

*Speaker's Ruling*

At first glance, one might think one could easily discern whether any new charge is placed on the Treasury. If a rate is increased, then it would appear to be obvious that an additional charge is placed on the Treasury and a royal recommendation must be obtained.

According to citation 540 of Beauchesne's Fifth Edition, however, the amount of the charge is not the only consideration. It states:

The guiding principle in determining the effect of an amendment upon the financial initiative of the Crown is that the communication, to which the royal recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of the charge, but also its objects, purposes, conditions and qualifications. In relation to the standard thereby fixed, an amendment infringes the financial initiative of the Crown not only if it increases the amount but also if it extends the objects and purposes, or relaxes the conditions and qualifications expressed in the communication by which the Crown has demanded or recommended a charge.

• (1630)

[*Translation*]

As Beauchesne explains, there are instances where the objects, purposes, conditions and qualifications may be affected in such a manner as to involve financial implications. For instance, if a program is extended to cover an additional period of time or if the parameters of a program are broadened to cover more applicants, then a royal recommendation is necessary.

[*English*]

With this background having been explained, I would like to return now to the point of order raised by the hon. member for Kingston and the Islands. In his presentation the hon. member suggests that the government expenditures restraint bill reduces government spending. It does not involve any new charge on the Treasury and, therefore, requires no royal recommendation. Furthermore, he suggested these recommendations are included in bills "in an attempt by the government to stifle amendment by members of the opposition, amendments which members—are entitled to put".

[*Translation*]

In reply, the Hon. Minister of State for Finance explained that the royal recommendation was obtained for this bill on the advice of the Office of the Law Clerk and Parliamentary Counsel because some provisions in

the bill widened existing conditions. He referred in particular to clause 2.

The Government Expenditures Restraint Bill is an extremely complex piece of legislation. The hon. member for Kingston and the Islands himself described the bill as containing "all kinds of formulae that I do not understand". The Chair has a great deal of sympathy for all hon. members on both sides of the House who attempt to glean some understanding from bills of this kind.

[*English*]

A review of clause 2 shows a formula for calculating limits on the 1991 contributions under the Canada Assistance Plan. Clause 5 provides for an escalator formula in the Federal-Provincial Fiscal Arrangements and Federal Post-Secondary Education and Health Contributions Act.

There is no doubt in the Chairman's mind that the proposals in Bill C-69, which is an amending bill, will change the conditions and qualifications that were attached to the original legislation recommended by the Governor General. The result from the calculation of any of the formulae may or may not cost the Treasury less money but the manner and the elements used to arrive at such results are certainly new.

The Chairman would therefore conclude that a royal recommendation was appropriate.

As for the hon. member's concern that the presence of a royal recommendation might restrict the opportunities for amendment, it is my view that this should not preclude any hon. members from moving amendments to clauses of the bill at committee and report stages subject to our normal rules and practices. In committee, hon. members can propose amendments to any clauses. If any amendment is thought to be irregular, there is normally opportunity for procedural debate, followed by a decision of the chairman.

Furthermore, report stage provides another opportunity to put forward amendments. As hon. members know, there are normally consultations on the selection of amendments as well as on the groupings for debate and division. Any proposed amendment will, however, be subject to our practice that it cannot affect the objects, purposes, conditions or qualifications of the financial initiative.