Act, the Broadcasting Act and the Income Tax Act in respect of election expenses, be read the second time and referred to the Standing Committee on Privileges and Elections.

Miss Flora MacDonald (Kingston and the Islands): Mr. Speaker, having reluctantly abandoned my own bill on the subject I am sure you will understand if I say I think the measure presently before the House could have been improved had the President of the Privy Council (Mr. MacEachen) seen fit to adopt some of the recommendations in my bill.

The aim of Bill C-203 should be twofold. First, it should introduce an openness and a candour in our system of political financing so as to eliminate past inequities and abuses and the equally important perception of them in the public mind. Second, it should regulate expenses so that each individual desirous of seeking public office on behalf of a registered party will have an opportunity to do so without being put off by the high cost of running for election.

I do not believe the bill presently before the House goes far enough toward meeting either of these goals, but before I elaborate on these matters I should like to comment on the mood of euphoria which has characterized this debate so far. I interpret it as a self-congratulatory mood, evident on all sides of the House, almost smug in its assertion of virtue.

• (2010)

Nowhere was that more evident than in the remarks of the hon. member for York South (Mr. Lewis) this afternoon. Looking at the record of electoral reform in this country I think such an attack was singularly inappropriate. Not since 1920 when a number of minor amendments were effected has a government found it necessary or expedient to revise the existing laws. This is not to say that pleas for reform and innovative proposals have not been voiced by private members or discussed in committee, but governments in office have been reluctant to raise the matter or even to broach the subject, except, of course, the pallid measures introduced by the government in the last Parliament. As a result the issue of election financing has long been consigned to limbo. For years we have operated under the false assumption that problems could not or would not arise as a result of the way in which elections have been financed in this country.

After 50 years of inaction on the part of successive governments, a committee on election expenses, the Barbeau Commission, was appointed in 1964 to conduct a thorough review of the financing of election campaigns; but like many another report to government its report languished in obscurity for years. Furthermore, the very excellent research done for that committee, which confirmed the benefits and advantages that disclosure of election funds and disbursements would have on our political system, was ignored by the commissioners themselves who, in the face of parliamentary and political opinion of the day, could not bring themselves to make a firm recommendation on the matter of disclosure. We have arrived at this piece of legislation today not because we are any more open or candid about these matters than were earlier parliaments, not because we have voluntarily

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decided to clean up our Augean stables, but because we have been overtaken by events which have threatened the credibility of our political system.

Public opinion has finally shocked us out of the apathy and lassitude with which politicians have perennially regarded this subject. Instead of leading public opinion in this field, we have been compelled to shape our strategies in reaction to events occurring around us. Having said that, I believe the regulation of election expenses is a goal long accepted as intrinsically desirable by most Canadians. The problem has been the widely held belief, not only by those in the political arena but by the public generally, that it was well nigh impossible to implement major reform of election financing, rather than that it was a good idea. And while governments and parties at all levels and in all provinces were reluctant to tackle the matter, public pressure until recently was negligible.

In recent months that situation has changed drastically. Watergate, apparent conflicts of interest in our own country, revelations in Quebec and Ontario, soliciting of funds from multinational corporations, have all had an effect on public and political opinion. We are now at a fortunate moment in time for this kind of legislation. Not only is it considered to be inherently right, but public opinion demands it.

In my opinion events such as those I have enumerated demand not partial but full disclosure of campaign funding and disbursements. The mystery and secrecy which have so long shrouded political funding have succeeded in generating suspicion among the Canadian people. As a consequence, the image of Canadian political parties has suffered, their motives called into question, their activities made suspect. Insistence of the privacy of the political purse is equated with something to hide. By its lack of candour the whole exercise has invited harassment, distortion and abuse of our political system.

There are some who believe that full disclosure will result in the curtailment of campaign donations. This has not been the case where disclosure has been required by law, as for example in the state of Florida. There it has had the effect of reducing contributions from a limited number of large donors, but as these have decreased they have been offset by the significant increase in the number of small contributions. And surely this should be the name of the game, to broaden the base of party funding, to make it more representative.

A possible objection to full disclosure is that the privacy of a donor is a principle that must be respected. My reply to this is that I do not really see why we, as party activists, should encourage perpetuation of a situation that treats political participation, no matter to what degree or in what form, as something to be hidden or denied. I doubt that parties will succeed in improving their standing in the Canadian community until they start asserting that political support, whatever its nature, is to be commended rather than condemned.

Democratic government rests on trust. But that trust will not and should not be accorded simply on faith. If there is no other lesson to be learned from Watergate, there is surely this one: those who seek concealment will inevitably be assumed to have something to conceal. No doubt can be permitted to remain, no suspicion can be