

Dominion, and we are dealing here with what we can do as a Dominion. As to what the other party may do later, it is for that party to decide by passing a law, and then the two parties will meet and enter into an agreement.

Mr. LADNER: Just apply that same line of reasoning to the fifty per cent contribution. The reasoning is absurd.

Mr. CANNON: We are not binding the provinces to pay any fixed sum. We simply say that as far as we are concerned we will pay fifty per cent of what the provinces decide upon for the pension. If it is to be \$100, we will pay \$50. We will pay fifty per cent of whatever maximum is fixed, but the amount has to be fixed by the provinces.

Mr. LADNER: Why not apply the same process of reasoning so far as the ten year period is concerned?

Mr. CANNON: My hon. friend is a very good lawyer, and he knows perfectly well that it is not within our jurisdiction as a federal parliament to bind the province for any period of time.

Mr. LADNER: Just as much as the fifty-fifty is within our power.

Mr. CANNON: We say that the provinces can enter into this scheme on their own volition, but if they do not wish to join in it they are not bound to do so.

Mr. BOYS: Does the minister say that if there is to be an agreement it shall not be binding on both Dominion and province—

Mr. CANNON: My hon. friend—

Mr. BOYS: My hon. friend did not permit me to finish. I am aware of the acuteness of his mind, but he might allow me at least to finish my sentence. Does he suggest that there could not be inserted a provision which would be binding not only on the Dominion for ten years but on the province as well? And the moment the province accept that, it will bind them just as much as if they accept the agreement now to pay fifty per cent.

Mr. CANNON: My hon. friend knows we have no law that says that an agreement entered into by the Dominion and the province shall be binding on both; everybody admits that. Why enter into an agreement if it is not to be binding on both parties? We do not need to put that in a law. It is an elementary principle.

Mr. BOYS: I agree with my hon. friend.

Mr. McGIBBON: It is common sense.

Mr. CANNON: It is common sense. The distinction that is to be drawn here is very simple. It is the distinction as to what we can do as legislators in this parliament, and we can legislate only within the four corners of section 91. As to an agreement, that is an ordinary contract, and when the two parties to the contract meet they can agree on whatever conditions suit them. But we cannot go into all the conditions of that agreement, because the two parties are not here. We have to wait until the other party can be present.

Mr. McGIBBON: Can this parliament not dictate the terms upon which the agreement will be made?

Mr. CANNON: Certainly not, because if I am to make a contract one of the conditions of its validity is the consent of the other party. How can I say that another party will be called upon to give his or her consent if beforehand I impose the conditions of that contract? I have no right to do it.

Mr. BOYS: Have you not just as much right to fix the duration of the agreement as the amount of the contribution?

Mr. CANNON: Certainly not; not by law. If my hon. friend will allow me, the distinction to be drawn is this: We cannot in a law say that the duration of the agreement shall be ten years, and claim that that law will be binding on the provinces. But when it comes to drawing up an agreement, if the province is agreeable to the period being ten years, then naturally that condition is binding on both parties.

Mr. BOYS: And does not the same argument apply absolutely with regard to the fifty per cent contribution? You cannot say to the province: You shall pay fifty per cent. But you can say: If you are willing to have an agreement, we will each pay fifty per cent. Similarly, you can say that if you are going to have an agreement, it shall be for ten years or not at all.

Mr. CANNON: Certainly not. I do not wish to detain the House, but so far as the amount is concerned, we are not fixing that. We simply say to the province: You fix the amount, and we will pay fifty per cent. One last point. My hon. friend asked: What if the province should change the law or abrogate the statute one year after it had been passed. That may happen; we cannot help it.

Mr. McGIBBON: You could prevent it.