

evidence that there has been a breach of the privileges of the House and then put the question to the House.

The presentation of an annual budget is the fundamental link between the Crown and the Parliament of Canada. It is the time-honoured and hard-won right of Parliament to scrutinize the financial requirements and plans of the Government. It is only Parliament that can authorize major Government appropriations, and it is only Parliament that can authorize taxation measures.

In anticipation of a possible submission to the Chair on this question from the other side that, because these leaks did not concern tax measures, what has been leaked will be found entirely appropriate, I say to you, Madam Speaker, that taking refuge in that kind of defense of hyperbole should not affect one iota the decision of the Chair with respect to finding a prima facie case of privilege. Any leak which is likely to cause fluctuations on the market, which is likely to result in gains and profits being made in the marketplace, is the very reason for the principle of secrecy surrounding the preparation and presentation of any budget. For information about the detailed plans contained in the budget which is to be delivered to Parliament to be released prior to the delivery of the budget in Parliament is, in essence, a contempt of Parliament itself. That was the matter which was at issue in the Hugh Dalton case and that brought about his immediate resignation.

There can be no doubt whatsoever that the excerpts yesterday from the text of the budget which I have read for the benefit of the Chair and the videotape which is now in existence show that the Minister of Finance permitted details of his budget speech to become known to the media. In so doing, the Minister not only breached his own oath of office but committed a very serious breach of the privileges of the House.

The notion of budget secrecy is not new. I have a precedent to cite here. It is not unknown to Members of the House. On December 12, 1979 your predecessor, Mr. Speaker Jerome, made reference, as reported at page 2287 of *Hansard*, to budget secrecy. He said on that occasion that to constitute a question of privilege the Minister must be accused of specifically failing in his responsibility to safeguard budget secrecy.

● (1120)

I make that specific charge now. A videotape exists of the Minister of Finance at the traditional pre-budget photo opportunity, taken by a cameraman, as I said, for CHCH Television in Hamilton, Ontario, clearly showing a script of portions of the French language edition of what the Finance Minister himself purported to be the budget to be presented in the House later today. The Minister of Finance has therefore breached the privileges of the House and should resign immediately. I have cited some of the precedents for such resignation.

It might be advanced by a spokesman for the Government, who I presume will be rising to participate in the discussion of this question and to advise the Chair, that what we saw and what was being discussed was a draft budget, a dummy budget. After viewing the videotape, which I have done several

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times, that assertion cannot be made. Indeed, when one views that tape, the Minister is clearly shown as having a concern initially about the secrecy to be maintained over that document, whether it was upside down or right side up, as he clowned in saying during that session.

Indeed, at one stage the Minister closed the cover so that it could not be photographed. Later on he opened it up and leafed through the pages, thus permitting a cameraman to zoom in with his telephoto lens and lift out \$4.6 billion in job creation and a \$31.2 billion deficit. That information went the length and breadth of this country that same afternoon. There is no grosser breach of the rules surrounding the secrecy of budgets than that which has been committed by the Minister.

I should cite to you, Madam Speaker, before citing the Dalton case, Walter Gordon's memoirs to substantiate what I have said with respect to the action he took. Walter Gordon at page 149 of those memoirs writes:

I remember telling Pearson that I would resign if he would like me to do so. I was taking quite a beating and, understandably, he asked me how I was feeling and if I had enough confidence to carry on. I assured him that I had, and later when he was asked if I had offered to resign he replied in the negative. I mentioned this to him subsequently and said that, in view of his statement, I also would say, if asked, that I had not offered to resign as I had not done so in a formal way or in writing. He agreed with this. My difficulties were not lessened when Richard O'Hagan, the Prime Minister's Press Secretary, decided to poll the members of the Press Gallery on whether Pearson should call for my resignation. Naturally word of this was relayed to me very quickly.

He goes on to say what happened when the House met again on Wednesday afternoon, June 19.

With respect to the Dalton precedent, that can be found in the *Hansard* for Westminster of November 17, 1947, at page 1467. What had occurred was that Hugh Dalton, who was then Chancellor of the Exchequer, on the day that he was to deliver his budget walked into the lobby of the House. As he was walking in, a journalist asked him whether there was likely to be a further tax imposed on cigarettes. His response was that people should buy their cigarettes early. I am paraphrasing.

He delivered his budget later that same afternoon, and there indeed was the imposition of a further tax on cigarettes. It hit the evening newspapers in London, and Hugh Dalton resigned immediately. Notwithstanding that resignation, the British House considered a motion that was moved by the Opposition at the time, a debate in which Mr. Churchill engaged, and asked for a reference to a special committee of the House to consider all of the circumstances surrounding the premature disclosures in that budget.

● (1125)

Madam Speaker, I cannot emphasize too strongly the foundation upon which the business of this place rests. This is the first time that I have raised a question as serious as this. It is the first time, to my knowledge, that there has ever been a budget leak of such gross magnitude that has had the opportunity of pervading the financial markets of this country a full 24 hours-plus before the budget is even delivered in the House.