

Privilege—Mr. Clark

government that on July 11 is prepared to introduce a substantial tax at the refinery on oil and on the importation of oil without telling anybody about it, giving us no notice at all and trying to bootleg it into the House of Commons. This is a government which does not deserve the respect of any serious minded Canadian, Madam Speaker.

Some hon. Members: Hear, hear!

Madam Speaker: I will recognize a few more speakers on this question. However, I do want to remind members that they must debate the point of privilege and not at all enter into debate about the fundamental question and the ways and means motion which has been tabled today.

Hon. Sinclair Stevens (York-Peel): Madam Speaker, in joining in this debate, touching on my leader's question of privilege, I only want to add a few thoughts. I was going to make the point that has already been made by our colleague from Broadview-Greenwood (Mr. Rae) that this is, after all, a budgetary matter that we now have before us.

● (1230)

I would like to re-emphasize what the hon. member said, that we are bit by bit circumventing the entire budgetary process provided for by the rules of this House. I feel that in considering my leader's question of privilege, it must be borne in mind that the rules are very clear. If this is a budgetary presentation, then under Standing Order 60(3), and I quote:

When such an order is designated for the purpose of enabling a minister of the Crown to make a budget presentation, a motion "That this House approves in general the budgetary policy of the government" shall be proposed.

We are dealing today with something that could have a tax consequence of something like \$1,200 million. To suggest that that is not something of a budgetary nature is most strange.

In a question directed to the Prime Minister (Mr. Trudeau) yesterday, I mentioned that we are in the odd position where it is now 27 months since the last wholly passed budget has been received in this House. As has been indicated, there was a mini-budget in April brought into the House, not in the normal fashion but as part of a throne speech debate. In doing that, the rules of the House were circumvented. At least there was no proper budgetary debate where the government was required to show its budgetary program, including expenditure levels and, if you like, the revenue levels such as we are now having brought forth today.

Let me emphasize this point. The precedents of not only this House but of Westminster are very clear in saying that there is a budgetary procedure that must be followed, partly for reasons of secrecy. Think of the odd position we are now put in. The stock exchanges of this country are open literally from coast to coast. Normally announcements of a tax nature such as the minister has indicated are not made until after all exchanges are closed, possibly to avoid unfair advantage as far as investors are concerned. We have literally dozens of listed petroleum companies which will be influenced by this announcement. Their shares are trading on the stock exchanges of this country. We have a minister and a govern-

ment so anxious to avoid the normal procedures of this House that they are willing to take the risk of having a misuse of this information with respect to the trading of shares of dozens of companies on the stock exchanges of this country.

Let me also draw your attention, Madam Speaker, to an exchange that took place between this minister and my colleague from Joliette (Mr. La Salle) the day before yesterday, July 9. At page 2700 of *Hansard*, in response to a question put by my colleague from Joliette, the Minister of Energy, Mines and Resources said:

Madam Speaker, my officials have not been instructed to draft any type of legislation on the subject.

That was referring to the import tax on all forms of energy which my colleague from Joliette raised in the form of a question. Two days after we were flatly told that the minister's staff had not been asked to draft any type of legislation on the subject, we are faced with a ways and means motion proposing an amendment to the Petroleum Administration Act that will give the government the power to raise the refinery gate tax by as much as \$1.75 a barrel. As I indicated, we use roughly 700 million barrels in this country, which means the tax could amount to \$1.2 billion. Relating the matter to the energy consumer, we are talking about a possible 12 cents increase per gallon of gasoline.

This is a budgetary matter and I think the question of privilege raised by my leader should be sustained.

Mr. Lorne Nystrom (Yorkton-Melville): Madam Speaker, I want to make one very brief point which was suggested earlier by the Leader of the Opposition (Mr. Clark). According to Standing Order 60, the government has the right to introduce a ways and means motion to this House. The Standing Order reads:

A notice of a ways and means motion may be laid upon the Table of the House at any time during a sitting by a minister of the Crown, but such a motion may not be proposed in the same sitting.

A number of people on this side of the House have stated that the main issue of concern here is the future of the parliamentary system—whether a minister should be consulting others before bringing in more tax measures.

The point I want to make is that we in this country are now in the process of some pretty intensive energy negotiations between the producing provinces of Alberta and Saskatchewan and the federal government. It is very unfortunate for the future of those negotiations and for harmony in this country to have the federal government do this, I suspect without consultation with either of the producing provinces. Perhaps the minister can enlighten us on this when he rises to speak in a few minutes, but I suspect there was no consultation with the two provinces although the negotiations are already very sensitive and difficult. The government have introduced a tax at a stage which is very sensitive in the negotiations. That is very damaging, very bad and a serious practice for this government to follow.

The other point I want to make why we on this side feel that this is such a bad practice is that there are currently under