

## PROVINCIAL POWERS

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Probable Effect Upon Canadian Credit of the  
New Doctrine of Provincial Omnipotence.

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### A WEAK SPOT IN THE FEDERAL CONSTITUTION

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The interesting letters on the Electric Power legislation of the Ontario Government, which recently appeared in the "Financial Post" of Toronto, are here reproduced in condensed form.

The new doctrine that a Provincial Legislature is omnipotent within its sphere, its legislation, no matter how vicious or contrary to the general interest, being no longer subject, if technically *intra vires*, to disallowance by the Federal authority, is likely to be attended with grave consequences to Canadian credit. The other day in Quebec the Legislature re-wrote a dead man's will. The Supreme Court at Ottawa said it was wholly improper legislation and should have been disallowed; but, as it was within the competence of the Legislature, the Minister of Justice at the time let it become law. In New Brunswick, the Legislature recently taxed railways operating within the Province to the extent of three per cent. of their gross earnings, but offered to remit the tax to any road that used coal from a certain mine, belonging as a matter of fact to certain politicians. This Act is still on the statute-book. In Ontario, when the Liberals were in office, the Legislature levied a tax of 100 per cent. of the value of their product upon the Sudbury nickel mines, but was willing to remit