

their liability, the way they operate, how their books are accounted for, and how their spending is accounted for—is not a new issue; it is an issue which has been with us for a while, and one which is in considerable dispute not only between this side and the government but between the Auditor General and the government.

A related matter is this question of the capital budget of Petro-Canada which was approved by the cabinet on June 16 in Privy Council document 1978/1975, by outlining the capital budget which has a source of funds of \$205 million in common shares and \$269 million in preferred shares.

● (1532)

The Petro-Canada Act states quite specifically that only the Government of Canada can purchase the common or preferred shares of Petro-Canada. This was approved on June 12. I have looked through the main estimates for 1978-79. I have looked through the supplementary estimates which were tabled just last week. Nowhere in those estimates is there a statement by the government that it has put up the cash to purchase these shares, yet the act states specifically that the purchase of common shares is a demand on the Consolidated Revenue Fund, and that therefore that should appear in the spending estimates of the government. This was authorized in June.

There is every reason to believe that money has been committed or spent in terms of the purchase of share in Pacific Petroleum, yet nowhere in the miscellaneous estimates does this item appear. I think there may be a separate item of privilege in the sense that the estimates do not reflect the factual position of the government in terms of the commitment it has made.

I would like briefly to make one further point. I refer to the position of the Auditor General. Just weeks ago the Public Accounts of Canada for 1977-78 were tabled. The Auditor General mentioned again, as he has repeatedly in the past, that the manner in which the government treats the accounts of Crown corporations, the manner in which it includes within its own budget certain expenditures of Crown corporations and the manner in which it excludes certain operations of Crown corporations from its public accounts, create an inaccurate picture of government assets and expenditures. I think that in itself constitutes an item of privilege because an inaccurate statement of accounts is presented to us, as members of this House of Commons, as a factual statement in terms of government spending.

While this is somewhat separate from the point raised by the hon. member for York-Simcoe, it is related. I think this is a grand opportunity to have this issue explored in depth in the appropriate committee so that we can reach some final decision as to what the liabilities of the taxpayers are with regard to Crown corporations and what declarations must be made public in terms of Crown corporations. I am sure the government would have to admit that it is in the best interests of good government and our democratic system to have the rules out in the open and accurate information placed before the

Privilege—Mr. Stevens

House. I strongly urge acceptance of the motion of the hon. member for York-Simcoe.

[*Translation*]

Mr. Yvon Pinard (Parliamentary Secretary to President of Privy Council): Mr. Speaker, as regards the question of privilege directed to the Deputy Prime Minister (Mr. MacEachen), I would like to add the following: it was the hon. member for Calgary Centre (Mr. Andre) who put a specific question to the Deputy Prime Minister as reported on page 1041 of *Hansard*, and I quote:

—Will the Deputy Prime Minister give his firm commitment that there will be no further nationalization of private companies—

It was in that context, Mr. Speaker, that the Deputy Prime Minister answered the hon. member for Calgary Centre. He wanted to know whether the government was going to nationalize other private companies and the answer to that specific question was also quite clear. The Deputy Prime Minister answered:

I also ask him to probe more deeply beneath the surface of this transaction to discover for himself that the purchase was made entirely without government funds. It is entirely a commercial transaction. It is not drawing upon the revenue of the Government of Canada.

However, Mr. Speaker, if the question put by the hon. member and the answer given by the Deputy Prime Minister are examined in their proper context, it becomes obvious there is no breach whatsoever of the hon. member's privileges. The hon. member is making a fanciful interpretation of a federal law, namely the Petro-Canada Act, and he is giving interpretations. The hon. member for York-Simcoe (Mr. Stevens) even went so far as soliciting legal advice to ascertain whether section 23 of the Petro-Canada Act could be interpreted in such or such a way in light of other sections of the same act. This is a purely academic debate, Mr. Speaker. It is interesting to hear legal advice in the House, but it is equally interesting to note that some questions of privilege are ludicrous and do not hold water. In this case, it is much more a point of debate and a matter of interpreting answers given to quite specific questions than a matter of whether there has been any breach of the privileges of the hon. members for York-Simcoe or for Calgary Centre in carrying out their duties as members of parliament.

I suggest the facts speak for themselves, Mr. Speaker. The hon. member for Calgary Centre wants to know whether the government intends to nationalize other companies. The Deputy Prime Minister said we have no intention of nationalizing any company whatsoever, and in this instance the government is spending no money. A corporation created by a federal act is investing funds through the intermediary of the bank: it is a commercial transaction. There is nothing dishonest about that, nothing that is contrary to the Petro-Canada Act; moreover, Mr. Speaker, the Minister of Energy, Mines and Resources (Mr. Gillespie) himself gave the answer about the whole matter saying it was strictly a question of debate. He