

COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND
ADVERTISING ACTIVITIES

APPLICATION FOR FUNDING BY THE

LIBERAL PARTY OF CANADA
and of the
LIBERAL PARTY OF CANADA (QUEBEC)

DATE OF PRESENTATION

OCTOBER 20, 2004, 9:30 a.m.

Victoria Hall, Bytown Pavilion,
111 Sussex Drive
Ottawa, Ontario

Me Charles B. Côté
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ADVERTISING ACTIVITIES

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*APPLICATION FOR FUNDING BY THE LIBERAL PARTY OF CANADA AND
LIBERAL PARTY OF CANADA (QUEBEC)*

[1] The Liberal Party of Canada and the Liberal Party of Canada (Quebec) (collectively “the Liberal Party”) were granted Intervenor party standing in these proceedings, by order of the Commissioner dated September 13th, 2004.

[2] The Liberal Party submits that this decision implicitly recognizes that the Liberal Party has both a sufficient interest in these proceedings as well as a special expertise and experience with regard to the Commission’s mandate.

[3] In order to ensure full participation to the extent of the status granted to it, and to ensure proper legal representation in these proceedings, to review the evidence, attend at hearings from time to time, to suggest questions to Commission counsel and to present final argument, the Liberal Party seeks funding from the Commission.

[4] The Liberal Party has taken cognizance of the Commissioner’s decision on funding dated July 19th, 2004 with regard to the Conservative Party of Canada and the Bloc Québécois. The Liberal Party of Canada requests funding on the same basis as has been granted to these two other political party Intervenors;

[5] The Liberal Party has also taken cognizance of the Funding Guidelines established by the Commission and considers the mechanisms established in these guidelines, as supplemented by the Commissioner’s ruling on funding of July 19th, 2004 to be satisfactory;

[6] The Liberal Party of Canada does not have the financial means to ensure proper legal representation without funding from the Commission. The Liberal Party, having held a leadership convention and conducted a national election campaign in the past year must conserve its financial resources very carefully. In addition, as is the case with the other two political parties, under the current legislative regime, the Liberal Party is not entitled to receive legal services on a pro bono basis.

[7] The Liberal Party has selected Me Charles B. Côté of Côté Prihoda and Me Doug Mitchell of Irving, Mitchell & Associates to be their co-lead counsel. Me Côté has acted and advised the Liberal Party on many mandates related to electoral issues regarding elections and election financing in the past and is familiar with the inner workings of the party. Me Mitchell has extensive experience in complex litigation matters and matters of administrative law generally.

[8] In addition, the Liberal Party proposes to have a junior lawyer at Irving, Mitchell & Associates, Me Katheryne Desfossés, review the transcripts on a daily basis and provide summaries to all interested parties, review the evidence, assist in preparation of final argument and conduct legal research on an as needed basis;

[9] The counsel for the Liberal Party of Canada has had discussions with counsel for the Conservative Party of Canada and the Bloc Québécois and they have all unanimously concluded that the current funding arrangements recommended by the Commissioner in his decision on funding of July 19th, 2004 do not allow the Intervenors to adequately fulfill their role.

[10] The difficulty with the current funding arrangements create is principally related to the fact that they do not permit the Intervenors to review the evidence that is both disclosed by the Commission prior to the hearing and the evidence that is filed at the hearings in order to meaningfully participate in the hearings.

[11] The Liberal Party understands that one of the principal objects of its participation as an Intervenor is to be able to follow the proceedings and to be able to suggest questions to Commission Counsel on a timely basis in order to

assist the Commission to have a complete portrait of all events surrounding the Commission's mandate.

[12] With respect, the current allocation of forty hours for pre-hearing preparation is completely inadequate. Several hundred thousands of pages of documents have already been disclosed by Commission Counsel, and the parties continue to receive additional disclosure materials on a regular basis as the hearing proceed. It is simply impossible to review these documents in any remotely detailed fashion within the allocated forty hours.

[13] In addition, while the current funding allocation provides for three hours a day for a junior lawyer to review transcripts, this is also not sufficient for the Intervenors to properly fulfill their role.

[14] The Liberal Party understands that additional documents and evidence are being filed at the Commission hearings. No reference is made as to where these documents can be found in the disclosure materials, if in fact they were previously disclosed.

[15] Given that the funding recommendation does not permit for the attendance of even a junior lawyer at the hearings, it is extremely difficult to appreciate the nature of the evidence that is put before the Commission when the Intervenors have no ability to review the documentary evidence in a timely fashion.

[16] If the Intervenors had more contemporaneous access to the documentary evidence filed with the Commission, they may well be able to effectively fulfill their role as Intervenors and provide a clearer picture of events for the Commission.

[17] Under the current funding arrangement, the Intervenors in fact simply have funding which permits the daily review of transcripts, without having access to the evidence. The Liberal Party does not believe it was the intention of the Commissioner to limit the Intervenors' participation to simply reviewing transcripts in order only to make final argument.


[18] Based on this experience, the Intervenors have concluded that the current funding arrangement is inadequate. After several discussions among counsel, the Intervenors have jointly concluded that there should be an allocation of funding of forty hours per week for a junior lawyer's time and ten hours per week of a senior lawyer's time, to be used at the discretion of counsel.

[19] All three political party Intervenors have therefore instructed their respective counsel to file applications for increased funding for presentation before the Commission on October 20th, 2004. Counsel for all three political parties feel that such funding would allow a more thorough review of the evidence as it is disclosed, and to follow the evidence and proceedings in a more timely fashion.

[20] This will permit the Intervenors to address Commission Counsel in a timely fashion with suggested questions and observations. Under the current funding arrangements, this is impossible.

[21] Therefore, the Liberal Party of Canada respectfully requests that the distinction between pre-hearing preparation and an allocation for funding during the hearing be replaced with a simple allocation of ten hours per week of senior lawyer time and forty hours per week of junior lawyer time for the duration of the Commission hearings and that identical funding be provided to the Conservative Party of Canada and the Bloc Québécois.

[22] In the alternative, the Liberal Party request funding in accordance with the terms of the Commissioner's ruling for the Conservative Party of Canada and the Bloc Québécois in the ruling of July 19th 2004.



Me Charles B. Côté
CÔTÉ PRIHODA
Co-Counsel for the Liberal Party of Canada
& the Liberal Party of Canada (Quebec)



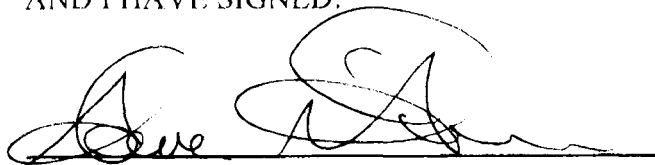
Me Doug Mitchell
IRVING, MITCHELL & ASSOCIATES
Co-Counsel for the Liberal Party of Canada
& the Liberal Party of Canada (Quebec)

AFFIDAVIT

I, the undersigned, **STEVEN MACKINNON**, National Director of the Liberal Party of Canada, maintaining its office at 81 Metcalfe Street, Suite 400, in the city of Ottawa, province of Ontario, K1P 6M8, hereby make the following solemn declaration:

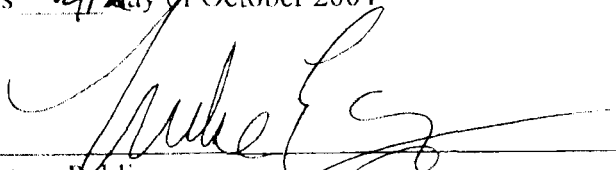
- 1) I am the National Director of the Liberal Party of Canada and make this affidavit in support of an application of the Liberal Party of Canada for funding before the Commission of inquiry into the Sponsorship Program and advertising activities;
- 2) All of the facts in the attached application are true.

AND I HAVE SIGNED:



STEVEN MACKINNON

SWORN BEFORE ME in the Province of Ontario,
this 4th day of October 2004



Notary Public
Commissioner for the taking of oaths

NOTICE OF PRESENTATION

To : THE COMMISSION OF INQUIRY INTO THE SPONSORSHIP PROGRAM AND ADVERTISING
ACTIVITIES

ATTORNEY GENERAL OF CANADA
Me Sylvain Lussier
Me René Leblanc

BLP LTÉE, AGENCE DE PUBLICITÉ
Me Gérald Tremblay
Me Michel Massicotte

CANADA POST CORPORATION
Me John B. Laskin
Me John A. Terry

VIA RAIL CANADA
Me Carole Mackaay
Me John Campion
Me Jean Lafleur

THE RIGHT HONOURABLE JEAN CHRÉTIEN
Me David Scott
Me Peter Doody

THE HONOURABLE ALFONSO GAGLIANO
Me Pierre Fournier

JEAN LAFLEUR
Me Jean C. Hébert
Me Jean Montigny

RONALD QUAIL
Me George Hunter
Me Vincent Derose
Me Jennifer Radford

OFFICE OF THE AUDITOR GENERAL OF CANADA
Me Richard Dearden

BANQUE DE DÉVELOPPEMENT DU CANADA
Me William Brock
Me Mélanie Joly

PUBLIC SERVICE INTEGRITY OFFICE
Me Jean-Daniel Bélanger

CONSERVATIVE PARTY OF CANADA
Me Arthur Hamilton
Me Laurie Livingstone

LE BLOC QUÉBÉCOIS
Me Clément Groleau

JEAN PELLETIER
Me Guy Pratte

JOSEPH CHARLES GUITÉ
Me Michael Edelson

TAKE NOTICE that you are being served with an Application on behalf of the LIBERAL PARTY OF CANADA and the LIBERAL PARTY OF CANADA (QUEBEC) for funding before the Commission. The Application will be presented at Victoria Hall, Bytown Pavilion, 111 Sussex Drive, Ottawa, Ontario on October 20, 2004 at 9:30 a.m. or at any other such time as the Commission may designate.

Signed this 14th day of October 2004

CÔTÉ PRIHODA

CÔTÉ PRIHODA

IRVING, MITCHELL & ASSOCIATES

IRVING, MITCHELL & ASSOCIATES

Attorneys for LIBERAL PARTY OF CANADA and LIBERAL PARTY OF CANADA (QUEBEC)