

*Speaker's Ruling*

Subsequently, it proceeded through the Senate and was there amended. The Senate sent a message to the House asking this House to agree to amendments it made to the bill. This first message from the Senate was considered on March 12 and March 13. Debate on the motion of the Minister of State and the Leader of the Government in the House of Commons in relation to the Senate amendments was closed and the motion concurred in on March 13, 1990. Therefore, on March 13, this House sent a message back to the Senate setting out its agreement with some of the amendments and its rejection of others. This occasioned a second message from the Senate which is recorded in our *Votes and Proceedings* of March 20, 1990.

In this second message the Senate informed the House of Commons of its concurrence in the amendments made by the House to amendments Nos. 1, 4(b) and its insistence upon its amendments 2(a), (b) and (c); 3(a) and (b); 4(c) and (d); 5(a) and (b); 6, 7, 8 and 9.

Finally, in the third message on March 21, 1990, the Senate set out the observations—and I underline that word—contained in the fourth report of the Special Committee of the Senate on Bill C-21. That is the position the House was in when the government House leader rose on April 3 to ask the Chair “to rule that amendments 5(a) and (b), 7 and 9 in the message from the other place are out of order because they differ in one way or another with the specific conditions laid out in the royal recommendation of Bill C-21, and because they infringe upon the financial initiative of the Crown”.

I want, of course, to thank all hon. members who assisted the Chair by participating in the discussions of this complex matter on April 3 and April 5. In the interests of both gravity and clarity I will summarize and marshall the several arguments into two categories.

All the arguments advanced dealt either with the substantive question of whether the Senate is entitled to amend Bill C-21 as it did or they questioned the process by which the Senate amendments were being challenged.

*[Translation]*

I must express my gratitude to the Hon. Minister for indicating when he rose on this issue that he did not

expect an immediate reply. As the minister and the parliamentary secretary both pointed out, our relationship to the other House is a most fundamental one which goes back to the beginnings of parliamentary democracy.

I would not want to render a decision touching on such momentous matters in haste. Thus, I reiterate my thanks to all members for allowing me some time and distance to sort out the threads of argument advanced and to formulate a considered response.

During the course of the argument, the Chair attempted to direct the hon. member by stating its understanding of the substantive issue and I think that may bear repeating.

*[English]*

What we have here is a bill based upon the budgetary policy of the government, as approved by the House of Commons, which amends existing legislation, that being the Unemployment Insurance Act and the Employment and Immigration Department and Commission Act. The bill proposes in part to eliminate funding from the treasury of Canada to the unemployment insurance account and to make that account a self-sufficient fund by means of contributions paid directly by the employers and employees. That is a somewhat simplistic explanation of the bill that was passed by this House. Now the Senate has made amendments to this proposal.

The Senate has returned with the proposal that some of the funding which this House agreed to eliminate should be restored. According to the government House leader the Senate amendments would cost the Consolidated Revenue Fund \$1.75 billion annually. The question is this: is it proper for the Senate to restore a charge which this House has taken away? The question arises because of two fundamental principles. These are that, first, bills for the spending of public moneys must originate in the House of Commons, as stated in Section 53 of the Constitution Act of 1867; and, second, such bills must be recommended by a message from the Governor General which can only be obtained and presented in the House of Commons by a minister of the Crown. This is called a royal recommendation. The foregoing is also a very basic explanation of the substantive matter that has been preoccupying the Chair.