

was going to say—a hand-out. These governments would be receiving it from an agency to which they would owe no responsibility whatever; they would be getting it, not from those whom they had taxed, but from someone to whom they owed no duty to account. That would mean extravagance. Money from home is always money easily spent, and money that has come to one from a friend or money that one finds is never accounted for with the same care that is exercised in accounting for that which has cost effort to get.

Then we come to the other side of the medal. Here in this house there would be at least \$200 million a year for which nobody would be accountable. The Minister of Finance would rise in his place and say, "I have paid \$200 million to the provinces" and we would have to say, "how nice." If we asked how much of that money had been wasted in one province or another he could give no answer. There would be no check upon waste. This proposal is entirely subversive of our whole parliamentary system. Moreover, I submit, though I have been unable to find any case absolutely in point, that this proposal is entirely unconstitutional. Where is there in our constitution anything that permits the government of a province for instance, using the colourful language of the Minister of Finance, to lease a field of taxation, to sell a right of taxation? Where is there anything that entitles the government of a province to barter away its right of taxation, or a province or the dominion its duty to account to those from whom it collects the money?

I have scrutinized the British North America Act very carefully and I can find nothing in any of the subsections of section 91, which contains the powers of the dominion, and I can find nothing in the subsections of section 92, which contains the powers of the province, that warrants such an undertaking. Furthermore, wherever there is any intimation of one legislative body impinging upon the field of the other, it is very carefully and specifically stated. For instance, if one turns to section 94, which has to do with the common law in the provinces other than Quebec, one finds that it is competent to the dominion to enact legislation imposing the common law upon any of the provinces other than Quebec. That is a privilege of the dominion, but it is conditioned upon the province which is affected by such legislation passing concurrent legislation. One also finds that where the judges are appointed and paid by the federal authority, and where they come under the control, discipline and organizing power of the province, it is specifically laid down in the act that such divided jurisdiction obtains.

[Mr. Hackett.]

Further, we find in section 12—I think that is the section where all the powers which at one time were vested in the legislatures which preceded confederation, or which were conferred upon them by imperial statute were handed on to the parliament of Canada—that in none of the subsections is there anything that suggests a right whereby the dominion should purchase or enter into an agreement under which the constitutional function of a province should cease in order that the dominion might have greater taxing power than it would otherwise have.

It is perhaps of interest at this point to refer to the constitution of Australia, because in that country, under article 51, which is the counterpart of section 91 of our constitution, there does exist a right which would warrant, justify, enable and permit a transaction of this kind. It is found in subsection 37 of article 51 and is in these terms:

Matters referred to the parliament of the commonwealth by the parliament or parliaments of any state or states, but so that the law shall extend only to states by whose parliaments the matter is referred or which afterwards adopt the law.

So we are embarking upon a course which is entirely new. We are embarking upon a course for which there is no direct legislative authority. We are embarking upon a course which no one would ever have thought of until the great necessities for money which are now upon us were felt. It is interesting to note how this tendency to increase the amount of money which is levied by this parliament, and which escapes the scrutiny of the house, is growing. On turning to the estimates for 1947, one finds that in a total budget of something like \$1,566 million, something like \$876 million is authorized by statute, of which \$580 million represents interest on our obligations, while \$285 million is charged to the Department of National Health and Welfare and includes cost of legislation which was enacted about a year ago.

Mr. CLAXTON: And family allowances and old age pensions.

Mr. HACKETT: And family allowances and old age pensions. I point out the tendency to increase these statutory amounts which, like the salaries of judges and officials, are beyond the power of this house to criticize effectively or to control at all. And here I want to make a point which I think may have escaped the attention of some. In 1937 a royal commission was set up, frequently referred to as the Rowell-Sirois commission. It is the royal commission on dominion-provincial relations. At that time the