

HOUSE OF COMMONS

Tuesday, November 16, 1971

The House met at 2 p.m.

PRIVILEGE

MR. LEWIS—ALLEGED MISLEADING ANSWERS BY ACTING PRIME MINISTER CONCERNING DECISION ON FOREIGN OWNERSHIP POLICY

Mr. David Lewis (York South): Mr. Speaker, I rise on a question of privilege of which I have given Your Honour notice. The question of privilege is directed to the Acting Prime Minister and the conflict between statements which he made to the House yesterday and revelations in a document purporting to be a cabinet memorandum published in today's *Montreal Gazette*.

The Acting Prime Minister was asked a number of questions yesterday relating not only to the report published in *The Canadian Forum* but also, in one question asked by the Leader of the Opposition, specifically to the question of whether or not there was a cabinet document stating that the main policy approach to the issue of foreign ownership should be the creation of a screening agency. In answering that specific question the Acting Prime Minister said that he was prevented by his oath of office from disclosing what had happened in cabinet. However, all through his answers to questions yesterday he created the impression, and obviously intended deliberately to create it, that no decision had been made by the government and that the government was still in the process of making decisions on the question of foreign ownership and the various aspects of policy that might deal with that subject. Indeed, according to the story in the *Montreal Gazette* he was asked about this matter when he left the House. The report in that newspaper says:

... Sharp was asked if he was denying that any part of the report in the *Canadian Forum* was in any way government policy.

He is reported as having answered, "Yes. We have taken no decisions yet."

Throughout the question period yesterday and in his comments outside the House the Acting Prime Minister sought to leave the impression that the government had made no decisions. If that is so, Mr. Speaker, then the article in the *Montreal Gazette* of this morning must be a forgery of some sort because the article in the *Gazette* claims to be an actual reproduction—it is all in quotes right through—of a cabinet document. At the end, D. J. Leach, superintendent of cabinet documents, is shown as the signatory of the document published in the *Montreal Gazette*. This is stated to be the actual document, the minute of cabinet. In paragraph (a) of the document the following statement appears:

The cabinet agreed in principle that the main policy approach to the issue of foreign ownership should be the creation of a screening mechanism that would cover foreign takeovers of Canadian firms doing business in Canada and that the further extent and

scope of the functions of a screening mechanism would be examined in full cabinet at an early September meeting.

• (2:10 p.m.)

I am not one who would suggest that every discussion in cabinet in the process of making decisions ought to be made public. I fully appreciate that under our system cabinet discussions, until a decision is reached, might well be kept to the cabinet for obvious reasons. However, that does not give a member of the cabinet, particularly when he is Acting Prime Minister, the right or discretion to make statements that mislead the House and the people of Canada.

Some hon. Members: Hear, hear!

Mr. Lewis: If the Acting Prime Minister had said "I will make no comment on this", "I will not deal with the matter because it is before cabinet" or had made any such statement of that sort, one could appreciate that. Indeed, his answer to the Leader of the Opposition was that he could not say what happened in cabinet because of his oath as a member of the cabinet. Whether one agrees or not with the attempt to keep it secret is a matter to which I will come in a moment. However, when the Acting Prime Minister goes out of his way to suggest to Parliament and the people of Canada that the cabinet has not reached a decision, he is misleading the House and the people of Canada and we, as Members of Parliament, have a legitimate point of privilege against that kind of answer.

Some hon. Members: Hear, hear!

Mr. Lewis: I want to emphasize for Your Honour the distinction I am trying to draw. I wish Your Honour could persuade some of the donkeys to stop braying. I want to emphasize the distinction I am trying to make. I do not say that the Acting Prime Minister, the Minister of National Revenue (Mr. Gray) or anyone else was under any obligation to tell Parliament or the people of Canada what decision has been made and what decision has not been made until such time as the government is ready to announce its decision or decisions. However, when the Acting Prime Minister knows, and he could not have helped but know, that as long ago as July 29 a decision was in fact made by cabinet, he has no right, without violating every sense of privilege of Parliament and, indeed, every sense of democracy—

Some hon. Members: Order.

Mr. Lewis: —to try to convey the impression that no decision has been made by cabinet, which is exactly what he did yesterday. I question the secrecy about some matters that the government refuses to disclose, and one may question what this government is about when, despite its numerous protestations of participation and so on, it refuses to give the Canadian people basic information