

Supply—Defence Production

was made that in this instance there is no conflict of interest. That raises the question of what constitutes a conflict of interest in so far as a minister of the crown is concerned. The parliamentary assistant drew attention to the fact that the minister had consulted a legal firm and received an opinion. I submit that in matters of this sort where questions of parliamentary government are concerned an examination of the precedents and parliamentary practice would be a better guide.

There is a body of opinion which serves as a guide for all commonwealth parliaments. We have had an instance or two in this house in other years where there have been conflicts of interest affecting cabinet ministers. This is a point which deserves serious consideration. Ministers of the crown are charged with heavy responsibility which we and the people of the country recognize. They have a responsibility for the welfare of the country as a whole.

Over the years the problem of conflict of interest has arisen in the mother of parliaments at Westminster and has been resolved. Statements have been made at different times by prime ministers with regard to what cabinet ministers should do in instances where there was or appeared to be a conflict between their public duties and their private interests.

In this particular case that is before us, though it differs from the problems which have arisen in other instances—that is, it differs from the directorships and it differs from the holding of shares in companies—nevertheless there is an analogy to be drawn from the decisions arrived in the past in relation to those two matters. There are numerous instances within fairly recent times in the house at Westminster of this question of conflict of interest.

The standard work on cabinet government by Ivor Jennings devotes a portion of a chapter to this very problem, and I think the parliamentary assistant to the Minister of Defence Production might very well have applied his mind to this before making his statement in the house. Members might be interested in what Professor Ivor Jennings says on this particular question, and I propose to quote from pages 99 and 100 of the book called "Cabinet Government". In 1913 one of the startling cases that occurred in England dealt with the question of shares in the Marconi company. There was an extensive debate. People like Lloyd George were involved. The prime minister of the day, Mr. Asquith, dealt at some length with that exceedingly difficult problem and laid down the following propositions. Some of these, of course, do not

apply directly to the point at issue, but I suggest that by analogy the inference may be drawn. Here is what he said:

The first . . . and the most obvious is that ministers ought not to enter into any transaction whereby their private pecuniary interest might, even conceivably, come into conflict with their public duty. . . . Again, no minister is justified under any circumstances in using official information, information that has come to him as a minister, for his own private profit or for that of his friends. Further, no minister ought to allow or to put himself into a position to be tempted to use his official influence in support of any scheme or in furtherance of any contract in regard to which he has an undisclosed private interest. . . . Again, no minister ought to accept from persons who are in negotiation with or seeking to enter into contractual or proprietary or pecuniary relations with the state any kind of favour. . . . I will add a further proposition, which I am not sure has been completely formulated, though it has no doubt been adumbrated in the course of these debates, and that is that ministers should scrupulously avoid speculative investments in securities as to which, from their special means of early or confidential information, they have or may have an advantage over other people in anticipating market changes.

Then Professor Jennings goes on to make this comment:

These he stated as "rules of obligation". He added that there were certain "rules of prudence" which had never been formulated and which could hardly be put on precise or universal terms. "One of those rules is that in these matters such persons should carefully avoid all transactions which can give colour or countenance to the belief that they are doing anything which the rules of obligation forbid."

In 1937 Sir John Simon, one of the most distinguished members of the bar of England and of the House of Commons at that time, speaking on behalf of the Prime Minister in a debate which dealt with conflict of interest, used these words:

In the first place, it is plain that in no circumstances must a man who holds the position of a minister ever allow himself to be in such a situation that his public duty will conflict with his private interests. . . . The second principle is that no man should allow himself to occupy any portion of the time which he is bound to devote to his public duties in disregard of his public duties, and pursuing any private interest whatever, whether it is in playing golf or in the nature of business. The third principle is that inasmuch as the secrets of the government are specially in charge of cabinet ministers, no minister, and particularly, no cabinet minister, must in any circumstances put himself in a position where he is not able to be the complete guardian of those secrets in that there is any possibility of any private interests being served through a knowledge of those secrets.

I do not propose speaking at length on this subject, but I thought it wise to draw attention to this body of opinion that has been built up in England and which is worthy of note in any parliament. The position of cabinet minister is such an important position