

that might be levied on amusement halls—let us say, for the sake of argument, that the tax is ten cents on each ticket, then an indirect tax imposed upon the receipts for the day of two, or five or six or eight or ten per cent—is that desirable? I submit to the house that every possible power which a province could reasonably desire to exercise with respect to theatres, places of amusement, restaurants or the patronage of hotels, can be exercised now. For instance, when a guest in an hotel gets his bill he can be asked to pay five per cent or ten per cent in addition; in the restaurant he pays five or ten per cent in addition; or it might be a place of amusement or entertainment, as I have mentioned. But the indirect power which it is suggested should be granted to the province would enable them to impose only taxes of the kind I have indicated; and I submit, having regard to the decisions made within the last two years, it is abundantly clear that such a power should not be thus exercised.

Now, as to the first point, with respect to the clause as to exclusive power, I merely mention that in passing as being open to argument. I do not think—I agree with the Minister of Justice—that the point is the strongest one in the world, but it has to do with the mechanics of the statute, and I think any difficulty on that score might be removed by a clearer statement of the position, by repealing head 2 of section 92 and substituting for it a new head which would include direct taxation and those forms of indirect taxation that are mentioned in the resolution, with the appropriate exceptions, namely, “alcoholic beverages, spirits, malt, tobacco, cigarettes and cigars, which are subject to customs and excise duty or tax in Canada or other than of all goods and articles for delivery without the province.” Having regard to the fact that the privy council has decided that the province is limited in its power of taxing within the province, what suggested to me the argument with respect to the exclusive power was the fact that the draftsman had added “without the province”; that is, he had added articles for delivery without the province. It is difficult to conceive of delivery as being the test as to whether the tax should be imposed. In France, when the luxury tax was imposed, I made a small purchase in a store and was asked whether I was going to London. I said I was and was told, “Our office will deliver the goods to you in London and you will have to pay any taxation there is.” I suppose it is the same principle here; that

is to say, if goods go outside the limits of one province, there is no retail sale for purposes of the tax within that province. I assume that is the purpose which is in the mind of the draftsman.

Now, all this is in order to the raising of a revenue for provincial purposes. I really find it difficult to conceive of any case except one in which taxation is to be imposed as has been suggested in one of the provinces, and the effect of this legislation will enable that tax to be imposed. It means direct confiscation. The exercise of that power practically means that. The privy council has not directly in terms decided that a province may not confiscate; in fact, in the Florence M. mining case it decided that the province could confiscate. I will not anticipate the judgment in the case before the courts, but be that as it may, as regards some of the suggestions as to how, in Alberta, a social credit dividend is to be paid, this at least will afford the opportunity. About that there can be no doubt, and I suggest that one should pause and consider whether or not to grant such power of indirect taxation, when the powers with respect to direct taxation, in the light of the decisions to which I have referred, are sufficiently broad and comprehensive for every purpose that can now reasonably be conceived. That is all I have to say in that respect.

The second branch to which I desire to direct attention is that which makes this section retroactive. I will not traverse the argument so ably made this afternoon, but I should like to add just these words. In view of the decision to which I have referred, why should we say that a power admittedly invalid, exercised by a legislature authorizing the doing of an admittedly invalid act, admittedly taking from a man by force that which you had no right to, shall receive the sanction of this parliament to the extent of asking the parliament of Westminster to make it valid? I think that is extremely serious. I have never been able to understand the suggestion. All the cases to which reference was made this afternoon are entirely different from this. They had to do with problems of constitutional doubt, arising out of questions of boundaries, extension of title, such as the Hudson Bay title and the Rupert's Land title; they had to do with the question of whether, on the true construction of the statute, there was any power in this parliament to have an oath taken at an investigation. They were all problems such as those. But, mark you, this resolution does not say, “to remove any doubt.” When I first looked at it—