

they gave federal authority power to rule them? The answer of the privy council is yes and no. I say yes, so far as the protection of the rights of minorities is concerned regarding certain schools in Ontario as of 1863. They retain this but these rights cannot be extended, and what was done in 1863 is final and any extension of it is ultra vires. I am in favour of a strong federal power as the British North America Act provided in disallowance to protect not only minorities but majorities. The time is coming in Canada when majorities will have to assert their rights and privileges under confederation as laid down in 1863-67. I believe that, when I see some of the legislation being passed over the head of the British North America Act and over the head of what Sir Wilfrid Laurier said in 1905 about the rights of minorities and majorities under confederation. I believe the Minister of Justice referred to that statement to-day, so far as I understand it, when he said confederation to that extent was a contract along those lines. It has been set out by many of the Lords of Appeal in the privy council what their views were or dictums were as to whether confederation was a contract or not. I contend federal authority should be up and doing to protect whom?—to protect municipalities from the taxation invasion of the provinces; to protect all those municipal institutions for which bonds and debentures are sold; I refer to hospitals, schools, court houses, harbours, parks, public schools, and those buildings for which municipal taxation is raised. If some federal or provincial authority over their heads tries to take rights and privileges away from them, as Sir Wilfrid Laurier said in connection with the 1905 Alberta and Saskatchewan acts, it is the duty of a strong federal power to offer some protection to the rights guaranteed at confederation, but there must be no extension of such minority legislation. This legislation may be attacked in the courts for many other reasons. In my opinion the bankrupt provinces of Canada are going to be allowed to act the part of the ungrateful son who agrees to take all from his parents and to give nothing in return. Ontario is a solvent province. In this instance the parent is the federal authority. That is the position in which we shall be placed. Who is going to pay for all these loans and guarantees, outside the British North America Act? The central provinces of Canada will pay for them. They now pay eighty per cent of the cash taxes. If a sinking fund is to be provided, as no doubt the loan council would arrange, these grants and interest would have to be made out of direct revenue, or out of income. From where do we get

[Mr. Church.]

the income? Eighty per cent comes from the two central provinces, and I hope the authorities will look into that point.

The resolution indicates that a rider will be added to the effect that the dominion will be recouped, in case of loss. The loan council would have the powers set out in the second page of the resolution. Did hon. members ever hear of parliament collecting any loans or guarantees on bonds from railways? Canada has four billion dollars invested in railways, private and public. Did hon. members ever hear of the government collecting guarantees from loans to harbours or publicly owned railways? Has the Quebec harbour paid its interest? This has not been paid; yet the government puts into this resolution the very same principle they have had for the last fifty years regarding loans, guaranteed bonds, cash grants and hand-outs of all kinds, which, from experience, will not be repaid.

We talk about a loan council; I say that parliament has been looted enough, and the time has come to put the brakes on in connection with loans, loan councils and all sorts of loans, running into hundreds of millions of dollars. Is it any wonder we have the great taxation under which the country is groaning? As I say, we should have some regulatory power to put a check on it. The only regulation the federal power has is that of disallowance. We disallowed some British Columbia statutes, to some of which I referred. Are we going to have any protection at all for municipalities?

The hon. member for St. Lawrence-St. George read an opinion in this house on one occasion during 1930, the last year I was in the house. The learned and eloquent member read the opinion of Sir Wilfrid Laurier as given in 1905 concerning the two prairie provinces of Alberta and Saskatchewan, having to do with the lack of right of minorities to schools in Alberta and Saskatchewan in 1905. They had no right to them under the law as it was then to them. The only regulation we have under which we may get our money back is what?—a scrap of paper. How can a bankrupt province pay any money back on this guaranteed bond? If an individual is bankrupt he is put out on the street. He has to start all over again, but under the proposed amendment hundreds of millions of dollars can be paid out to bankrupt provinces. In my opinion that new legislation is not necessary; it is just a sop to the four western provinces. In that statement I except British Columbia, to some extent. In my opinion that is all it is.