enacted to prohibit survey results from being transmitted just before election day to prevent voters from being misled as they go to vote.

2. Prohibit foreign influence activities that are currently legal

Another related significant loophole in the *CEA* is that foreign governments, political parties, businesses, unions, organizations and individuals are allowed to try to induce voters to vote, not vote, or vote in a specific way in an election, and are not prohibited from inducing voters in nomination contests or party leadership contests. Subsection 282.4(1) of the *CEA* prohibits foreigners doing this during election periods only, but then clause 282.4(2)(a) exempts any action that does not involve expenses and 282.4(3) (together with section 330) allows three ways that would be the most usual ways a foreigner would try to influence a voter in Canada, including through online disinformation (as section

330 only applies to broadcasting). Recommendation 7 proposes a change to close this gap:

Recommendation 7:

To clearly prohibit foreign influence activities that are currently allowed under the *CEA*, amend section 44 of Bill C-65 to add the following measures:

In subsection 44(1), change the words “an election” to “an election, nomination contest or party leadership contest.

Add the following subsection:

44 (7) Clause 282.4(2)(a) and subsection 282.4(3) of the *CEA* are repealed;

And add the following subsection:

44 (8) No person, government or entity shall attempt to do anything prohibited by section 282.4.

3. Make third-party rules transparent, democratic and ethical, in part to help stop foreign interference

(a) Sections 51 and 56 of Bill C-65 increased the registration threshold in the *CEA* for third parties to \$1,500 of spending during the pre-election period or election period. This is a move in the wrong direction because the costs of reaching voters have decreased since the registration threshold was set at \$500 back in 2000. Every voter in an electoral district, and tens of thousands of voters across Canada, could be reached by spending less than \$500 on social media advertising, and every voter in multiple electoral districts, and hundreds of thousands of voters across Canada, could be reached by spending less than \$1,500 on social media advertising.

Given the low costs of generating ads and videos through AI, and reaching voters through social media and texts and robocalls, the registration threshold should be reduced to \$100, not increased to \$1,500.

Voters have a right to know the identity of third parties that are reaching tens of thousands of voters. Increasing the registration threshold will also make it easier for foreign governments, entities and individuals to funnel money through Canadian third-party “proxies” to influence federal elections.

Recommendation 8:

In sections 51 and 56 of Bill C-65, either change “\$1,500” to “\$100” or delete sections 51 and 56 from the Bill so that the registration threshold remains at the current level of \$500.

- (b) To prevent businesses, unions and other entities, and individuals, from setting up citizen groups to act as fronts for them, citizen groups should be required to raise the funds they intend to spend on third-party advertising, surveys and political activities only from individual Canadians. Sections 52-60 and 86-87 of [Bill C-65](#) proposed changes to somewhat close the “own funds” and “transfer funds” loopholes in the *CEA*, but the Bill left key loopholes open that allow for unethical and undemocratic influence by some third parties, and make foreign interference through third-party “proxies” easy to do.

The sections in the Bill proposed to prohibit third parties from using any funds that were not donated by Canadian citizens or permanent residents to pay for pre-election and election expenses, and to require third parties to disclose the identity of anyone who donated a total of more than \$200.

The sections in Bill C-65 had the following three exemptions that allowed for secret, unethical and undemocratic influence during pre-election and election periods, and also made it easy for foreign governments, entities and individuals to continue to funnel money to third-party “proxies” to interfere in Canadian politics:

- i. If less than 10% of the third party’s total revenue (not including government grants or contributions) during the previous fiscal or calendar year (the third party chooses which time period to use) came from donations, then it can use its “own funds”. This allows a business, union, other entity or individual to give a third-party front group significant funds during the years prior to the fiscal or calendar year that precedes the election, and then the third party can purposely reduce its donations to below 10% during the year preceding the election in order to still be able to hide its funding sources by claiming it is using its “own funds”. Because the test in the sections is based on the third party’s income during the year preceding the pre-election period or election period, this also allows a new third party to start up during the pre-election period or election period and receive unlimited amounts of funding and then only disclose the funding as its “own funds”. This proposed threshold also allows anyone or any entity to “buy” a good or service from a third party at a greatly inflated rate as a way of lowering the percentage of revenue the third party receives from contributions, thereby hiding their funding. As recommended below, the way to stop this is to lower the 10% threshold to 0%, and prohibit selling goods or services at inflated rates, and by requiring the revenue-from-contributions calculation to be done based on the revenue received since the last election and, for a newly established organization, since it was established.

- ii. The 10% rule also essentially means unions that receive almost all their revenue from union dues, and businesses and any organization that receives more than 90% of their revenues from sales of products and services, would still be able to use their “own funds” and also transfer funds between them. This allows foreign governments, entities and individuals to fund and use businesses and unions in Canada as foreign agent proxies. As recommended below, the key way to stop businesses from being used as proxies is to prohibit businesses and business/industry associations from spending as third parties. There are also other good reasons to prohibit businesses and their associations from spending as third parties: the few executives and board members in a publicly traded business who decide how to spend as a third party don’t represent the political interests of the business’ shareholders or employees; the few shareholders in a private corporation only represent a few voters and so should be very restricted in the amount they are allowed to spend, and; businesses don’t vote and so shouldn’t be allowed to influence election and policy debates through spending (as the *CEA* allows, they would still be allowed to issue news releases, reports etc., and send notices to their employees and shareholders).
- iii. Sections 54 and 59 of Bill C-65 added sections 349.95 and 358 to the *CEA*, and subsections 349.95(5) and 358(5) of Bill C-65 exempted individuals who act as third parties from the “own funds” prohibition. This not only allows one wealthy individual voter to spend significant amounts while easily hiding sources of their funding that are not their own funds, it also makes it easy for foreign governments, entities and individuals to fund and use individual Canadians and permanent residents as foreign agent proxies who can spend significant amounts. To give one very undemocratic example from the 2019 election, one individual, Walter Schroeder, contributed \$700,000 to his own policy institute (Schroeder Policy Group Inc.) to pay all the costs of its third-party advertising and survey activities. As recommended below, the way to stop this is to only allow an individual to spend a very small amount, given that he or she only represents himself or herself.

(c) A specific loophole buried in (i) above, and contained in section 54 of Bill C-65 which proposed to add new subsection 349.95(3) to the *CEA*, and also contained in section 59 of Bill C-65 which proposed to add new subsection 358(3) to the *CEA*, is that a third-party is not required to count grants and contributions from the Government of Canada or a province or a municipality when calculating whether less than 10% of its previous year’s revenue came from contributions. This should be deleted as it allows federal and provincial

ruling parties, and municipal councils which may have a majority of partisan councillors on them, to give grants and contributions that provide all or most of the funding for third parties that favour the ruling party or majority's policy positions or re-election.

- (d) The changes made to the provisions in the *CEA* that apply to third parties by sections 47 to 60 of Bill C-65 only applied to third-party activities during the pre-election period and election periods. Currently, no provisions in the *CEA* apply to third-party activities during nomination contests and party leadership contests. There are no registration or disclosure requirements, or spending limits, for third parties during these contests, and third parties are allowed to collude with contestants. These huge loopholes are worse the loopholes for political action committees ("PACs) in the U.S. "primary" system for choosing candidates for House and Senate races and for President. PACs are required to register and disclose their donors and spending in support of primary contests. These huge loopholes allow for secret, unethical and undemocratic third-party activities, and make it easy for foreign governments, entities and individuals to interfere in these contests, and they must be closed as soon as possible before every nomination contest for the next federal election is completed.

Unfortunately, the CEO in Part 2 of his November 2024 report *Protecting Against Threats to the Electoral Process* completely ignores these significant loopholes. This is very surprising given it is clearly unethical and undemocratic, and dangerous in terms of facilitating foreign interference, to allow third parties to secretly spend unlimited amounts of money supporting or opposing a nomination contestant or party leadership contestant. It is also clearly undemocratic to allow one wealthy voter, or a business with only a few executives or board members, or a citizen group with just a few supporters, to spend the same amount as a citizen group that has tens or hundreds of thousands of supporters or members.

It is also unethical because one wealthy voter, or a few voters, spending the maximum amount allowed (in 2024) of about \$1 million during the pre-election period and more than \$600,000 during an election campaign period in support of a political party does a huge favour for that party, and the party leader would feel a sense of obligation to return the favour. This favour-trading undermines the integrity of both the election, and all policy-making processes between elections.

The following recommended changes the Democracy Watch proposed in November 2024 to Bill C-65 fit within the legislative framework of the Bill and

will close the huge loopholes and correct the flaws described above in third-party requirements in the *CEA*, and will also close other loopholes and correct other flaws. As set out further below in Part B, further changes are required to make the third-party requirements fully fair, democratic, ethical and egalitarian.

Recommendation 9:

As the CEO proposes in recommendations 2.2 and 2.3 in his November 2024 report *Protecting Against Threats to the Electoral Process*, amend section 48 of Bill C-65 as follows:

48(1) Section 349.02 of the *CEA* is amended to change the words “use funds” to “accept or use funds, property or services” and to change the words “the funds” to “the funds, property or services”.

Recommendation 10:

To ensure third-party limits are democratic, limit individuals who are third parties to spending only an amount during a pre-election period or election period that reflects the fact that they only represent one voter, and prohibit businesses from spending as third parties, both for the reasons set out above, by amending Sections 54 and 59 of Bill C-65, which added sections 349.95 and 358 to the *CEA*, to change proposed new subsections 349.95(5) and 358(5) by adding at the end of each of those subsections the following:

“, and a third party who is an individual is prohibited from spending more than \$100, and a third party that is a business is prohibited from spending any money, on third party advertising, activities, surveys or expenses as defined in section 349.”

Recommendation 11:

To ensure third-party spending limits are democratic, change the spending limits in the *CEA* for third parties that are citizen organizations so that the limits for each organization are based on the actual number of voters who are members or supporters of the organization. The spending limits should be closer to the amounts that candidates and parties are allowed to spend than the current limits are, given it is entirely democratically valid for voters to choose to express themselves politically through supporting a third party instead of a candidate or party.

Recommendation 12:

To ensure that third parties are effectively required to only use contributions from Canadians to pay for their third party activities,

amend sections 54 and 59 of the Bill C-65 by changing the new subsections it proposed to add to the *CEA* (subsections 349.95(2) and 358(2)) by replacing the words “if the total amount of contributions received, from all sources and for any purpose, by the third party during the previous year is equal to or less than 10% of its revenue for that year,” with the following:

“if the third party did not receive any contributions and did not since sell a good or service at an inflated rate in order to obscure a contribution (which is prohibited) since the previous election, or since it was first established,”.

Recommendation 13:

To require government grants and contributions to be counted in the calculation of whether more than 10% of a third party’s revenues come from contributions, amend sections 54 and 59 of the Bill C-65 by deleting proposed new *CEA* subsections 349.95(3) and 358(3).

Recommendation 14:

All the registration, disclosure and spending limits in the *CEA* that apply to third parties during pre-election and election periods should be extended to apply during nomination contests and party leadership contests, with businesses prohibited from spending, individuals only allowed to spend at most \$100, and citizen organizations allowed to spend a maximum of a percentage of whatever the spending limit is for the contestants, with the actual limit for each citizen organization determined by the actual number of voters who are members or supporters of the organization, and third parties should be prohibited from colluding and coordinating their activities with contestants (as they are prohibited from colluding and coordinating with election candidates, EDAs and parties).

Recommendation 15:

The definitions of “election survey” and “election survey expense” in section 349 of the *CEA* should be changed so that third parties that are citizen organizations, including unions, should not be required to count the costs of surveying their own members/supporters as a survey expense.

Recommendation 16:

The changes called for by the Canadian Labour Congress in November 2024 to the Committee to allow unions to fund other

third parties, and to remove the limits on their spending on pre-election and election activities, should not be implemented. As proposed in the recommendations set out above, all third parties should be limited to spending an amount based on their actual voter support, with businesses prohibited from spending because they don't represent any voters other than their few executives and board members. And, as the financial returns filed by third parties with Elections Canada for the 43rd federal election, and 44th election, both show clearly ([click here to see](#) the returns for the 43rd and [click here](#) for the 44th) allowing third parties to transfer funds to other third parties allows for front groups to be created across the political spectrum that mislead voters during an election concerning who the "front" third party actually represents. See more details in Part B further below.

4. Prohibit foreigners and people under age 18 from voting in nomination and party leadership contests

The Public Inquiry into Foreign Interference in Federal Electoral Processes and Democratic Institutions ("Hogue Inquiry") heard extensive evidence about how allowing foreigners and people under the age of 18 to vote in nomination and party leadership contests facilitates foreign interference in those contests.

Again, there is no need, and no valid reason, to wait to close this loophole. Recommendation 17 proposes key changes to close this loopholes:

Recommendation 17:

As the CEO proposes in recommendations 2.7 and 2.8 in his recent report *Protecting Against Threats to the Electoral Process*, the CEA needs to be changed as follows:

Subsections 281.3(a) and (b) of the CEA are both amended by changing the words "an election" to "a nomination contest, leadership contest or an election"

Subsection (c) is added after subsection 281.3(b) and reads as follows:

(c) Political parties are required to obtain a declaration from any who votes in a nomination contest or leadership contest that they are a Canadian citizen, and are required to create, maintain and submit to the Chief Electoral Officer a list of the declarations of everyone who votes in a contest.

5. Mandate Elections Canada to do reports on costs of informing voters, operating parties, and electoral reform

Sections 110 to 114 of Bill C-65 mandated Elections Canada to prepare four reports to be tabled in Parliament. Additional sections should be added as follows to mandate Elections Canada to prepare three additional reports:

Recommendation 18:

To provide the answers to key questions that are needed to set, finally, realistic donation, loan and spending limits (and possibly public funding) for nomination contestants, election candidates, parties, party leadership contestants and third parties, Bill C-65 should have been amended to add section 114.1 that reads as follows:

114.1 (1) The Chief Electoral Officer must make a report to the Speaker of the House of Commons by the next federal election on the actual cost of informing voters.

(2) Before making the report, the Chief Electoral Officer must undertake a meaningful, substantive consultation with the Advisory Committee of Political Parties, established by subsection 21.1(1) of the *Canada Elections Act*, and with contestants, candidates and third parties, and experts in contestants, candidates, parties and third parties, voter communications, telecommunications, advertising, social media and the Internet.

Recommendation 19:

To provide the answers to key questions that are needed to set, finally, realistic donation and loan limits (and possibly public funding) for EDAs and parties, Bill C-65 should have been amended to add section 114.2 that reads as follows:

114.2 (1) The Chief Electoral Officer must make a report to the Speaker of the House of Commons by the next federal election on the actual annual cost of operating a political party and electoral district association (EDA) during an election year, and during a year between elections.

(2) Before making the report, the Chief Electoral Officer must undertake a meaningful, substantive consultation with the Advisory Committee of Political Parties, established by subsection 21.1(1) of the *Canada Elections Act*, and with experts in parties, EDAs, election and by-election campaigns

Recommendation 20:

To, finally, have a meaningful study completed on electoral voting system reform, Bill C-65 should have been amended to add section 114.3 that reads as follows:

114.3 (1) The Chief Electoral Officer must make a report to the Speaker of the House of Commons by the end of the calendar year that follows the year in which the next federal election is held on the benefits and negative impacts of Canada's current electoral voting system, and the benefits and negative impacts of various options for reforming the voting system.

(2) Before making the report, the Chief Electoral Officer must undertake a meaningful, substantive consultation with the Advisory Committee of Political Parties, established by subsection 21.1(1) of the *Canada Elections Act*, and with the public, and with contestants, candidates and third parties, and with experts in voting systems and comparisons of the benefits and negative impacts of various voting systems around the world.

B. Many more changes needed to prevent, prohibit and penalize disinformation, undemocratic third-party influence and foreign interference

Committee members can see a summary list of the above changes, and many other changes, 20 overall changes in total, in Democracy Watch's October 2023 submission to the Standing Committee on Access to Information, Privacy and Ethics concerning its study of Foreign Interference and the Threats to the Integrity of Democratic Institutions, Intellectual Property and the Canadian State. [Click here to see](#) the English version on the Committee's website, and [click here to see the French version](#) of the submission on the Committee's website (as translated for the Ethics Committee by the House of Commons translation service).

Democracy Watch's Co-founder Duff Conacher also testified before this Committee on the issue of preventing foreign interference at its meeting on May 9, 2023. Committee members can [click here to see](#) the English version notice of that meeting, with links to the transcript of the evidence presented, and can [click here to see](#) the French version.

Again, as mentioned above in Part A, sub-part 1, Committee members can also see a detailed system for preventing, prohibiting and penalizing all false claims in politics, to stop disinformation, in Democracy Watch's recent submission to the Standing Committee on Access to Information, Privacy and Ethics concerning its study of the

impact of disinformation and misinformation on parliamentarians. [Click here to see](#) the English version of the submission on the Committee's website, and [click here to see the French version](#) of the submission on the Committee's website (as translated for the Ethics Committee by the House of Commons translation service).

Committee members can also see another summary list of key changes to close huge loopholes in federal election, political finance, lobbying, ethics and disinformation laws that allow for secret, unethical and undemocratic interference and influence in Canadian elections and policy-making processes, and to make enforcement effective, in Democracy Watch's recent news release about its final submission to the Hogue Inquiry. The news release contains links to Democracy Watch's final submission to the Inquiry, and also links to the five policy papers that Democracy Watch submitted to the Inquiry. [Click here to see](#) the English version of the news release.

NOTE: One of Democracy Watch's five policy papers, on how to stop disinformation, is essentially the same as Democracy Watch's submission to the Ethics Committee linked above, and the other four papers detail loopholes and flaws, and how to close and correct them, in 1. Donation and loan rules; 2. Third-party rules; 3. Lobbying and ethics rules, and; 4. Enforcement systems and penalties for violations.

The changes need to be made to the *CEA* and related federal laws to fully and effectively prevent, prohibit and penalize disinformation, undemocratic third-party influence and foreign interference, including changes to make enforcement independent, effective, transparent, timely and accountable. In addition to the recommended changes to Bill C-65 proposed above in Part A, key changes include:

To prevent and penalize disinformation:

1. Prohibit anonymous social media accounts and Internet sites, and bots.
2. Prohibit media and social media outlets from allowing posts with false claims, including fake videos and audio files.
3. Have complaints about disinformation go to federal agencies, boards, commissions and tribunals (ABCTs) that already have expertise in various issue areas.
4. Empower the ABCTs to order Internet and social media companies to remove false posts and webpages, and to block sites that refuse to remove or prevent false claims from being posted on their site, and to penalize misleaders with significant fines.

To stop the undemocratic, unethical influence of big money in politics:

5. Lower the annual donation and loan limit to \$75 which is the amount that 75% of donors give, as [DWatch's study of donations from 2016-2022](#) showed (to match Quebec's world-leading \$100 donation limit).
6. Prohibit financial institutions from making loans (if parties can prove they need more funds than they can raise from voters in \$75 donations, establish matching and per-vote public funding and a public loan fund to close the gap).
7. Prohibit giving fake jobs, compensation or other benefits or advantages to anyone who is considering running in a nomination or party leadership contest, and to contestants, election candidates or political party officials.
8. Prohibit donations to nomination contestants, candidates and electoral district associations (EDAs) from outside the electoral district.
9. As the CEO proposes in recommendations 2.4 and 2.5 in his recent report *Protecting Against Threats to the Electoral Process*, prohibit the applying for, and buying of, a membership in a party by anyone other than the person joining the party.
10. Require nomination contestants, candidates, EDAs, parties, party leadership contestants and third parties to publicly disclose the identity of all donors/lenders and the amount donated/loaned, and spending, before voting begins, and require quarterly disclosure between elections of donations, loans and spending by EDAs and parties.
11. Require nomination contestants, candidates, EDAs, parties and party leadership contestants to publicly disclose, before voting begins, their staff, top-level volunteers, fundraisers (and amounts raised and how) by, and require them to disclose, also before voting begins, the identities of all volunteers to Elections Canada.

To stop undemocratic, unethical influence by third parties:

12. Third-party registration and disclosure requirements, and spending limits, should not only cover election, by-election periods and nomination and party leadership contests periods, but should also be extended to cover policy-making process periods between elections (the longer the policy process, the more a citizen group would be allowed to spend).
13. As the CEO has recommended, given unpaid social media posts can go viral and reach many voters, the costs of producing all posts and materials (paid and unpaid) should be counted as part of a third-party's expenses, including the cost of purchasing supporters for a social media account. Also, as the CEO proposes in recommendation 1.7 in his November 2024 report

Protecting Against Threats to the Electoral Process, each post should identify the person or entity who created the post.

14. Third parties should also be required to count the costs of all their activities other than news releases and other media engagements and (for organizations) sending a message to supporters, including communicating with candidates and party officials, canvassing, holding partisan events etc.
15. The definition of “third-party” in the *CEA* needs to be changed so that the prohibitions, spending limits and disclosure requirements that apply to third parties clearly apply to online pseudo-media outlets that are actually third-party advocacy organizations. As well, as the U.S. once had, a Fairness Doctrine should be enacted that requires media outlets to give equal space to opposing points of view on all issues.

To stop secret, unethical lobbying and unethical policy-making:

16. Close all the loopholes that currently allow for secret lobbying, and prohibit lobbyists from sponsoring interns in MP offices.
17. Reverse the changes made to the *Lobbyists’ Code* last year so lobbyists will again be prohibited from fundraising, campaigning and assisting politicians and party leaders.
18. Prohibit politicians, their staff, Cabinet appointees and government employees from having outside jobs, secret investments, and from accepting gifts or other benefits, and prohibit them from taking part in decision-making processes when they have even an appearance of a conflict of interest.

To ensure independent, effective, transparent, timely and accountable enforcement of every law:

19. Establish fully independent, merit-based appointment processes for all key watchdogs, and have them all serve for one fixed term of 5-7 years, fully independent from Cabinet with dismissal only for cause.
20. Establish a new, fully independent police force to take over from the RCMP and FINTRAC enforcement of anti-foreign interference, anti-corruption, anti-money laundering and proceeds of crime laws.
21. Have Elections Canada run all nomination contests and party leadership contests.
22. Require all the watchdogs to do regular, random, unannounced audits and inspections.
23. Require all of the watchdogs to investigate and rule on allegations of wrongdoing in a timely manner.

24. Require all the watchdogs to issue a public notice summarizing the reasons for every enforcement decision they make.
25. Empower all the watchdogs to impose any penalties for violations, and require them to impose a penalty for every violation, and increase the penalties to discourage violations on a sliding scale based on the income of the violator.
26. Allow anyone to challenge in court any decision of any watchdog.
27. Make Elections Canada the auditor for nomination contestants, election candidates, EDAs, parties, party leadership contestants and third parties.
28. Establish a strong, best-practice whistleblower protection system for all wrongdoing related to foreign interference.

All of these changes are needed to actually, finally, have coherent, ethical, democratic, fair and egalitarian political finance, electoral and policy-making systems.

C. Conclusion – If they actually want to, MP and parties can have fair, democratic elections and policy-making, and can stop foreign interference

If the members of the Committee, and their political parties and party leaders, are actually interested in having, finally, coherent, ethical, democratic, fair and egalitarian political finance, electoral and policy-making systems, and in preventing foreign interference, they will work together to introduce a bill as soon as possible making all the changes listed in Democracy Watch's submissions and news release linked above.

Making these changes, and complying with the new legal provisions that these changes will establish, will greatly increase the public's current very low level of trust in federal politicians and the federal government, and in the federal electoral system and policy-making process.