

*Election Expenses Bill*

tered parties will be required to designate agents with the Chief Electoral Officer forthwith after the coming into force of this bill. Thereafter, all payments on behalf of the party must be made by agents and all contributions made to agents. Each party will be required to designate a chief agent who will be responsible for the filing of the party's annual and post-election reports and obtaining and filing the auditor's statements thereon.

Each agent of the party will be required to render whatever assistance is required to the auditor for the annual and post-election audit. The chief agent will be held responsible for filing the auditor's reports and ensuring their accuracy, and will be guilty of an offence for not doing so. The registered party itself may be prosecuted for failure by its chief agent to discharge these duties. This makes it possible to go after the agent of the party or the political party. The fine proposed for an offence by a registered political party is \$25,000. It may seem an inadequate amount, but it seems to me that the sanction here is not solely the fine itself but the embarrassment which any national political party would suffer if it found itself in violation of the provisions of this bill.

I would also point out that the existing provisions governing the duties of the candidate's agent will ensure that no person other than the official agent incurs election expenses on behalf of the candidate. If other persons or groups incur election expenses with the knowledge and consent of the candidate or his official agent, such expenses must be included in the candidate's expenses and will be subject to the candidate's limit.

If such groups incur election expenses without the knowledge and consent of the candidate, they will be guilty of an offence unless they can show that they incurred these expenses in supporting or opposing a candidate for the legitimate purposes of an organization to which they belong and not for the purposes of avoiding the candidate's expenditure limits. We feel that protection for persons who incur election expenses for the legitimate purposes of an organization to which they belong, and not to avoid the limitation of expenditure provisions of the act, is necessary in order to preserve a balance between freedom of speech on the one hand and the necessity to observe spending limits on the other.

• (2050)

In addition to imposing a limit on the amounts which candidates can spend on personal publicity, both the Barbeau report and the special committee report recommended that a degree of financial equality should be established among candidates and among political parties by the extension of certain services and subsidies to all who qualify and to increase public participation in politics by broadening the base of political contributions through tax concessions to donors. The bill contains several provisions to accomplish these purposes.

Any candidate receiving 20 per cent of the valid votes cast is entitled to a return equivalent to 25 per cent of proven and allowable election expenses defined in the act and certified in the audited report. In addition, the candidate will receive a sum of \$250, which is intended to be a contribution toward the cost of obtaining an auditor's report. Candidates in scheduled areas, that is, large north-

[Mr. MacEachen.]

ern ridings, will receive a further federal allowance of one cent per square mile up to a maximum of \$3,000 for proven travelling expenses, whichever is less. These amounts are paid by the office of the Chief Electoral Officer.

These payments are directed to assisting candidates for parliament to meet the basic requirements of communicating with the public, and since modern election campaigning is heavily dependent on the mass media with their very high costs, it becomes desirable that candidates should receive a degree of assistance in meeting these costs.

In addition to the time allotted to the registered parties on the broadcast media, broadcasters are required to make additional time available to the candidates of each party in the amount of five minutes on television, 20 minutes on radio and 20 minutes on cable television services. In practice, this time is divided among candidates of the parties in the area covered by the outlet. Where a broadcasting outlet covers more than one riding, each candidate would get the amount of time which I have just mentioned. Provision is also made for independent candidates to have access to broadcasting time on an equitable basis.

At the same time, while this is a guarantee to ensure that every candidate in every riding where there is an outlet will have guaranteed minimum access to the media in the way I have stipulated, each candidate is free to purchase media time up to the limits of his own election budget. In other words, though there is a guarantee of minimum time which must be provided, he cannot be denied any amount of time he wishes to purchase up to the ceiling imposed on his election expenses.

There is another important point. Rates for individual and registered parties are fixed at the standard rates charged by broadcasters for normal commercial customers and increased rates during an election campaign are not permitted. We are all familiar with the practice of the media of charging, not the lowest commercial rates but what are described as national rates. In future, under this law the media will have to provide candidates with the lowest commercial rate.

**Mr. MacLean:** Good.

**Mr. MacEachen:** That, in essence, describes the provisions of what is a wide-ranging effort to reform and update the electoral process in Canada with respect to election expenses. We accept the principle of disclosure, of greater public knowledge about the financing of political parties. We do not take the approach in the bill that politics is evil, that it is sleazy, that it is something to be hidden. We proceed on the basis that it is a legitimate activity and that it should be given the same status as other activities in the community.

It is for this reason, and in order to broaden the basic contribution to political parties, that we are providing certain tax incentives to contributors to political parties. An individual or a corporation can be eligible annually to a tax credit of up to \$500, or one-third of a maximum annual contribution of \$1,500. We believe that this tax credit, available to contributors of political parties, should make it possible to broaden the base of support for politi-