

Election Expenses

must really be dirty business if it needs so much white-washing at election time!

Before introducing this bill, a full investigation of the most serious kind should have been held into the funding of all the political parties so that we would have available all the essential facts to guide us before this bill is adopted.

An investigation, Mr. Speaker, would surely have taught us many things about the contents of electoral funds and the behaviour of certain parties as a result of contributions. Tell me who finances you and I shall tell you who you serve! That maxim, Mr. Speaker, would have been applied in broad daylight.

To my mind, electoral funds are diametrically opposed to sound democracy.

Democracy, Mr. Speaker, as defined in the Oxford dictionary is: government by the people, direct or representative. Now, this bill will enshrine electoral funds in our statutes, and the status of anonymous electoral funds, supplied by anonymous subscribers, to obtain anonymous favours, will not be altered because it will have become law. We should not enshrine what is bad in our electoral mores.

As for the argument for limiting electoral expenses, as I have just said, what happened in the United States showed that expenses, far from decreasing during the last electoral campaign, increased after the bill designed to limit them was passed. Here are the figures we are given: According to the *Ottawa Journal* for November 6, 1972, the two presidential candidates alone spent \$54 million.

[English]

Although this is the first United States presidential election since the sweeping new campaign spending laws came into force, the mudslinging over campaign cash is a hotter issue than at any time in recent history . . .

Over-all it has been estimated by a number of experts in this field that between \$250 million and \$300 million was spent on the 1968 elections—

[Translation]

Mr. Speaker, I also have at hand statistics to the effect that there was an increase of more than \$25 million in these expenses during the last campaign for the two presidential candidates alone.

Mr. Speaker, this bill aims at restricting election expenses, but it is full of holes and can hardly limit the expenses. I would invite my colleagues to read and study very seriously clause 20, on page 35, which stipulates exactly the contrary of what we are told in this House as concerns the limit for election expenses. It reads:

(1) There may be deducted from the tax otherwise payable by a taxpayer under this Part for a taxation year in respect of any amount contributed—

—it does not say “of all amounts contributed”—

—of any amount contributed by the taxpayer in the year to a registered party or a candidate—

In other words, Mr. Speaker, if someone wants to give \$2,196 to a candidate, he simply writes four cheques for \$549 each and deducts from his income tax \$2,000 of the \$2,196 he has contributed to party funds. This calculation relates to individuals and not to corporations.

[Mr. Rondeau.]

Mr. Speaker, I have been talking with lawyers these past two days to know the exact interpretation of the legislation. When it says “any amount contributed to a registered party” it does not mean “all the amounts contributed”. The aggregate of the amounts contributed must not exceed \$550. It says “any amount contributed”. This means that one can write a cheque for \$550 today, tomorrow or the day after tomorrow and there is no limit except for that of \$550 for “any amount contributed” and not for “all the amounts contributed”.

Before making this allegation I studied the bill seriously and I also had it studied by lawyers and accountants who told me: Mr. Rondeau you may of course collect funds and accept all the cheques you want provided the limit does not exceed the other terms. As for the contributions, you may accept several \$550 cheques if you want to obtain receipts for tax purposes since the law does not state which total amount is eligible for a taxation year but only provides for any amount paid during a taxation year.

The French version stipulates no precise limit. Mr. Marcel Gingras stated in an editorial of *Le Droit* of May 26, 1972, and I quote:

How can we believe in the efficiency of a legislation which limits only the candidates' expenses and allows the party any amount of expenses? Whatever the law hypocritically forbids to the individuals, it will allow the political parties.

There is no limit to the election expenses of a party except for the .30c per voter whose name is registered in a constituency where a party has candidates. The hypocritical formula used in the bill will give the traditional parties still better control over members and election funds. The party with no expense limitation and the corporations with no contribution limits will be able, through election funds, to help the candidates best considered by the financial establishment of the party involved.

I have studied the American bill aimed at limiting election expenses and the Canadian bill is strangely similar. In the United States, they defeat the law by resorting to candidates' friends. Since they are not affected by the Elections Act, they may spend all the money they wish.

In spite of the mystery in which the election funds have always been wrapped in Canada and in Quebec, some facts have been put in full light, made known to the people which believed in the men they voted for but who obeyed those which paid for their election.

The sheer size of election expenses has finally forced the politicians supported by those funds to admit their existence while saying that elections are not expensive, without nevertheless mentioning the official figures of the contributions nor their source.

In the July 14, 1972 *Ottawa Citizen*, we can read the following: And an Ottawa Carleton University professor said this:

● (1600)

[English]

The next federal election . . . could cost \$40 million or more . . .

Khayyam Zev Paltiel, professor of political science at Carleton University, estimates in a study called *Political Party Financing in Canada* that the cost to parties and candidates in 1968 was \$21 million. The government spent \$13.8 million on the election.