

Privilege—Mr. Chrétien

On July 24, 1975, the hon. member for York-Simcoe, now the President of the Treasury Board (Mr. Stevens), stated, and I quote:

[*English*]

Ministers deliver their budget speeches, and any amendments that the minister may think fit thereafter, in a spirit of confidentiality. For example, budget speeches themselves are usually delivered in the evening to avoid any possible effect on the stock market. The tradition of secrecy ensures that all Canadians will enjoy the same advantage or disadvantage with respect to any budgetary matter, and that any announcement will be made first in the House and not privately to those who rightfully have no access and should have no access to that information. I suggest that budget secrecy is essential to guarantee to all taxpayers that no group can escape its share of taxation, and that in particular those whom they have elected to the House of Commons cannot escape laws approved for everybody... The point is not only a question of budgetary secrecy, but also the importance of keeping any tax change also secret, and I would suggest that the two are really one and the same.

All the ministers of finance have been critical of the fact that this tradition was creating some problems for them in carrying on the normal consultations which they wanted to have with either the provincial government, the business community, economists, and so on. Ministers of finance have always been extremely careful about their actions in that field. Of course there are some precedents that are well established for this long-standing British tradition, to the effect that ministers of finance must keep budgetary information very close to the chest. This is something that I and all my predecessors were very careful about. I do not want to recite all the precedents, but there are two well-known cases in England where ministers casually revealed some budget information or someone around them did so, such as Hugh Dalton, a former chancellor of the exchequer, who had to resign as a result.

In Canada in 1975 there was a member of the House, namely, the hon. member for Kenora-Rainy River (Mr. Reid), who was accused by the then opposition of leaking some budget information, which he denied. Despite his denial, the House ruled that he had to justify himself in front of a committee. He went before a committee of the House and explained the matter, following which it was proven that he had done absolutely nothing wrong and no leak had taken place. Nevertheless, members of the House, and especially members who are in the government today, cast innuendoes and accusations of all sorts so that for many weeks thereafter the hon. member for Kenora-Rainy River was subjected to them. He had to go before the courts to clear his name in the minds of the Canadian public.

On Monday night, on the CTV national news, the Ottawa bureau chief, Craig Oliver, who is one of the senior men in the gallery and a very respected reporter who would not have made this information public had he not been completely sure of his sources, said the following:

The finance minister's budget will be hitting hard at major corporations in Canada. They face an increase of five points in their corporate tax rates from 46 to 51 per cent. The government is expected to raise one and a half billion dollars with the measures, which sources say will be the highest corporate tax rates in years. To sweeten the pill they will receive some tax breaks.

But for individuals, there are no tax increases in the budget. However, there are no cuts either. To help with the increase in the costs of energy for low income

[Mr. Chrétien.]

Canadians, Ottawa will offer an energy tax credit of \$80, to those whose income is less than \$18,000 per year. If there are two of you in the house, you can both claim, and it doesn't matter whether you live in a single family dwelling in a highrise or whether you rent. The measure will cost Ottawa \$1 billion. The budget will be heavily energy-orientated in other ways too—it will increase the assistance to and expand the home insulation program. To raise a lot of the revenues the government requires for the budget measures, Mr. Crosbie will impose a 25-cent transportation fuel excise tax—it will be registered on Canadian gas pumps Wednesday morning.

This is very close to what was in the budget. Today the press reports all over Canada that there were last night line-ups at the gas pumps because of it. The fact that he was very close to the real thing—

• (1510)

Mr. MacEachen: He was dead on in some places.

Mr. Chrétien: Of course it is very obvious it was someone who spoke—who did not deliver a document, but spoke to him, or through him, to another person.

It is nothing personal which I have against the Minister of Finance (Mr. Crosbie). But I have to tell the House that I have been the minister of finance myself. I went through an extremely difficult consultation with the provinces where some members of the opposition accused me, because I could not be as candid as I wanted, of being a dictator. That was because I was doing something with the provinces for the first time in the budgetary process in Canada. I was trying to involve the provincial governments. In spite of that, I took all the necessary measures to make sure that there was no leak. That gave me extreme difficulties in this House and outside, but I always kept in mind the responsibility which I had in terms of budget secrecy.

There were some stories in the press that it was the first time in history this budget was kind of a "strip tease", because we had bits and pieces—everything out—until yesterday we realized that there was absolutely nothing new when we sat in the House for more than an hour. Everyone knew, one way or another, what would be in this budget.

It is pretty ironic that I would be standing in my place defending the best British traditions. I am sure Mr. Diefenbaker would be very proud of me standing to defend the British tradition and asking the Minister of Finance to take his responsibility. Of course it is extremely difficult, and I have a lot of sympathy for the minister. He is forced to conduct those consultations in order to have a budget document prepared. Sometimes he has to consult with the department and so on. He has the responsibility of making sure that there is absolutely no leak.

With what I read to Mr. Speaker today, and with what has been said in the House over the last few days, I have no choice but to raise this problem. The oil companies have jumped the gun on the government by increasing the price of oil and gasoline in the last few days. There was a fantastic indiscretion by the Prime Minister (Mr. Clark) a few weeks ago, when he said to the House that he was to consult the industry before increasing its taxes. We see that he has done just that, because