



Ontario Election Finances Act Amendments Impacting Publishers *Summary Document*

July 20, 2021

The purpose of this document is to outline the current requirements outlined in the Ontario Elections Finances Act (highlighting recent amendments) for the IAB Canada Elections working group and publisher community to provide clarity and direction around publisher obligations as we head into a June 2022 provincial election.

Background:

In recent months the Ontario government issued amendments to the existing [Ontario Elections Finances Act](#) which have a potential impact on the ability for publishers and platforms to offer “political advertising” (both election and issue advertising) to third parties (those who are not political parties or candidates) in the province of Ontario.

Prior to the amendments, in addition to the entity causing an ad to appear, broadcasters and publishers, were only required to ensure that all political advertising have proper authorization indicating who sponsored/paid for the advertising. Broadcasters and publishers are also responsible for ensuring that political advertising does not violate the blackout period, and that records are kept for a period of two years after the date the political advertisement appeared and to permit the public to inspect the records during normal office hours.

New Amendments:

With the recent changes to the *Election Finances Act*, in addition to the above responsibilities, persons or entities that sell advertising are now required to be aware when third parties are at risk of exceeding their spending limit, and to make informed decisions when selling advertising to third parties. No person or entity shall sell advertising to a third party when the person should reasonably be aware, based on the reporting under this section, that the sale would cause the third party to exceed a limit imposed by section 37.10.1 of the Act.

The non-election period commenced on Monday, June 14, 2021, and the election period will commence on Wednesday, May 4, 2022, with the issuance of the writs. Making these new obligations a current reality.

What is Political Advertising?

Political advertising is defined as advertising in any broadcast, print, electronic, or other

medium with the purpose of promoting or opposing any registered political party or its leader or the election of a registered candidate. [Act reference 1(1)]

Political advertising includes advertisements in newspapers, journals, and magazines; promotion on TV and radio; and advertisements placed on billboards, bus shelters, and the Internet (including websites, blogs, and social networking sites), etc.

Political advertising also includes advertising with respect to an issue of public policy during an election for which one (1) or more registered political parties or candidates may also have taken a position.

What is a Third party?

A third party is any person or entity that is not a registered political party, registered candidate, or registered constituency association, and that engages in political advertising.

What is Third party Political Advertising?

Under the *Election Finances Act* “third party political advertising” refers to political advertising placed by or on behalf of a third party, and “third party political advertisement” has a corresponding meaning. Third parties include corporations, partnerships, unincorporated businesses and associations, and many other groups. Political advertising conducted by third parties is subject to legislated spending limits

Third Party Spending Limits:

The spending limit during the non-election period for the 2022 General Election is \$637,200. This amount will increase in 2022 due to annual indexation. A third party must not spend more than \$25,488 in any electoral district.

Election Event	Period	Limit In any Electoral District	Total Spending Limit
2022 Ontario General Election	Non-Election Period (12-month period prior to Writ Day)	\$25,488	\$637,200

Requirements for Third Parties:

Third Parties must file Third Party Political Advertising Interim Reports (TPAR-Interim Reports) promptly after paying or committing to any person or entity to spend any funds on paid political advertising, with a separate report being required each time its aggregate spending increases by an amount of at least \$1,000 and when it has reached the applicable spending limit.

Publisher Requirements:

Persons or entities that sell advertising are now required to be aware when third parties are at risk of exceeding their spending limit, and to make informed decisions when selling advertising to third parties. No person or entity shall sell advertising to a third party when the person should reasonably be aware, based on the reporting under this section, that the sale would cause the third party to exceed a limit imposed by section 37.10.1 of the Act.

Current Role of Elections Ontario:

Elections Ontario will publish the interim advertising expenditure reports that are required to be filed by third parties (as described above) on our web site, as well as the calculation of the percentage of the maximum permitted spending that has been spent or committed to be spent by each third party. This will enable the broadcasters and publishers of political advertising to maintain an awareness of when third parties are at risk of exceeding their spending limits, and to make informed decisions about selling advertising to third parties.

While Elections Ontario will publish the filed reports and percentage incurred within the legislated 2-day timeframe, it is suggested that broadcasters and publishers verify directly with Third Parties regarding their available remaining advertising spending limit prior to selling advertising, as filed information may not be updated on the website immediately.

Penalties for Selling advertising over the Prescribed Limit:

Maximum penalty is \$10,000 for individuals and \$100,000 for corporations or other entities.

Supplemental Resources:

[Information for Broadcasters and publishers](#)

[Handbook for Broadcasters and Publishers](#)