



chief electoral office

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Chief Electoral Officer taking action on alleged prohibited contributions

EDMONTON – Elections Alberta is reviewing allegations that political parties and related constituency associations have received contributions from prohibited corporations. These prohibited corporations include municipalities, post-secondary institutions, and school boards.

“I am actively investigating these allegations,” said O. Brian Fjeldheim, Chief Electoral Officer. “Investigations of some of the allegations have been completed and are unfounded. Investigations of others are ongoing, and additional information is required on a number of files before a determination can be made. Preparation of the responses to this Office, and thorough review of the responses by dedicated staff tasked with the collection and preliminary review of financial records, takes time to complete. It is essential that the corporations and political parties have a reasonable amount of time to provide me with relevant information so that I may make a fair and informed decision,” he added. “As we work through this process, the publicity around this issue has reinforced the education that is part of the ongoing mandate of my Office.”

The Chief Electoral Officer is committed to updating the public on his progress in these investigations to the extent permitted by the legislative framework. The *Election Finances and Contributions Disclosure Act (the Act)* is very clear that the Chief Electoral Officer must maintain the confidentiality of information and allegations that are revealed through inquiry or investigation. Specifics of the review cannot be released. However, the following information outlines the process that is underway and provides insight into the scope of this review.

In response to allegations, the Chief Electoral Officer has:

- contacted the political entities and prohibited corporations that are subjects of the complaints,
- informed them of the allegations,
- reminded them of the law, as it applies to their situations, and
- requested that they respond to the allegations and provide supporting documentation.

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Alleged violations range from 2004 to 2011. As a result, it takes some organizations considerable time to obtain documentation and prepare a detailed response. All organizations contacted have been cooperative throughout this review.

The Chief Electoral Officer has communicated with approximately 1,000 stakeholders to promote compliance through education. Prohibited corporations were asked to reveal any potential violations and a number of voluntary disclosures were submitted.

To date,

- 26 files have been opened, based on the receipt of complaints
- 24 files have been opened, based on voluntary disclosures
- 11 files have been opened, based on the internal review of financial records

At this point, 8 files have been closed because the financial records demonstrate that no prohibited contributions were made. The Chief Electoral Officer has contacted the organizations affected to advise them that no further action is required.

The remaining 53 files are either awaiting further documentation or review of the evidence to determine whether prohibited contributions were made. Putting this into perspective, over 152,000 contributions were made to political entities from 2004 to 2010; a portion of the timeframe under review. The number of contributions made in 2011 is unknown at this time: they will be reported on financial statements that must be filed with Elections Alberta by March 31, 2012.

As documentation is received, each file is reviewed to determine whether the allegations are unfounded, well founded or partly well founded. Files containing allegations that are substantiated, and files in which the internal review or voluntary disclosure process reveal that a violation has occurred, will be assessed in a fair, equitable and consistent manner.

The law allows the Chief Electoral Officer to consider a number of remedies if the evidentiary proof supports the allegation of prohibited contributions. Remedies are available against both the contributor and recipient of a prohibited contribution.

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The penalty provisions of *the Act* allow the Chief Electoral Officer to:

- Require payment of an administrative penalty by the prohibited corporation, up to the amount of the prohibited contribution
- Order return of a prohibited contribution received after April 22, 2010 by the political entity that received it
- Consent to prosecution of prohibited corporations for offences up to 3 years prior, with a maximum potential fine of \$10,000 upon conviction by the court
- Consent to prosecution of political entities for offences up to 3 years prior, with a maximum potential fine of \$1,000 upon conviction by the court

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