

*Government Orders*

The member indicated I was nodding my head. I want to repeat on the public record it is my view that phase two can probably be reported to the House in the next couple of weeks, three weeks at the outside. We will deal with communications expenses, rebates and enforcement. The committee is well advanced in its work on those three major issues. We look forward to the passage by the House before adjournment so they can come into play.

All the phase one and phase two issues will be in place by the next federal general election. The committee had that as a goal and I think it is entrained to be able to meet that.

Almost every member has spent some time on the issue of election expenses. I would like to comment on the one aspect that has not been put on the record. Gallup polls and polls of that kind show that Canadians' confidence in their institutions and leadership, not just political leadership but leadership in general, is going down, not up. People are losing confidence in those kinds of institutions.

When it comes to electoral financing, there is some suspicion about how parties are funded and whether or not they end up owing debts to people. That is part of the concern out there. What is open, in a sense, but less well understood and noticed is the number of groups in Canadian society that make a living for their shareholders and employees by saying negative things about the Parliament of Canada or the politicians. The common characteristic is they ask people for donations. They send them dunning letters and raise money. We and the general public do not know how much they have raised. We do not know who they raised it from. We do not know how they spent it, therefore we do not know whose pocket it ended up in.

• (2125)

We know they are not institutions that are not for profit. We know we have no laws that force disclosure. I began to think about this more seriously since the committee started to meet. I will give two examples.

The first group that phoned me about election expenses is a group called Canadian Taxpayers Federation and it sent me a tabloid newspaper. Most of its newspaper was comprised of wire stories, some of it was created

for the newspaper, but it indicated it had a membership of 41,000 people. To be a member one had to give the owner of the newspaper \$80. When we multiply \$80 times 41,000 it comes to \$3.28 million a year to produce six tabloid newspapers. Who gets the profit from that?

Then it moves on to conferences and so on. Who gets the profit? Whose pocket?

The National Citizens' Coalition was on the air the other day. The representative admitted to raising over \$2 million last year. However, there is information in my possession which indicates it raised a lot more than that in 1988 and in years before that. It could declare a profit, never a loss. I ask myself whose pocket does the profit go into? What is the size of the pension of the people who work for these organizations? What is the salary they are paid? What does their expense account look like?

The common characteristic is: "Send me a donation and I will complain". This one organization says: "I will defend your freedom of speech", and it went to court and struck down a part of the election law as it now stands.

Did it strike down the part that puts limits on candidates and parties? Not on your life. If it was really an advocate of free speech it would have struck down the limits on everyone. That would have been its argument: candidates, parties and others. No, Mr. Speaker.

These organizations are in a better fund-raising position if there are limits on candidates and parties and not on them. Then they can complain about politicians. They can raise money. They have no obligation to tell people how much they raised, how they spent it and whose pocket it ended up in.

Those days are coming to an end. This Parliament must do all it can to make funding during election periods transparent so we know how much it is, where it comes from and how it is spent. If we can put that in with some kind of reasonable limitation, we will have made Canadian election law a lot better than it has been historically.

I thank all the colleagues on the committee for raising the issue. It has a level of complexity that had not been dealt with at great length. I just wanted to make sure it was dealt with on the record this evening. Thank you, Mr. Speaker, for the opportunity to make comments.