

*Conflict of Interest*

ever, Mr. Speaker, most businessmen do not have the help of people like Mr. Smallwood. The minister should give the former premier of Newfoundland credit for his help in building up that private business. Let us call a spade a spade, and come clean with the Canadian people.

The differences between ordinary members and ministers of the Crown have been spelled out by members who have spoken this afternoon and this evening. The Prime Minister has tacitly admitted that there is a clear-cut difference between conflicts of interest involving ministers of the Crown and ordinary members of Parliament. In typical government fashion he has set up a bureaucracy in the Privy Council office which is to deal with this question, thereby admitting tacitly that there is a difference as between private members of parliament and ministers of the Crown. That is the basis for the amendment proposed by the Leader of the Opposition (Mr. Stanfield).

Let us begin and put first things first. Call a spade a spade. To pretend that ministers of the Crown are not privy to information which is not available to ordinary members, is folly. I suppose, under the Prime Minister's proposed conflict of interest rules, ordinary members of the House will have to parade to the Privy Council office and build up the bureaucracy which has been established to deal with ministers of the Crown. I suggest that the obvious repository of declaration of members of parliament is the Clerk of the House, under Mr. Speaker.

Having said that, let me show why the Prime Minister's proposed guidelines are a mockery and an insult to the intelligence of members and of the Canadian people in general. The green paper suggests that a minister will not be involved in a conflict of interest if he holds no more than 5 per cent of the stock of a company. Anyone who is familiar with the sorts of shares traded on the Montreal, Vancouver and Toronto stock exchanges knows that anyone who controls even 3 per cent of the shares of any major company has effective control of that company. Yet the economic wizards advising the Prime Minister suggest that a 5 per cent holding will not involve any conflict of interest. Such loose thinking in relation to proposed guidelines is not acceptable.

Some hon. members have alluded to frozen trusts and blind trusts. The hon. member for Prince Edward-Hastings (Mr. Hees) has talked about obvious loopholes concerning blind trusts. What about frozen trusts? Any minister involved in this situation may say that what is in a frozen trust is nobody's business but his own. He knows what is in the trust. While the assets are frozen, he might still be involved in a blatant conflict of interest, in view of his activities as a minister of the Crown.

It is not good enough to say a trust is frozen. A trust can be frozen, but the stock or assets can still increase in value; yet nobody except the minister involved will know about this, and this knowledge will remain unknown unless investigative research work is done. What will happen if one goes to the Privy Council office? Nothing, because nobody is allowed to know what is in a blind trust, except the minister involved. Obviously he knows what is in the trust.

[Mr. Graftey.]

● (2120)

But the real reason, Mr. Speaker, brought up time and time again by the Leader of the Opposition, the pith and substance if you will of why the guideline rules are absolutely meaningless, is because they do not include spouses. I have asked the Prime Minister time and time again if during the period he gave individual ministers to put their affairs in order he could assure the House that no minister transferred to his or her spouse assets which, if held by the minister in question, would have placed him in a position of conflict of interest.

I was ruled out of order this morning with regard to this question. I want an answer tonight. Where is the Prime Minister during this debate?

Some hon. Members: Oh!

Mr. Graftey: All the ministers do is laugh. The Canadian people are asking these questions through me. Did any minister, during the time he or she was given to put his or her affairs in order by the Prime Minister, transfer assets to his or her spouse which if held by him or her would place him or her in a position of conflict of interest? How many many times do I have to ask that question? Oh, I see the Minister of Public Works (Mr. Drury) looking at me quizzically, but he has enough knowledge of economics to know what I am talking about, I hope. The Canadian people will not be satisfied—

Mr. Drury: I was just wondering whether the hon. gentleman, in his enthusiasm, recognized that I am a widower.

Some hon. Members: Oh, oh!

Mr. Graftey: I already made it quite clear at the beginning of my remarks that I was not on a fishing expedition. I don't know, maybe I have lost my sense of humour, but I didn't find that all that funny. Well, hon. members opposite laugh, but do they really feel the Canadian people are that stupid, to see the man who has the senior elective office in this country come and say, "Look at your great guidelines for conflict of interest of ministers." They don't even include spouses. He gives the ministers for ever and a day, while he builds up a big bureaucracy in the Privy Council offices, to put their affairs in order. The Leader of the Opposition time and time again asked why spouses and next of kin are not included in these great new guidelines. And until the government comes clean with this House and with the Canadian people we are going to persist in our questioning, because the government must not only be honest it must seem to be honest.

Why have all these blind trusts, open trusts, the big bureaucracy in the Privy Council, but not including spouses? Can the Prime Minister come and join this debate? I was ruled out of order this afternoon on the ground that the Prime Minister would be here in the House to answer in this debate. Well, where is he? And if I ask that question tomorrow, will he guarantee this House that, during the time he gave ministers to put their affairs in order, no assets were transferred to spouses to avoid individual conflict of interest? That is what I want to know. That is what this House wants to know. That is what the Canadian people want to know.