

*Election Expenses Bill*

**Mr. John Burton (Regina East):** Mr. Speaker, welcome as this legislation is, welcome as is any legislation in the field of election expenses, I think we have to enter a large caveat with respect to the specific provisions of the bill and its over-all impact on this matter. My colleagues, the hon. member for Regina-Lake Centre (Mr. Benjamin) and the hon. member for Greenwood (Mr. Brewin), have dealt with a large number of points involved in this bill, the points they accept and the ones they criticize. I do not intend to go over the same ground that they covered.

I would like to discuss this bill taking into account two points. First of all, I think we need to relate the legislation to our society, to the relationship between government and people and to the role that government plays in society. I think there are serious questions we must ask, because whether we like it or not there are a great many people in Canada who are becoming disillusioned with the way in which the system operates. They are becoming disillusioned with democratic processes because all too often they see the sham and the hypocrisy that is involved in certain events, all too often they see what is done for the sake of gaining or retaining power. There is a large-scale reaction among many Canadian people to these phenomena. People are more aware than ever that some of the forces which control the destiny of our country also control the well-being of Canadians.

• (1530)

People are more aware of this now than they were in the past. They do not like what they see. They do not like the performance of the past several weeks culminating in the announcement today by the Prime Minister (Mr. Trudeau) that there will not be an election this summer. At least that doubt is removed and we know there will not be an election for some time, although the Prime Minister has been playing cat and mouse with the country for several months. People do not like to see our electoral system being played with; they feel it is not in the best interests of the functioning of democracy and see it as part of the process of breakdown of our democratic institutions. We should be looking for some change in the system of calling elections so that the power will not rest in the hands of one man as it does now under our constitution.

That is one part of the picture, Mr. Speaker. Another part concerns this legislation. I think most people will welcome legislation governing election expenses, but they will be disillusioned because of some of its loopholes. There is no requirement to disclose campaign contributions, nor is there any limitation on expenditures by national political parties, and when people realize this I believe they will reject what otherwise could be a very good piece of legislation. The government should give serious consideration to this question because people are becoming concerned about many aspects of the functioning of our democracy. They see the role that money plays in persuading people and they are aware of the power of advertising in today's society.

I believe more effective provisions are required in respect of the disclosure of campaign contributions. In this party we are prepared to take our chances along with everybody else and have our contributions made known. People like to point out that the trade unions make contributions to our party, but we are prepared to make that

[Mr. Baldwin.]

information available provided the same information is made available by the other parties. We want it made known what contributions are made by corporations and the role they are playing behind the scenes in the electoral process.

**An hon. Member:** What about trade organizers?

**Mr. Burton:** We are quite prepared to make everything known, but we ask that the other parties do the same. Hon. members opposite should have the courage to do this rather than trying to take refuge behind some form of camouflage. It is a great chance for government members to carry on in the same way if all sources of contributions to the Liberal party are not made known to the people of Canada.

I know of one case where there will be a great deal of concern, Mr. Speaker. The Standing Committee on Regional Development, of which I am a member, has been examining some of the incentive grants made to private industry. There have been about 1,400, some large and some small. As a result of questions asked in committee it has been learned that three large grants have been made to McCain Foods Limited, a food processing firm in the province of New Brunswick. It is well known that in 1968 one of the senior personnel in this firm acted as Liberal campaign manager in New Brunswick. I understand, too, that McCain's financed the leadership campaign of the provincial Liberal leader in New Brunswick and they are presently playing an active role in political affairs in that province. Of course, that is their right as it is that of any other citizen, but they have a lot more power than other people. In committee we learned that \$3.2 million in grants had never been reported to parliament as is required by section 15 of the Regional Development Incentives Act.

I hasten to add that as a result of some members, including myself, digging out this information, the minister has now given an undertaking to supply parliament with a supplementary report setting out information on some 90 firms where changes in grants have been made and where the net change has totalled an increase of \$7 million. I hope that information will be available within the next few days so that this matter can be examined properly before the end of the month. I found out that the first application for a grant, for a new potato processing facility, was made on December 19, 1969; the date of the offer was November 2, 1970, and the date of acceptance was December 9, 1970. The total amount offered in this grant was \$6.1 million and some of that money has already been paid out. Two more offers of grants were made, one for \$633,000 and another for \$443,000. Grants of some \$7.1 million have been offered to this firm which is a leading figure in the New Brunswick Liberal party.

Another interesting fact should be noted. An important official in the department, Mr. George McClure director of operations for the Atlantic region joined it in February, 1969, and left on August 1, 1970, to join the firm of McCain Foods Limited in a high executive position. At the time he left, three applications for grants had been received from McCain Foods Limited, one on December 19, 1969, one on May 22, 1970, and one on June 8, 1970. One of these had been offered on July 22, 1970, prior to his leaving, the