

*Canada-U.S. Free Trade Agreement**[Translation]*

I should remind all Hon. Members and the public that is watching that Ways and Means is the procedure by which the House of Commons uses its time-honoured constitutional role in providing the Government of the day with the authority to raise revenue to meet national expenditures and to allow it to influence the economy.

*[English]*

The definition of the term "Ways and Means" can be found on page 99 of the Second Edition of the *Précis of Procedure*. It reads:

"Ways and Means" refers to the process by which the government obtains the resources necessary to meet its expenses, usually by changing the levels of taxation by imposing new taxes, continuing expiring taxes or extending the incidence of taxes.

Further, to quote Speaker Jerome on page 785 of the House of Commons *Journals* of May 19, 1978:

... a Ways and Means motion as the basis of a tax bill is the procedural device used to protect the financial initiative of the Crown.

*[Translation]*

Beauchesne's 5th Edition, paragraph 1 of Citation 516 refers to a Ways and Means motion as:

a necessary preliminary to the imposition of a new tax, the continuation of an expiring tax, an increase in the rate of an existing tax or an extension of the incidence of a tax so as to include persons not already payers.

*[English]*

In Erskine May, Twentieth Edition, at page 821 is found a summary of items that are covered by a charge upon the people as follows:

... (1) the imposition of taxation, including the increase in rate, or extension in incidence, of existing taxation, (2) the repeal or reduction of existing alleviations of taxation such as exemptions or drawbacks, (3) the delegation of taxing power within the United Kingdom ...

In addition, Standing Order 84(1), (2), (10) and (11) provides the House with some direction, in that a Minister may table a Ways and Means motion at any time when such a motion is adopted without debate or amendment. Then a Bill based upon the motion's provisions may be introduced.

The Hon. Member for Kamloops—Shuswap argued that the Ways and Means motion relating to Bill C-130 was unnecessary. Careful scrutiny of the Minister's tabled motion, which is appended to the *Votes and Proceedings* of Wednesday, May 18, 1988, reveals the use of such words as "impose", "authorize the imposition", and "revise the provision respecting the imposition".

In the Speaker's view, these words can only be construed as coming under the general definition of a Ways and Means motion that I enunciated earlier.

The Hon. Member also quoted from Erskine May, Twentieth Edition, page 825, saying that motions, including provisions for the alleviation of taxation, are not subject to the rules of financial procedure. This is an interesting point. However, the reference is qualified by a particular practice used in the British Parliament with respect to their financial

procedures. A separate Ways and Means motion is often not necessary in the British House, as the general Ways and Means motion attached to their finance Bill is usually sufficient.

The British House has a procedure quite distinct from ours. Their Ways and Means motions are debatable and amendable, ours are not. It is difficult to compare the British practice to ours in terms of process.

Because our procedure does not provide for debate or amendment with respect to the substance of the Ways and Means motion, it is the Minister who decides whether it is sufficiently detailed and clear for Members to understand. But Members have the option of voting against it.

As the Hon. Member for Kamloops-Shuswap has correctly indicated, examples can be found of Ways and Means motions that were both very brief and very detailed. The Chair said earlier that a reading of this motion does reveal the intention of the Minister to introduce a measure to impose or revise the imposition of certain charges upon the people resulting from the free trade agreement between Canada and the United States of America. Consequently, upon reviewing the Standing Orders and the Canadian precedents and practice, I am still of the opinion I expressed last May 18 when I stated, in part, at page 15588 of *Hansard*: "the Ways and Means motion of course is not dependent on the Chair accepting it." Under the orders, clearly, the Minister has the right to act.

*[Translation]*

The minister, in the tabling of his motion and in moving it for adoption, has followed the required procedure and has respected our practice.

● (1530)

*[English]*

There was another point raised by the Hon. Member for Kamloops—Shuswap concerning the limits a Ways and Means motion imposes upon the Members at the committee stage. Erskine May, Twentieth Edition, at page 771, with further comments on pages 838 and 839, gives the general rule concerning amendments to Bills which are based upon Ways and Means motions, and it states:

... bills may, of course, be amended, either by a reduction of the amount of incidence of a charge or by an increase in the stringency of the conditions or qualifications to which it is subjected.

This guideline is expanded upon further in Beauchesne's Fifth Edition, Citations 522 to 534 inclusive. Nevertheless, this rule would appear to be no more restrictive than that used for other types of Bills in that all amendments to any Bill must be relevant and within the scope of the said Bill.

*[Translation]*

Furthermore, whether a bill is based upon a Ways and Means motion or not, it would clearly be out of order to raise a charge beyond the ceiling authorized by the Crown as set out