

Government Affairs Control Act

provide an effective answer to cover the various activities of an employee. We must look closely at practices generally viewed as disreputable and determine the most appropriate system to define prohibitions and penalties. Experience and research show that if penalties are too severe, people have a tendency to overlook reprehensible actions. However, if the system is too flexible, it may invite abuses. We must not forget that cut and dried situations are very scarce in our system. The difference between a serious offence and what is simply an act which calls for a reprimand is often difficult to determine. Any government must have at its disposal, based on the nature of the misbehaviour or the seriousness of the offence, several means for settling the issue, such as a reprimand, disciplinary action, suspension and even dismissal. These mechanisms are already provided for in our legislation. I am thinking about the Public Service Employment Act, which contains a clear and specific provision about conflicts of interest for public servants, and I have already mentioned others. I would like to thank the Hon. Member for having called the attention of the House to this question. At the end of his comments, he moved that the subject matter of the Bill be referred to a committee. I believe that, in due time, as parliamentarians, we should seriously consider this very important issue, and I thank the Hon. Member for having given me the opportunity to make these few comments.

● (1740)

[English]

Mr. Dan McKenzie (Winnipeg-Assiniboine): Mr. Speaker, I would like to congratulate my friend and colleague, the Hon. Member for Halifax West (Mr. Crosby) for introducing Bill C-208, an Act to provide for the control of conflicts of interest in government affairs. This is long overdue with regard to some of the examples of conflicts of interest we have witnessed on the government side over the years. When they are caught, they have no shame whatsoever and they carry on. They do not have the decency to resign.

I will give an example of a conflict. The Minister of Transport (Mr. Axworthy), the Member for Winnipeg-Fort Garry, recently transferred the auditing of Canada Ports Corporation from the Auditor General to a friend of his in Winnipeg, a Liberal hack. Of course we in Winnipeg have a great knowledge of ports so that is a great place for it to go. The Minister of Transport had no shame in transferring this nice little plum to a friend of his in Winnipeg who has been a Liberal official agent responsible for collecting funds donated to the Party and forwarding them to Ottawa since 1978.

That is an example of a conflict of interest. We should not be using our powers as Members of Parliament or Members of the Cabinet to look after our friends back home in this manner. This was of great concern to the Auditor General. The Auditor General said that such appointments should be perceived to be independent by all Canadians. There is nothing independent about giving the auditing work in the Canada

Ports Corporation to a Liberal hack in Winnipeg, Mr. Speaker. That is a definite conflict.

Mr. Evans: Why do you not say those things out of the House?

Mr. Fisher: Go outside and say that.

Mr. Evans: I will sue you right up to your neck.

Mr. McKenzie: I hear a lot of yelling and shouting from Liberals in the House, Mr. Speaker. It is something along the lines that I am afraid to attack Liberals outside of the House. I have been attacking Liberals outside and inside the House for 20 years and I will continue to expose them at every opportunity.

Mr. Evans: You just attack individuals in the House.

Mr. McKenzie: I would also like to mention our former colleague in the House, the late Hon. Walter Baker. This was a matter of great concern to him.

Mr. Evans: You do not have the right to mention Walter Baker's name.

Mr. McKenzie: He introduced a Private Member's Bill to deal with conflict of interest. Mr. Baker stated that ex-Ministers and former public officials covered by the conduct code would face fines of up to \$10,000 for each standard breach in a conflict of interest situation. Mr. Baker's Bill was a result of Opposition MPs' frustration over their inability to force the resignation of the Minister of Finance (Mr. Lalonde) when he was involved in a special arrangement with another former Liberal Cabinet Minister. He was caught but did not have the honour and decency to resign. That is why we need this type of legislation as outlined by my friend from Halifax West and the late Walter Baker.

Mr. Baker said that there have to be legal sanctions governing the conduct of public officials because the Prime Minister's (Mr. Trudeau) voluntary conflict of interest guidelines were not working. We have seen ample evidence over the years that these voluntary guidelines simply were not working. We now need laws to deal with this.

Mr. Baker went on to point out that public life in Canada has been degraded by the revelations in the Coalgate deal. Another example, of course, is the Minister of Transport giving a contract to his friend in Winnipeg. That is why many Canadians are disgusted with Parliament and Members of Parliament and this type of conduct.

On March 15 I was proud and also saddened to see my friend and former colleague, the former Member for Scarborough East (Mr. Gilchrist), handing in his resignation because he was involved in a tax trial. He did the honourable thing in the parliamentary tradition, he resigned. I would like to read part of his statement. He stated: "It is my unshakeable belief that my constituents are entitled to the best possible representation without any shadow of doubt cast on the integrity of their Member of Parliament." That is an honourable state-