pension benefits indexation. Our parliamentary jurisprudence requires that we have in hand identical texts for rule 47 to apply. One of the texts suggests rejection of de-indexation, while the other, in its present form, proposes to implement it gradually. The first motion, if passed, would reject partial de-indexation. The difference is substantial. Nothing will prevent subsequent consideration of de-indexation under specific conditions rather than in the abstract.

[*Translation*]

The Honourable Leader of the Government has raised a fourth point with the following question, and I quote:

> If the motion were passed and accepted by the government it would, in effect, call for a payment from revenue because it would increase government expenditures. There is no reason why we cannot find proper wording to deal with resolutions calling on the government to spend money. There is a formula available to private members or anybody who wants to propose something that calls for the expenditure of government funds, without contravening the rule that only the government can produce a royal warrant. I am not sure that this resolution is properly worded to accommodate that important technicality.

I have studied the motion under two very specific angles. First, I looked at the wording and merely saw the statement of an opinion implying no requests as such.

Secondly, I have studied the question of imposed expenditures, should the government agree to the motion. If we analyzed the situation more closely, we would be obliged to conclude that if the motion was accepted it would not impose additional expenses but would simply maintain the *status quo ante*. Presently, there is a pension act with indexation providing for the necessary expenditures. It would be an amendment to this act changing the indexation formula and, while debating this amendment, parliamentarians would not be in a position, unless they were ministers, to propose any additional expenditures. Which is not our case. The motion, in fact, only refers to the *status quo*.

[*English*]

I do admit that the objections raised last Wednesday provided a good reason for us to tread with care and insight, but in order to bar debate in this chamber arguments against the motion must be tight. Even if we are doubtful, we must encourage debate in keeping with the great tradition of freedom of speech in both chambers.

● (1410)

I, therefore, consider that the motion is acceptable.

SPORTS POOL AND LOTO CANADA WINDING-UP BILL

SECOND READING—ORDER STANDS

On the Order:

> Resuming the debate on the motion of the Honourable Senator Phillips, seconded by the Honourable Senator Doody, for the second reading of the Bill C-2, intituled:
>
> "An Act respecting the winding-up of the Canadian Sports Pool Corporation and Loto Canada Inc.".—(*Honourable Senator Perrault, P.C.*).

Hon. C. William Doody (Deputy Leader of the Government): Honourable senators, perhaps we could revert to this order later this afternoon.

Hon. Senators: Agreed.

Order stands.

INVESTMENT CANADA BILL

SECOND READING—DEBATE CONTINUED

On the Order:

> Resuming the debate on the motion of the Honourable Senator Kelly, seconded by the Honourable Senator Barootes, for the second reading of the Bill C-15, intituled: "An Act respecting investment in Canada".—(*Honourable Senator Godfrey.*)

Hon. John M. Godfrey: Honourable senators, this bill brings a certain feeling of nostalgia to me, because I was appointed to the Senate on October 1, 1973 and I made my maiden speech in the Senate on December 5, 1973, on second reading of the Foreign Investment Review Act.

The first reading of that bill had taken place in the House of Commons sometime in January of 1973. The Standing Senate Committee on Banking, Trade and Commerce studied the subject matter of the bill for approximately two months and finally brought in a report in July of 1973.

Senator Hayden, in a speech which he made to the Senate on December 12, 1973, pointed out that of the 16 recommendations made in the report of the Banking, Trade and Commerce Committee, ten were dealt with by amendment in the House of Commons. Of these ten, the committee felt that six could be said to meet fully the objections which prompted the committee's recommendations. A further four amendments responded, at least in part, to the committee's recommendations, and in the remaining six cases no amendments were made.

The gist of my speech on December 5 was to say that I disagreed with the report of the Banking, Trade and Commerce Committee with respect to at least four of the recommendations which had not been accepted by the government. It might be of interest to point out very briefly what those were. One of the recommendations was that there should be an exception granted under certain circumstances where no Canadian purchaser could be found or was willing to pay a reasonable consideration. I recall at the time reading the evidence of a Mr. Beach who appeared before the Banking Committee for the Canadian Manufacturers' Association, and he pointed out that if he were permitted to sell his company to an American he would get $1 million more than it was worth from the American, and he did not think that it was reasonable that he should be denied that opportunity. I did not agree with Mr. Beach. I thought that as long as he was getting what he felt his company was worth, there was nothing wrong with