

Dominion-Provincial Relations

observe the rules. If insistence is not going to be made that he observe the rules, this ought to be fair warning that that privilege ought to be extended to members of this committee other than the Minister of Finance.

Mr. Lambert: That is your interpretation.

Mr. Martin (Essex East): The chairman has just given the ruling.

The Chairman: May I draw the attention of the hon. member for Essex East to the fact that I simply referred to the rule and quoted the rule that in committee strict relevancy must apply. In the present case the subject matter of the amendment is the only one that can be discussed. However, by my ruling I did not intimate that the minister, in discussing the purport of the amendment, could not refer to other examples in legislation. Up to now I do not think the minister has done more than that. It is obvious that if other hon. members speak along the same lines they will be permitted to do so.

Mr. Fleming (Eglinton): I will put this matter very briefly, Mr. Chairman, because hon. members opposite apparently have not read the act. Just let me run over these examples very briefly. In section 2 (1) (h) we find:

—the amount determined by the minister—

In section 2 (1) (f):

—the amount, as determined by the minister,—

In section 3, subsection 1:

—the minister may pay—

In section 4, subsection 1:

—the amount, if any, as determined by the minister,—

In section 5, subsection 2:

—the amount, as determined by the minister—

In section 5, subsection 4:

—the amount determined by the minister—

I come now to section 9:

—the amount, as determined by the minister,—

The hon. member is therefore quite wrong in suggesting that where a duty is imposed upon the minister to make certain calculations this is something new or something unconstitutional. If that is unconstitutional, then that whole main act introduced in 1956 is completely unconstitutional. There is hardly a provision in this act that is not unconstitutional if the hon. member has any validity at all in his argument.

I go further, Mr. Chairman. We are told this bill is unconstitutional because provision is made that certain arrangements are to be satisfactory in the opinion of the minister. The words "in the opinion of the minister" are said to introduce an unconstitutional feature.

[Mr. Martin (Essex East).]

Section 8 of the main act contains the very same phrase and this phrase was one introduced by the former government in the act that is praised by hon. members opposite. There you have a comparable situation, Mr. Chairman, because there it involves a determination by the minister as to whether taxes imposed in a certain province conform to certain standards created by the section. Let me read enough of the words to indicate that this language—the same language that he attacks—is used.

8. Where a province imposes taxes on the income of individuals or corporations or both at the rate provided by the Income Tax Act for computing the amount that may be deducted from individual income tax or corporation income tax on account of such provincial taxes, under a statute that in the opinion of the minister is substantially similar to the corresponding provisions in the Income Tax Act, the Minister, with the approval of the governor in council, may—

He may do certain things. You have precisely the same language in the main act. What we have done is to carry forward into this bill a provision in precisely the same terms as those used in the main act. The effect of the language here is the same as it is in section 8 of the main act. It imposes upon the minister a certain duty just as section 8 of the main act imposes on the minister a certain duty. There is no difference in the quality of those two provisions. Therefore, the hon. member is far afield. If this is all the ground he has for mounting an attack upon the constitutionality of this measure, he has nothing whatever of substance to advance and that situation is quite clear.

As I have pointed out already, no problem is raised here about the provisions of this clause. It is crystal clear that the legislation passed by the province of Quebec at the recent session and the provision thereby made completely conform with the terms contained here so as to make the province in that event clearly a prescribed province. But we do not undertake to tell the province of Quebec what to do. The effect is this, and this is the important point which has been completely ignored by the hon. member in his remarks.

What is effected here by the question whether any province is or is not a prescribed province within the terms of this bill is to determine whether there shall be an additional abatement as against the federal tax on corporations in favour of federal taxpayers in that province. This provision does not create a result that affects in that sense the province as a province. This is something that is of consequence for federal taxpayers in that province when they come to calculate their federal tax. We are therefore clearly acting within the scope of federal jurisdiction here. We make no trespass