

before engaging in debate or making representations to a minister, for example. It does not go any further. For example, proposal 15 on page 34, which covers the situation, simply states:

In any debate of the House or its committees or transactions or communications which a member may have with other members or senators or with ministers or servants of the Crown, he shall disclose any relevant pecuniary interest or benefit he may have when that interest or benefit is not shared in common with all other persons or particular groups in society.

That is all one finds in the green paper with regard to the financial interest of members of parliament, other than interest in a company which has a contract or agreement with the government. The committee will have to consider very earnestly whether the green paper will be satisfactory to the Canadian people in this respect.

The green paper basically follows what I understand to be the British approach rather than the United States practice of requiring disclosure. But how does a member of parliament live up to the provision that, before engaging in debate, he should declare his financial interest, if any? Does he stand up in a debate on the budget, for example, which may have something to do with corporate taxation and reel off a list of the shares he owns? Does he say, "I have three shares in Bell Canada, two shares in the Royal Bank of Canada," and so on down the line? Is this really a practical way of proceeding?

It would be very inelegant, to say the least, as far as debate is concerned. Some of my wealthier friends opposite might take half an hour to list their holdings before they could even begin to talk about the subject before them. As I say, I do not think it is a practical way in which to proceed and I doubt whether the government could have been very serious in putting it forward. The committee will have to be a little more serious about this subject than the government.

Personally, I have had to face this question since I came here as a member of parliament and Leader of the Opposition. The potentialities for conflict of interest are much more rife here than they are in a provincial legislature. For example, with respect to the question put to me by the Solicitor General, I found I confronted a potential conflict of interest on many questions before the House as long as I had any shares in a corporation of which I had knowledge. This was because so many questions come before the House affecting the value of investments. This is obvious in the case of companies which are regulated by the government or by an agency of the government. It applies also, of course, to any company which is subject to the tax laws of parliament with respect to which changes are proposed from time to time.

I am not suggesting that the stand appropriate to the Leader of the Opposition must apply to other members of the opposition. My responsibilities are, presumably, somewhat different from those of a member of the opposition who is not the Leader of the Opposition. But I, personally, came to the conclusion that there were only two options appropriate for me as Leader of the Opposition—either full disclosure of all investments held by me, my wife and my minor children, or a blind trust with respect to my holdings, my wife's holdings and anything owned by a minor child.

Conflict of Interest

Some hon. Members: Hear, hear!

Mr. Stanfield: I decided in favour of a blind trust for a number of reasons, the most important of which was this: if my wife has some property, why must her privacy be invaded to the extent of her having to disclose what those holdings might be? And why should a young person be, perhaps, embarrassed to some extent by the public disclosure of information which really has nothing to do with any conflict of interest? So I opted in favour of a blind trust; and I must say to all hon. members that there are disadvantages involved in a blind trust. I get a report twice a year of the net value of the investments held for me by the trustee. In conditions such as we have experienced this year, I must say I am glad I have no knowledge of what the trustee is holding, because some of the things I held at the time of the transfer are, to put it mildly, less valuable today than they were when they were transferred. I am expecting a letter—I hope it does not come this December 31—in which the trustee will say something like this, "Mr. Stanfield, we have some good news for you and some bad news. We will give you the bad news first. The assets we hold for you are now worthless. The good news is that we can assure you that this happened without any conflict of interest being involved."

Some hon. Members: Oh, oh!

Mr. Stanfield: I do not suggest—and I repeat this—that my hon. friends should necessarily be subject to the standard appropriate for myself as Leader of the Opposition and, certainly, appropriate to members of the government. But we must recognize that potential conflicts of interest go beyond holding investments in companies which have contracts or agreements with the government. That is surely an old-fashioned approach to the question as to what constitutes a conflict of interest. The committee members must ask themselves how practical and effective an answer to this problem is proposal No. 15 in this green paper. The committee will have to strike a balance when it considers the question of conflict of interest for members of the House who do not hold office in the government or the responsibility that I assume I have. The committee will not wish to discourage unduly Canadians from seeking entry into parliament by causing candidates to pay too high a price for membership in this House.

• (1600)

How far the committee ought to travel toward the position taken by the *New York Times*, as quoted on page 5 of the green paper, is a question the committee will have to consider pretty carefully and, I suggest, with some caution. In an editorial on August 26, 1970, the *New York Times* had this to say:

What is needed is an acceptance of the fact that election to the House or Senate . . .

This is in the United States.

. . . like appointment to the cabinet, means often accepting a full-time job and a total commitment to public service. That means no directorships, no law practice, no outside business interests, and all investments put in trust until the individual returns to private life. Disclosure is not enough, divorce is the only answer. Until the line is clearly, irrevocably drawn, members of the House and Senate . . .