

**PRESIDENT'S REPORT**  
to the  
**MEMBERSHIP**  
of the  
**LIBERAL PARTY OF CANADA**

January 13, 2011

My fellow Liberals:

It has been my honour to serve for almost three years both as President and as Chair of your National Board. As my term of office concludes, I am pleased to submit this report to the Convention, together with my recently published paper “Building a Modern Liberal Party”. Both are offered in support of the “Roadmap for Renewal” issued by the Board.

On taking office in May, 2009, I pledged to discharge my responsibilities to the membership in a manner that was fully transparent and accountable. Although my experience as President has presented many frustrations and disappointments, I step down with great hope that, once again, the Liberal Party of Canada will do what it must to survive and thrive for the future benefit of Canada and all Canadians.

In this report to the membership, it is my intention to be candid and direct about the current state of the Party.

1. **Functioning of the Board**

The Board met on a total of 28 occasions since the last National Biennial Convention, of which 12 meetings were in person and 16 were conducted by telephone.

I am especially grateful to my fellow Board members and table officers for the manner in which they conducted themselves over a period of intense challenge and great difficulty for the Party. At all times and in every respect, your Board has worked hard as a team, focused on building consensus and operated within a consistent framework of unity, mutual trust and shared confidence in the democratic process, all based on a culture of respect for fellow Board members. All Board decisions taken were taken consultatively after careful consideration and, in almost every significant case, on a unanimous basis. No President could have expected any greater degree of support and co-operation from Board members, from Provincial and Territorial Associations and from the Party’s Commissions than I have received, for which I will always be grateful.

2. **National Office**

The National Office is located at 81 Metcalfe Street in Ottawa, occupying 3 floors and approximately 12,900 square feet of usable space.

The full-time staff team at the National Office is led by the National Director who, pursuant to the Party’s Constitution, is appointed by the Board on the consent of the Leader and the President and functions as the Party’s Chief Executive Officer. The work of the National Director in managing the National Office is overseen by the Board.

The current Board inherited a National Office under the leadership of then National Director, Rocco Rossi. Mr. Rossi had been appointed by the previous Board at the request of Mr. Ignatieff shortly following his appointment as ‘interim’ Leader. Mr. Rossi was given a mandate to focus primarily on modernizing and expanding the Party’s fundraising capacity. His sudden departure in December 2009 to contest the mayoralty of the City of Toronto, after serving as National Director for less than a year, left the Party in a difficult situation at a critical juncture.

Mr. Rossi's successor and current National Director, Ian McKay, was selected using an open and competitive recruitment process conducted by a committee appointed by the Board acting on behalf of the Party and in consultation with the Office of the Leader. This is the first time that such a process has been used to fill this position<sup>1</sup>, establishing an important precedent in relation to the Board's supervening oversight authority on behalf of the Party.

Mr. McKay has capably led the staff team at the National Office from early 2010 to the present day and, in particular, has managed the delivery of the National Office's support to the Canada 150 Conference, the National Election Readiness Committee, the Campaign Committee, the Virtual Convention and, of course, the National Biennial Convention including the entire online and in-person consultative process that has preceded it. Mr. McKay reports directly to the National Board.

In the wake of the Party's defeat in the 2011 Federal General Election, Mr. McKay successfully downsized the staff team at the National Office from 56 to 31 full-time persons and reducing total overhead costs by an estimated \$1 million annually. This was accomplished without materially compromising core services to PTAs, Commissions and the membership. This restructuring of the National Office was a necessary and immediate response to the loss of revenue resulting, firstly, from the reduction of the public subsidy due to the Party's reduced voter support in the election and, secondly, from the government's decision to eliminate the public subsidy in stages over the ensuing 3 years expiring in April 2014 (see **Party Finances**, below).

### 3. **Party Finances**

The current Board inherited significant financial challenges when it assumed office in the spring of 2009. The Party had emerged from the 2008 election with a campaign debt and total debt as at December 31, 2008 of \$10.7 million. The challenge of repaying this debt was compounded by a reduction in the public subsidy of \$1.5 million annually due to the decline in the Party's voter support between the 2006 and 2008 elections. Through a combination of revenue enhancement and strict cost containment in 2009/10, the entire debt of the Party was repaid by October 2010.

The Party conducted a fully-funded election campaign at the national level in 2011, spending a total of \$19.5 million or 93% of the permitted limit. The national campaign was funded by the Party through a combination of cash-on-hand (\$1 million), bank borrowings secured by rebates from Elections Canada (\$15 million) and a record level of personal donations to the national campaign during the writ period (\$4.1 million) and post-election cash-flow. However, it appears that election spending at the local level was well below the permitted limits for Electoral District Associations ("**EDAs**") reflecting the fact that, in many regions of the country<sup>2</sup>, the Party's local EDA organizations are weak or non-existent and their local fundraising capacity (i.e. identified donor base and fundraising infrastructure) and campaign bank balances are extremely low.

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<sup>1</sup> Historically, on the election of any new permanent Leader, a person chosen by the Leader has been appointed as National Director. This has resulted in a replacement of the National Director with virtually every change in the permanent leadership since 2003. There have been 6 different National Directors in just 8 years.

<sup>2</sup> Notably in parts of Quebec, the Prairie Provinces and the interior of British Columbia.

The national picture is much brighter. As the current Board leaves office, the national Party finds itself in a stable and much-improved overall financial position. Although final audited financial statements for the year ended December 31, 2011 are not yet available, the Party ended the year ahead of revised budget in a positive or surplus cash position, with revenue exceeding expenditures in 2011 and with all of the Party's remaining debt (\$3.8 million) to be repaid by May 2012, with significant cash on hand today (\$5.5 million). While the Party is not yet in a position to make the significant investment in its technology that it must make in order to become competitive (see **Party Technology**, below), it enters 2012 in a strong position on which to build notwithstanding the disastrous results of the May election. The Party's year-end cash and debt position from 2008 to 2011 are shown in figure 1.

#### 4. **Party Fundraising**

Notwithstanding the improved financial position in which the Party finds itself today, its ability to compete politically between elections at the national level continues to be crippled by the fact that its basic fundraising capability is dwarfed by those of its principal opponent. As figure 2 shows, the Conservatives raised a total of \$80 million in donations over the period from January 1, 2008 to September 30, 2011 and are projected to raise more than \$24 million this year alone. Our Party raised only \$32 million nationally over the same period, or about 40% of the amount they raised, and approximately \$9.4 million for the 2011 year. Our donor base has been growing steadily over that period but, at only about 40,000 donors today, is estimated to be about on-third the size of our opponent's. More troubling, the gap is continuing to widen. Perhaps most troubling, fewer than 30% of Party members today are also Party donors. While progress is being made on this front, it has been far too slow. The Party is still a long way from achieving an organizational culture where 'membership' translates into 'donorship'.

In the context of the 'permanent campaign' environment which has persisted since well before the 2006 election to the present day, the Party simply has not had adequate resources to fund a modern and technologically-enabled political outreach infrastructure to communicate effectively with Canadians and activate their support. The Party's inability to counteract its opponents 'attack' ads outside an election period is only one reflection of this fundraising deficiency. The urgent need to optimize the potential of the Party's excellent voter outreach and activation database tool, Liberalist, for organizational, fundraising and internal communication purposes present the larger and more pressing challenge (see **Party Technology**, below).

Although the current Board has supported the introduction of the National Liberal Fund, the gradual centralization and professionalization of the Party's national fundraising operations and the broadening of the Party's donor base to a much larger number of smaller donors to replace its corporate donor base, its ability to build a competitive fundraising machine has been profoundly hampered by a demonstrably ineffective and outdated fundraising structure that, under the current Constitution, is primarily accountable to the Leader rather than the Board. The traditional concept of a National Revenue Committee consisting of senior corporate fundraisers from the regions appointed by and reporting to the Leader no longer makes sense in the wake of political financing reform.

Our goal must be to replace the few hundred corporate and wealthy individual donors who formerly financed the Party with hundreds of thousands of small donations from individual

supporters. This transformation cannot and will not happen at the national level unless volunteer fundraising efforts at the local level are buttressed by centralized, professional, technologically-driven fundraising operation at the national level that (i) utilizes a common database that is fully integrated with all of the organization, communications and policy development efforts of the Party nationally, (ii) enables the Party's broader base of supporters to be identified, cultivated and converted into members and donors through long-term relationship-building strategies based on sophisticated online and in-person outreach and data collection efforts, (iii) facilitates mass donor appeals (i.e. e-solicitations, telemarketing, direct mail) that are increasingly targeted to their audiences (i.e. issue-based or objective-oriented) based on current and robust data about our supporters, members and donors that has been collected as part of the outreach and relationship-building effort.

In the "Roadmap to Renewal", the Board has put forward significant constitutional reforms in this area to be considered by the Convention, together with other specific directional proposals. In my view, unless these reforms are approved and implemented, the Party will continue to fall further and further behind its political opponents in the realm of popular fundraising. These proposals are based on the Board's experience since 2009, together with input from the Hon. Ralph Goodale who conducted a special one-man taskforce on the Party's finance and fundraising in the fall of 2011 at the request of the Leader and President. The Board's experience relates to the enormous popular fundraising potential demonstrated by success in certain initiatives undertaken during its term including:

1. the Victory Fund programme which has been conceived, developed and operated as a new popular fundraising programme under the authority of the Board, rather than the National Revenue Committee, and has grown from 1,125 donors in 2008 to 10,754 recurring donors as of December 31, 2011 who are now contributing \$1,127,000 to EDAs and over \$1 million to the national Party;
2. a membership e-solicitation campaign in October, 2011 which increased Party membership by 2,600 new members or almost 5% in one week and added 799 new Victory Fund donors, reflecting growth of almost 10% in one week (see figures 3 and 4); and
3. an objective-oriented e-solicitation fundraising campaign in December, 2011 which, over just 12 days, generated over 2,500 new grassroots donors for the Party and new contribution commitments of over \$1 million.

The critical challenge for the Party in optimally and more broadly applying its online popular fundraising success is that, in a country of 22.4 million registered voters and, even in the most recent election, almost 2.8 million Liberal voters, the Party currently has fewer than 100,000 current email addresses for supporters in its database including email addresses for only 69% of its current members. Moreover, compared to the extraordinarily robust voter information accumulated by and available to its principal opponent, the Party's database currently contains very little information about the issue orientations, affiliations or demographic characteristics of Liberal supporters. Until this data deficiency can be addressed and the related human resource of trained digital resources can be developed, the Party will not be able to compete financially from a level playing field.

## **5. Party Structure**

While the Party has many healthy and vibrant EDAs, the fundamental problem confronting the Party and the complaint pressed most actively on the Board and the National Office by grassroots supporters following the Party's 2011 election defeat, relates to inactive, dormant, dysfunctional or 'closed' EDAs. At present, five EDAs have been de-certified by Elections Canada for reporting failures. Approximately 80 EDAs are dormant or inactive. A total of 94 EDAs have 100 or fewer current members. A total of 173 EDAs have fewer than 25 Victory Fund donors. Fewer than 31% of the EDAs are actively using Liberalist. These statistics are clear evidence either of weak local Party leadership requiring renewal, a need for greater EDA development work by PTAs or, more likely both.

Symptomatic of the root organizational problem of the Party is the repeated failure of the Council of Presidents to achieve quorum for its meetings. The Council of Presidents was initially created as a consultative body to ensure that EDAs and grassroots Liberals were given an opportunity to have input in the decision-making processes of the Party. It has not worked as it was intended and, clearly, should be reformed. The Board hopes that the CoP meeting at the Convention will address these issues.

Top down accountability from the Board for the state of the Party cannot reasonably be expected unless the Board enjoys at least some bottom up accountability from Provincial and Territorial Associations ("PTAs") and EDAs in relation to their responsibilities. The Board currently enjoys no such bottom-up accountability.

The Board believes that the Party's structure requires streamlining and modernizing without fundamentally compromising its federal structure not only to improve accountability, transparency but also to enhance efficiency. The "Roadmap to Renewal" contains a number of concrete recommendations for accomplishing these objectives which are supported by Board members who are also PTA Presidents. These proposals include the concept of consensually established PTA and EDA targets in membership and fundraising.

The Party invested \$3.6 million, \$2.7 million and \$2.4 million, respectively, in PTAs during 2009, 2010 and 2011. It is hoped that the streamlining and modernizing of the Party structure proposed in the "Roadmap to Renewal" will enable the National Office and PTAs to more effectively direct and focus greater Party resources on EDA support and development and less to accounting and administration. Additionally, the "Roadmap to Renewal" now provides for transparent reporting of PTA and EDA statistics to all members including performance to the membership and fundraising targets discussed above.

## **6. Party Membership**

The belated introduction of a national Party membership and National Membership Registry in 2006 was a huge and important administrative leap forward for the Party. Regrettably, however, efforts to protect the integrity of the Party's membership lists – requiring old-fashioned membership forms to be completed, in triplicate, which could only be obtained from certain individuals and under specified rules and conditions – often tended to 'close off' the Party,

served largely to preserve the 'control of incumbents and other local insiders by creating an extremely cumbersome process for new members to join.

To a considerable extent, these barriers were removed in 2006 when the Party made it possible to acquire a membership online. In the seven month period between the last election and December 31, 2011, for example, over 11,891 Canadians joined the Party via its website for the first time (32,992 person including renewals) as a result of centrally co-ordinated membership drives. It is essential that the National Office and the EDAs recognize this fundamental shift in how many Canadians have chosen to become engaged with the Party and set-up mechanisms and protocols for EDAs to more effectively access meaningful information about new members to EDAs from Liberalist.

The periods during which the Party's membership growth has traditionally been most significant have been those during contested leadership selection processes and riding nominations. For example, during the run-up the Party's last delegated leadership contest in 2006, membership grew to about 180,000 persons. Although the National Election Readiness Committee decided to 'protect' incumbents during the nomination cycle leading up to the 2011 election campaign, they did so subject to conditions as to minimum membership and fundraising targets which, together with targets set for non-held ridings as thresholds to enable their EDAs to proceed with their local nomination meetings, served to incentivize local membership growth as well as participation in the Victory Fund, although at less than 30% the number of Party members who are also donors remains disappointingly low. These 'target' initiatives are reflected in Party membership trends during the term of office of the current Board, which are shown in figure 3. At the present time, however, with no leadership selection or candidate nomination cycle yet underway, a total of 48 EDAs have fewer than 50 current members with another 46 EDAs having fewer than 100 current members.

The National Membership Working Group has been extremely active and has accomplished much in streamlining and simplifying membership forms and processes during the term of the current Board. In focusing on rejuvenating moribund EDAs with new members and rebuilding the Party's national base, as a first step in building a more 'open' Party and in facilitating local membership drives by any member, the current Board has already approved moving to 'downloadable' membership forms provided that, in order to continue to preserve the integrity of membership lists, membership payment accompanying downloaded forms is made by way of cheque or credit card. Important additional steps have been proposed in the "Roadmap to Renewal" to strengthen the role of members in relation to, for example, policy development, election of Party officers and enabling members to enter nomination races as candidates in any electoral district.

In proposing a comprehensive national drive to register supporters for the Party in every electoral district, supported centrally by a National Call Centre, leading up to a leadership selection race and local nomination races in which all registered Party supporters, rather than merely members, will be invited to participate, the Board is proposing an historic outreach and organizational initiative for the Party over the coming year that will not only enable it to properly identify its broader voting base but, in collecting relevant data from hundreds of thousands, perhaps millions, of Liberal supporters and potential supporters, also enable the Party to build meaningful ongoing relationships with voters that, over time, will result in the conversion of supporters into

members and donors based on the political issues that concern them and the political objectives they want the Party to realize.

## **7. Party Technology**

Effective modern political activism – organization, outreach and fundraising – are fundamentally dependent on technology. The previous Board made a significant and important investment in a superb universal database technology – Liberalist – a Canadian adaptation of the database engine used by the US Democratic Party known as the Voter Activation Network or ‘VAN’ system. In critical respects, we believe Liberalist is a superior database tool to that currently used by our opponents – the Conservative Information Management System of CIMS. During the term of the current Board, considerable effort and resources have been devoted to consolidating the Party’s fundraising, membership and voter identification databases into Liberalist and to the training of users.

The utility of any information technology system hinges on how effectively it is and can be used which, in turn, requires knowledgeable users and a robust database containing accurate and currently maintained data. In order to optimize the potential of Liberalist, therefore further investment is required now both in volunteer and staff training and, perhaps even more importantly, in populating the database with relevant voter data, all supported by the services of a National Call Centre.

At present, despite two years of hard work, fewer than 1,000 users nationally were active on Liberalist with virtually no users in fully 69% of the EDAs. In addition, we have collected and input only 20 million data elements in respect of Canada’s more than 22.4 million voters, or less than 1 data elements per voter on average. For the overwhelming majority of Canadian voters, we currently have no data at all. The data we have is related mostly to identifying individual support and represents only a fraction of the relevant data (e.g.. personal issue orientation/affiliation, generalized demographic information etc), both in breadth and scope, that is currently maintained in CIMS. Rectifying these fatal deficiencies requires either money, of which the Party does not have enough, or a huge volunteer effort which the Board is proposing, or both. As set out in the “Roadmap to Renewal”, the Board is proposing, firstly, that the training deficiency be addressed by a special fundraising campaign to finance the building of a state-of-the-art National Call Centre to develop, support and supplement more knowledgeable volunteers engaged in voter outreach both locally and nationally and, secondly, special in person outreach to voters through a national supporter registration drive to facilitate the cost-efficient collection of the sort of voter and supporter data required by the Party to compete with its opponents.

Additionally, the “Roadmap to Renewal” recommends the consolidation and patriation of the Party’s technological backbone to the National Office where it properly belongs from the Leader’s Office to which it was transferred, apparently for cost-saving reasons, prior to the current Board taking office. Particularly as the Party heads into a leadership selection phase, its ability to ensure the independence and integrity of the use of internal Party technology and data remains essential.

## **8. Election Campaign**

The Board ensured the Party's portion of the national funding for the 2011 election campaign but was otherwise not involved from the perspective of campaign oversight, accountability or strategy. As provided in the Party's constitution, the members of the National Election Readiness Committee and the National Campaign Committee were appointed by the Leader. The Party did provide staff resources to support the activities of the National Election Readiness Committee prior to the issuance of the writ and, during the writ period, to the National Campaign Committee.

## **9. Interim Leadership**

Following our election defeat and the resignation of the former Leader, the current Board had the constitutional responsibility to appoint an interim Leader of the party "in consultation with the caucus" - not just an interim leader of the caucus in Parliament, but an interim Leader of the entire Party, with all the powers of a permanent Leader. This question was perhaps the most difficult that the current Board faced and was addressed by the current Board only after consultation with both the Council of Presidents, as representative of the Party generally, and the Caucus. Moreover, under the Party's constitution, an appointment decision was required by May 30, 2011, well before the timeframes for a permanent leadership selection process were going to be settled (see Extraordinary Convention, below).

The input on this question received by the Board from the Party generally – and especially from the grassroots – was so clear and consistent that the decision ultimately taken by the Board was unanimous save for one dissenting vote. The strong message from Liberals was that they were seeking an interim Leader who would put the strongest possible face forward on behalf of the Party in Parliament and, at the same time, act as impartial steward of the wider party through its critical first steps of rebuilding - a Leader able to reclaim and articulate the progressive centre for the Party on the issues of the day, day after day and month after month. The input and consultations preceding the Board's decision also underlined the necessarily independent, fiduciary and custodial nature of any interim Leadership.

The membership made overwhelmingly clear that it was seeking an interim Leader who could create the room – the political space - required for the broader debate that most in the Party believed it needed to have before selecting a permanent Leader. Liberals were seeking someone who could stand above the crowd of putative aspirants for the permanent role, capable of uniting the Party together in Parliament and in the country as it ultimately moved toward all of the productive and competitive tensions unleashed by a full blown and wide open democratic contest for the permanent leadership. Bluntly, Liberals were seeking an interim Leader who, having forsworn the permanent leadership, could focus directly and exclusively on the tough decisions required of the Party in its critical rebuilding efforts - a Leader whose only ambition would be to position the Party and its permanent Leadership for the long term.

Many Liberals also reminded Board members that the Party had never in living memory appointed an interim Leader who was intending to contest the permanent leadership – and for good reason. The interim Leader has all the powers of a permanent Leader under the Party's constitution including control over caucus appointments and many party assignments, access to

party funds and communication resources, as well as membership and donor lists – powers that would confer the singular advantage of incumbency and which, whether abused or not, would fundamentally undermine, or at least appear to undermine, any impression that the contest for the permanent Leadership was being conducted on a level playing field.

The situation of the last leadership selection process in 2008/2009 was put forward by some as a counterexample to the position that an interim Leader had never contested the permanent leadership. In fact, those circumstances do not provide such a counterexample. The former Leader had resigned in the midst of a permanent leadership race to succeed him for which there were three declared candidates. The Party in Parliament was facing a minority government vulnerable to defeat at a point of particular tension over prorogation in the House of Commons. Such a defeat would have risked an election which Liberals would otherwise have had to wage without a Leader. In the circumstances, the two other candidates for the permanent leadership elected to withdraw voluntarily from the contest and, as a consequence, the equivalent of an acclamation of an interim Leader followed as nominations for the permanent leadership had already closed. The ‘interim’ appointment was later confirmed as a permanent appointment by the Party in convention - but in circumstances where there was then no continuing contest for the permanent leadership.

This process was necessarily imperfect and widely regarded as such. For that reason, it was frequently offered by Liberals as a reason why the next selection process for a permanent leader should be wide open, fully democratic and participatory. To be clear, the situation in 2008 was not one where the interim Leader contested the permanent leadership inasmuch as no such contest ever occurred once the other two declared candidates had withdrawn.

Recognizing that Francophone Canadians, especially those from Québec, have long been an essential element of our historic national Party base – voters whose confidence we must recover if we are to recover truly national standing - Liberals also said they wanted their interim Leader to be bilingual. It was clear to the Board that the Party that had enacted official bilingualism, entrenched language rights in the Charter of Rights and has made it a practice to select bilingual leaders continuously for over four decades had no desire to turn back the clock.

Finally, in the period following the election, Liberals’ opinion, as communicated to the Board, was overwhelmingly opposed to any possible merger of their Party with any other Canadian political party. While every aspect of the future of Liberalism in Canada remains a legitimate matter for internal Party debate and discussion and while everyone is entitled to have and to voice their opinion, Liberals spoke out loudly and clearly that such matters are not and cannot be a matter for negotiation or other formal action unless and until such steps are first authorized by a democratic vote of the Party gathered in convention that has been ratified by the membership - not by the interim Leader, not by former Leaders, not by the Board and not by any Liberal acting in any official capacity or with any apparent authority absent a democratic mandate to do so.

For the reasons set out above, the Board advised the Caucus that it would defer to the Caucus choice of interim Leader provided that the nominee be bilingual, solemnly agree not to contest the permanent leadership and undertake not to negotiate a merger or combination with any other political party without the advance authority and a democratic mandate of the Party. Both the Hon. Bob Rae and the Hon. Marc Garneau offered their candidacy and both publicly agreed to

these conditions. Ultimately, Mr Rae was recommended by the Caucus and was appointed interim Leader by the Board in accordance with the Party's constitution. As President, I have been delighted to work with Mr. Rae and believe that, in office, he has more than met the Board's expectations in acting as a talented custodial Leader focused squarely on his fiduciary responsibility of providing neutral and independent stewardship of the Party as it rebuilds. The interim Leader is doing his job as interim Leader extraordinarily well - exactly as the Board hoped he would.

The undertakings sought by the Board and agreed to by both candidates for interim Leader were serious and solemn commitments made publicly. They were sought by the Board on behalf of the entire Party and were made to the entire Party through the Board.

In my respectful opinion, any decision to vary the conditions by the incoming Board set by the outgoing Board should only occur if the interim Leader first requests the Party to be relieved of the commitment he made to the Board acting on its behalf. Moreover, the next Board, if requested by the interim Leader to be released of his obligations, should only do so under clear conditions that he will voluntarily resign as interim Leader sufficiently well in advance of the formal commencement of any permanent leadership race to neutralize any perceived advantage. If the issue arises, the next Board has all the competence and authority to determine how much lead-time should be required for such a decision.

## **10     Extraordinary Convention**

The Extraordinary Convention of June 19, 2011 was a remarkable virtual consultation with over 2,400 Liberals participating. It overwhelmingly confirmed what the Board had heard following the election from Liberals everywhere: firstly, that the Convention should be delayed until January 13-15, 2012 (89% approval) and that the leadership selection process should be delayed until the period between April 1, 2013 and June 30, 2013 (92% approval). The deferral of these two events in the life of the Party have given Liberals time to reflect and rebuild prior to the selection of their next permanent Leader.

## **11. Roadmap to Renewal**

The initial constitutional reform and directional proposals published by the Board in the “Roadmap to Renewal” on November 10, 2011 were based on informal input from Party members from across Canada over the six month period following the election. The proposals were refined and modified by the Board on December 14, 2011 based on further more formal input with Party members following an intensive national consultation process.

The Board believes that any successful renewal and rebuilding process must be staged and orderly, with a clear roadmap that is widely understood and supported by a broad consensus of Liberals. We have identified six major phases for the Party’s effort, as follows:

**Phase One – Consultation, Reflection and Reform** encompasses the period of debate and discussion on the Party’s values, policy and rebuilding agenda leading up to and ending with the Convention (November 1, 2011 to January 15, 2012).

**Phase Two – Organization, Mobilization and Outreach** encompasses the streamlining of the Party’s decision-making and operational structures, the establishment of a modern digital nerve centre for the Party and an unprecedented EDA-level outreach and rebuilding effort, all ending with the process to select a new permanent leader of the Party (January 16, 2012 to February 28, 2013).

**Phase Three – Selection of New Permanent Leader** encompasses a bold time-staged and highly inclusive new process culminating in the selection of a new permanent Leader of the Party (March 1, 2013 to June 30, 2013)

**Phase Four – Introduction of New Leader** encompasses the period following the leadership selection process during which the new Leader of the Party will be introduced to Canadians generally (July 1, 2013 to September 30, 2013).

**Phase Five – Local Election Readiness** encompasses the period during which EDA candidates will be nominated for the next general election and will culminate in a national biennial convention (September 15, 2013 to June 30, 2014).

**Phase Five - National Election Readiness** encompasses the period during which the Party’s next election platform will be put in place and all national campaign planning will be completed, ending in the next federal general election (July 1, 2014 to October 15, 2015).

The final proposals from the Board for consideration of the Party at the Convention have been posted on the Party’s website.

All of which is respectfully submitted,

Alfred Apps  
President  
Liberal Party of Canada