

That Bill C-132, An Act to provide for the review and assessment of acquisitions of control of Canadian business enterprises by certain persons and of the establishment of new businesses in Canada by certain persons, be amended in Sub-clause 2(1) by changing the period at the end of line 9 at page 2 to a comma and by adding immediately thereafter the following words:

"and that it is also expedient to establish a means by which established firms that are foreign owned may have an increase in the value of their assets or sales provided they make available to the Canadian public that portion of their total equity which is proportionate to the said growth, such increases in assets or sales to be submitted to the Agency established under this Act at regular five-year intervals, for the preceding five-year period, the equity ratio to be based on average experience of the firm over the preceding twenty years or its time of incorporation in Canada, whichever is shorter, and the first option to purchase equity to be provided to the Canada Development Corporation."

As hon. members will appreciate, there is a suspicion that this is a new proposal. Clause 2 purports to set out the purposes of the bill. It is somewhat in the form of a preamble, and the hon. member for Yorkton-Melville proposes in this motion, by way of an amendment to the bill, an additional purpose, or suggests an additional purpose. This purpose, at least at first sight, appears to be quite beyond the other purposes and the general purport of the bill. This is why the Chair, reviewing the matter and studying this motion closely, has had some reservations, but I would be pleased to hear the views of hon. members in relation to the proposed motion.

**Mr. Knowles (Winnipeg North Centre):** Mr. Speaker, since you have just indicated that you are prepared to accept as procedurally admissible 12 out of the 14 amendments proposed at this stage, it is a bit hoggish for us to suggest that we want a bit more, but we do regard motion No. 1 as very important, and we hope that Your Honour will reconsider your position on it.

We were aware that you would probably suspect that this is the addition of something that is not in the bill, but it is our view that it is really one of those additions that simply make more clear what we think is implied in this kind of legislation. In other words, if we are going to have a Foreign Investment Review Act, surely there has to be some understanding as to what happens to kinds of corporations that would normally be dealt with under a grandfather clause. That is what the purpose of this motion is, namely, to make it clear how the legislation would apply to corporations that already have certain assets in the country.

We contend that it is not introducing something brand new, something that is not implied in the legislation, but rather that it seeks to clarify a point which is called for but which is not spelled out clearly anywhere in the bill itself.

We feel that with this kind of language in what Your Honour has called the preamble it will help to make the rest of the bill clear. Therefore, because in our view it is that kind of amendment, we hope that Your Honour will see fit to permit its introduction.

**Mr. Reid:** Mr. Speaker, it seems to me that this amendment is definitely out of order on the basis of the citations available in Beauchesne and May. I should like to quote

*Foreign Investment Act*

citation 406(a) at page 285 of Beauchesne's Fourth Edition as follows:

Amendments are out of order if they are

(a) irrelevant to the bill, or beyond its scope, governed by or dependent upon amendments already negatived;

Is this an amendment beyond the scope of the bill? I suggest that a close reading of clause 2(1) of the bill would indicate that this motion proposes a new purpose, so new in fact that there is no provision in the bill to make it effective even if accepted by Your Honour and the House of Commons. It is a new proposition; it is different, and it does violate the principle of the bill which was accepted on second reading and studied in committee.

Relevant quotations can be taken from May as well, but I think the point is crystal clear that this is a new principle which the hon. member is attempting to carry into the existing structure of the bill. It has no relevance to material already in the bill, and therefore should be ruled out of order on those grounds.

**Mr. Bell:** Mr. Speaker, we do not take a hard position on this amendment. It is very innocuous, but we do express the hope that in some way Your Honour will find it possible to allow some latitude for general debate on the various amendments because this bill has been in committee a considerable length of time, and at some point hon. members will want to express their general views about the bill, which has been considerably changed in committee.

**Mr. Knowles (Winnipeg North Centre):** That can be done on third reading.

**Mr. Nystrom:** Mr. Speaker, I am by no means an expert on the rules or procedure, but I do want to reply to a brief comment made by the parliamentary secretary. It has been said that the purpose of the legislation is to review new investment and expansion into other areas. This motion refers to expansion of existing business enterprises.

The parliamentary secretary made the point that even if this amendment were accepted and carried, the bill as it is now written does not contain any provision to carry out the intention of the amendment. I suggest he is wrong on that point because from the wording of the amendment it can be seen that we are talking about expansion in related areas, about an increase in the assets of firms about which we are concerned and which, under the terms of this amendment, would be submitted for the consideration of the agency established under this legislation. That agency would then apply the same rules as are applicable to other firms that come under the bill as presented by the Minister of Industry, Trade and Commerce (Mr. Gillespie). In other words, the same rules that are in Bill C-132 and that are applicable to the kinds of firms already mentioned in the bill would come into effect if our grandfather clause is very important if we are going to be serious about foreign ownership in Canada.

**Mr. Speaker:** I thank hon. members for their guidance in relation to motion No. 1 standing in the name of the hon. member for Yorkton-Melville. I am afraid that hon. members, while they have sought to help the Chair, have not clearly resolved the difficulty for me. Referring to the first point made by the hon. member for Saint John-Lancaster