

*Small Businesses Loans Act*

● (3:20 p.m.)

**Mr. Speaker:** What we have before the House at the moment is a point of order. I trust any discussion we have at this time would not be on the substance of the interesting amendment proposed by the hon. member for Battle River, but rather would be on the procedural aspect of the matter. Having said that, I shall recognize the hon. member for Winnipeg North Centre (Mr. Knowles).

**Mr. Stanley Knowles (Winnipeg North Centre):** Mr. Speaker, I am afraid I must admit the argument against the procedural admissibility of this amendment is pretty weighty and very difficult to answer. However, as the hon. member for Edmonton West has pointed out, no increase in the total amount of money is involved so far as the amendment is concerned. But it does seem we are stuck with the citations and previous rulings which say we must remain within the terms of the resolution. I suppose therefore, heeding your admonition of a moment ago, and since I find it difficult to argue the other way, there is little I can say. However, like the hon. member for Edmonton West, I think it is too bad there is this discrimination against the treasury branches in the province of Alberta.

**Mr. Downey:** Mr. Speaker, I believe I find myself unable to compete with hon. gentlemen such as the hon. member for Edmonton West and the hon. member for Winnipeg North Centre in respect of a point of order and knowledge of the rules of the House. I do recall, however, when the farm improvement loans bill was being discussed in the House last year, many precedents were cited in respect of guarantees. Arguments were put forward at that time that there was no necessity for the federal government to provide a guarantee when the province was providing the guarantee. That is, Her Majesty the Queen in right of Canada would not or could not have the privilege of overriding the guarantee of Her Majesty in right of a province. In this regard, I should like to refer to the Statutes of Canada 1962-63 in respect of the setting up of the Expo Corporation. I shall quote from the Act to establish the Canadian World Exhibition, Section 12(3). It reads as follows:

The Governor in Council may authorize the Minister of Finance, on behalf on Her Majesty, to enter into a joint guarantee by Her Majesty and Her Majesty in right of the Province of Quebec guaranteeing payment of the principal amount of any note, bond or debenture issued by the Corporation under the authority of subsection (1) and of

[Mr. Lambert (Edmonton West).]

the interest thereon, which guarantee shall be in such form and subject to such terms and conditions as may be approved by the Governor in Council and the Lieutenant Governor in Council.

It is clear that there are precedents for this type of guarantee. Although it is not clearly spelled out in the recommendation of His Excellency the Governor General of Bill C-9 that this type of arrangement may be entered into when we look at the amount of defaults there have been in the past under small business loan and Farm Improvement loan legislation, I believe it is obvious to all of us that, for all practical purposes, there will be no additional financial commitment or guarantee forced upon the federal treasury. I would ask for the consideration of the minister in this regard. At a time when the people in the west feel they are being discriminated against I think this is very important. In light of the precedent in respect of the Expo Corporation, I would ask for the minister's consideration.

**Mr. Speaker:** Order, please. I trust the hon. member for Regina East wishes to speak to the point of order. I might say I am in a position to reach a decision on the point of order raised by the minister, which has already been commented upon by three learned and hon. members of the House. I would hope the hon. member for Regina East would limit his contribution to the procedural aspect of the point now before the Chair.

**Mr. John Burton (Regina East):** Mr. Speaker, on the point of order, may I say that I cannot add to what has been said by the hon. member for Edmonton West and the hon. member for Winnipeg North Centre. However, I might ask, in view of the disposition expressed in some parts of the House, whether the minister might consider taking the necessary steps to bring in a resolution that would enable this matter to be considered by the House in the event Your Honour should decide the amendment is not admissible.

**Mr. Speaker:** The hon. member has made a suggestion which the minister may wish to consider after the ruling has been made. As hon. members might surmise, it would be very difficult for the Chair to rule otherwise than that the amendment unfortunately cannot be put to the House. As has been correctly mentioned by the minister, and as pointed out by hon. members who have taken part in this debate, the proposed amendment would appear to go beyond the terms of the Governor General's recommendation.