

Excise Tax Act

My second question relates to the quotation the minister read from page 506 of Bourinot's fourth edition. The minister of course knows that Bourinot on other pages, such as page 418, makes it clear that all propositions relating to the tariff and taxation of the country must be considered in committee, and on page 438 he makes it clear that even reductions must be considered in committee of ways and means. Is it not also true that the quotation the minister read from page 506, if he had continued to read it, would have defeated his case? It says:

Nor to bills having for their object the diminution or repeal of any public tax;—

There is a footnote there, footnote (q), which brings our attention to the only case in Canada, which was in 1882, of a bill to repeal duties on promissory notes. On that page Bourinot goes on to say:

—provided such bills do not affect trade; and then they come under the special rule on that subject.

Well, the Minister of Finance certainly claims that this bill does affect trade. Let us read the next sentence or two:

As an illustration of the strictness with which the Canadian commons observe the rules respecting trade, it may be mentioned that in the session of 1871, the house went into committee on resolutions to exempt paraffine wax, lubricating oil, and other articles from excise duty, and to reduce that duty on certain articles in the province of Manitoba. When the house had agreed to these resolutions, a bill was brought in; but before it had gone through committee, it was considered advisable by the government to reduce the duty on certain spirits manufactured from molasses in bond; and accordingly resolutions were passed in committee, and when adopted by the house, referred to the committee on the foregoing bill.

Does the minister not think that by taking that one sentence or two out of the context of the paragraph he missed the whole point? There was this one exception in 1882 having to do with the duties on promissory notes, which it was felt did not affect trade; but the point of the whole paragraph is that the Canadian commons is strict with regard to these matters in insisting that they be dealt with in committee of ways and means.

I confess, Mr. Speaker, that my two questions have become a short speech, but perhaps the minister will answer them. First, if it is not a budget, is it not upsetting the balance of ways and means of the budget brought down by Mr. Harris? Second, does not the quotation from Bourinot which he read when read in full, support our contention that this matter should go to the committee of ways and means?

Mr. Fulton: No, Mr. Speaker, I do not agree with that at all. To deal with the second

point first, I did read the line referred to by the hon. member. I read the full sentence, as follows:

Nor to bills having for their object the diminution or repeal of any public tax; provided such bills do not affect trade;—

I stopped there because I thought even the hon. gentleman would understand the sense in which the word "trade" is used there; but in case he did not it should have been made clear to him by the rest of the paragraph which he did read, which made it clear that on the occasion when the Canadian commons did insist on a resolution to go into ways and means on a bill to reduce duties it did so because they affected trade—that was the argument put forward at that time—it did so because clearly the proposition then before the house related to a matter of a differential in duties between products originating in certain provinces. It is obviously referring to trade in the specific sense of trade between provinces, trade within or outside Canada, that the words "provided such bills do not affect trade" are used to suggest that a bill proposing to reduce a special excise tax which was placed on automobiles for war purposes and was placed on automobiles generally, regardless of where they originate in Canada and without reference to any special concession to one province or another—to argue that the reduction of such an excise tax is a bill affecting trade seems to me to be stretching a point even beyond the extent to which the hon. member usually goes. There is nothing in the argument he has put forward on that point.

Mr. Coldwell: I am surprised at the Minister of Justice, who spent many hours in the room of my hon. friend from Winnipeg North Centre learning procedure from him.

Mr. Fulton: The other point he raises, that it upsets the balance of ways and means, can hardly be supported either. The fact that there is a reduction in taxes will, it is true, reduce the revenue; but the whole proposition is within the scale and framework of the financial proposals outlined by the previous minister of finance. It seems to me that the bills lay before the house a simple proposition. Does the house agree with the government in its wish to reduce certain specific taxes? It does not ask the house nor is it necessary to ask parliament to discuss the whole ambit of the fiscal and financial position of the country to arrive at the simple decision: do you want a reduction of specific taxes or not? That is the