



CGM/BAR  
House of Commons  
Canada

OTTAWA - May 29th, 1956.

Prof. F. R. Scott,  
McGill University,  
Montreal, Que.

My dear Frank:

You will remember that during our recent conference I mentioned the fact that a Mr. Murdoch had furnished this group with a legal brief questioning the powers of the Federal Government in the field of direct taxation under the terms of the B.N.A. Act. As you stated at the time, this brief is of little value to the C.C.F. in discussion of the legislation now before Parliament.

It occurred to me later that possibly some note should be made of this brief for future reference. If in your opinion the argument has any merit, I think it might be held in reserve by the B.C. section as affording the basis of counter-action, should the legislation of the C.C.F. government in that Province be threatened by disallowance proceedings on the part of the Federal Government. If there are legal grounds for the contention, it might then be considered good strategy to challenge the right of the Dominion Government to levy an income tax in the Province of British Columbia. It strikes me that we should not pass the matter over lightly, since it is now apparently receiving serious consideration by the Ontario and Quebec Governments.

I copied some excerpts from this brief, with the intention of forwarding same to you, that you might form some opinion as to whether or not the matter should be investigated. Mr. Murdoch has objected to this and has informed me that he intends to write to you directly.

The foregoing will explain to you the circumstances which may prompt Mr. Murdoch to direct such correspondence to you.

Yours sincerely,

C. Maxwell