

province . . . shall . . . belong to the province . . . and the said lands shall be administered by the province for the purposes thereof . . .

The agreement was subsequently ratified by an act of the British parliament. As Mr. Justice Dickson said in the recent decision, "Subject to the limits imposed by the Canadian Constitution, the power of the province to tax, control and manage its natural resources is plenary and absolute."

What the court decided in the CIGOL case was precisely this: the impositions placed by the province upon the production of oil in the province were found to constitute taxes of an indirect nature and an attempt to regulate interprovincial and international trade in the commodity. Both of these powers are ones that lie beyond the jurisdiction of a provincial legislature. The court did not say, however, that the province was powerless to levy direct taxes and other levies on the oil resources or producers in Saskatchewan, and indeed I understand from press reports that the Saskatchewan government has now introduced new legislation to this effect.

Therefore, Mr. Speaker, I do not see how it can be said that the province is without power to exercise the rights conferred upon it in 1930 in relation to its natural resources. It might also be noted that, in the judgment, the Supreme Court

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expressly upheld the provisions of the Saskatchewan legislation providing for expropriation of property rights and the imposition of property taxes.

I also understand that the premier of Saskatchewan will be proposing to the Prime Minister (Mr. Trudeau) an amendment to the constitution that will confer upon the provinces a power to impose indirect taxes upon natural resources produced in the provinces. I am sure that the federal government will be prepared to give close examination to any such proposal. As the Prime Minister has repeatedly indicated with respect to constitutional amendment, he is prepared to review any or all aspects of the constitution, including the distribution of legislative powers, with the provinces. This would obviously include those powers relating to the raising of public revenues. However, constitutional review and revision are not something to be undertaken on the basis of an isolated situation, but rather in the context of a range of subject matters where there is agreement that a review of the existing powers is desirable.

● (2227)

Mr. Deputy Speaker: The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 2 p.m.

Motion agreed to and the House adjourned at 10.28 p.m.