

Election Expenses

Mr. Frank Howard (Skeena) moved:

No. 13.

That Bill C-203, an act to amend the Canada Elections Act, the Broadcasting Act and the Income Tax Act in respect of election expenses, be amended by adding the following as sub-section 13.2(3) of sub-clause 4(1):

"(3) Where the registered party is guilty of an offence against this Act by virtue of subsection (1) any officer, or registered agent of the registered party who directed, authorized, assented to, acquiesced in or participated in the offence is a party to and guilty of the offence and is liable on conviction to a fine not exceeding twenty-five thousand dollars and to imprisonment for a term not exceeding one year or to both."

He said: Mr. Speaker, in the Canada Elections Act there are a number of sections dealing with offences against the act. Some specify the punishment; other make a general reference to a certain penalty that will follow if a person is found guilty by the courts of an offence against the act. The general section providing for penalties for offences against the act is section 78. That section provides that a person who offends against the act is liable upon summary conviction, unless otherwise spelled out specifically, to a fine of not more than \$1,000, or to imprisonment for not more than one year, or both. By way of indictment, which I understand carries a more severe penalty, the penalty provided is \$5,000 or not more than five years, or both.

The bill sets up a so-called limitation on election expenditures which we examined at great length yesterday and may examine at great length in the future. It provides that the limitation on expenditures made by a registered party shall not exceed a certain amount, which I have roughly calculated to be \$4.2 million.

The bill also provides that where that limitation is offended against, or over-reached, or where the registered party makes an expenditure during an election campaign in excess of \$4.2 million, the registered party is guilty of an offence and liable on summary conviction to a fine not exceeding \$25,000. I cannot find in the elections act in terms of fines anything approaching the severity of this fine of \$25,000. The Act speaks in terms of a \$1,000 fine in one instance for tearing down a poster. It also speaks of a \$5,000 fine for some other offence, and \$1,000 in another area, as maximum fines, and so on. The \$25,000 goes far and beyond, in terms of potential fines, anything contained in the Election Act at the moment. Therefore, I assume that the drafters of the bill felt that if a party had exceeded the limitation imposed by the act of 30 cents times the number of voters on the voters list they should establish a pretty severe punishment, a little more than the normal slap on the wrist concept that many Canadians are faced with. This is a maximum fine not exceeding \$25,000 to the registered party.

● (1410)

I can conceive of a situation taking place where, in the course of an election campaign, the campaign intensifies during the last two weeks. Then, the moment of truth is approaching. It is a time when parties and candidates have a closer assessment of their chances. They have been involved in a month or a month and a half of campaigning. They have conducted surveys, have listened to what voters have said, have assessed the response at meetings and so on, and have received a pretty good assessment of their chances. Likewise, the interest of the general public

[The Acting Speaker (Mr. Laniel).]

increases. I can quite easily conceive of a situation arising whereby in that last week a political party may assess that its chances of forming a government are 50-50. That party might conclude that if, during that last week, it could just get its leader out on another cross-country tour this might swing the tide in its favour.

For instance, during the 1968 federal election campaign the Liberal Party desperately tried to get the newly chosen Prime Minister (Mr. Trudeau) into every nook and cranny of Canada because he was its most valuable asset. We realize he was a little reluctant to engage in a kind of an auction of himself and his personality, but that was the intention of the Liberal Party at that time. In 1972, that situation was somewhat reversed because some people did not wish to be associated with the Prime Minister. In any event, during the last week of a campaign a party might feel that it had reached the limit or close to the limit of expenditures permitted under this legislation but might decide that perhaps it should spend another \$100,000 or \$200,000 on the campaign in order to get the party leader to all the uncertain spots, to all the dangerous areas that could swing the election. If that were done, it could be an offence under the act.

I can quite readily conceive of some people sitting down and saying, "Well, if we pour this extra \$100,000 or \$200,000 into the campaign we are almost guaranteed to form the government and all we are faced with is a fine of not more than \$25,000, so let us take the gamble because we won't be fined until after the election anyway". This offence would not be discovered until after the return were made and the books totalled, at which time it would be ascertained that the limit had been exceeded. The prospect of obtaining office would be more attractive and the party might decide to gamble. That is not an impossibility. It may be only a lone voice in a political party that would advocate this, but it is not an impossibility. I have taken the wording of my amendment basically from the foreign investment bill which contains references to officers of the corporation. What the amendment says is that if a registered party exceeds that \$4.2 million limit on its expenditures, in addition to the party being liable to a fine of \$25,000 there should be some responsibility fall on the shoulders of the officers of that party; there should be some deterrent factor with regard to the individual officers because a political party just does not operate without human beings.

A political party is an entity which is comprised of many people. There is a fluidity to it; there are the personnel, the employees of the political party, the officers and so on. The political party remains intact but still has within it, to make it function and keep it alive and moving, human beings. The amendment says that where the registered party has been found to exceed the limits proposed, not only it, the registered party, shall be liable to a fine, but keeping in mind that it will be the officers within that registered party who will take the steps to spend the money, any officer or registered agent of the registered party—and remember that these words I quote now are taken directly from government legislation which just passed this House—

—who directed, authorized, assented to, acquiesced in or participated in the offence is a party to and guilty of the offence and