

tee to study and report to this House on the green paper which deals with members of parliament and conflict of interest, and then to turn its attention to two related matters—ministers and conflict of interest and public servants and conflict of interest.

All three matters are of major importance, and the government has taken the lead in all of them. We initiated the reference to the standing committee because we want the proposals we have made, whether relating to members of parliament, ministers or public servants, to be examined carefully and thoroughly and we are hopeful that out of this study will emerge a sound basis on which to base both the law and the practice. We shall take steps, I might add, to bring the same matter before the other place because the position of senators is involved just as is the position of members of parliament.

On several occasions, the Prime Minister (Mr. Trudeau) and other ministers have emphasized that we have put forward our proposals in this difficult field, whether relating to members of parliament, ministers or public servants, not as fixed and final but as constructive steps forward. They are subject to review and can probably be improved. We are prepared to look at them again in light of the conclusions of the standing committee and of parliament as a whole because eventually the committee's report will be returned to us.

I should remind hon. members, as we enter this debate, that already parliament has taken major action in a related field by recent amendments to the Canada Elections Act and by passage of the Election Expenses Act. We have gone a long way by these reforms to put the financing of election campaigns and the financing of political parties on a basis that minimizes any possible conflict of interest and that in fact encourages individuals, corporations and trade unions to participate in the political process by making contributions to their candidates or to the political parties they wish to support.

I mention this in light of recent discussion in this House. I draw attention particularly to the point that the reform legislation does not in any way discourage contributions to political campaigns. By a system of tax credits, such contributions are, on the contrary, encouraged, and this is as it should be. No stigma should attach to the support of a political party or candidate by anyone in this country so long as the contribution is open and above-board.

● (1520)

The principle underlying our election expenses legislation is that the source of major financing of parties and candidates should be disclosed, not prevented. It is for all candidates for office and for all parties to decide what to accept and what not to accept within the law, and it does not seem to me that the responsibility differs as between candidates or parties. Presumably, most if not all of those who stand for office, at least of the principal parties, do so with the hope of being on the government side or even of being a member of the cabinet. Presumably, all parties are striving to become the party in office at some time, and even when that is not so I do not imagine that any candidate who stands for parliament without hope or

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ambition to become a minister will be more willing to accept a particular contribution for that reason.

As I have said, we have taken a giant step forward in the reform of the election laws. The task before us now is to make similar progress in establishing standards for the conduct of members of parliament who are safely elected. I turn, then, to the green paper and first of all I draw attention to a part of the green paper that is related directly to the question of elections. Let me refer to one specific proposal in the green paper. It is proposed that a candidate for membership in the House of Commons should be required, when nominated, to list with the Chief Electoral Officer the details of all financial interests and offices he holds which would be prohibited if he were a member. He would also be required to list all holdings and companies in which he holds more than 5 per cent of the issued shares, if they are public companies. Upon election, a new member would be required to divest himself of prohibited interests and offices as soon as possible or, in any event, within a year.

Certain fundamental, ethical and democratic principles underlie the specific proposals advanced in the green paper. First and foremost, our democratic system is based on the requirement that members of parliament and senators perform, and be seen to perform, their duties in a manner reflecting the highest possible degree of concern for the public interest. Similarly, it is basic that all members of the public should be assured of equal access to and impartial treatment by government officials at all times, and that the key advocacy rule of members of parliament and senators be governed by that principle. In accepting membership in either chamber, a member of parliament or a senator simultaneously accepts a code of conduct which is commensurate with his public responsibilities.

However, we must be careful not to develop rules respecting conflict of interest which turn the House of Commons and the Senate into the private preserves of only a few whose personal circumstances are such as to allow them to meet overly stringent standards. The very representativeness of these chambers might be adversely affected were we to decide to require their members to divest themselves of all financial assets or other private interests. It was these considerations which led the government to place before the House, in the green paper, various forms of rules including an independence of parliament act, orders of both chambers and retention of certain principles in the Criminal Code, and to suggest different means of dealing with conflicts, including strict avoidance in the clearest cases of impropriety and disclosure of interests where there is only a potential conflict. The specific proposals contained in the green paper concern those conflicts of interest that result from a member or senator having a personal pecuniary interest in a given matter that is sufficient to influence the exercise of his public duties or responsibilities.

My predecessor in office outlined the contents of this document in his statement to the House on July 17, 1973, which I commend to members of the present House. I would, therefore, only remind them of the basic concerns described in the green paper. The text addresses itself to four major areas of conflict of interest, namely bribery and prohibited fees, incompatible offices, government con-