

*Canadian National Railways and Air Canada*

been in the bill in the first place, and I suppose they could. The hon. member also argued that they do not affect the royal recommendation, and that they are housekeeping measures. But the fact is that they would form a substantial departure from the measure that we have before us as it was approved by the House on second reading. I think they are foreign to the substance of the bill. I would quote from May's eighteenth edition, page 508, paragraph (1) as follows:

An amendment is out of order if it is irrelevant to the subject matter or beyond the scope of the bill—

For that reason I would have to say that motions Nos. 3 and 5 as they stand at the report stage cannot be presented to the House.

Perhaps I should put the motions on the record. The hon. member for Mississauga (Mr. Blenkarn), for the hon. member for Central Nova (Mr. MacKay), moved motions Nos. 3 and 5 as follows:

## Motion No. 3.

That Bill C-5, an act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1973, to the 30th day of June, 1974, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be amended in clause 7 by inserting therein, next after line 6 on page 5, the following:

"(3) It shall be a condition to which a loan made under subsection (1) is subject that the annual report of Air Canada, first made after the ending of the period referred to in that subsection, shall include, in respect of each of the directors and executive officers of Air Canada, the amount paid to him by way of salary, other remuneration and expenses, the terms of his tenure of office, and the duties of his office."

and by renumbering subsequent subclauses accordingly.

## Motion No. 5.

That Bill C-5, an act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1973, to the 30th day of June, 1974, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be amended in Clause 9 by inserting therein, next after line 14 on page 7, the following:

"(2) It shall be a condition to which a loan made under subsection (1) is subject that the annual report of the National Company for the calendar year 1973 shall include, in respect of each of the directors and executive officers of the National Company, the amount paid to him by way of salary, other remuneration and expenses, the terms of his tenure of office, and the duties of his office."

and by renumbering subsequent subclauses accordingly.

● (2120)

We now turn to the point of order in connection with motion No. 6, in the name of the hon. member for Central Nova but moved by the hon. member for Mississauga, which reads as follows:

## Motion No. 6.

That Bill C-5, an act to authorize the provision of moneys to meet certain capital expenditures of the Canadian National Railways system and Air Canada for the period from the 1st day of January, 1973, to the 30th day of June, 1974, and to authorize the guarantee by Her Majesty of certain securities to be issued by the Canadian National Railway Company and certain debentures to be issued by Air Canada, be amended in Clause 13 by deleting line 6 on page 9 and substituting therefor the following:

"the 1972 fiscal year of the Na-".

[Mr. Deputy Speaker.]

As I have indicated, the Chair has certain reservations concerning the relevancy and admissibility of motion No. 6. I gather that the hon. member for Mississauga is prepared to speak to the point of order.

**Mr. Don Blenkarn (Mississauga):** Mr. Speaker, motion No. 6 is different from Motions 3 and 5 on which Your Honour just ruled. It was suggested that motion No. 6 might be defective in that it is consonant neither with the provisions of the recommendation accompanying the bill nor the title of the bill. First, I maintain that there is no difficulty whatsoever with respect to the title of the bill. Clause 13 refers to the purchase by the government of CNR preferred stock. This is mentioned nowhere in the title of the bill, therefore the title applies verbatim whether the amendment is passed or not. In addition, I draw your attention to citation 409 which points out that the title of a bill can be amended and if such an amendment were necessary it would be done on the motion for final passage. I do not think that the title matters in this case.

The first point made was that the amendment might not be consonant with the terms of the royal recommendation which specifically mentions the authorization by Her Majesty to purchase preferred stock up until December 31, 1973. It is important to note that the recommendation is for the purchase of preferred stock up until December 31, 1973. The key citation in Beauchesne's referring to the financial initiative of the Crown, citation 246(3), reads:

The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the royal demand of recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications. In relation to the standard thereby fixed, an amendment infringes the financial initiative of the Crown, not only if it increases the amount, but also if it extends the objects and purposes, or relaxes the conditions and qualifications expressed in the communication by which the Crown has demanded or recommended a charge.

This citation, which is a direct quote from May's, comes under the heading "The royal demand or recommendation fixes the limits of the charge". The citation sets out very clearly the limits which are placed on the ability of a member to move for increases in expenditure beyond the royal recommendation. In short, any amendment which in any way increases the financial obligation of the Crown is not permissible. The royal recommendation sets out precisely the upper limit of what can be spent and to what purpose it can be allocated.

However, this citation does not refer at all to the member's ability to reduce the amount to be paid out, which is what the amendment submitted is all about. In other words, there is nothing wrong with a member moving an amendment to reduce an amount of expenditure. That is perfectly proper. It is only when the expenditure is to be increased or extended that it is beyond the competence of a member to move an amendment.

Beauchesne's does not deal specifically with reducing the amount recommended, but May's does. In the eighteenth edition, at page 744, under the heading "Provisions involving the reduction of charges", May says:

No special form of procedure applies to proposals to reduce existing charges, and they may be moved in the House or in committee without the royal recommendation.