

Small Businesses Loans Act

I might take the liberty to bring to the attention of the House citation 246 of Beauchesne's Fourth Edition which, in part, reads as follows:

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to which the royal demand of recommendation is attached, must be treated as laying down once for all (unless withdrawn and replaced) not only the amount of a charge, but also its objects, purposes, conditions and qualifications.

Because of this, it is a long established practice that the type of amendment proposed by the hon. member cannot be put to the House. I regret very much that I must reach this conclusion, particularly due to the fact that there appears to be so much sympathy on both sides of the House for the intent of the amendment proposed by the hon. member for Battle River (Mr. Downey). However, because of the precedents and particularly the ruling I made myself after considerable thought just two years ago when this very point was brought up and considered by the Chair, with regret I rule that the hon. member's proposed amendment may not be considered by the House at this moment.

I must add that in respect of the second amendment proposed by the hon. member for Battle River, being consequential and related directly to the one just ruled out of order, the same conclusion would have to be reached. Therefore, of course, the second amendment could not be put to the House at this time.

Hon. Herb Gray (Minister without Portfolio) moved that Bill C-9, to amend the Small Businesses Loans Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Gray moved that the bill be read the third time and do pass.

Mr. Speaker: Is it the pleasure of the House to adopt the said motion?

• (3:30 p.m.)

Mr. John Burton (Regina East): May I ask the minister whether he is prepared to give consideration to the proposal placed before him with respect to the subject matter of an amendment that was proposed by the hon. member for Battle River (Mr. Downey) and which was ruled out of order. Is the minister prepared to consider taking the necessary steps to enable this change to be made in the

bill so that the treasury branches of the province of Alberta could be included within the scope of this legislation?

Mr. Gray: Mr. Speaker, I do not intend to rise and put myself in the position of closing the debate if there are other members who wish to take part in the debate on third reading.

Mr. Speaker: Of course, if the minister speaks now, even if he does not close the debate, he can speak only once on a motion. He can choose whether he wants to speak now or wait until other contributions have been made.

Mr. Downey: It is a disappointment to me that the amendment I proposed was ruled out of order, but I hope the minister will take the necessary steps to ensure that a correction is made so that the provincial treasury branches can enjoy equal status with the other financial institutions which operate in the province and in the rest of the country.

I will be brief in my remarks at this stage since I spoke on this bill earlier. May I say, with regard to the treasury branch situation—and here I also wish to include farm improvement loans—that I think we have to consider financial agencies in the light of their usefulness and of their total participation in the field of finance. Certainly, the profits that accrue from institutions such as provincial treasury branches go back into the provincial revenue, and in this way part of the load is taken off the public purse, which I think is most important in view of the country's present economic situation.

Much of the profit of our other banking institutions eventually finds its way outside the country. I am not debating the merits or otherwise of this situation, but I do say that it would be a gross discrimination and contrary to the public interest for the federal government not to extend the same privileges to provincial treasury branches as they do to private financial institutions especially when, as I said earlier, we have clear precedents for this type of guarantee.

There is one other important addition which could have been made to this bill and that is the inclusion of inventory and accounts receivable so that loans could be made on this basis as well as for business expansion. In a depressed business cycle such as we are experiencing now in this country, it is of little value in the majority of cases to indicate that the government will advance