

*Excise Tax Act Amendment*

he ask whether or not this could be done? If he says he did, I would very much like to have laid on the table of the house the opinion of any reputable constitutional lawyer that the minister's conduct in this regard was justified. His whole attitude is this: The king can do no wrong. I can do no wrong. I can impose taxation two weeks before parliament meets.

Mr. ABBOTT: Oh, rubbish! I never took any such attitude.

Mr. DIEFENBAKER: Rubbish, he says. He is a good judge on that point. Sometimes the minister seems to think that finance minister and facetious minister are synonymous terms. I am dealing with the matter seriously—

Mr. ABBOTT: Very clever.

Mr. DIEFENBAKER: —and I am asking the minister not to take that attitude—

Mr. ABBOTT: I will answer and answer seriously.

Mr. DIEFENBAKER: —but to tell the people of the country whether in the imposition of this taxation he received an opinion. You cannot play on words by saying that taxation is not imposed. The people who pay do not understand the subtleties of the minister who says that while you pay you are not being taxed. If that be so, there is even less justification for what is being done. If they are not paying taxation, then they are paying an impost imposed by a minister of the crown, by himself, which is even more serious than the imposition of taxation.

I have again gone through the reports from the library. No minister anywhere—and I repeat this—ever had the effrontery to appear before parliament and say, while we are extracting thousands of dollars from the people—indeed millions, as it will be over a period of time and possibly is already—what we are doing is not imposing benevolences but simply asking the people to pay something which is not a tax, but which was called an excise tax when a letter went forth from the deputy minister of national revenue on November 18.

Furthermore, I should like the minister to say by what authority he notified David Sim, deputy minister of national revenue, customs and excise, to send out this notice to customs officers. Certainly it was not on the basis of any precedents, certainly not on the basis of any constitutional rule. I should like him to answer this question when he gives the legal opinion, because he must have had a legal opinion, since he did not wish to use for a

[Mr. Diefenbaker.]

different purpose the other act, the Foreign Exchange Control Act, which parliament passed for a particular purpose.

I see the Minister of Justice here too, and I should like to hear from him, whether, as the chief law officer of the crown and custodian of justice in this country, he gave the Minister of Finance an opinion that taxation could be imposed in the manner in which it has been imposed in this particular case, and still not be taxation.

I reserve some further remarks until the minister has advanced some reasons as to the constitutionality of this measure. Having gone through the reports, and having submitted the question to constitutional authorities in this country. I can find no one anywhere who has ever justified or attempted to justify the action on the part of the minister and the government in what it did on November 18.

Mr. ABBOTT: I will not attempt to imitate either the forcible language or the gestures of my hon. friend the member for Lake Centre on this matter of the imposition of this excise tax. In my announcement in the broadcast of November 17, and on several occasions since, I have explained the government's attitude in that respect.

No one has ever suggested for a moment, and least of all myself, that any minister of the crown or anyone else can impose taxation without the authority of parliament; but the position, so far as this proposed tax is concerned, is this. When I made my announcement on November 17, when the government had decided on various measures which it felt it was desirable to take in order to endeavour to correct our exchange situation, those measures, broadly speaking, fell into three categories. First, there were the purely restrictive measures in the nature of import restrictions; second, there were the fiscal measures which are now being considered; and, third, there were constructive measures to expand to hard currency countries.

The question as to whether the announcement of that program could or should be deferred until parliament met early in December was considered, and it was felt that, in view of the rate at which we were losing United States dollars, that action could not be deferred. The second question then arose as to whether the policy should be announced with respect to the import restrictions and, broadly speaking, the constructive measures, leaving the fiscal measures to be announced when parliament met. The question arose as to whether or not that should be done and after very careful consideration, I came to the conclusion, and