

Canada Elections Act

detail later, made a unanimous, all-party recommendation to the government. This is to be found in issue No. 45 of the committee proceedings for April 29. I think it bears repeating that we have here all-party support. The recommendation is as follows:

Your committee recommends that the government consider the advisability of introducing amendments to restrict the expenditures obtained under the Canada Elections Act to the activity of the party in its federal capacity as referred to in Bill C-362.

Bill C-362 was the private member's bill of the hon. member for Windsor-Walkerville in that session referred to by the then president of the privy council. In other words, there was an all-party recommendation to the government of the day that this loophole be closed. I took a look at the contents of Bill C-5 and I had to do some stickhandling, I guess. I wanted to have the matter dealt with, so on November 22, as reported at page 1117 of *Hansard*, I raised the matter again. You will note that this is three years and 16 days after I first brought the matter up and when the Liberal government of the day said it intended to correct this loophole. I put the following question to the President of Privy Council:

Mr. Speaker, I wish to direct my question to the President of Privy Council. On December 6—

That is an error; it should be November 6.

—1974, page 1111 of *Hansard*, I directed a question to the then president of the privy council, the hon. member for Eglinton, with regard to the Election Expenses Act. I pointed out that provincial party affiliates of federal parties were reaping the benefits through a loophole in that act and money taken off of federal tax payable was being taken down to provincial levels to fight provincial election campaigns. At that time the then president of the privy council said that they were very interested in closing that loophole and that private members' bill in the name of the hon. member for Windsor-Walkerville would, he hoped, be debated very soon. The same recommendation was made in the report of the Standing Committee on Privileges and Elections on April 29 of last year. Why was that loophole not included in Bill C-5 presently before the committee? Why is there no provision included to cut off that loophole?

The President of Privy Council replied:

To be frank with the hon. member, Mr. Speaker, at the moment I am not aware of the reason that particular amendment has not been proposed. Presumably any loophole that may exist in the law can be in practice closed by the operation of the national political parties and the candidates for whom collections are made. I suggest to the hon. member that this is a matter which might be considered in the committee because the bill is now before that committee.

That was the committee I referred to. The fact is that it was dealt with by the committee in the previous session and that committee made an all-party recommendation that this loophole be closed. The minister continued:

It might be a matter for consideration.

How thoughtful of him!

Certainly, I will give it some thought and consider whether it would be necessary and desirable to move an amendment to bring this objective about if it does constitute a real problem.

Then I followed up with this supplementary question:

Mr. Speaker, there was a private members' bill to cover this loophole and it was requested by the Standing Committee on Privileges and Elections in their report of April 29 of last year that the government provide for this. The bill presently before the committee is silent on this. We cannot introduce an amendment of a provision which has not even been opened up in the government legislation before us. Will the President of Privy Council take the necessary steps

[Mr. Dick.]

as quickly as possible to refer that subject matter or an amendment to Bill C-5 so that it can be considered at the same time?

● (1652)

Mr. Speaker, I was in error because, of course, I have found a way to bring in the amendment. The President of Privy Council responded as follows:

Mr. Speaker, I will consider the representations made by the hon. member and whether at this stage it would be desirable to bring in an amendment, either by consent or otherwise in the committee, or have it done in another way. I still believe it is a loophole that can be closed by the national parties operating as they see fit in the management of collected funds.

Mr. Speaker, you know, I know, every member of this House knows, and anyone who is not locked up in a hospital because of mental instability knows that no party will stop using loopholes until there is an order that all parties stop. Each is afraid that the others will have the advantage. I have looked into the matter and I know that although for almost a year this party refused to use this mechanism to help fund provincial parties, they are going to use it now, as does the Liberal Party and the New Democratic Party.

An hon. Member: They do not need that in Ontario.

Mr. Dick: My hon. friend says that Ontario and Alberta, the provinces with the most progressive governments in the country, have closed the loophole at the provincial level and refused to allow federal parties to pass money to their provincial counterparts. The other eight provinces do not have such legislation. The legislation before us provides for the laundering of money not only to provincial but to municipal elections, and not only to municipal elections either, because just this year the New Democratic Party advertised for people to send contributions under the federal Election Expenses Act to support the socialist party of Spain. Imagine using our tax dollars at the federal level to support a foreign party of whatever political stripe! A certain political party has inquired whether it can use federal tax dollars to support its counterparts in Chile and Argentina. Mr. Speaker, this government has an \$8 or \$9 billion deficit, so we should not be financing other political parties in the world.

This loophole is so wide it can easily be abused, but the practice cannot be stopped as the law stands. That is why I offer these amendments. The abuses must be stopped if this government and members of this House have any conscience. The original intent of the act was to make it easier to collect money for federal political parties and for the support of candidates at the federal level at the cost of the federal treasury. The first proposal was a tax allowance of \$75, which is a loss of \$75 to the treasury. Mr. Speaker, I suggest that with our deficit we need all the money we can get. Why should we support a continued loss to the treasury of about a \$3 million per year so that provincial parties can ride on our coats?

If parties want to assist provincial activity, let them take the money from their own treasuries, as Ontario and Alberta have done, by introducing similar legislation. The people who want to engage in that activity at whatever level should pay for it.