

Conflict of Interest

evaded by transfers of property to a spouse or dependant child. The only solution appears to be to make clear the individual responsibility of a minister with regard to the handling of his affairs in order to avoid conflicts of interest. It is up to the minister, within the spirit of the guidelines, to have regard for the possibility of a conflict of interest arising or appearing to arise from dealings, as regards the ownership or management of property, in which his spouse or dependant children may be involved. This responsibility is being made clear and specific.

Finally, a minister has an obligation to seek the advice of the Prime Minister on any matter concerning a conflict of interest about which he may be in doubt.

In all other respects ministers will be governed by whatever decisions Parliament arrives at with regard to members of the House and senators. It is our belief that, by combining the requirements of law and of parliamentary resolution with the guidelines, a clear standard will be in place against which the conduct of members of the government can be measured.

Much of what I have outlined with regard to the conduct of ministers has been the policy of the present government and that of my predecessor for several years. Individuals on becoming Ministers have been urged to give up directorships in commercial entities and I referred in August 1968, to the basic policy of disposal or of the establishment of trusts in cases where conflict could arise. What is being done now is to give greater precision to this and especially to the requirement that there be either disposal or one of the two types of trust to which I have referred. Ministers are being asked to ensure that any arrangements that do not accord at the present time with these rules will be made to accord with them in the course of the next few months. The rules themselves will be put in the form of precise guidelines just as soon as Parliament has had an opportunity to consider the green paper with regard to members of parliament and senators and the legislation that might be made applicable to them. It is quite possible that the general views of Parliament on matters of principle and the specific provisions that are judged necessary or desirable for parliamentarians should influence the final formulation of the guidelines.

● (1410)

[English]

We recognize, Mr. Speaker, and I am sure members in all quarters of the House will agree, that the measures which the government has announced may not be the entire answer to a very perplexing problem. This is why the government has placed its proposals related to members of parliament and Senators before the House for its consideration. We would hope that after study of the problem in committee and after receiving comments from hon. members, an independence of parliament act will be introduced and passed in this House. The announcement of the government's policy is, then, a first step only.

The government is at the moment actively considering the proper steps to be taken with regard to the public service and those appointed to various offices by the Governor General in Council. This is a complicated matter because the situations can be so varied—all the way from the holders of judicial or quasi-judicial offices to clerks or

[Mr. Trudeau.]

stenographers in government departments. I hope to announce measures applicable to these groups in the near future.

Some hon. Members: Hear, hear!

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I do not propose to make any reference to the green paper which was tabled yesterday, although obviously it is the basis upon which the Prime Minister's statement today must be considered. There are some aspects of the green paper which seem to be a little murky and which require clarification, but we shall have an opportunity to look into that question in due course. I shall direct my comments today entirely to the statement made by the Prime Minister.

I welcome the Prime Minister's statement regarding standards and guidelines for cabinet ministers in relation to possible conflicts of interest. I believe this is a very important matter, one in respect of which I have previously declared what my own general approach would be. Thus, it could be said I have taken a position on the matter. Having taken that position I wish to assure the House that I feel there is so much at stake, and so much of importance is attached to this general subject, that to adopt a rigid, partisan posture in order to defend my own position at the possible expense of eroding public confidence in our system would certainly not be appropriate.

Within the framework of that assurance, I intend to make one or two brief comments which might be regarded as critical of the Prime Minister's statement. There are a few questions I wish to put forward for the purpose of clarification, and I hope these will be received in the spirit in which they are put before the House, as an attempt at constructive submissions to the Prime Minister (Mr. Trudeau) and members of the government.

I am, of course, in general agreement with the philosophy and the background provided by the Prime Minister as to the need for guidelines. I believe the right hon. member for Prince Albert (Mr. Diefenbaker) made a significant step forward in his government by requiring ministers to resign directorships. This policy has continued in subsequent governments and I am pleased that the Prime Minister perpetuates it in his guidelines.

The severance of all business or commercial association activities by Cabinet ministers is also a very straightforward and appropriate step.

On other broader lines, as I understand it, the Prime Minister has established rules for his ministers which are now coming into effect or are in effect under which ministers will have a few months to adjust and organize their affairs in line with these rules and guidelines. The option provided by the Prime Minister of either disposal, or the choice of one of two trust options in respect of ministers' commercial or financial holdings frankly leaves me a bit puzzled, and I will want to study that further. The option of disposal is, of course, simple enough and would do away with the problem. To a lesser, but still to a very substantial degree, the blind-trust option is fairly easily understood. The other option the Prime Minister mentioned, the frozen trust, is worth examination, but I do not think it is effective without the complementary element of disclo-