

Conflict of Interest

In the six years and five months that the minister has been in cabinet, applications have been before the CRTC in proper form for TV licences initially, or for renewals, or for an increase in the power output for radio stations. There have been 17 applications affecting television stations, and ten affecting radio stations owned by the Newfoundland Broadcasting Company, Limited.

There has been no effort by the minister to divest himself of his interest in that company through a blind or frozen trust, and this must affect the public perception. I fully appreciate his difficulties in trying to make arrangements to take care of something that has been his lifelong work and to take care of his family. This is part of the difficulty, and it is why no questions were raised in the House for two or three years about the problem as it affects cabinet ministers from time to time.

Senator Keith Davey pinpointed New Brunswick, and said there is monopoly ownership of newspapers in that province by K. C. Irving—even though some of them are marginal operations and could not keep going unless Irving underwrote them. But I wonder if the same rules do not apply to these applications for extensions, renewals, new licences or increased power output of the radio and television station that I mentioned. In effect, there is a monopoly of radio and television by the Newfoundland Broadcasting Company, Limited. I do not impute anything of a criminal nature to the Minister of Regional Economic Expansion, Mr. Speaker.

I should like to read to the House part of a letter which Mr. Pearson wrote to his ministers on November 30, 1964, in which he said:

... equally ... a minister must not have a pecuniary interest that could even remotely conflict with the discharge of his public duty.

I think it is clear that a minister of the Crown, let alone a minister of transport and communications, who had something to do with radio and television licence applications of the Newfoundland Broadcasting Company, Limited did have an involvement in the discharge of his duties with that company which had contractual relationships with the government in which he sits as a prominent and respected member. This is one of the reasons why I think we have to look at the whole question of the involvement of ministers. Obviously the higher the duty the higher the responsibility, and there should be definite guidelines.

If the government is intent on opening this matter up, an answer to my question on the order paper of November 15, asking about contractual relationships and the number of successful applications, would have helped.

The hon. member for Burnaby-Richmond-Delta (Mr. Reynolds) also has a question on the order paper directed to the Minister of Supply and Services inquiring about his contractual relationship and interest in Avis, Canada before it was sold to Avis in the United States.

Because of a minister's responsibilities there is a higher duty on him in the exercise of his discretion. Members must appreciate that, Mr. Speaker, before they can talk meaningfully about the conflicts that exist at times of members of this House of Commons.

Mr. Jamieson: May I call it six o'clock, Mr. Speaker?

At six o'clock the House took recess.

[Mr. Nowlan.]

AFTER RECESS

The House resumed at 8 p.m.

Hon. Donald C. Jamieson (Minister of Regional Economic Expansion): Mr. Speaker, I thank the hon. member for Annapolis Valley (Mr. Nowlan) for giving me notice of his intention to participate in this debate and to raise the issue of my holdings in the Newfoundland Broadcasting Company. I sincerely appreciate what he did, and I am sure his action reflects a mutual desire to reach an understanding on these matters that is satisfactory and meets the high standards of this House.

I welcome the opportunity to respond, not merely because the issue affects me personally, but because in a much wider context it gives me the opportunity to deal with a question which can, from time to time, affect other hon. members.

At the outset let me emphasize what I have said many times before. Since entering public life I have not been involved in any way, and I emphasize this, in the operations of the company concerned. Upon entering the cabinet in 1968, I immediately ceased to be a director or officer of the company. At that time also—and I think this is important—I sought means of placing my holdings in some form of trust, not because there was any legal requirement that I do so, but because I considered it the appropriate thing to do in the circumstances. Such a trust was in fact drawn up at my request and I have scrupulously honoured ever since the spirit of that document, as many people, including, I sincerely believe, some of my friends opposite, can attest.

The problem, and now I come to the central issue which, as I said, can affect other hon. members from time to time, is that in many cases where undertakings are licensed by some federal authority or agency, shareholders are specifically prohibited from assigning their rights to a third party. I emphasize that point because it is essential to this particular issue. In many instances where undertakings are licensed by some federal agency, shareholders are specifically prohibited from assigning their rights to a third party. This, as hon. members well know, is the case in broadcasting and, so far as I have been able to determine, in several other fields under federal jurisdiction such as, for example, certain activities regulated by the CTC and similar bodies. Thus a member or minister, in entering into a trust to eliminate even the appearance of one potential conflict, would find himself in violation of a federal law or regulation. That is precisely the position in which I found myself.

I hope that hon. members viewing this issue objectively—I emphasize objectively, because I believe that is what we are trying to do in this debate—will see its very wide ramifications. It is my opinion that the committee should examine this issue and recommend appropriate means whereby members of this House and others in similar circumstances—and I am referring, although they are perhaps not as relevant to this debate, to senior public servants and the like—can be relieved of this particular requirement relating to federally licensed businesses.

There is another reason why I believe it to be desirable. Persons such as myself, with holdings in licensed undertakings—and I am sure that members of the legal profes-