

Canada. It is true that the calendar year and the fiscal year of many of our enterprises are not the same, but the fact is that the income tax collected, which is some \$18,000,000 more than it was for the same period of the previous year, was collected on the income of individuals and corporations and companies prior to the year 1936, although in some instances there may be an overlapping into 1936 because the fiscal year and the calendar year are not the same.

Mr. DUNNING: There was a higher rate.

Mr. BENNETT: Not a substantially higher rate.

Mr. DUNNING: On corporations.

Mr. BENNETT: But the taxation on individuals was not at a higher rate. There was an increased rate, as the hon. gentleman has said, on corporations, and therefore it might be expected that there would be an increased revenue. That, I think, is fairly clearly understood.

But when I come to another matter in the speech from the throne I find it a little difficult quite to appreciate the attitude of the government. Speaking of the wheat stored I have only a few questions to propound at the moment because ample opportunity will be afforded later to deal with that matter. But I would ask: What power has the governor in council to change a statute unless it be given the power by the statute itself? The statute said that a fixed price should be provided for wheat in order that there should be two buyers, in order that it should be possible for the trade to function as such, and if the producers did not see fit to sell to the trade they could sell to the wheat board. If they sold to the board they had two chances. They could get payment of the fixed price immediately, and then they could get a certificate that would enable them to participate in the future increase in price obtained for the crop. But I read the record and I find that instead of the board simply fixing the price, which the board did, the governor in council imposed a condition for which it had no authority. What was the price fixed? Eighty-seven and one-half cents? No. They said: There is no duty upon the government to agree to any price. Of course, there was not, no duty to agree to "a" price, but to agree to some price there was a duty. Under the statute it is the duty of the crown to do so and so, and the crown is presumed to do that which under the statute it is empowered to do. Under

[Mr. Bennett.]

the statute that we had there was a provision that the board should fix a price for grain with the approval of the governor in council. Section 8 (a) reads:

It shall be the duty of the board to fix a price to be paid to the producers for wheat delivered to the board as by this act provided, subject to the approval of the governor in council.

The board is further empowered by section 7:

(a) to receive and take delivery of wheat for marketing as offered by producers thereof.

And by paragraph (e) of the same section:

to pay to producers delivering wheat at the time of delivery or at any time thereafter as may be agreed upon such fixed price per bushel, according to grade or quality or place of delivery, as may be determined by the board with the approval of the governor in council; and to issue to such producers when such wheat is purchased certificates indicating the number of bushels purchased, the grade, quality and the price, which certificates shall entitle producers named therein to share in the equitable distribution of the surplus, if any, of the operations of the board during the crop year.

That is the law. Now what did the government do? The government took a very simple view. They simply said: We will provide that the board is not to enter the market until the price goes below 90 cents. Where did they get the authority for that?

The late government had to deal with the matter in 1935. The first price suggested by the then board was much higher than 87½ cents. The governor in council did not agree. Finally the price suggested at 87½ cents per bushel was the price approved by the governor in council. They proposed a much higher price, but the government of the day said: We cannot accept that price. The government of the day were bound to accept some price. They could not dodge their responsibilities by amending the law to say that the board would not go into the market until the price of wheat fell below 90 cents. The press statement made was as follows:

The effect of the decision which was reached Thursday at a meeting of the cabinet will be that the wheat board will not have any of this year's crop unless the price falls below 90 cents when it will step in and support the market by buying from the farmers all the wheat offered at 87½ cents. In the meantime farmers wishing to sell, will do so on the open market.

The statute passed by this parliament was not repealed although an attempt was made when we were in committee to have it provided that the statute should die after a certain period of time. We took the view then, as we are doing now, that as the statute