

been made to the British North America Act. You must refer not only to the original act, but to amendments which have been made thereto.

Mr. STEVENS: That is not the point. The point I make is that any agreement made with a province will be subject to the new act, but the province may be now enjoying some rights; I do not say what they are, because heaven knows there are so many acts I could not know them; they cover the whole history of confederation. The province may enjoy some rights under some of these acts which may be swept aside.

I ask the Minister of Finance a practical question: Supposing a province approaches him this coming summer or winter and states that it is up against it; that it has maturities which it cannot meet. He knows the Dominion of Canada cannot pay its maturing obligations by actually meeting the payment. Of course the dominion can renew the obligation and use its credit to overcome the difficulty and postpone payment. But we could not meet it. If a province finds it is in the unhappy position where an obligation which it cannot meet is maturing, where can it go? It may go to the minister or to the bank. Now, what happens? It comes to him and the minister prescribes the terms and conditions—

Mr. DUNNING: No; the hon. member is wrong, because the legislation of this parliament pursuant to these constitutional amendments will set out the terms the Minister of Finance may impose.

Mr. STEVENS: Yes, but let me point out that the language of the resolution indicates that there is some doubt about past action, a point which has been ably covered and to which objection has been taken this afternoon. It points out that there is some doubt, but that it will be brought to absolute finality by the passing of this amendment to the British North America Act. Any legislation the minister introduces must be controlled, dominated and limited by the British North America Act.

Mr. DUNNING: That is correct.

Mr. STEVENS: There is no question about it. Now, I proceed with my point: A province may find itself in dire straits. We know what a human being will do when he finds himself in that position. I suggest that provincial ministers are not different from business men who find themselves confronted with a maturing mortgage, because that is what this is. Those ministers come to the federal Minister of Finance asking for a guarantee of \$10,000,000, \$20,000,000, or what—

[Mr. E. Lapointe.]

ever the amount may be, and the minister replies: Yes, I will give that guarantee on condition that you go to such and such a bank or such and such an insurance company, or this, that or the other private organization, and give them certain securities. That is a possible course.

Now I come to section 4. Why do we have this clause? In the resolution we find that the government of Canada may withhold any payment to a province, a point which has been dealt with this afternoon. But further, they may "effect payment in whole or in part of any such grant by payment direct to a creditor," and so on. In the first place the minister may impose any conditions he may desire as to the form of the loan or directions in connection therewith. I am not suggesting that this would be done improperly; it may be done in the best of good faith or good judgment. But it may involve a transaction through a bank, an insurance company or some other financial institution.

Time goes on. It may be a short term obligation. It comes due and the provinces are in no better position. Now, under section 4 the minister may "effect payment in whole or in part of any such grants by payment direct to a creditor." There again I point out that by removing from the province the protection, if any, under the long list of acts cited in section 2, the government are placing the province for its whole future under the control of the Minister of Finance.

Mr. DUNNING: In his argument the hon. member persists in regarding this constitutional amendment as if it were the statute of Canada which will later on be introduced, upon which occasion it would be perfectly proper to discuss the authority this parliament will give to the government of Canada. But I can assure the hon. member that I do not intend to become responsible for the introduction of legislation conferring upon me any such powers as those he imagines, and they cannot be exercised without legislation.

Mr. STEVENS: All I can say is that the government has power now to bring in a bill to give them all the rights of control they may wish in making loans to any province. They have that, without this amendment at all.

Mr. DUNNING: That is a matter of opinion.

Mr. STEVENS: I do not think there is the remotest doubt about it.

Mr. DUNNING: I am not a lawyer.

Mr. STEVENS: What I am trying to point out to the minister is that, if there is any