

REPORT OF THE SELECT COMMITTEE

on the

Funding of Political Parties

October 2004

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PREAMBLE

The following motion was passed by the National Assembly on 16 April 2002-

“This Assembly is of the opinion that in accordance with Standing Order 70 of the Standing Orders of the National Assembly, a Select Committee of such members as may be nominated by Mr. Speaker, should be appointed to examine the recommendations of the Commission on Constitutional and Electoral Reform 2001/ 2002 regarding the public funding of political parties in order to elaborate further on those recommendations and make further recommendations on the subject of funding political parties with a view to promoting sound, dynamic and lively democracy and eliminating the risks of corruption and influence peddling.”

As a result thereof, a Select Committee was nominated by Mr. Speaker on the 7th of May. The Select committee is composed of: -

1. Hon. E. J. Leung Shing, Q.C.
2. Hon. G. P. Lesjongard
3. Hon. K. C. Kushiram
4. Hon. D. Jeeha
5. Hon. D. Roopun
6. Hon. F. Abdoola
7. Hon. X. L. Duval
8. Dr. the Hon A. Boolell
9. Hon. J. A. Nancy

In conducting its assignment, the Select Committee has, first and foremost, taken into account the proposals of the Commission on Constitutional and Electoral Reform 2001/ 2002. In addition, the Select Committee has deemed it fit to take on board the views of members of the public. Finally, the Select Committee has had regard to:-

1. The Fifth Report of the Committee on Standards in Public Life;
2. The Neill Committee Report; and
3. International IDEA¹ Handbook on Funding of Parties and Election Campaigns.

The Select Committee is very grateful to the members of the public for some of the very pertinent points made by them on the subject of political funding. The Select Committee is also grateful to the Electoral Commissioner for the thought provoking paper which he has submitted.

The Select Committee had also invited political parties to submit memoranda on the subject of political funding. Unfortunately, the MSM is the only political party which responded.

The Committee considered all the above documents, views and comments. However, the present Report does not seek to address all the issues that pertain to political funding in Mauritius but only gives a synopsis of the matters that have to be taken into account in drafting a piece of legislation that would respond to the needs of the country in relation to political funding. Indeed it may take a couple of years to produce of a full-fledged report encompassing all the factors that need to be considered in modeling a legal framework for political funding in Mauritius. For the sake of comparison, it is worth noting that in certain jurisdictions like Sweden and the UK, it has taken on average five to six years to produce a fairly comprehensive legislation on political funding.

¹ International Institute for Democracy and Electoral Assistance

INTRODUCTION

Political parties no doubt need money to conduct their activities. However, it is no so much the fund raising activity itself than the manner in which such fund raising activities allegedly take place that may become morally or ethically objectionable. Professor Reg Austin, Director of Programmes, International IDEA², has this to say on the issue of Funding of Parties and Election Campaigns: *“The viability of political parties in today’s transitional democracies is critically dependent upon some form of dependable funding. Equally, the credibility of political parties in today’s established democracies is increasingly threatened by unregulated dubious funding.”*³

It is therefore clear that political funding must be kept in check because spurious, if not occult, fund raising techniques no doubt distort the level playing field among contestants to an election, the reason being that such distortion inhibits the objective and informed decision-making ability of electors that is so essential to a democracy.

This Report seeks to provoke awareness to some of the problems associated with the funding of political parties and give an indication as to the possible solutions. Bearing in mind its terms of reference, the Select Committee has set itself two objectives in presenting this Report:-

1. The examination of the recommendations of the Commission on Constitutional and Electoral Reform 2001/ 2002 regarding the public funding of political parties (the Sachs Report).
2. The making of further proposals in the light of the examination of the Sachs Report in the area of public funding of political parties.

The first chapter of this Report therefore gives an outline of the relevant recommendations of the Sachs Report in the area of public funding and the commentaries of the Select Committee on the said recommendations. The second chapter proceeds with an analysis of the representations of members

² International Institute for Democracy and Electoral Assistance

³ This quote is taken from the webpage of International IDEA on the issue of funding of political parties – http://www.idea.int/publications/funding_parties/index.htm

of the public on the matter. Finally, the third chapter presents the views of the Select Committee on the whole issue of public funding of political parties.

As stated in the Preamble, this Report does not seek to address all the issues that may be relevant to the funding of political parties in Mauritius but is meant to be a stepping stone in the process of framing a realistic and sustainable system for the financing of local political parties.

CHAPTER 1
THE RECOMMENDATIONS
OF THE SACHS REPORT

Bearing in mind its terms of reference, the present Select Committee has looked into two particular aspects of the Sachs Report:-

- (a) The Draft Public Funding of Political Parties Bill; and
- (b) The current ceiling imposed on election expenses

1.1 The SACHS' Commission Proposed Bill on the Public Funding of Political Parties⁴

One of the Terms of Reference of the Sachs Commission was to propose a draft Public Funding of Political Parties Bill. The Sachs Commission was given the unusual task of proposing draft legislation, which would be a starting point to foster debates and which would eventually lead to full-fledged legislation. The salient features of the Bill are:

- (a) Structures and mechanisms relating to the registration and accountability of political parties;
- (b) The creation of a Political Activities Public Financing Fund; and
- (c) Mechanisms for restricting campaign expenditure.

The said features are examined in some detail below.

⁴ The full text is set out at Appendix 1

1.1.1 Structures and mechanisms relating to the registration and accountability of political parties

This aspect is covered in Part II (i.e. clauses 3 to 12) of the Bill and provides for-

- (a) an enhanced role of the Electoral Supervisory Commission as a regulator;
- (b) political parties to be bodies corporate after registration; and
- (c) political parties to keep periodical audited accounts.

The Select Committee views these provisions as being satisfactory overall as they do enhance the regulatory environment in which political parties evolve.

1.1.2 The Creation of a Political Activities Public Financing Fund

1.1.2.1 Structure and objects of the Fund

The draft Public Funding of Political Parties Bill proposes the creation of a Political Activities Public Financing Fund, the objects of which shall be to provide funding for-

- (a) Registered political parties represented in the National Assembly; and
- (b) Candidates having scored 15% of the votes cast in any constituency at an election.

The Fund would be managed and administered by the Electoral Supervisory Commission

1.1.2.2 Sources of Assets for the Fund

The Public Funding of Political Parties Bill suggests a number of sources of assets for the Fund-

- (a) Money appropriated to the Fund by Parliament;
- (b) Contributions and donations made to the Fund by individuals resident in Mauritius and abroad;
- (c) Carefully restricted and regulated funding by companies;

- (d) Interest earned on moneys belonging to the Fund and invested with banks or in securities; and
- (e) Moneys lawfully accruing to the Fund from any other source.

1.1.2.3 Mechanisms for restricting campaign expenditure

The Draft Bill proposes that all the expenditures of a political party be authorised in writing by the treasurer of the party and that the treasurer be personally liable in the event the authorised campaign expenditure limit is contrary to law. We do believe that those proposals will reinforce control over campaign expenditures and make them ours.

1.1.3 Commentaries of the Select Committee

It appears at the outset that the creation of a common pool of funds will create a level playing field between the different contenders in the political arena and will help in furthering the democratisation of the electoral process in Mauritius by ensuring that political parties have a common source of funding.

However, we do have certain qualms about having this common fund as the sole avenue for the financing of political parties for the following reasons:

- (a) The Sachs Report limits the application of the fund in the manner set out at paragraph 1.1.2.1 in the sense that only registered parties represented in the National Assembly and the candidate having scored more than 15% at an election would benefit from the Fund. The limitative application of the Fund may result in two outcomes which we deem would do injustice to the whole electoral process. Firstly, the strict application of the funding mechanism recommended by the Sachs Report would mean that essentially major political parties would benefit from the Fund, thus denying emerging political parties the opportunity for development. This may lead to a 'natural selection' process taking place in the political arena and resulting in the 'ossification' of older political parties which have been in power for a long time. In other words, there will be little or no possibility of turn over of political parties sitting

in the National Assembly as a result of this. The reader will certainly appreciate how vital the ease of turn over of political parties in power is in a dynamic democracy.

- (b) The creation of a common pool of funds would also mean that private contributors to the Fund might find themselves in the awkward position of financing a political party, the ideologies of which they do not espouse or are repugnant to their own.

The Select Committee has thoroughly addressed its mind to the creation of a Political Activities Public Financing Fund. It has also considered the advantages and disadvantages of creating such a fund – the apparent advantage of creating a level playing field and the disadvantages of ossification and imposing ideologies on voters. The Select Committee has also considered the added disadvantage in terms of the financial strain that the Fund would impose on public finances.

After carrying out a balancing exercise, Your Committee is of the opinion that the creation of a Political Activities Public Financing Fund might not be the most appropriate step towards reshaping the structure of political financing in Mauritius.

1.2 THE CEILING IMPOSED ON ELECTION EXPENSES

Limits must undoubtedly be set on the maximum amount of money that may be spent by an individual candidate or by a political party during a general election. However, the spending limits for individual candidates and political parties are currently set at unrealistically low levels⁵ and constitute a mighty inducement to candidates to under declare their expenditure when making their returns. To quote the Sachs Report, these ceilings are observed only in their breach. It is the opinion of the Select Committee that those levels should be revised upwards to a level which a campaign would reasonably cost in order to abate and reduce the potential for violations.

⁵ According to section 51 of the Representation of the People Act, the current spending limits are as follows:

In respect of a National Assembly Election-

- (i) where the candidate does not belong to any party, or there is no other candidate belonging to the same party at the election in a constituency, Rs. 250,000;
- (ii) where the candidate is not the only candidate belonging to a party at the election in a constituency, Rs. 150,000

At the request of the Select Committee, the Central Statistics Office has carried out an exercise to estimate the costs borne by candidates in 2000 and the costs expected to be borne by candidates in 2005. At the outset, it has to be stressed that the object of this exercise was not to criminalise conduct but to foster transparency. The results of the exercise (set out at Appendix 5) show that the estimated mean expenditure in 2000 was Rs. 633,700 and the expected mean expenditure in 2005 will be around Rs. 1,000,000. In the light of the exercise of the Central Statistics Office, the Select Committee is of the opinion that the spending limit should be set at a more realistic ceiling in order to remove the perception that such ceiling is observed only in their breach. The spending limit at a general election should accordingly be set uniformly at Rs. 1,000,000 for individual candidates as well as candidates forming part of a political party. It must further be made possible to revise this figure by way of regulations.

The Select Committee is also of the opinion that a distinction has to be drawn between campaign and non-campaign (i.e. expenses not related to any actual election) expenditure and that those terms ought to be carefully defined in legislation dealing with political funding.

CHAPTER 2 **REPRESENTATIONS OF MEMBERS** **OF THE PUBLIC**

2.1. PRELIMINARY

The Select Committee wishes to place on record its appreciation and thanks to the members of the public for their valuable contribution to its work on the present Report. The issue of political funding is no doubt a burning issue on which serious concern has been voiced from various quarters. However, the Committee notes with regret that it has not been gratified with any contribution from those very quarters who, in the past, have been most outspoken on the subject.

The Select Committee has heard all the persons who expressed the wish to depone before it. A list of those persons is at Appendix 2.

At Appendix 3, we have set out in tabular form a summary of the main written representations made by members of the public on the issue of funding of political parties. In this chapter, we propose to examine in some detail some of the main representations from members of the public and submit our views thereon.

2.2 Funding of political parties by private individuals who are not members of the parties

2.2.1 General

We have had the benefit of hearing the views of those who are for and against the funding of political parties by private individuals who are not members of the said political parties.

Our Constitution guarantees freedom of expression. Any attempt therefore to curtail the right of an individual to fund a cause or party in which he believes would be an unjustified and unwarranted attempt to indirectly curtail that freedom. This is, of course, subject to the said cause not being illegal, immoral or contrary to public order, policy or security. It is hence the opinion of the Select Committee that the legitimate right of an individual to fund a cause or a party in which he believes should be strongly upheld, if not enhanced.

2.2.2 Enhancing the Participation of Private Individuals in the Funding of Political Parties by granting Tax Credits

The Select Committee embraces the view that one of the ways in which individual participation in the funding of political parties can be enhanced is by providing tax relief to individuals who fund political parties. It is our opinion that such tax incentives would encourage political parties to opt for small donations from a large number of donors rather than large donations from a small number of donors, thereby creating a level playing field as between the different political parties. However, there is a risk that the allocation of such tax relief may lead to undue influence or pressure or even arm twisting tactics on the part of political parties. Thus, a system of tax relief on political donation by individuals should be introduced with adequate safeguards, in its implementation.

2.3. Funding by the State

2.3.1 General

In the representations that this Select Committee has received from the public, there have been calls for some measure of state funding, either fully or partially. In this section, we therefore look into the arguments regarding state funding. We also explore the possibility of a halfway house and a regulatory regime that we consider desirable for the structure of state funding to work effectively.

2.3.2 The arguments in favour of state funding

The main argument in favour of state funding is that such a form of funding will ‘purify’ the political process (in the words of the Fifth Report of the Committee on Standards in Public Life⁶) as it will discourage political parties from relying on large donors in order to raise funds.

A second argument in favour of state funding is that it creates a level playing field as between political parties, initially at least, as it will enable political parties to run their basic activities more fully and effectively.

⁶ Paragraph 7.16 thereof

2.3.3 The arguments against state funding

The most objectionable result of state funding is that the taxpayer will find himself financing political parties and causes which he does not necessarily support.

A second argument against state funding is that the level playing field that it initially purports to create can disappear with the passage of time as the older parties having been ‘fed’ on state funds for years will have acquired a sound organisational structure while emerging parties will find it difficult to keep up with that trend. This is especially true in a system where the level of state funding is dependent on the proportion of votes received at previous elections.

A third argument running alongside the previous one would be that a system of state funding which is not properly regulated may lead to an over-proliferation of political parties.

A fourth argument is that the state might eventually ‘capture’ political parties (in the words of the Fifth Report of the Committee on Standards in Public Life⁷), meaning that a political party may end up eventually representing the interests of the state which is funding its operations as opposed to representing the interests of the people who have elected it.

A fifth argument which might be considered very relevant especially within the Mauritian context is the impact and strain that state funding might place on the national budget.

2.3.4 The Views of the Committee on the issue of State Funding

2.3.4.1 General

It is now increasingly acknowledged that the state has a major role to play in the advancement of democracy through an independent source of political funding. The overwhelming trend in Western democracies, with the notable exception of Britain, is the forceful involvement of the state in the financing

⁷ paragraph 7.22 thereof

of political parties. In many countries, the state contributes to the administration, organization and research activities of political parties. The state also provides partial reimbursements to candidates and parties for election campaign expenses, extends matching grants and tax concessions on contributions. The basis for allotting state funds to parties for campaign and non-campaign purposes is generally on the basis of each party's public support, e.g., its performance in past general elections as measured by the percentage of the national vote obtained, or the relative number of seats in the legislature.

2.3.4.2 Fairness to the Opposition

With regard to the opposition, the Committee is of the view that it should be given a measure of support to compensate them for those facilities that are otherwise not available to them but available to the governing party. Political parties, especially opposition parties in Parliament, may therefore be given an additional financial support to assist them in the performance of their parliamentary duties. This is the case in Britain where state financial assistance has been extended to opposition parties under a scheme introduced in 1975 in the House of Commons. Opposition parties represented in Parliament receive an annual amount of public funds which is valued as the cost of not receiving the state-funded advice⁸ that the governing party or parties do. This is an acknowledgement of the fact that the opposition parties need funds to carry out their parliamentary duties, and in addition undertake research and formulate their policies.

This is a policy which this Committee would recommend implementing in Mauritius. However, the implementation of this policy has to be carefully balanced against any impact it may have on the national treasury.

2.3.4.3 Extent and Control of State Funding

The 1998 Neill Committee Report – entitled “*The Funding of Political Parties in the United Kingdom*” which contained a number of recommendations for political funding reform, made a strong case for additional, albeit limited, financial assistance to political parties to help them with the vital function of long-term policy development. The British Government has accepted the Neill Committee's Recommendations to

⁸ from the Civil Service or otherwise

⁸ from the Civil Service or otherwise

establish a Policy Development Fund to provide grants of up to GBP 2m annually to all political parties for the development of their policies.

We do not specifically recommend the principle of direct state support for the financing of political parties and of electoral campaigns. However, the Committee is of the view that should such a policy be adopted in Mauritius, it should be under the supervision and control of the Electoral Supervisory Commission and the state may assist parties financially in working out a long-term policy⁹. A specified total amount of resources should be earmarked annually in the Budget to finance a Special Fund to be set up and administered by the Electoral Supervisory Commission. The latter may in turn allocate from this Special Fund an amount of money annually to all political parties in proportion to their electoral support. The allotment formula for party funding should ideally be based on a combination of the party's share in the national vote and of its relative seat representation in the legislature. Only parties with a minimum of 10% of the national vote in the last election would be entitled to public funds and there appears to be unanimity with regard to the imposition of a threshold.

Direct state funding is traditionally intended to support the non-election expenses of political parties. Every party organization needs a minimum of financial resources to support its daily non-election activities, such as running a permanent office staffed by a few full-time personnel engaged in administrative duties, commissioning public surveys and private opinion polls on a regular basis, and carrying out fundamental policy research work on all relevant public issues. The state may also consider giving to each candidate during election time the right to free postage of electoral communications to electors and consider the desirability of allowing the political parties or candidates to make free use of public schools, community centres and other public buildings or places for the purpose of holding public meetings.

⁹ In the U.K, the Government is proceeding with the setting up of a Policy Development Fund for this very purpose.

As regards election campaign expenditures, a Special Fund managed by the Electoral Supervisory Commission may partly reimburse the campaign costs of political parties and candidates (10% for candidates and 20% for parties), from matching contributions from the Budget. Reimbursement entitlements are valid only in respect of expenditures within the authorized spending limits. Eligibility criteria for reimbursements should also be applied. A candidate should have obtained at least 20% of the votes cast in his constituency to be entitled to such reimbursements. For a party to claim reimbursements, the votes obtained by all its candidates should represent at least 10% of total votes cast nationally. The Electoral Supervisory Commission would be responsible for verifying, approving and making payments for reimbursements from the Special Fund.

We have purposely suggested that the reimbursement be kept low at this initial stage in order to limit its financial impact on the national budget. However, the state is not precluded from increasing at a later stage that reimbursement threshold, should prevailing financial conditions in the country improve.

2.3.5 Regulation

We strongly recommend that state funding, if adopted, ought to be closely monitored by appropriate regulation. First of all, political parties ought to be properly registered with a regulator (in the circumstances, the Electoral Supervisory Commission) so as to ensure that political parties are not merely created for the purpose of receiving state grants. Secondly, political parties ought to supply audited summary financial statements and accounts to the regulator so that the regulator may monitor the use of state funds. Finally, appropriate sanctions should ensue for misuse of state funds.

2.4. Funding by companies and pressure groups

From the representations we have received from the public, it appears that the idea of funding by companies and pressure groups is repugnant to the public inasmuch as there is a widespread perception that such organisations have ulterior motives. However, as we have pointed out in our introduction, it is not the funding of political parties as much as the manner in which the funding is carried out that needs to be monitored and controlled. It is thus

our view that such organisations can legitimately fund political parties provided:-

- (a) there is adequate disclosure; and
- (b) a regulator be given sufficient power to intervene where there is a real risk that political parties are being funded with ulterior motives.

2.5. Funding by foreigners

Some of the representations we have received have expressed reservations regarding the funding of political parties by foreigners.

The Select Committee shares the reservation and recommends that the receipt of funds from foreign governments or institutions by political parties is objectionable for the simple reason that such a practice may prejudice national interests and jeopardise the sovereignty of the country and should simply be banned.

As regards funding by foreign private individuals, the Select Committee has in principle no objection to such a practice so long as such practice is not a sham permitting the diversion of money for purposes other than that for which they had been disbursed.

However, the Select Committee is inclined to believe that it would be in the superior interest of the country to ban political funding from foreigners altogether, including private individuals. That would spare the country at large from some of the blushes and embarrassment to which other countries have been exposed following the disclosure of the identity of their disreputable donors.

2.6. Common pool of funds

There has been a representation from a deponent in favour of the creation of a common pool of funds out of which political parties would be funded. However, for the reasons mentioned in Chapter 1, the Committee is of the opinion that the funding of political parties out of a common pool of funds would not be the ideal or appropriate solution in the Mauritian context.

2.7. Other issues

In the representations we have received, there are certain issues which do not strictly pertain to funding but which we have deemed worth taking up here.

2.7.1 Conduct of the Electoral Campaign

In some of the representations made by members of the public, there have been suggestions regarding the following:

1. prohibiting political parties from providing transport to electors during elections;
2. prohibiting political parties from making use of paid canvassers;
3. prohibiting political parties from using banners during electoral campaigns; and
4. prohibiting political parties from holding any “base” following nomination day. (In the local context, a “base” is any temporary or permanent structure used by agents of a political party during election time.)

The above practices, however, are solidly rooted in our political traditions and have pervaded our system for decades. The Select Committee is therefore of the opinion that one has to adopt a cautious approach to reform in that area. This is not to say, however, that we unconditionally subscribe to the manner in which the players in the political arena have traditionally operated. On the contrary, whilst we do not recommend stringent regulation of those matters by means of rigid legal rules, the Committee does agree that there needs to be checks in the manner in which players in the political arena operate. It would be appropriate to regulate these practices by means of a code of conduct along the lines recommended by the Sachs Report which is set out in Appendix 4.

The Select Committee further recommends that the whole issue be revisited at a subsequent stage and considerations be given at an appropriate time, to the banning of such practice.

2.7.2 An Enhanced Role for the Electoral Supervisory Commission

In the various representations of the members of the public, there have been calls for an enhanced role for an independent Electoral Supervisory Commission.

This Committee fully subscribes to the view and is of the opinion that the Electoral Supervisory Commission should assume a greater and more significant role as a regulator in ensuring fairness in elections. To that end, this Committee is of the opinion that the above-mentioned Code of Conduct should after adoption be actively promoted by the Commission in devising strategies through educational campaigns and to ensure compliance with the Code.

CHAPTER 3
FURTHER RECOMMENDATIONS OF THE SELECT COMMITTEE ON THE
SUBJECT OF FUNDING OF POLITICAL PARTIES AND OTHER
COLLATERAL ISSUES

3.1. Preliminary

In the first two chapters of our recommendations, we have considered certain issues which have arisen out of the Sachs Report and out of the representations made by members of the public. In this chapter we shall look into other issues which have not necessarily arisen from the Sachs Report or from the representations of the members of the public, but which we deem nonetheless important.

3.2. Accountability of political parties and the fight against corruption

In return for political contributions, undue pressure or influence may be made to bear on parties and politicians to give improper favours once in power. There are even suggestions that election campaign funds are sometimes raised on the promise of eventual interference for the award of government contracts to reward donors. The temptation is great and the potential for corruption or corrupt practices are even greater. A governing party may exert an influence on public authorities in order that companies be allocated public contracts, and may use this power to grant undue favours to its donors and also to demand funds for the party's coffers. Public building and civil engineering works, BOT and other special concession schemes exempted from standard procurement procedures, the sale of state-owned companies and assets, the allocation and lease of state lands, the award of land division (morcellement) permits and the conversion and/or rezoning of agricultural land, the granting of special tax and duty concessions are but some of the areas where parties and politicians in power may reward their financial contributors and collect kick-backs. In this chapter, if we have not, on the issue of corruption, referred to malpractice by government administrators and officials, it was not an omission or accidental. It was intentional, because they do not fall within the ambit of the terms of reference of this Committee.

The best defence against the cancerous spread of corruption in politics or in our society at large is openness and transparency. The finances of political parties and candidates should therefore be open and transparent. Secrecy breeds corruption while openness and transparency promote and encourage

clean politics. Transparency acts as a powerful guard against corruption and promotes trust and accountability in the electoral process. Comprehensive and timely disclosure regulations promote accountability and control the potential for corruption. These therefore should constitute the cornerstone of any reform of the system of political finance.

We recommend that political parties and candidates should be required to maintain adequate and detailed audited accounts of the sources of their funds and their expenses during and between elections, and political parties be required to file these audited accounts on an annual basis to the Electoral Supervisory Commission. Unsuccessful candidates should also be required to file audited accounts for two years, namely in an election year and the following year. In the case of a general election reporting at regular intervals is desirable from the date the polling day is announced.

Large contributions above a certain threshold to political parties and to candidates, should be publicly declared by donors to the Electoral Supervisory Commission. The information disclosed to the Electoral Supervisory Commission must be made accessible to the press and the public at large, through annual and other periodic reports of the Electoral Supervisory Commission, inspection at the offices of the Electoral Supervisory Commission, or on its internet web site.

In Chapter 2 above, we have analysed in some detail the issue of funding by foreigners. However, to prevent foreigners, whether individuals or corporate bodies, from exerting undue influence over our domestic policies, contributions by foreigners to local parties and candidates should be proscribed. This is indeed the policy of a vast number of countries to which we have had the opportunity of referring to in the course of our research. This would also appear to be the stand taken by all those to whom the question has been directed.

The policy of requiring financial transparency will prevent, discourage and deter special influence, corruption and corrupt practices. The public has a right to know the sources from which candidates and parties draw their money. With better information about the financial forces behind each candidate and party, the public will be better informed and guided in making voting choices. Improper rewards to donors are much less likely if political contributions are declared and published. We also note with satisfaction that in recent years, prosecutions of politicians on corruption charges in many

countries have increasingly been based on information filed in campaign returns and other disclosure reports.

Finally, as regards accountability, we recommend that the existing practice of filing a statutory declaration of assets by elected members under the Declaration of Assets Act should be maintained, with the difference that the depository authority should under any new law be the Electoral Supervisory Commission instead of the Clerk of the Legislative Assembly, as provided for in the Declaration of Assets Act.

3.3. Fairness in Elections

Elections must not only be free but also fair, as set out in a number of international instruments (for instance, Article 21 of the 1948 Universal Declaration of Human Rights). Fairness is a basic principle of truly democratic practice: An imbalance in political funding between parties in elections distorts electoral competition. If one party or a candidate is able to attract and spend disproportionately large funds, it stands to gain a substantial advantage over other parties and candidates. Governing parties and their candidates in bye-elections have been, rightly or wrongly, perceived as having the advantage of fairly huge campaign funds at their disposal and utilising those funds to unduly influence voters. This is understandably one of the most powerful reasons for the call across party lines for the need to ensure a really free and fair election.

To ensure greater fairness and a more level playing field, our electoral legislation already provides for limits on election expenses by individual candidates during the campaign period, as laid down in Part IV of the Representation of the People Act. The alleged open and overt violations of these spending limits by any party, and more particularly a governing party, may affect the election process and pervert its outcome.

The existence of various loopholes further blunts the relevance of the statutory control of election expenses. The election expenses of party organizations are not subject to any restrictions and they do not have to make reports on their finances. Donations are allegedly made in raffia “tents” or brown envelopes or suitcases of bank notes which are euphemistically referred to as contributions in kind. Unaccounted payments

are then apparently made to voters in cash or in kind. A number of measures are required to remove these loopholes and foster fairness in elections.

3.3.1 Limits on Electoral Expenses and Proper Accountability Structures

Limits on electoral expenses and proper accountability structures will no doubt help in fostering fairness at elections. Those issues have been extensively dealt with in previous sections of this Report and we do not propose to deal further with these issues.

3.3.2 Public Broadcasting

A proper broadcasting environment would no doubt be conducive to fostering fairness in elections.

Public broadcasting is a dominant medium of communication in Mauritius. When government had complete monopoly and control over radio and television broadcast, the opposition claimed it was deprived of an essential means of presenting its views to the public in a fair and unbiased manner. Successive government parties have been fairly or unfairly blamed for abusing airtime. They have been rightly or wrongly charged with projecting themselves unashamedly through propaganda over television and radio, while the opposition parties almost invariably complain of receiving only meagre opportunities to present their message to the public. There is arguably a need for intervention in this area.

Even if some opposition parties may have the means to purchase broadcasting time, the costs of such paid political advertising would put parties devoid of strong financial resources at a major disadvantage. It is therefore considered fair that the purchase of political broadcasting time during elections should not be allowed and that all parties be relieved from incurring heavy broadcasting expenditures. Broadcasting time should be allocated freely to all parties participating in an election for political broadcasts during elections on the basis of an existing formula or a formula determined by the Electoral Supervisory Commission after consultation with the parties concerned.

The practice of allocating free broadcasting time to all parties has existed in some form or other when the Mauritius Broadcasting Corporation was the sole broadcaster. Although this is not strictly speaking within our terms of reference but has some bearing on fairness in the political arena, we are of the opinion that with the coming into operation of new stations, a new broadcasting legislation is recommended. The said legislation may provide that all broadcasting stations without exception be obliged in the public interest to transmit party election broadcast as a condition of their licences and thus provide access freely to political parties during election time. We are of the opinion that any political broadcast ought to be shown at the same time on all the main television and radio channels. The Electoral Supervisory Commission ought to have a role, in conjunction with the independent broadcasting authority, in the drawing up of rules for political party and election broadcasts, and would act as a broadcasting arbitrator to ensure that all parties and broadcasting stations observe the allocation criteria of free broadcasting time.

Where a private station refuses free air time to any political party, it ought in the public interest to be prohibited from airing any political broadcast in any manner or form.

Moreover, the Electoral Supervisory Commission should also be entrusted with the power to ensure that the news broadcasts during election campaigns are fair and that the news coverage is governed by the principle of political neutrality. The proportion of time devoted to the different political parties in news and current affairs programs should be in the same ratio as the entitlement of the parties to free broadcasting time.

3.4. The issue of donations to political parties

Your Committee recommends that donations to political parties ought to be carefully regulated.

3.4.1 Definition of donations

In our view, the definition of ‘donations’ is not to be confined only to monetary donations but should also comprise gifts in kind, goods and services received at beneficial rates and sponsorship deals and should include:

- (a) any gift, money, or property (including property bequeathed in a will);
- (b) any subscription or affiliation fee;
- (c) any money spent by a third party, in paying expenses incurred directly or indirectly by a political party;
- (d) any money lent to a party otherwise than on commercial terms;
- (e) the provision other than on commercial terms of any property, service or facility for the use or benefit of a party; and
- (f) the provision of any sponsorship.

The value of voluntary services provided by members and supporters is to be excluded. Similarly, wherever possible, where payments or benefits in kind are derived from statute, these are also excluded. One example we have in mind is free airtime for political broadcast and free postage of a communication to electors.

3.4.2 Recommended measures to be taken in relation to donations to political parties

Your Committee makes the following recommendations on the issue of donations-

- (a) banning of foreign donations to political parties;
- (b) ensuring open declaration of funds received above a certain threshold: Rs 100,000 nationally from anyone source or Rs 10,000 in any one constituency;
- (c) compelling political parties to reject anonymous donations more than Rs 10,000 or from persons not registered as an elector in Mauritius as well as from corporations not incorporated in Mauritius. And in the case of registered corporations and partnerships, trusts and voluntary

organizations, a further written undertaking must be given to ensure that they are carrying on business wholly or mainly in Mauritius;

- (d) making the annual accounts of political parties accessible to the public; and
- (e) requiring political parties to hand over to the Electoral Supervisory Commission a scheme of their internal structures so as to allow the Electoral Supervisory Commission to identify those organs of the party to which the lower threshold for the reporting of donations apply. Parties must be given a time limit of not less than 30 days to undertake enquiries about the *bona fides* of a donor before deciding whether to accept or reject a donation.

3.5. Disclosure

The Select Committee is of the opinion that disclosure is essential in fostering a healthy electoral funding process

3.5.1 Duty to disclose

We recommend that duties to disclose should be imposed in the following areas:

- (a) disclosure by donors to the Electoral Supervisory Commission of contributions above a certain threshold, in cash and kind, to parties and candidates. Records of these large donations would be made available for inspection by the public at the offices of the Electoral Supervisory Commission and on the internet.
- (b) disclosure by political parties of their audited financial accounts on an annual basis, with details of the sources of party funds and of election and non-election expenses, to the Electoral Supervisory Commission, in the form and manner that may be prescribed. The financial accounts of parties will be made available to the public by the Electoral Supervisory Commission annually in print and on the internet.

- (c) disclosure of audited financial accounts for the period beginning from the nomination day to the polling day by political parties and individual candidates. Annual reporting to the Electoral Supervisory Commission is to be made at the end of the fiscal year except in the period leading to general elections when regular reporting¹⁰ would be required.

3.5.2 Disclosable donations

As already adumbrated in paragraph 3.4.2, we recommend that those include:

- (a) a single donation of Rs. 100,000 or more, from any one source to a political party;
- (b) a single donation or a series of donations totaling Rs. 10,000 or more to any constituency branch in anyone financial year;
- (c) a single donation or a series of donations totaling Rs. 10,000 or more to any constituency branch in anyone financial year;
- (d) a series of donations totaling Rs. 100,000 or more, from any one source in anyone financial year to the party or to constituency branches; and
- (e) any further donation of Rs. 10,000 or more or a series of such donations, totaling Rs. 10,000 or more from the same source as one of the donations defined above, within the same financial year.

¹⁰ The reporting to be made from the date of the issue of writ to the polling day

Disclosure should include:-

- (a) full name and address of donor;
- (b) market value and actual value of donation;
- (c) date on which it was made; and
- (d) structure or organization within the party to which the donation was made.

3.6. Donations from companies

Whether donations by companies are banned or not, any company may, if it is so inclined, circumvent such ban by various means. There is therefore no point in banning, well knowing that the ban will in all likelihood be bypassed. It would therefore be wiser and more sensible to exercise stringent control on such activities. Strict guidelines should accordingly be imposed on companies making donations. As such the approval of shareholders or the fixing by shareholders of an amount of political donation that is permissible should be made a prerequisite to political donations by companies. Company directors acting outside the prescribed limit must be made personally liable for unauthorized donations. Additional attention is to be given to circumvention through subsidiary companies, which should also be regulated by law and also by adequate group accounting policies. Companies should further be required to disclose in the annual accounts the amount of donations in cash or in kind made to any political party.

The Directors Report should disclose political donations aggregating to Rs 10,000 or more. Separate disclosure is to be required for an amount spent in advertising or other promotional material which could reasonably be expected to be used for promoting public support to a political party.

The mere registration of corporations in Mauritius ought not confer upon them an automatic right to make political donations. They should be carrying a business wholly or primarily in Mauritius. Donations from unauthorised sources should be made the subject of criminal offence vis-à-vis not only any person making such donation but also vis-à-vis any person facilitating the making of such donation and the person accepting same.

3.7. Funding by religious organisations, parastatal bodies and pressure groups

In section 4 of the second chapter of this Report, we have taken on board the reservations of members of the public in relation to funding by companies and pressure groups.

While the Select Committee is of the opinion that funding by companies should be allowed under carefully controlled circumstances, we are on the other hand of the opinion that although there is no evidence of funding by religious organisations, such funding ought to be banned altogether. The reason for this is that it is better to leave “religion” or religious organisations and the state within their respective confines, which in the view of this Committee, is paramount in the preservation of the secular nature of Government obtaining under the Constitution of the Republic of Mauritius.

This Committee is also of the view that funding by parastatal bodies ought to be disallowed to avoid an awkward and embarrassing situation whereby an executing arm could exercise influence on a deciding head.

Finally, on the issue under consideration, while the Committee fully acknowledges the time-honoured principle of freedom of expression enshrined in our Constitution, the Committee also deems that funding by pressure groups ought to be strictly controlled in a healthy democracy in order to avoid the promotion of extreme views incompatible with and repugnant to the multicultural and multiethnic nature of our Mauritian society.

3.8. Revamping The Electoral Supervisory Commission

A strong and neutral enforcement of laws and regulations on political funding by the Electoral Supervisory Commission, endowed with sufficient powers to supervise, verify, investigate and if necessary recommend legal proceedings is recommended. The Electoral Supervisory Commission should be vested with wide powers to call for financial information from political parties and to enter their premises for inspection. In the same wake, we recommend that penalties for breaches of political finance regulations may have to be stiffened through fines and, if need be, imprisonment, forfeiture of parliamentary seats, or suspension of state funding.

Thus, the role of the Electoral Supervisory Commission should be reviewed and strengthened to cater among other things for: -

- (a) receiving and making available for public inspection, disclosable donations, and annual accounts reported to the Electoral Supervisory Commission by registered political parties;
- (b) investigating the financial affairs of political parties to ensure compliance with disclosure rules on party funding; and
- (c) receiving, scrutinizing and investigating accounts of general election expenditure by registered political parties and third parties.

A FINAL WORD

The above recommendations on political funding are based on the evidence adduced before the committee and the experience of other democracies. The implementation of these proposals will require amendments to several pieces of existing legislation, such as the Representation of the People Act, the Companies Act, the Income Tax Act, the Independent Broadcasting Authority Act and the Mauritius Broadcasting Corporation Act. It would be appropriate to implement these proposals through a separate Public Funding of Political Parties Act.

We also take the opportunity to draw the attention of Parliament to the effect that IDEA has also embarked on a similar exercise some 6 years ago and with an impressive panel of international experts on the subject, it has not at present come up with a final report.

Accordingly, whilst every effort has been made by the Committee to provide a comprehensive study of the funding of political parties within the Mauritian context, this study will inevitably not be as comprehensive as one would have wished it to be on account of material and financial constraints and the dearth of expertise available in Mauritius.

Finally, while we do not profess that our recommendations and proposals will eliminate all the evils which have wrongly been associated with the funding of political parties, we strongly believe that these recommendations will go a long way towards further strengthening and entrenching the tradition of free and fair elections that has always prevailed in Mauritius.

**E. Leung Shing
Chairman**

29 October 2004

Appendix I

PUBLIC FUNDING OF POLITICAL PARTIES ACT

PART 1 - PRELIMINARY

1. Short Title

This Act may be cited as the Public Funding of Political Parties Act, 2002

2. Interpretation

In this Act, unless the context otherwise requires -

"campaign expenditure", in relation to a registered political party means such authorised expenses incurred by or on behalf of the party for promoting, for political purposes, the party and its candidates during the campaign period;

"campaign period" means the period between the day the writ of election is issued and the proclamation of the results of the election;

"Commission" means the Electoral (Supervisory) Commission established under section of the Constitution;

"election purposes", in relation to a registered political party means for the purpose of or in connection with promoting or procuring the return of candidates standing in the name of the party or an alliance of which it forms part or otherwise enhancing with the electorate the standing of the party;

"Fund" means the Political Activities Public Financing Fund established under section 14 for the allocation -

- (a) to registered political parties represented in the National Assembly for the purpose provided by section 17 of moneys in terms of section 18;
- (b) to candidates to any election to the National Assembly, the Rodrigues Regional Assembly or any local authority having scored 15% or more of the votes expressed in their respective constituency or ward, such percentage of their electoral expenses as may be prescribed;

- (c) to every qualifying political party, at least two weeks before the date fixed for a general election, such sum as may be prescribed to help such party to finance its campaign expenditure for electoral purposes in favour of the candidates standing in its name;

"qualifying political party" means any registered political party or alliance of registered political parties already registered on the nomination day, which, on the occasion of a general election to the National Assembly, fields -

- (a) in Rodrigues, 2 candidates at least one of whom is a woman;
- (b) in the Island of Mauritius, 60 candidates at least twenty of whom are women.

"relevant matter" in relation to a registered political party means -

- (a) the name or home address of any registered officer of the party;
- (b) the address of the party's headquarters or, where it has no headquarters, the address to which communications to the party may be sent.

"registered political party" means an association or a body of individual citizens of Mauritius whose application for registration as a party under this Act has been approved by the Commission.

PART II - REGISTRATION OF PARTIES

3. Registration of political party

- (1) Any association or body of individual citizens of Mauritius calling itself a political party and intending to avail itself of the provisions of this Part shall make an application to the Commission for its registration as a political party for the purpose of this Act.
- (2) Every such application may be made at any time before the nomination day for election.
- (3) Every application under sub-section (1) shall be signed by the Chief Executive Officer of the association or body (whether such chief executive officer is known as secretary or by any other designation) and presented to the Chief Executive of the Commission or sent to him by registered post.

- (4) Every application shall contain the following particulars, namely:-
- (a) the name of the association or body;
 - (b) its official address;
 - (c) the address to which letters and other communications meant for it should be sent;
 - (d) the names and home address of its president, leader, secretary, treasurer and other office-bearers;
 - (e) the numerical strength of its members; and
 - (f) whether it is represented by any member or members in the National Assembly.
- (5) An application under sub-section (1) shall be accompanied by a copy of the memorandum of rules and regulations of the association or body by whatever name called, if any, and the application shall further contain a specific declaration signed by the Chief Executive Officer/Leader of the party that the association or body shall bear true faith and allegiance to the Constitution and to the principles of secularism and democracy and will uphold the sovereignty, unity and integrity of Mauritius.
- (6) The Commission may call for such other particulars as it deems fit from the association or body.
- (7) After considering all the particulars as aforesaid in its possession and any other necessary and relevant factors and after giving the representatives of the association or body reasonable opportunity of being heard, the Commission shall decide either to register the association or body as a political party for the purposes of this Part, or not so to register it.
- (8) Where it appears to the Commission that -
- (a) a party has not adopted a satisfactory scheme setting out -
 - (i) the arrangements for regulating the financial affairs of the party for the purposes of this Act;
 - (ii) how it proposes to comply with such requirements as may be prescribed by regulations made by the Commission;
 - (b) the membership of the party is restricted to persons of a particular community or religion or a group of such persons;
or

- (c) the party or its leaders promote ideas which are not compatible with the principles of equality of all the citizens in a democratic, sovereign and secular state;
- (d) the party functions in a manner which threatens the democratic and tolerant foundations of the nation; or
- (e) the name of the party is so resembling to the name of any other political party, even if not registered, as to be likely to cause confusion,

the Commission may refuse any application for registration.

- (9) Where the Commission refuses any application for registration it shall notify the party of the reasons for refusing same.
- (10) The leader of a party to which the Commission has refused registration may appeal to the Supreme Court against the Commission's decision in the manner provided for an appeal from a Magistrate pursuant to the District and Intermediate Courts (Civil Jurisdiction) Act but shall not be required to furnish security.
- (11) Every apolitical party shall, as from the date of its registration, be deemed to be a body corporate and shall have all the powers of a moral person.
- (12) The person registered as the party leader may also be registered as the party's official for any of the other posts referred to in subsection (4) or in the party's constitution, if any, provided there are at least three different officials for each political party seeking registration.
- (13) The party's leader shall be the overall leader of the party and may be assisted by a maximum of two deputy leaders.
- (14) The party's Treasurer shall be responsible for compliance by the party with the provisions of this Act concerning accounting requirements and control of allocations.

4. Changes to the Register

- (1) A registered political party may apply to the Commission to alter any relevant matter concerning it in the register.
- (2) Unless the Commission considers that an application under subsection (1) contravenes the provisions of section 3(8), it shall grant the application

- (3) Where the Commission refuses an application under this section, it shall notify the party of its reasons for refusing the application and the provisions of section 3 (10) shall also apply to the refusal of an application under this section.

5. Notification of changes in party's officers etc.

- (1) Where any relevant matter in a party's entry in the register ceases to be accurate, the Treasurer of the party shall notify the Commission of same.
- (2) A notification under subsection (1) shall specify the relevant matter in respect of which the registered particulars have ceased to be accurate and specify accurate particulars in respect of that matter.
- (3) A notification under this section shall be made within 28 days of the date when the change occurs.
- (4) Where the Commission receives a notification under this section, it shall cause the change required to be made in the party's entry in the register as soon as is reasonably practicable.

6. Confirmation of registered particulars

- (1) The treasurer of a party shall, at the time when the statement of accounts for any financial year of the party is sent to the Commission, notify the commission whether
 - (a) the particulars in the party's entry in the register remain accurate; or
 - (b) so far as is necessary to secure that such particulars are accurate, include any necessary information.
- (2) The treasurer shall also notify the Commission of any change occurring in the party's constitution.

7. Party ceasing to be registered

- (1) A party which is registered shall not be removed from the register unless -

- (a) the party applies to have its entry removed from the register;
 - (b) the party or its treasurer commits an offence under section 18; or
 - (c) in the opinion of the Commission, the party nor more satisfies one of the conditions specified in section 3(8).
- (2) On the removal of a party's entry from the register, the party shall cease to be a registered party.
 - (3) The leader of a party who is dissatisfied with the decision to remove the name of the party from the registry may appeal to the Supreme Court in the manner provided in section 3 (10).

8. Records

- (1) The Treasurer of a registered party shall ensure that accounting records are kept with respect to the party which are sufficient to show and explain the party's transactions.
- (2) The accounting records shall be such as to -
 - (a) disclose, at any time, with reasonable accuracy, the financial position of the party; and
 - (b) enable the Treasurer to ensure that any statement of accounts prepared by him complies with the requirements of this Act or regulations made thereunder.
- (3) The accounting records shall, in particular, contain -
 - (a) entries showing from day to day all sums of money received and expended by the party and the matters in respect of which the receipt and expenditure take place; and
 - (b) a record of the assets and liabilities of the party.
- (4) The Treasurer shall ensure that any accounting records of the party made for the purposes of this section are preserved for at least five (5) years from the end of the financial year in which they are made.
- (5) When a party ceases to be registered within the period of five (5) years mentioned in subsection (4), the obligation to ensure that

those records are preserved in accordance with that subsection shall continue to be discharged by the last Treasurer.

9. Statement of accounts

- (1) The Treasurer of a registered political party shall prepare a statement of accounts in respect of each financial year of the party.
- (2) A statement of accounts under this section shall –
 - (a) comply with such requirements as to its form and contents as the Commission may direct; and
 - (b) be approved by the registered leader of the party.
- (3) The treasurer of a registered party shall ensure that a party's statement of accounts prepared under this section is preserved for at least five (5) years from the end of the financial year to which the statements relates.

10 Annual audits

- (1) Subject to subsection (2), where a registered party's gross income or total expenditure in any financial year exceeds Rs 1,000,000, the accounts of the party for that year shall be audited by a qualified auditor.
- (2) Where the Commission considers it desirable to do so, it may direct that the accounts of a party whose gross income is less than Rs 1,000,000 should all the same be audited by a qualified auditor in any particular year.
- (3) An audit under this section shall be carried out –
 - (a) by the end of the period of six months from the end of the financial year in question; or
 - (b) not later than the end of the period of three months from the date of a direction under subsection (2).
- (4) Where it appears to the Commission that any accounts required to be audited have not been duly audited by the time mentioned in subsection (3) (a) or (b), the Commission may appoint a qualified auditor to audit those accounts.
- (5) The expenses of an audit carried out by an auditor appointed by the Commission, including the auditor's remuneration, may be

recovered by the Commission from the funds of the party concerned as a debt due to the Commission.

- (6) The Commission may, by regulations, provide for –
 - (a) the appointment of auditors to carry out audits under this section;
 - (b) the duties of auditors so appointed; and
 - (c) the removal or resignation of such auditors and matters connected with their removal or resignation.
- (7)
 - (a) Regulations under subsection (6) (c) may provide that such person as is specified in the regulations shall deliver to the Commission, in a case where an auditor is removed or resigns, a copy of all documents relating to the auditor's removal or resignation.
 - (b) Any person who fails to comply with a direction made under paragraph (a) shall commit an offence.

11 Supplementary provisions about auditors

- (1) An auditor appointed to carry out an audit under section 10 –
 - (a) shall have a right of access at all reasonable times to the party's books, documents and other records; and
 - (b) May require from the Treasurer or any other officer of the party such information and explanations as he thinks necessary for the performance of his duty as auditor.
- (2) If any person fails to provide an auditor with an access, information or explanation to which the auditor is entitled by virtue of subsection (1), the Commission may give that person such written directions as it considers appropriate for securing that the default is made good.
- (3) Any person who fails to comply with any directions of the Commission under subsection (2) shall commit an offence.

12 Revision of defective statements of accounts

- (1) Where it appears to the Treasurer of a registered party that any statement of accounts for any financial year of the party has not complied with the requirements of any regulation, he may prepare a revised statement of accounts.

- (2) A revision, under subsection (1) shall be confined to –
 - (a) the correction of those respects in which the statement did not comply with the prescribed requirements; and
 - (b) the making of any necessary consequential alterations.

PART III – POLITICAL ACTIVITIES PUBLIC FINANCING FUND

13. Establishment of Political Activities Public Financing Fund

- (1) There is established for the purposes of this Act, a Political Activities Public Financing Fund which shall be a body corporate.
- (2) The Fund shall be managed and administered by the Commission.

14. Objects of the Fund

- (1) The object of the Fund shall be –
 - (a) the funding of registered political parties represented in the National Assembly for the purposes of policy development as mentioned in section 17; and
 - (b) the payment to any candidate having scored 15% of the votes cast in any constituency for an election to the National Assembly, a local authority or to the Rodrigues Regional Assembly such percentage of the amount of his electoral expenses as may be specified by the Commission.
- (2) The Fund will be credited with –
 - (a) all monies appropriated to the Fund by Parliament;
 - (b) contributions and donations made to the Fund from individuals and companies resident in Mauritius or abroad;
 - (c) interest earned on moneys belonging to the Fund and invested with Banks or in securities;
 - (d) any money lawfully accruing to the Fund from any other source.
- (3) Subject to subsection (4) no Mauritian public company shall make any political donation unless there is a resolution of its shareholders authorizing it to do so.
- (4) A company may, in any year, donate to the Fund a sum which shall not exceed 5% of its declared profit in its previous financial year.
- (5) Any amount donated to the Fund in any financial year may, for the purpose of Income Tax, be charged as an expense of the Company in respect of the financial year when the donation is effected.

- (6) No company shall make any donation or contribution to any political party or any candidate or group of candidates to any election.

15. Deposit and investment of Fund's moneys

- (1) Subject to subsection (3), the monies of the Fund shall be deposited, in the name of the Fund, with a registered Bank in a separate banking account which shall be operated by the Commission.
- (2) All moneys allocated to political parties or to candidates in terms of section 14 shall be made from the Fund's banking account by means of crossed cheques marked 'payee's account only.'
- (3) Moneys of the Fund not immediately required for allocation to political parties or to candidates to an election in terms of section 14 may be invested on such terms and conditions as may be approved by the Minister of Finance.

16. Management and control of Fund

- (1) Subject to the supervision of the Commission, the Electoral Commissioner shall be responsible for the management and administration of the Fund and shall be its accounting officer and chief executive.
- (2) The Commission shall, in respect of each financial year, keep records, in accordance with generally accepted accounting practice and procedures of –
 - (a) all moneys received by or accruing to the Fund;
 - (b) all allocations and payments made from the Fund;
 - (c) all expenditure arising from the allocation of moneys from the Fund; and
 - (d) a current record of the assets and liabilities of the Fund.

17. Allocations of moneys from Fund

- (1) Every registered political party shall be allocated for any financial year during which it is represented in the National Assembly, such

proportion of the moneys allocated to the fund for the purpose of section 14(1) (a) as may be determined by the Commission.

- (2) Subject to subsection (3), no registered political party shall use moneys allocated from the Fund under subsection (1) for purpose of development other than –
- (a) the development of the political will of the people;
 - (b) bringing its influence to bear on the shaping of public opinion;
 - (c) inspiring and furthering political education;
 - (d) promoting active participation of individual citizens in political life;
 - (e) exercising influence on political trends;
 - (f) dissemination of its ideas for a better political and/or economic organisation of society;
 - (g) ensuring continuous vital links between the people and organs of state;
 - (h) ensuring better harmony and comprehension between various components of the Mauritian society; and
 - (i) such other purposes compatible with its functioning as a national political party, in a modern society committed to democracy and the fundamental human rights enshrined in Chapter II of the Constitution of Mauritius.
- (3) Allocations from the Fund for the purpose of subsection (2) shall be paid at the beginning of every quarter to each of the registered political parties entitled to same, according to the following principles –
- (a) one third of the sum appropriated by Parliament is to be allocated proportionally to the relation that the number of the party's representatives in the National Assembly bears to the membership of the National Assembly;
 - (b) a second third of the sum appropriated by Parliament is to be allocated proportionally to the relation that the number of the party's women representatives in the National Assembly bears to the total number of women members of the National Assembly; and
 - (c) the rest is to be allocated to the parties represented in the National Assembly on the basis of the percentage of votes obtained by candidates of the parties on the total number of votes obtained by the members elected according to the first past the post system.

- (4) No political party shall, without the permission of the Commission, use moneys allocated from the Fund for the purpose of subsection (2) -
- (a) to pay, directly or indirectly, any remuneration, fee, reward perquisite or other benefit to -
 - (i) any person representing the party in the National Assembly or any local authority;
 - (ii) any person who holds any office of profit under the State;
 - (b) to finance or contribute to any matter, cause, event or occasion capable of being in contravention of any code of conduct binding on the members of the National Assembly;
 - (c) to contribute towards electoral expenses in view of an election; and
 - (d) for any purpose which, in the opinion of the Commission, is incompatible with a political party functioning in a sovereign democratic secular state and which is committed to the fundamental rights enshrined in Chapter II of the Constitution.
- (5) The allocation of moneys from the Fund for the purposes of section (2) shall stop -
- (a) where the party ceases to be represented in the National Assembly; or
 - (b) as soon as the National Assembly is dissolved.
- (6) Where a registered political party ceases to be qualified for allocations under subsection (5), it shall, within 21 days after the day when it becomes so disqualified under subsection 5, repay to the Commission any unspent balance of all moneys allocated from the Fund for the purpose of subsection (2) as at the date when it ceased to be qualified.
- (7) A Treasurer who fails to comply with the provisions of subsection (6) shall commit an offence and shall, on conviction, be liable to a fine of not less than 25,000 rupees and not more than 50,000 rupees.

- (8) Where the Treasurer of a political party fails to repay to the Commission any unspent balance within the time specified in subsection (6), the Commission's Chief Executive shall recover such sum in the manner provided by the Recovery of State Debts Act, provided that any act which, under the said Act, is to be done by the Accountant General for the recovery of a debt shall be done by the Commission's Chief Executive.

18. Allocation to qualifying political party

- (1) Subject to subsection (2), there shall be allocated from the Fund to every qualifying political party a sum equivalent to one third of the sum which the party's candidates may, in terms of the Representation of the People Act, lawfully spend by way of electoral expenses for a National Assembly Election.
- (2) The sums payable to any qualifying political party under subsection (1) shall be paid to the party, by means of a crossed cheque marked payee's account only, at least 21 days before the date fixed for the election.
- (3) The treasurer of the party shall pay the whole amount received under subsection (2) into a special bank account from which payments for the party's campaign expenditure shall be made by means of crossed cheques.
- (4) The sum received by the party under this section shall be deemed to be spent for the benefit of all the candidates of the party to whose return of electoral expenses filed under the terms of the Representation of the People Act there shall be added that part of the sum paid to his or her party in respect of his or her candidature.
- (5) The Treasurer of a qualifying party shall within fifteen days after the election file with the Commission an affidavit describing in detail how the sum received under this section has been spent.
- (6) The Treasurer of a party who fails to file an affidavit or files an affidavit which is false in any material particular shall commit an offence and shall on conviction be liable to a fine of not less than Rs50,000 and not more than Rs100,000 and the party in whose name he was responsible to file the affidavit may be removed from the register of registered political parties.

19. Reimbursement to qualifying candidates

- (1) There shall be allocated from the Fund to every elected candidate and to every candidate having scored 15 percent or more of the votes cast in his constituency such percentage of his electoral expenses as may be prescribed by the Commission.
- (2) The sums payable under subsection (1) shall be so paid to every candidate as soon as possible after the candidate's return of electoral expenses has been examined and passed as correct by the Commission.
- (3) Where the Commission has reasonable grounds to believe that the candidate and his party have spent more than the maximum amount which a candidate or his party could lawfully spend in the relevant constituency, it may withhold any amount *prima facie* payable under subsection (1).

20. Political parties to account for moneys received from Fund

- (1) Every political party to which moneys from the Fund is allocated shall keep with a Bank, approved by the Commission, a separate banking account into which all moneys so allocated to the party shall be deposited and from which withdrawals shall only be made by means of crossed cheques marked "payee's account only" and signed by the treasurer of the party.
- (2) The treasurer of the party shall -
 - (a) account for all the moneys allocated to the party from the Fund;
 - (b) for each financial year during which money has been so allocated, keep separate books and records of accounts in respect of those moneys and all transactions involving such moneys;
 - (c) subject to section 18, within two months after the end of a financial year -
 - (i) prepare a statement showing all amounts received from the Fund, the party's application of such moneys

and the purposes for which the various amounts have been spent;

- (ii) cause the statement as well as those books and records of account kept by him to be audited by a qualified auditor; and
 - (d) ensure the party's compliance with all the requirements of this Act.
- (3) The auditor shall in his report express an opinion as to whether the moneys allocated from the Fund have been applied for a purpose other than one authorised by the Act.
- (4) The Treasurer of the party shall submit the auditor's report and his audited statement to the Commission within three months after the end of every financial year.
- (5) (a) Subject to paragraph (b), where the Commission has reasonable grounds to believe that a political party has failed to comply with the requirements of this Part, it may suspend any allocation of money from the Fund until such time as it is satisfied that such suspension is no longer justified.
- (b) No suspension of allocation shall be made under paragraph (a), unless the Commission has -
- (i) by written notice informed the party of the reasons for which a suspension is envisaged; and
 - (ii) called on the party to furnish, within such reasonable time as it may fix, reasons why the allocations from the Fund should not be suspended.

21. Recovery of money irregularly spent by political parties

- (1) Where any money allocated to a party under section 17 (1) or 18 (2) has been spent otherwise than in accordance with the requirements of this Act, that party's treasurer shall be liable to repay to the Fund any sum irregularly spent.
- (2) (a) Where the treasurer fails to repay to the Fund a sum irregularly spent within ten days of the sum being claimed from him, the Fund's Chief Executive shall, subject to paragraph (b), recover such sum -
- (i) in the manner provided by the Recovery of State Debts Act; or

- (ii) by setting off the amount irregularly spent against any allocation that may become payable to the party.
- (b) Any act required to be done by the Accountant General for the recovery of a debt under the Recovery of State Debts Act, shall, of the purpose of a claim under paragraph (a)(I), be done by the Fund's Chief Executive.

PART III - CONTROL OF PARTY'S CAMPAIGN EXPENDITURE

22. General restrictions relating to campaign expenditure

- (1) No campaign expenditure shall be incurred by or on behalf of any registered party unless it is incurred with the authority of the treasurer of the party or a person authorized by him in writing.
- (2) Any person who, without reasonable excuse, incurs any expenses in contravention of subsection (1), shall commit an offence.
- (3) Subject to subsection (4) where expenses are incurred in contravention of subsection (1), the expenses shall not count as campaign expenditure incurred by or on behalf of the party.
- (4) Where, during the campaign period, expenses are openly incurred for the benefit of a party, such expenses shall be deemed to have been incurred by the party unless the treasurer of the party publicly denounces such expenditure as unauthorized by the party and gives notice thereof to the Commission.

23. Restriction on payments in respect of campaign expenditure

- (1) No payment (of whatever nature) in respect of any campaign expenditure incurred or to be incurred by or on behalf of any party shall be effected by any person other than the treasurer or a person authorized by him in writing.
- (2) Any payment made in respect of any campaign expenditure shall be supported by an invoice or a receipt unless it is for not more than Rs200.
- (3) Any person who, without reasonable excuse makes any payment in contravention of subsection (1), shall commit an offence.

24. Restriction on claims in respect of campaign expenditure.

- (1) A claim for payment in respect of a party's campaign expenditure incurred during the campaign period shall not be payable unless it is sent to the treasurer or a deputy treasurer not later than 21 days after the date of the election.
- (2) The treasurer shall pay any claim sent in accordance with subsection (1) not later than 42 days after the date of the election.
- (3) Any person who, without reasonable excuse, contravenes the provisions of subsections (1) or (2) shall commit an offence.
- (4) In the case of any claim to which subsection (1) applies the person making the claim or the treasurer may apply to the Commission for leave to pay the Claim sent after the end of the period mentioned in that subsection and the Commission, if satisfied that for an special reason it is appropriate to do so, may grant leave.

25. Limits on campaign expenditure

- (1) No political party shall, during a campaign period, incur for election purposes, a sum exceeding one third of the total election expenses that may be incurred by all its candidates in terms of the Representation of the People Act or regulation made thereunder.
- (2) Where, during the period in relation to which any such limit applies in relation to a registered party, any campaign expenditure is incurred by or on behalf of the party in excess of that limit the party and the treasurer of the party if he authorised the expenditure or ought reasonably to have known that the expenditure would be incurred shall commit an offence.

26. Returns as to party's expenditure

- (1) The treasurer of every party shall prepare, in respect of campaign expenditure incurred by or on behalf of the party during any campaign period, a return which shall contain -
 - (a) a statement of all payments made in respect of campaign expenditure during the campaign period;
 - (b) a statement of all claims received after the delay provided by section 23; and
 - (c) a statement of all unpaid claims of which the treasurer is aware in respect of which an application has been made or is about to be made to the Commission under section 23(4).

- (2) A return under this section shall be accompanied by all invoices or receipt relating to the payments mentioned in subsection (1)(a).
- (3) The Commission may by regulations prescribe a form of return which may be used for the purposes of this section.

27. Auditor's report on return

- (1) Where during a campaign period the campaign expenditure incurred by or on behalf of a registered party exceeds Rs1 million, a report shall be prepared by a qualified auditor on the return in respect of such expenditure.
- (2) The provisions of sections 10 and 11 shall apply in relation to the appointment of an auditor to prepare a report under subsection (1) as they apply in relation to the appointment of an auditor to carry out an audit under section 10.

28. Delivery of returns to the Commission

- (1) Where any auditor's report falls to be prepared under section 26 or 27 the treasurer of the party shall deliver same to the commission within six months of the end of the relevant campaign period.
- (2) In the case of any other return falling to be prepared under section 26, the treasurer of the party shall deliver the return to the commission within fifteen (15) days of the end of the relevant campaign period.
- (3) Where, after the date on which a return is delivered to the commission under this section, leave is given for any claim to be paid, the treasurer of the party in question shall, within seven days after the payment, deliver to the commission a return of any sums paid in pursuance of the leave.
- (4) A treasurer who -
 - (a) fails to comply with the requirements of subsection (1) or (2) in relation to any return or report to which that subsection applies;

- (b) delivers a return which does not comply with the requirements of section 26; or
- (c) fails to comply with the requirements of subsection (3) in relation to a return under that subsection; shall commit an offence.

29. Declaration by treasurer as to return under section 26

- (1) Each return under section 26 shall, when delivered to the Commission, be accompanied by a declaration which complies with subsection (2) and is signed by the treasurer.
- (2) The declaration shall certify -
 - (a) that the treasurer has examined the return in question; and
 - (b) that to the best of his knowledge and belief –
 - (i) it is a complete and correct return as required by law, and
 - (ii) all expenses shown in it as paid have been paid by him.
- (3) A treasurer who commits an offence if knowingly or recklessly makes a false declaration under this section shall commit an offence and shall be liable on conviction to a fine of not more than Rs100,000 and to five years imprisonment.

30. Public inspection of returns under section 26

Where the Commission receives any return under section 26, it shall -

- (a) as soon as reasonably practicable after receiving the return, make a copy of same and of any documents accompanying it available for public inspection; and
- (b) keep any such copy available for public inspection for the period of two years.

PART IV - MISCELLANEOUS

31. Commission to report to Parliament on Fund

- (1) The Commission shall, as soon as possible after the end of each financial year –
 - (a) prepare a report regarding its management and administration of the Fund during that financial year;
 - (b) prepare financial statements in relation to the Fund, showing

- (i) the amounts received by and accrued to the fund during that financial year;
 - (ii) the allocations made from the fund to the respective political parties during that year;
 - (iii) the amounts spent during that year by each political party in connection with purposes classifiable under the generally descriptive categories which may be prescribed from time to time; and
 - (iv) the balance of the Fund and any amounts owing to or by the Fund as at the end of that year.
- (2) The Commission shall submit its report, the financial statements and the commission's books and records of account relating to the Fund to the Director of Audit for auditing.
- (3) Within 30 days after receipt of the Director of Audit's report, the Commission shall submit that report to Parliament together with the audited financial statements of the Fund.

32. Surplus moneys as at the end of financial year.

- (2) (a) Where at the end of any financial year, there is in the special banking account kept by a registered political party any unspent money same shall be shown in that party's relevant books and records of account as a credit balance forward to the next financial year.
- (b) Moneys so carried forward to the next financial year shall not be taken into account in determining any allocation to be made to the party concerned during the financial year for the purpose of section 17(1).
- (3) All moneys standing to the credit of the fund at the end of any financial year shall be carried forward to the next financial year as a credit balance.
- (4) (a) Where Parliament is dissolved every registered political party represented in the National Assembly shall close its books and records of account kept in terms of this Act not later than 21 days before the date set for the election and shall within 14 days thereafter submit an audited statement in respect of those books and records of account to the Commission.

- (b) Any registered political party that was represented in the National Assembly shall not later than five days before the day fixed for the election repay to the Commission the unspent balances, as at the date when its books and records of account are so closed, of all the moneys that had been allocated to it in terms of section 17(1).
- (c) Where a registered political party fails to comply with the requirements of paragraph (b), the treasurer shall commit an offence and shall on conviction be liable to a fine of not less than Rs25,000 and not more than Rs100,000.

33. Offences

Any person who fails to comply with any requirement of this Act or of Regulations made thereunder shall commit an offence and where no specific penalty is provided for such offence shall on conviction be liable, to a fine of not less than Rs10,000 and not more than Rs50,000.

34. Regulations

- (1) The Commission may make regulations for the administration of this act and such regulations may provide that any breach thereof shall constitute an offence punishable by a fine of not more than Rs 50,000.
- (2) Regulations made under subsection (1) need not be approved by the Minister before their publication in the Gazette.

35. Commencement

- (1) This Act shall come into force on a day to be fixed by proclamation.
- (2) Different days may be fixed for the coming into force of different Parts or sections of this Act.

APPENDIX 2**LIST OF PERSONS AND BODIES THAT DEPONED BEFORE THE
SELECT COMMITTEE**

- 1 Mr. J. C. Agathe
- 2 Mr. H. Bhundoo
- 3 Mrs. M. Castel
- 4 Mr. S. Clair
- 5 Mr. P. Claite
- 6 Mr. A. Emilien
- 7 Mr. P. François
- 8 Mr. F. Grandcourt
- 9 Mr. G. Jabeemissar
- 10 Mr. A. Leong Lone
- 11 Mr. J. P. Louis
- 12 Mrs. M. Meunier
- 13 Mrs. A. Perrine-Bégué
- 14 Mrs. J. Prosper
- 15 Mr. J. Purmessur
- 16 Mr. H. Rajah
- 17 Mr. A. L. Roussetty
- 18 Mr. J. Roussety
- 19 Mr. R. Sadien
- 20 Mr. R. Sithanen
- 21 Mr. S. Sooprayen
- 22 Mr. J. D. Spéville
- 23 Mr. R. Spéville
- 24 Mr. L. J. Von-Mally
- 25 The Electoral Commissioner
- 26 The Joint Economic Council
- 27 The Mouvement Socialiste Militant
- 28 The Muslim Council
- 29 Transparency Mauritius

APPENDIX 3

TABULAR ANALYSIS OF WRITTEN REPRESENTATIONS FROM DEPONENTS

The table below is a synopsis of the written representations made by members of the public.

	A	B	C	D	E	F	G
Status quo regarding current legislation			■				
No Public /State Funding			■				
Partial Public/ State Funding			■ *	■ **			■ ****
Full Public/ State Funding	■						
State handouts after election						■ ***	
Common Pool of Funds	■						
Tax Relief for Political Donations	■		■				■
Legitimate Funding by Legal Persons	■						

Legitimate Funding by Natural Persons ONLY							■
--	--	--	--	--	--	--	---

	A	B	C	D	E	F	G
Political Parties to monitor private donations							
Enhanced Role of Electoral Commission	■						
Electoral Commission to act as registry for political parties							■
Independent electoral commission answerable only to Parliament			■				
Political Party to submit yearly Returns	■						
Audited Accounts for Political Parties							■

	A	B	C	D	E	F	G
Review Electoral Boundaries so as not to favour a political party at the expense of another	▪						
ID Cards required for voting	▪						
Anonymous Donations to be banned			▪				
Full disclosure regarding donations			▪			▪	
Donations not to be accepted from foreign companies	▪		▪				
Companies to obtain approval of shareholders before companies may effect donations			▪				

Companies to disclose donations in accounts		■	■				
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	A	B	C	D	E	F	G
No Donations from foreign states			▪				
No donations from foreign individuals	▪						
Control on funding by pressure groups			▪				
Limits on Campaign Expenditure in general	▪		▪				
Limits on Campaign Expenditure of Candidates	▪						
Limits on Campaign Expenditure of Parties	▪						
Limits on Campaign Expenditure of Parties as opposed to limit on expenditure of Candidates			▪				

	A	B	C	D	E	F	G
Limit on donation to party			▪				
Limit to extend both at local as well as national level			▪				
Limit to extend to both cash and to benefits in kind			▪				
No use of religious Platforms to influence voters			▪				
No funding from persons who are not members of political parties				▪	▪	▪	

	A	B	C	D	E	F	G
Political parties not to provide transport to electors during elections				▪			
Political parties not to make use of paid canvassers				▪			
Use of banners and posters to be prohibited				▪			▪+
Open air political meetings to be prohibited				▪			
Political parties to make maximum use of media to defend their ideas				▪			

- * C recommended partial state funding in the following fields:
 1. Free mailing for candidates' election campaigns
 2. Free airtime for election broadcasts for political parties

- ** D recommended government financing airtime in both public and private radio and TV as well as press space to be used by candidates as well as political parties in pursuance of electoral campaign

- *** F recommended state handouts to parties polling at least 10% of votes

- **** G recommended partial funding of parties that would be registered with the Electoral Commission.

- + G recommended that specific spots be designated for posters and banners

APPENDIX 4**MODEL CODE OF CONDUCT RECOMMENDED BY THE SACHS
REPORT**

As per the Sachs Report¹¹,

The Model Code of Conduct ought to cover the following aspects:-

- it should lay stress on certain minimum standards of good behaviour and conduct of political parties, candidates and their workers and supporters during the election campaigns;
- it should deal with and regulate the holding of public meetings, processions by political parties and candidates (...);
- it should regulate the pasting of posters and placing of banners so as to confine them to appropriate places;
- it should prescribe how political parties and candidates should conduct themselves on the polling day and at polling booths; and
- it should deal with the conduct of the party/ alliance in power so as to ensure that it does not enjoy any undue advantage over other political parties and candidates(...).

¹¹ Paragraph 106 thereof

APPENDIX 5

ESTIMATE OF ELECTION COSTS BORN BY CANDIDATES IN 2000 AND 2005

ESTIMATE OF ELECTION COSTS BORN BY CANDIDATES IN 2000 AND 2005

1. Between 1989 and 2000 the Consumer Price Index (CPI) increased by a factor of 2.16.
2. However the CPI is not a good indicator of charges in election “costs” since the CPI basket relates to good and services consumed by the average private household.
3. Data from a sample of returns made by candidates at the last National Assembly elections indicate 5 main expenditure categories with weightage as in column 2 of table 1 below. If these weights are applied to a total allocation of Rs 250,000 (as in 1989) then the expenditure under each category is as shown in Column 3 of Table 1.

Table 1- Estimated amount spent by expenditure category, 1989

<u>Column 1</u> Expenditure Category	Column 2 <u>Weight (%)</u>	<u>Column 3</u> <u>Amount (Rs)</u>
(i) Publicity	55	137,200
(ii) Transport	27	68,000
(iii) Canvassing	7	17,400
(iv) Hire of premises	7	17,400
(v) Miscellaneous	4	10,000
<u>Total</u>	100	250,000

4. Information gathered from various sources (Annex) indicate that, between 1989 and 2000, the prices of goods and services in each expenditure category have increased as shown in Table 2. It is observed that between Rs 500,000 and Rs 767,400, or an average of Rs 633,700, would be required in 2000 to meet election costs totalling Rs 250,000 in 1989.

Table 2- Increase in expenditure between 1989 and 2000

Expenditure Category	<u>Increase from 1989 to 2000</u>		Expected expenditure In 2000 (Rs)
	Range	Average	<u>Range</u> <u>Average</u>
(i) Publicity	2 to 3 times	2.5	274,400 to 411,600 343,000
(ii) Transport	2 to 3 times	2.5	136,000 to 204,000 170,000
(iii) Canvassing	2 to 4 times	3.0	34,800 to 69,600 52,200
(iv) Hire of premises	2 to 3 times	2.5	34,800 to 52,200 43,500
(v) Miscellaneous	2 to 3 times	2.5	20,000 to 30,000 25,000
<u>Total</u>			500,000 to 767,400 633,700

66

5. The average expenditure of Rs 633,700 in 2000 represents an average annual increase of around 9% over the 1989 figure of Rs 250,000.

If this rate of increase is assumed for the period 2000 to 2005, then the expected average expenditure in 2005 will amount to Rs 975,000.

6. Table 3 shows the estimated expenditures in 2000 and 2005 for different nominal expenditures in 1989.

Table 3 – Estimated expenditures for 2000 and 2005 given nominal expenditures in 1989 (Rs)

<u>1989</u>	<u>2000</u>	<u>2005</u>
250,000	633,700	975,000
150,000	380,200	585,000
50,000	126,700	195,000

Price increases from 1989 to 2000

(i) *Publicity*

<u>Item</u>	<u>Increase</u>
Cloth for banners	1.5 times
Batteries
Balloons
Flags	1.2 times
Posters	0.7 times
Stickers	...
Advertising & Press Conference	...
Printed handouts and specimen ballots	...
T-Shirts	3 times
Rental of loudspeakers	...
Stationery	2.2 times
Postage	1.9 times
Mobile phone	...
Phone cards	...
Communique in radio/Tv	1.2/2.2 times
Communique in newspapers	1.4 times

Note: It has been stated from reliable sources that the cost of publicity has gone up by around 50% over the past five years i.e 8.4% per year. On this basis, it is estimated that publicity costs rose 2.5 times between 1999 and 2000.

(ii)	<u>Item</u>	<u>Increase</u>
	Hiring of buses	2-3 times
	Hiring of cars	...
	Gasoline	1.7 times
	Taxis	1.7 times

(iii) Canvassing

<u>Item</u>	<u>Increase</u>
Soft drinks	2.4 times
Fried Rice	2.6 times
Fees to clerks/agents/canvassers	2.5-3.0 times
Mineral water	2.6 times
Pain fourre	2.6 times
Snacks	2.6 times

Cigarettes 5.8 times

(iv) Hire of Premises

Item

Increase

Rent	2.8 times
Electricity	1.3 times
Water	2.6 times
Gas	1.3 times

..... Not available

**Central Statistics Office
September 2003**