

confiscation; it still is legal, for the courts have no power to consider whether the tax is or is not a good tax; they say, "the legislature determines that; we determine only whether it is within the competence of the legislature to impose the tax," and under this section that would be so. I am not going to elaborate this point. I shall leave it at that.

We now come to the second branch of this resolution which, in my judgment, is wholly unnecessary. A moment ago I read the interpretation placed upon the powers possessed by the provinces, and if there were any doubts as to the right of the province to contract in the fullest and most ample sense of that term they were removed by the judgment of the privy council in the case of the city of Montreal and the Montreal Harbour Commissioners, in which they said that even by waiver the province might lose its rights. The judgment of the court, delivered by Lord Haldane, held:

But this by no means disposes of the case. It was undoubtedly within the power of the province of Quebec, with a view to the improvement of the harbour of Montreal, to waive her strict legal rights and expressly or by inference to sanction the works undertaken for that purpose, and it must be considered whether such a sanction is to be inferred in the present case. In their lordships' opinion it is.... Having regard to all these facts, their lordships are satisfied that the provincial authorities have waived any claim to interfere with the existing works, and that, so far as they are concerned, they are bound by what has been done.

Having regard to that I think the Minister of Justice will agree with me that the dominion has complete power to guarantee the securities of a province and that the province has complete power to make a contract with the dominion in respect to them. There is the decision as to the completeness of the power of a province. Does anyone suggest that this parliament needs further legislation from London to enable us to guarantee the securities of any province of this confederation? We have the same power that enabled us to guarantee the securities of the Canadian Northern, the Grand Trunk, the Grand Trunk Pacific, the Montreal harbour bridge, by which power for years we have been going on giving guarantees, even with respect to the Canadian National. Does anyone say that we require further legislation to enable us to guarantee the bonds of the province of Alberta? We have guaranteed bonds of the harbour commissions. No one questioned the legality of that act; the wisdom of it only was questioned. We have guaranteed the securities of all these railways and of other

enterprises. Does anyone question the legality or validity of such guarantees? Then why do we require any legislation to enable us to guarantee the bonds of a province? Just look at the words of this second proposed amendment:

The parliament of Canada may authorize the government of Canada to guarantee the payment of the principal, interest and sinking fund of any securities (hereinafter called "guaranteed securities") which any province of Canada may from time to time make or issue, and, subject to the provisions of this act may prescribe the terms and conditions upon which any guarantee so authorized shall be given, and the provisions of this act shall, in the event of any such guarantee being given, apply and have full force and effect notwithstanding anything contained in the British North America Act—

Now, sir, I ask why we should cast doubt upon the guarantees heretofore given. Why should we say that this parliament has not the power to do as it pleases with respect to guarantees?

Mr. CAHAN: No one ever questioned it before.

Mr. BENNETT: It has never been questioned before; why should it now be questioned? Why should anyone say that we require a further grant of power from Westminster to enable us to guarantee the interest, the principal or the sinking fund of any provincial issue? I confess that I was amazed when I read that, and I put it to the minister: Does anyone suggest that this parliament has not that power now? That is the reason, sir, why I took the trouble to read, as the foundation for what I am saying to-night, the references as to the powers of this parliament. Westminster can confer upon us no powers we do not now possess. As was said by the lord chancellor of that day, there are no powers having to do with self-government that can be conferred upon the parliament of Canada that it does not now possess. Then why go and ask Westminster to grant us powers which, as a matter of fact, we already possess? Why should we ask, by a petition, for something in regard to which the learned lawyers either in the Commons or the Lords will say, "Why are we doing this? They already have the power." The answer will be, "Because they have asked for it." Is that sound? I submit that it is not.

Now let us go a step further, and I am pointing out these matters only briefly. The very provisions of that section weaken the position of Canada in the money markets of the world, because it calls in question the exercise of this power during all the years we have been exercising it. Every thoughtful