

ment of Canada for its approval. But meanwhile we cannot mark time and stand pat when necessity arises to effect some changes, as is the case in the present instance. If we are right—of course every hon. member of the house is entitled to his own opinion about that—in thinking that the provinces are not unfair in their claim, their request, that their field of taxation should be enlarged and broadened, if their demand appeals to the majority of the house as it appeals to the government; if it is right to believe that it is essential for them to have a little more revenue without having to fight to uphold the legality of their taxation in all the courts of the land, this is the only way of coming to their rescue, and we have finally come to the conviction that we should help the provinces in that respect.

Now it is said that the provinces have not been consulted. Well, they have been consulted at least as much as in the case of any other amendment to the British North America Act which has been made since 1867, and a good deal more than in the case of most of them, because, if I am not mistaken the only case in which the provinces were consulted was at the dominion-provincial conference that preceded the increase of the subsidies in 1907. Then the right hon. gentleman called the provinces into a conference in 1931 prior to introducing in this house an address seeking the enactment of the Statute of Westminster, in which the provinces were interested.

Mr. BENNETT: And there is the signature of the representative of every province and a memorandum in the archives of the department.

Mr. LAPOINTE (Quebec East): Yes; the delegates, the premiers or their representatives, came here and they agreed to that, as was done in this case. Not any more in 1931 were the legislatures called upon to enact resolutions of approval. Not in 1907 were there resolutions of the legislatures, and I think these are the only two cases in which the provinces were consulted and their approval asked for. In every other instance the amendments were made at the instigation of the parliament of Canada. In most cases I admit that the provinces may have had only distant interests in the amendments which were made.

Mr. BENNETT: In the Saskatchewan-Alberta amendments that were made in 1930 we passed the same sort of address here as we are passing now.

[Mr. E. Lapointe.]

Mr. LAPOINTE (Quebec East): Yes, the same thing. I admit that this was done while we were at the head of the government as it was done when my right hon. friend was leading the government of Canada.

But there is more. Why talk of the provinces being consulted? They have asked for this thing, at least part of it, the first part of the resolution; they are keen on securing this power of wider taxation. They have been imploring this government and this parliament to give it to them, not only this year but for many years past. And as far as the second part of the resolution is concerned, they have agreed to it. I was a member of the conference and the subconference, and every premier and provincial treasurer there was asked whether he was in favour of parliament securing this power. As I said yesterday, most of them declared that they would be opposed to coming under the scheme themselves, but they were all in favour of the machinery under which the dominion could guarantee the bonds of the provinces by taking securities, and getting remedies, because this is the important part of the resolution. The hon. member for Kootenay East (Mr. Stevens) speaks of sections 2 and 3; those sections are there just to lay the basis, but it is section 4 of the resolution which is the most important, and it is the opinion of the law officers of the country that an amendment to the British North America Act is necessary to enable us to get those remedies.

At six o'clock the house took recess.

### After Recess

The house resumed at eight o'clock.

### PRIVATE BILLS

#### CONSIDERED IN COMMITTEE—THIRD READINGS

Bill No. 25, to incorporate The Economical Mutual Fire Insurance Company.—Mr. Gray.

Bill No. 39, respecting the Northern Trusts Company.—Mr. Maybank.

Bill No. 43, to incorporate The Equitable Life Insurance Company of Canada.—Mr. Gray.

Bill No. 48, respecting the Pension Fund Society of the Bank of Montreal.—Mr. Jacobs.

### BRITISH NORTH AMERICA ACT

#### PROPOSED AMENDMENT RELATING TO TAXATION AND GUARANTEE OF PROVINCIAL DEBTS

The house resumed consideration of the motion of the Minister of Justice (Mr. Lapointe) for an address to His Majesty the