

Election Expenses

Mr. Howard: Mr. Speaker, sometimes I cannot hear these comments and I let them go by. But seriously, in response to the previous question, what is involved is simply that there is a provision in the bill, that we just dealt with, that says the limitation on campaign expenditures by political parties shall not exceed 30 cents times the number of voters in those ridings within which they run candidates. The key words are that that "election expenses" shall not exceed that amount of money, whatever the multiplication comes to.

We have the figure of roughly \$4.2 million if parties run candidates in all ridings. When the matter was being considered by the committee we inquired, with respect to the definition of election expenses, whether or not within that definition there was to be included the amount of money that a registered party, or the central headquarters of a party, the national office or whatever they want to call it, gave as donations or contributions to the various constituencies and candidates. This has ranged anywhere from \$4,000 to \$7,000 in some areas, averaging \$5,000 to \$6,000 per candidate for the two old-line parties. There was doubt in the committee whether or not that type of expenditure by a national party was to be included within the definition of election expenses. The President of the Privy Council said so, that it was not to include that. If other words, the limitation on election expenses would be 30 cents times the number of voters on the list, plus whatever a political party wanted to donate to its respective candidates running under its banner in the particular ridings. And for more clarity he moved this amendment, which is now before us as 13.(2)(1.1) on page 9 of the bill, and which says:

In determining, for the purposes of this section, the amount of election expenses incurred by a registered party on account of or in respect of the conduct or the management of an election, there shall not be included any amount in respect of contributions or gifts made by or on behalf of the registered party for the use of candidates at the election.

We seek to take the "not" out of that so that when it is removed it will clearly say that the 30 cents times the number of voters on the voters' list, whatever total that comes to, will include the contributions that the party makes to its registered candidates. In other words it would have the effect, within the 30 cents factor, of limiting that by the amount the party contributes to candidates. I do not know whether *Hansard* got the last interjection, Mr. Speaker, but the hon. member for Greenwood said that I have got him convinced. So I have got his vote tied up tight. Now I have only to convince some 260 other members of the House.

Looking, for argument's sake, at the Liberal Party, Mr. Speaker, this would not affect the campaign fund expenditures of that party one iota because in the last federal election they expended \$1,321,989 to cover radio time and television time, printed media and other advertising, leader's tour, travel, surveys, administration and the like, and in addition to that contributed something in the neighbourhood of \$5,000 on the average per candidate running for the Liberal Party.

On just a very rough estimate of \$5,000 times 264 candidates, that came to something in the neighbourhood of \$1.3 million. So that in addition to the other \$1.3 million they spent in the last election campaign, they could make this

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\$5,000 contribution or donation to each one of the candidates running for the Liberal Party and only come to an amount of \$2.6 million, which would still leave ample room for expansion within the \$4.2 million available according to the formula in the bill.

I know that revealing this kind of information about a \$5,000 contribution on average from the national headquarters of the Liberal Party has caused a number of Liberal members in the House to raise their eyebrows and look in my direction. Obviously they are the ones who did not get \$5,000; they got much less. Maybe at that time they were not in favour with the leader of the party, and he figured that if he cut back on these contributions they would not have much chance of getting at him. It is obvious that he did that with a number of members of the previous parliament because they were defeated in that campaign.

Mr. Peters: Maybe that is how he got his \$100 million or \$200 million.

Mr. Howard: No, he would not have accumulated his \$100 million or \$200 million that way. With respect to the PC party, again talking in terms of what is indicated with regard to their activities, they also would not be affected one bit because their total expenditure, according to Mr. Finlay MacDonald who was, and maybe still is, their national campaign chairman at the time he provided this information, total PC national office expenditures in the 1972 campaign were \$4,520,321 which, if the 30 cents formula were applied, would be just about right where the limit was; and that included the amounts of money allocated to constituencies, or remitted to constituencies, and Professor Paltiel points out that the constituency allocations appeared to average out at \$6,600.

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Some provinces and their constituencies, like Alberta, were entirely self-sustaining. So what the total contribution was is hard to say from that, except that Mr. MacDonald does say that the total remittance to provincial allotments and constituencies was some \$1,748,000—that was the national campaign—bringing it up to a total of \$4.1 million.

If we are seriously concerned about trying to effectively and reasonably limit campaign expenses, then we should be thinking seriously about either limiting or reducing the amount of that 30 cents. That can be done by one of those deferred divisions or by taking out the word "not" and saying that we had reached the peak. Both the Liberals and Conservatives, by their own statements, had concluded that that was a peak expenditure last time, and it was a peak position in so far as finding the flow of campaign contributions to the treasury is concerned. I think they will find that the more campaigns cost, the more difficult it will be to raise money. I know that is true of my own constituency and the organization to which I belong. We have found it more and more difficult all the time to raise money.

An hon. Member: No wonder.

Mr. Howard: We have a great deal of difficulty, Mr. Speaker. Somebody says he wondered why, or "no won-