

trial sense, and in its political sense as well. We know certainly that there is an attachment between money and politics. We know that if there is a political party contribution which comes from a particular source there is a tendency for the recipient thereof to lean in that direction. Perhaps he did so beforehand, but there is that tendency. There is the tendency to say that he who pays the bills will receive the prime consideration, and that he who pays the accounts will get the attention or that he who does not pay the accounts will not. We are trying to prevent the extraterritorial aspect of corporations, trade unions, individuals, associations and groups in other countries having influence, especially an undue influence, on the politics of this nation.

I know that during the course of the election campaign the party to which I belong was accused by spokesmen from other parties of being in receipt of Yankee money coming from the headquarters of international unions in the United States. Frankly, I do not know of this occurring, but that is the accusation. This statement has been denied a number of times but the accusation continues. Here is an opportunity for those in this House who want to stop this taking place, even though it never took place in the past, to put their vote where their mouth is and be counted in favour of this principle so that this source of funds will be denied this or any other party. There is an opportunity also to those in this House who want to get rid of the corporate influence in politics, the international corporation influence, to say we will deny that source of funds. ITT has caused enough difficulty and trouble in the political system of the United States of America and we sure as hell do not want it here. ITT can involve itself in the politics of this nation under this legislation unless we plug that loophole and say it cannot do it.

That is what this amendment is all about. It is an effort to ensure that Canadians will control their own politics, both in fact and in money as well, and to deny this potential intrusion of other nations in what is likely to happen in this country. When we speak in terms of financing of political parties on a year-around basis we speak in terms of quite a few million dollars. An estimate of the total expenditure by political parties and candidates who ran in the 1972 federal election is in the neighbourhood of \$31 million. This includes national parties and candidates, expenditures of provincial sections of the party, and the like. That is a fair amount of money.

● (2150)

Let us say for argument's sake that the treasury committee of the Liberal party is the one that collects the money. Senator John Godfrey was the collector at that time and he collected something in the neighbourhood of \$6.5 million in the last election. Out of that sum, \$600,000 went to pay debts and accumulated overdrafts, \$1,322,000 of that was used by the national office of the Liberal party, and \$3,978,000 was disbursed by provincial campaign committees. There is a loophole here and let us deal with it for a moment. Although the bill speaks in terms of disclosing the source of funds, which is a companion measure to one of the amendments before us here, there is a loophole big enough to let through a fleet of trucks. The loophole was in the portion which I read which says that

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\$3,978,000 was disbursed by provincial campaign committees.

I can see that in the next election—if it is not taking place already—the collection agents for the two old line parties will be the provincial sections of those parties. The money will be contributed for the use of the provincial sections of the parties and kept in a vault or bank account. Then, when the election is called and campaign funds are required, the provincial section of the party will drag out the \$1 million or \$2 million, or whatever amount of money it has accumulated, donate it to the registered party, which under this bill is the national headquarters of the party. Then, watch the source of funds that is disclosed under this bill. The source of funds as disclosed properly, legally and directly under the bill by the registered party at that time will be the provincial association of Liberals, Conservatives, or whatever the case may be, in a certain province, and the disclosure will not go beyond that.

What is the purpose of disclosure if you can hide the source in that fashion so easily? Surely, if it is possible to distribute \$4 million out of \$6 million during a federal election through the provincial campaign committees, then you can collect that money in the same way in periods up to and before elections. Certainly, the loophole is there. In Ontario, so far as the Liberal party was concerned, 50 collectors were involved and 90 of the largest of corporations in Ontario were canvassed personally by the national chairman, the majority of them in the late winter of 1971 and early spring of 1972, six months before the election. That is what the Liberal party did, canvass 90 of the largest corporations in Ontario to find the money. This was done personally by the national chairman who, I think, is Senator Godfrey, although I am not certain of that because he is called elsewhere chairman of the treasury committee, but all money was raised by the treasury committee and I am assuming that the national chairman is the same individual. If I am wrong, then I am wrong.

In Quebec, the situation was entirely different. It was more heinous because in Quebec the national campaign fund collector was none other than the then Minister of Regional Economic Expansion.

**Mr. Alexander:** No, I do not believe it!

**Mr. Howard:** On the one hand, he was giving out \$6 million to IBM and the next day he went knocking on their door saying "I am collecting funds for the Liberal party". This bill will not stop that.

The Conservative party also collected money. They collected something like \$3,900,000 for the national campaign.

**An hon. Member:** Where did you get your money?

**Mr. Howard:** Wait, I am speaking about the two important parties first—

**Some hon. Members:** Hear, hear!

**Mr. Howard:** Let me tell the House that IBM and ITT consider the Liberal party to be important, as do Imperial Oil, Gulf Oil, Texaco, and every one of these oil companies. They consider the Conservative party to be no less important.

**An hon. Member:** Ten o'clock.