

Privilege—Mr. Broadbent

misinformed, deliberately or inadvertently, the House. He referred to three items, the first of which is a statement by me. I should like to refer to page 322 of *Hansard* dated October 27, 1977, where the Leader of the New Democratic Party is reported as quoting me. It reads as follows:

I have clear information to the effect that Guatemalan production will not reach the market until 1979.

I stand by that. Our officials and our ministers have clear information to that effect. The Leader of the New Democratic Party attempts to contradict that by quoting from INCO, as reported at page 322 of *Hansard*, the following:

Commercial level production is expected to be achieved in the second quarter of 1978.

There are two operative words here. This is an expectation of production. On the expectation, we know there is a difficult start-up position in these overseas operations. There are bugs to be ironed out in Guatemala, as there have been in Indonesia. Our information is that the expectation of even production will not be fulfilled. One must note that I did not talk about production; I talked about reaching the market. It is important to know that in the case of Guatemala the production does not reach the market even as it is produced, because it still has to be processed. It is produced in a semi-processed form, and then it requires further treatment in the refineries of the company abroad before it can be marketed.

That is all I have to say in regard to the first point about not reaching the market. I stand by my statement. Obviously, either deliberately or inadvertently, the Leader of the New Democratic Party was misleading the House by playing on the word "production" as opposed to "reach the market".

My second point is with respect to the comments of the Leader of the New Democratic Party who was quoting me as reported at page 322 of *Hansard*, which reads as follows:

—INCO plans a reduction in Canada of 15 per cent of its operations, whereas it plans reductions abroad of some 30 per cent.

In order to contradict that, the Leader of the New Democratic Party said the following:

—no jobs are being lost in INCO's overseas developments.

I never said that. I never said that they are not continuing to develop the mines or to develop the operation in order to come into production and export at some point. Therefore, once again, the Leader of the New Democratic Party is either playing on words or trying to mislead the House—hopefully, inadvertently—by talking about development, whereas I talked about its operations. Referring to that same point, I should like to quote from the INCO press release dated October 20, 1977—that is, the very press release the Leader of the New Democratic Party quoted from—which reads as follows:

Production rates at the company's overseas nickel operations will be at levels substantially below those previously planned for 1978; consequently, employment levels will also be lower.

So, that is INCO saying the very thing I said, that the employment levels abroad will be lower. On the basis of discussions with INCO, our officials feel a reasonable estimate

[Mr. Trudeau.]

of 30 per cent would be the amount by which the production of the mines abroad will fail to reach their original target.

The third point was interrupted by Your Honour's ruling on the order of it, but it was put on the record that in terms of inventory I had misled the House. Here, again, the record speaks for itself. I said quite clearly, and I am quoting from page 217 of *Hansard*:

● (1212)

INCO has stockpiled for a period of 12 to 14 months.

I have here an article from the first page of the *Globe and Mail*—I hope that I will make the first page—quoting the leader of the NDP as follows:

Mr. Broadbent said . . . it has been stockpiling nickel for "about a year".

The two statements say practically the same thing. So, really, I think the leader of the NDP is just trying to get attention with a spurious question of privilege.

Mr. Speaker: Order, please. Yesterday the hon. member for Oshawa-Whitby was recognized on a question of privilege. As is customary when any member begins with an allegation that the House may have been misled either advertently or inadvertently by any comment, I heard him out. He put his comments on the record, and the Prime Minister refuted those points. It is obviously a matter of disagreement, not a question of privilege.

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SENATE AND HOUSE OF COMMONS ACT

EFFECT OF AIB GUIDELINES ON INDEMNITIES AND ALLOWANCES OF PARLIAMENTARIANS

Mr. Stanley Knowles (Winnipeg North Centre): Mr. Speaker, I rise on a point of order with respect to a matter concerning which Your Honour made a ruling in the early part of 1977 after it had been raised in the House. It is my view that the same issue is arising again, and that it should be drawn to your attention so that you can make a ruling which, I assume, will be similar to the one you made for the year 1977.

I refer to the fact that in the Senate and the House of Commons Act there is provision for a 7 per cent automatic increase in the indemnities and allowances of members of parliament and senators. But a year ago Your Honour reached the decision, after the matter had been raised in the House, that the Anti-Inflation Board's guidelines had to apply, and therefore the amount that was granted in the statute was reduced to stay within those guidelines. The Minister of Finance has announced that the limit for 1978 will be 6 per cent on any salary or income increase. Because the Senate and House of Commons Act provides for a 7 per cent increase, it seems to me that the issue arises again.

I think most of us felt that the matter was handled properly last year by Your Honour making a decision on it after consulting the representatives of the various parties. I raise it now so that Your Honour can deal with it again. I think hon.