

should be asked to make these appointments. The administration of this law will in the nature of things be largely experimental. The bill is different from other measures which have been enacted from time to time to make possible coöperation between the Dominion and the provinces. This is different in that there is to be coöperation in administration. Reading together section 8 and section 16, with which we are now dealing, I think there is considerable merit in the contention of the minister, apart altogether from the arguments he advanced on other points. As he has pointed out, the employees at headquarters in Ottawa will necessarily be the smallest proportion of the staff. Indeed, the minister tells me that he intends to use in Ottawa, so far as the administration of the act here is concerned, a branch of his department which is now under the Civil Service Commission. But with regard to provincial administration my own opinion is that regulations will have necessarily to be evolved, setting out a form of coöperation between the province and the Dominion with respect to the conduct, within the province itself, of what is really a joint undertaking.

The CHAIRMAN: Shall the section carry?

Mr. GARLAND (Bow River): On division.

Section agreed to on division.

Section 17 agreed to.

Bill reported, read the third time and passed.

#### NORTHWEST TERRITORIES ACT AMENDMENT

##### EXPORT TAX ON FURS

Hon. CHARLES STEWART (Minister of the Interior) moved the second reading of Bill No. 123, to amend the Northwest Territories Act.

Motion agreed to, bill read the second time, and the House went into committee thereon, Mr. Johnston in the chair.

On section 1—Export tax on furs.

Mr. SPENCER: Could we have some explanation from the minister as to whether this bill is to raise revenue, or to control the fur trade or export trade, or what it is for?

Mr. STEWART (Edmonton): I gave an explanation on the introduction of the bill. We are aiming to bring the Northwest Territories in conformity with the rest of Canada. There are fur taxes in every other province, including the Yukon, and some complaint has

[Mr. Dunning.]

been made that in Alberta particularly fur packs were coming in and the tax was collectable, but the statement was made that the furs came out of the Northwest Territories and there was the difficulty of proof. Of course our expenses are always going up in the territories; we think this act will remove the difficulty of collecting in Saskatchewan and Alberta and will give us some revenue for the administration of the territories.

Mr. FRASER: What amount of tax is it proposed to impose? Is it in conformity with the tax in Alberta?

Mr. STEWART (Edmonton): It will be based on each pelt, but at the prices of furs to-day it will approximate about 5 per cent.

Mr. KELLNER: It is a pretty well established principle of taxation that no tax shall be levied on a people who are not represented, and I wonder if the minister does not think he is getting away from that principle in this bill. The Northwest Territories certainly have no representation.

Mr. STEWART (Edmonton): That is true, but we have the Northwest Territories Council in operation; we are spending a very considerable amount of money annually from the revenues of Canada in those territories, and we are quite within our rights in imposing this tax. The reason it is called an export tax is because there is no local tax; if the citizens desire to use their furs within the territories no tax is collected.

Mr. KELLNER: I would take objection to the remark of the minister about the Northwest Territories Council. In the first place I think the personnel of that council is wholly composed of people residing in the city of Ottawa. It is true that they may have some knowledge of the Northwest Territories from having taken a trip there or something of that kind, but I very much doubt if any of them are personally acquainted with the conditions existing there to-day. The council is not elective and the people of the Northwest Territories have not the privilege of the franchise; they are in an even worse situation than are the people in the constituency of Athabaska. I doubt very much if the minister is within his rights in imposing a tax of this kind.

Mr. STEWART (Edmonton): All I can say is that the bill has been drawn up by the Department of Justice; they tell me we are quite within our rights, and of course they are the people who give legal advice to the government of Canada. I think if my hon. friend will make inquiries he will find