

Oil and Petroleum

without remedy when under the laws of Canada something has occurred, or a lawful debt has not been paid, provided it has been incurred properly.

I am not suggesting that the federal government ought to be without remedy, but I wonder in the circumstances, particularly in view of this long section and in view of the minister's answer to the hon. member for Edmonton West, whether he would consider standing clause 14 for the moment so that we may see just what these remedies are. I think it is important in the federal-provincial balance we are talking about. The hon. member for Edmonton West referred to it as a possible declaration of war. I do not know whether that is right, but it is important that there not be involved in any statute a reference to a remedy in which there is some doubt that the federal Crown could act when dealing with a provincial Crown or its agency.

I want to emphasize that I am not suggesting the federal Crown should be without some remedy, but I want to ensure that there is a real remedy. If I may put it as kindly as possible, I believe the minister equivocated in his reply in respect of the question. I would ask the minister whether he would consider standing this clause. I am sure it could be dealt with quickly at some future time. Perhaps it could be stood, unless the minister has some references with which he could satisfy the House now.

Mr. Macdonald (Rosedale): I see no purpose in standing it. There is a long standing procedure in respect of provincial governments and Crown corporations with regard to the Excise Tax Act. It has been established for a long time, since the 1926 appeal case that the provincial Crown is under this particular obligation. I think it is a fair judgment to make that on the whole provincial governments and provincial Crown corporations have a good credit rating; they have paid their debts. The hon. member for Edmonton West in his comments used the expression "an act of war". If it is an act of war the *causus belli* would have been the non-payment of the due debt by the provincial corporation.

Mr. Lambert (Edmonton West): Possibly the levy.

Mr. Macdonald (Rosedale): Well, the Government of Canada of course is acting fully within its powers as in the Excise Tax Act, and it seems to me that the procedure is long established. There are some practical difficulties in applying some of the remedies. The remedies of collection, as the hon. member knows, whether we are talking about an individual, a corporation or a Crown corporation, vary in their availability from time to time.

The Assistant Deputy Chairman: Shall clause 14 carry?

Mr. Lambert (Edmonton West): On division.

Clause 14 agreed to on division.

On Clause 15—*Deductions and refunds.*

Mr. Douglas (Nanaimo-Cowichan-The Islands): In clause 15(1)(b) it says, with reference to deduction or refund, that this can be made "where the charge was paid in error." I notice that in clause 13(3) where money is

[Mr. Baker (Grenville-Carleton).]

owing the Crown in the right of Canada one can have a one per cent payment for default. Do I assume that where a remission is made for over-payment the same one per cent will apply, or will it operate in the same way as the income tax department where if you owe any money you pay interest and, if they owe you money, you receive nothing?

Mr. Macdonald (Rosedale): What we have here under clause 15(1) are the two cases of payment due to mistake of fact and payment due to mistake in law. In both cases there is provision for a refund. I have to say there is no provision for interest running on an overpayment. On the other hand, the over-payment of mistake of course is a mistake on the part of the exporter who will have overpaid in the first instance.

Mr. Douglas (Nanaimo-Cowichan-The Islands): It does not say that.

Mr. Macdonald (Rosedale): Well, he first determines his liability and the mistake initially would be his.

The Assistant Deputy Chairman: Shall clause 15 carry?

Mr. Hamilton (Qu'Appelle-Moose Mountain): On division.

Clause 15 agreed to on division.

Progress reported.

PROCEEDINGS ON ADJOURNMENT MOTION

[English]

A motion to adjourn the House under Standing Order 40 deemed to have been moved.

TRANSPORT—NEED FOR ICEBREAKERS IN NORTHWESTERN ATLANTIC—GOVERNMENT POSITION

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Madam Speaker, I appear tonight to follow up on my question of April 15 to the Minister of Transport (Mr. Marchand). My concern is as a result of the bill inadequate icebreaker service. Although my main and specific concern is with regard to my particular district of western Newfoundland, the need exists throughout the region.

● (2200)

This is an annual and persistent problem that I bring to the attention of the government every year. Certainly I have brought it to its attention most of the almost seven years I have had the pleasure to be here, but all I receive is the usual answer that the government will do something about the problem sometime in the future. In this case the minister replied that the government will build more icebreakers when it can pay the bill.

I want to make it clear that I have no quarrel with the officials responsible for the development of icebreakers.