

*Conflict of Interest*

ters and their company or corporation connections. Every time I have tried to ask from what directorships cabinet ministers had resigned just before they became cabinet ministers I have been told by the table officials that the rules being what they are that is an inquiry into the minister's private life before he became a minister. Therefore, I could not even ask a question, let alone get an answer. I think that one of the rules or regulations that should be put into our law is that when a member becomes a cabinet minister he should be required to disclose the directorships and the holdings that he had, at least up to a period within a year before he became a cabinet minister.

I should like to say also, as I said yesterday, that we are concerned in this whole area of conflict of interest not just about the dollars that a person might make because a company with which he is connected does business with the government. We are concerned about the direction which legislation takes, and that direction is largely determined by the point of view of members of parliament and particularly of those who are in the cabinet. I confess that with my background I am bothered by the bland assumption that cabinet ministers will always be individuals who have business, commercial, financial or professional interests. I am bothered by the bland way in which the Prime Minister can say:

We recognize, however, that in some cases persons who may be invited by the Prime Minister to join the cabinet may be men and women who have property or holdings of some magnitude.

I do not quarrel with the Prime Minister's suggestion that this should not exclude anyone from service in the government, but I quarrel with the assumption that those who are to lead this country throughout all time are those with business, commercial and financial connections.

**Some hon. Members:** Hear, hear!

**Mr. Knowles (Winnipeg North Centre):** In my view it is time for the cabinet to include a few farmers, industrial workers, housewives, consumers, and ordinary persons who know what life is really like for most Canadians.

**Some hon. Members:** Hear, hear!

**Mr. Turner (Ottawa-Carleton):** We'd have to be eunuchs or monks.

● (1430)

**Mr. Knowles (Winnipeg North Centre):** We have not got that today. We did not have it under some of the previous administrations. It is up to the voters in the end, but surely we have a responsibility to make known what are the positions and the interests of those who sit as members of parliament, and particularly of those who seek to be cabinet ministers.

Finally, Sir, I endorse the statement of the Leader of the Opposition that very soon there must be brought down a third statement, namely, one having to do with senior public servants. We had a green paper yesterday about Senators and members generally. We have this statement today about cabinet ministers, but senior public servants in many cases are in positions where they help to decide policy, and I think there must be very strict rules about them as well.

[Mr. Knowles (Winnipeg North Centre).]

We welcome the fact that this matter is under consideration, and that this subject will be considered by a committee. I was a little surprised at the Leader of the Opposition wanting these matters to go to a joint committee. After all, the last time there was a proposal in this House for a joint committee the Conservatives struck out the reference to the Senate. I hope they will stand by that position.

[Translation]

**Mr. Gilles Caouette (Charlevoix):** Mr. Speaker, we heard with pleasure the statement of the right hon. Prime Minister (Mr. Trudeau) following that of the President of the Privy Council (Mr. MacEachen) yesterday with regard to conflict of interest concerning members of parliament and senators.

Today, we notice that the Prime Minister wants to elaborate on the instructions to be given ministers with regard to conflict of interest. Where there is greater possibility of conflict of interest—and the Prime Minister is right—the rules or regulations must be much more severe and the situation more closely watched.

On the other hand, I find it a strange proposal that in order to determine whether there really is a conflict of interest with regard to the actions or the rights of a minister, to his duties and possessions, and to decide what measures should be taken, the minister concerned discuss the matter with the Prime Minister, and then finally make a decision which might not necessarily be the most logical one. After the recent events in the United States, one realizes that the fact that one is advised by the president, or, here in Canada, by the Prime Minister, does not necessarily give the expected results.

It therefore astonishes me to see, in these preliminary notes, that no thought has been given to the creation of an advisory committee, outside the political sphere, which would advise the Prime Minister and the ministers on the risks of conflict of interest in a particular field. Furthermore, the same committee might also carry out investigations in various areas, which would then give the hon. member for Winnipeg North Centre (Mr. Knowles) the chance to obtain answers to the questions he has been asking in this House for years.

Nevertheless, it is still true that, in spite of certain alleged directives, it is indicated further on that it is the minister's responsibility to check on or to take the necessary decisions, with regard to his own as opposed to the public interest.

Here again I believe that it would be preferable to lay down strict rules about such conflicts of interest, and that these rules be supervised by an advisory committee and an investigatory committee. Further on it is stated that ministers can easily put their personal affairs in trust, which would appear quite normal. But when they do not want to check or control in any way what the members of the minister's family can invest in such trust companies, then I believe that individuals are given leeway to go against the law, to go against the spirit of the law, which is quite commendable, that the Prime Minister can have today by presenting his statement.

Finally, this is equally and maybe more important, the fact that when ministers are appointed they must, according to the text of the right hon. Prime Minister, quit their