

*Conflict of Interest*

way to implement guidelines. Certainly, the manner in which it is proceeding today is not adequate. It should aim first at setting adequate guidelines for those at the top. Heaven knows, that is where the urgency is.

Let us get this straight: when we talk about conflict of interest, we have in mind the public interest, not political interest and not institutional interest. We are thinking of the public interest as it applies to someone entrusted with safeguarding that interest. This is a much broader concept than national security, for example. It is a wide-ranging concern and goes to the very root of public confidence in our system, in our institutions, in our political process and in those who are in high positions of trust. It is within that meaning of conflict of interest that we make our case. We believe any narrower meaning is inappropriate.

In accepting this broad definition, one must recognize that there is no way of eliminating all possible conflicts of interest which may and do exist. For example, how can you eliminate the possible conflict of interest involving a minister and a friend, or a member of the House and a friend? I recognize that it is not possible to eliminate all possible conflicts of interest, but I contend that the definition of what is the public interest must be as broad as I have made it, if problems are to be faced and situations met in a way which will increase public confidence. I believe Canadians will be much more ready to accept that kind of judgment-call approach if they perceive that the call and the judgment are weighed against guidelines and rules and regulations which have more substance than those proposed so far in relation to cabinet ministers. These, surely, are not adequate to increase public confidence. I will come back to that in a moment.

[Translation]

In defining the policies, rules and procedures which will become law, we shall keep in mind that we are dealing with two groups of people whose influence differs according to the group involved. The first group, of course, is made up of the people sitting in Parliament. This group includes members of Parliament, cabinet ministers and parliamentary secretaries, as well as the Speaker of the House and his deputies.

[English]

The other non-elected group includes career public servants, those appointed to positions in the service. Although senators are appointed, I include them for this purpose as parliamentarians. The influence exerted by those in the appointed groups is tougher to define precisely; there is not that clear and unmistakable distinction which there is between ordinary members of parliament and cabinet ministers. However, there is within the public service group a clear distinction between those who have been appointed to deputy minister status, or the equivalent level, and those who are at a support level well below the level of deputy minister. Likewise, in ministers' offices there are senior staff, people who are appointed and are different and distinct from House of Commons support staff who are available to ministers and other members through the administration headed by Mr. Speaker.

In assessing levels of influence in the public service, there is a middle ground occupied by all those whose rank ranges from assistant deputy minister down to director

[Mr. Stanfield.]

which is analogous to the middle ground occupied in the elected group by parliamentary secretaries. I know, sir, that you have recognized this middle ground in this House in our proceedings, so I suggest to the government that achieving such definitions should not be beyond its ingenuity.

Across the broad spectrum there are two groups, members of parliament and those who are non-elected. Within both groups there are those who serve in special positions by appointment, and within both groups there are levels of seniority and influence. In my remarks today I do not intend to cover the waterfront—and there is no slur intended in using that expression. I will deal with the area of cabinet ministers. Before doing so, I wish to comment on the position of members of parliament who are not cabinet ministers and whose situation the green paper purports to cover.

The green paper deals with members of parliament; and I include senators, of course. As the government House leader pointed out, the green paper deals with corrupt practices, prohibited fees, incompatible offices, and government contracts. These are traditional areas in which there have been rules concerning conflict of interest and prohibited practices. The green paper perhaps goes a little further in some directions, but it does not break new ground in the area referred to.

There is also a provision in the green paper relating to members holding shares in companies which do business with the government. No member may be permitted to participate in the management or direction of a company which has a contract with the government, or an agreement. Members must list annually companies in which they are directors, officers or managers. Members, according to the proposed guidelines, may own up to 5 per cent of the shares of a company which has a government contract. However, a member's holdings may amount to less than 5 per cent in a public company which has a government contract. Unless one is involved in the management or direction of a company, how would one know, if one owns less than 5 per cent of it, that the company has a government contract?

● (1550)

I noted that the government House leader, when he was speaking about the Canada Elections Act, pointed out that the new legislation requires a candidate to disclose his interest—I think over 5 per cent of the shares in any public company—whether or not that company holds government contracts. But there is no provision in the green paper that any member of parliament who acquires a 5 per cent interest in a public company after becoming a member would have to disclose the fact. There is clearly no co-ordination between the disclosure provisions in the Canada Elections Act and the green paper.

As far as investments in companies are concerned, the specific provisions in the green paper are confined to instances where those companies have contracts or agreements with the government. There is nothing in the green paper relating to financial interest in a company which does not have a government contract, except the provision which has been understood for years, in a way, that a member is supposed to disclose his financial interest