

Privilege—Mr. Guilbault (Saint-Jacques)

Mr. Doug Lewis (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council): Mr. Speaker, I appreciate the opportunity—and it will be reasonably brief—to address the question of privilege of the Hon. Member for Saint-Jacques (Mr. Guilbault). The essence of his argument was that this is a budget and therefore his privileges have been breached. I would like to deal with this briefly, because I know my colleagues on the other side want to get on with the capital punishment debate. They do not want to see it delayed any further.

The question is this. Was it a White Paper or was it a budget? A budget is an annual financial statement. It is a one-year accounting of expenses and revenues. That was presented in February of this year. The White Paper does not bring any fundamental change to this year's budgetary policy as presented in the House in February. It does not seek any new borrowing authority. It does not reflect any new Supplementary Estimates.

Many times in the past—and for my friend's elucidation I will give him chapter and verse—Liberal Governments, of which my friend from Saint-Jacques was a member, have delivered major economic statements, some of which were accompanied by major Ways and Means motions. However, it was never in doubt that there was a difference between a budget and a financial statement.

We have examined the House rules, we have examined the parliamentary commentaries, and there is no question about it. A budget presentation is not a condition precedent to the introduction of a Ways and Means motion.

Citation 515 at page 174 of Beauchesne's Fifth Edition reads as follows:

There is no necessity to have a budget presentation before the introduction of Ways and Means legislation.

Because of the change to the Standing Orders, I may not have the up-to-date numbers. However, there are Standing Orders which allow the Minister of Finance to table a Ways and Means motion at any time without going through the normal budget process, in particular a budget debate.

For my friend's elucidation, I refer him to examples during recent Liberal administrations where Ways and Means motions were tabled which were not founded on a budget. I refer him specifically to the 95-paragraph Ways and Means motion tabled by Jean Chrétien on October 20, 1977 that followed his economic and fiscal statement.

I also refer him to the motions tabled by the Hon. Marc Lalonde following his October 27, 1982 economic statement which related to tax dividend, tax treatment of professionals, and in working progress.

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It is evident that statements relating to the economy as well as statements containing proposals relating to the taxation system can be made in Parliament outside the formal budget

presentation. In the last two decades, there have been six major presentations made in the House of Commons on economic or financial matters by Ministers of Finance. None of them, as in the case of the presentation last evening, constituted the budgetary policy of the then Government for the year in question.

We then must ask ourselves, what is a budget? I refer the Chair to Erskine May's *Parliamentary Practice*, Nineteenth Edition, at page 786 where Budget is defined:

This statement, familiarly known as, "the Budget," is made when the Minister has completed his estimate of the probable income and expenditure for the financial year. In it the Chancellor of the Exchequer develops his views of the resources of the country, communicates his calculations of probable income and expenditure, and declares whether the burdens upon the people are to be increased or diminished.

Hence, Supplementary Estimates and Borrowing Authority. It goes on:

The economic aspect of the Budget is important and taxes are imposed for their economic effects as well as for raising revenue to meet the expenditure for the year. The annual Financial Statement and Budget Report is made available immediately at the conclusion of the Budget Speech, as are the terms of the budget resolutions.

The elements of a Budget are as follows: views as to the resources of the country, calculations of probable income and expenditure and declarations as to whether or not the burdens upon the people are to be increased or decreased.

The House will know that during the time of this Government, there has been considerable study of the budgetary process. My hon. friend from Saint-Jacques will know that the first Budget presented by this Government was presented in June of 1985. The second Budget came after the review of the budgetary process wherein the committee encouraged the Government to present Budgets on a regular basis after consultation and to meld if possible the Estimates process with the budget process. That Budget came in February of 1986. The second time that happened was in February, 1987. I warrant that if my friend from Saint-Jacques is patient, the next time he sees a true Budget will be in February, 1988.

The principle is annuality. Each year, the Government says: "Here are our expenses, here are our revenues, do we need to borrow or not?"

I refer you, Mr. Speaker, to the 1977 statement of the Hon. Jean Chrétien. It contained expenditure measures as well as taxation measures. Indeed, the Notice of Ways and Means motion had 95 paragraphs containing some very significant taxation proposals. Nevertheless, the budgetary process for that year had already been established. Therefore, it was not called a Budget.

We were all here on October 27, 1982, when the Hon. Marc Lalonde brought down the economic outlook and financial position of the Government of Canada. At that point, he was not ready to present a Budget for the period and he did not present it as a Budget but merely as an economic statement of certain measures. At that time, I did not hear the cry from the