

*Conflict of Interest*

ment on July 18 concerning cabinet ministers, and now we have the Prime Minister's statement about public servants and others who are government appointees in one way or another.

We also welcome the fact that the subject, at least in general terms, is to be referred to the Standing Committee on Privileges and Elections. We feel that the discussions which will take place in that committee are extremely important.

I must say, however, that a word the Leader of the Official Opposition (Mr. Stanfield) used on July 18 certainly deserves to be used again today. He described the Prime Minister's statement of that day as "murky". I suggest that today we have about the murkiest Order in Council I have ever seen. When one listens to the Prime Minister and hears him say that in a moment or two he will be tabling an Order in Council, one assumes that the Order in Council will fill in the gaps, spell out the details, and that it will include some definitions, some clear principles and the means of enforcement. I was pleased that the Leader of the Opposition asked that the Order in Council tabled today be appended to *Hansard* in order that those who read these remarks will be able to read that Order in Council and discover that it is nothing more than a précis of the Prime Minister's statement.

Orders in Council usually provide some detail and some regulations with the force of law and, indeed, usually provide means of enforcement or penalties, but in this Order in Council, P.C. 1973-4065, December 18, 1973, there is not one word of definition, there is not one point spelled out in detail and there is no provision of any kind for enforcement. It is nothing more nor less than a statement of desires. Let me read one or two sentences:

No conflict should exist or appear to exist between the private interests of public servants and their official duties.

Another states:

All public servants are expected to disclose to their superiors, in a manner to be notified, all business, commercial or financial interests where such interests might conceivably be construed as being in actual or potential conflict with their official duties.

It goes on to point out that public servants should not do this and should not do that. But there is no detail, no clear definition, concerning what it is that is permitted or what it is that is prohibited. Certainly there is no suggestion of any way in which these so-called guidelines are to be enforced. I submit, therefore, that the Order in Council is of no more value than the statement the Prime Minister read to the House today.

● (1430)

I join with the Leader of the Opposition in expressing concern over the extent to which in the Prime Minister's statement as well as in the so-called guidelines everything seems to be left to the individual public servant. I think this is unfair to the public and also unfair to the public servant. I note this sentence in the paragraph in the Prime Minister's statement having to do with disclosure:

Only those matters which the public servant believes are in actual or potential conflict of interest will require disclosure.

I ask frankly, of what earthly use is that kind of a guideline where in the final analysis it is left to every individual public servant to decide whether the interests

[Mr. Knowles (Winnipeg North Centre).]

he has are such that he should disclose them? As the Leader of the Opposition said, surely the poorest judge of one's own conduct is the person himself, and yet that is the way this has been drawn up. I recognize it is the Prime Minister's statement, but anyone in his position has to receive help in the drafting of such statements. I wonder what senior public servant drafted this particular statement?

It seems to me—and here I go along with the Leader of the Opposition or perhaps a little farther—that the only solution in all these areas, in respect of members of parliament, cabinet ministers or public servants, is to go for full disclosure. This so-called option of disclosure and option to register certain holdings and so on will not fill the bill. Those involved in decision-making, so far as public servants are concerned, should be required to come through with full disclosure. I hope that even yet the thinking of the government and this House on the question of conflict of interest will move in that direction.

Another criticism I offer is that this statement and the Order in Council with its guidelines draw no lines among public servants. They are all in the same basket whether they are deputy ministers or assistant deputy ministers involved in the making of policy or whether they are cleaners or helpers. Public servants across the entire spectrum are covered by one set of guidelines and one Order in Council. I think this is unfair to these public servants. Certainly the public must be protected but, as the Prime Minister says, we have to think about our public servants as well. I think we should be able to draw a line so that the most severe restrictions apply to those who are involved in the decision-making process. That does not require a set of guidelines so broad that, in order not to be hard on cleaners, helpers and stenographers, it really imposes no restrictions at all on those at the top.

The next comment I wish to make is that this statement makes no reference whatsoever to the process of hopping back and forth which goes on on the part of public servants who go out into private industry and back again and so on. It seems to me that some solution must be found to that problem. I know my friends on both sides of the House like to come out with the cliché that we need to have these people in government so that they bring to government the experience of service in the private sector. But one cannot but be concerned about conflict of interest when a senior public servant at the deputy minister level or close to that goes out into private industry and later comes back. All right, we cannot deny the right of people to look for employment when they are out of one job, but surely provision can be made that the government will not deal with firms which have in their upper echelons those who within the last year or so were in the sacred precincts of the government itself. This problem has not been touched in this statement or in either of the other statements which were given to us.

There is also no reference in this statement, as there was no reference in the statements of July 17 or July 18, to what we regard as fundamental in this whole question. In our view it is not just a case of whether a person is able to make a buck or so because of his connections; what counts to the public is the philosophy, the viewpoint, of those making the decisions, whether they be at the government