

homestead lands, and that the odd-numbered sections should continue, in accordance with the policy of the present government, to be sold at low settlement prices, probably not greater than \$3 per acre. The proposition then of the hon. gentleman is to turn over that land to the provinces, to saddle on these provinces all the expenses of administration and say to them: You must give away free your own property or you must dispose of that land at low settlement prices, as is now done, to induce settlement. Much of this land might be disposed of to great immediate profit if a purely revenue policy was applied. You say to those provinces that they must use their own property for all time to come, not for their own purposes but for the purposes and benefit of the Dominion. I repeat, Mr. Speaker, that I am amazed that any man in this House would give voice to such a suggestion, for such a violent invasion of provincial autonomy, as is contained in the suggestion of my hon. friend. It needs no argument to show the difference that might be made in the receipts from this public domain by the application of a different policy. The policy which is being pursued by this government is a settlement policy which yields practically no net revenue. There has been practically no net revenue from these lands in Manitoba and the Northwest Territories since these lands were acquired thirty-five years ago.

But a purely revenue policy might be followed, as it would be the right of those provinces, if they were to assume the responsibility and the expense of administering the domain, to follow a purely revenue policy. The probability is that a provincial government, as has been well explained by my hon. friend from Edmonton (Mr. Oliver), not having the same inducement, or the same opportunity, to reap indirect profits from the settlement policy of the federal government, would be driven by necessity to adopt a purely revenue policy; and the suggestion contained in the speech of the hon. leader of the opposition would simply amount to putting a limitation upon the new provinces amounting in the years to come to perhaps scores of millions of dollars.

Mr. Speaker, I dare say that it is hard for the leopard to change his spots, and it is hard for our friends of the Conservative party to do more than express sentimental friendship for the Northwest Territories. It is hard for them to get away from the policy with regard to provincial autonomy which was announced on their behalf last session, when they gave us to understand that they were anxious that the people of the Northwest should be granted autonomy, so that hereafter they should be under the expense of building their own railways and this parliament should not be under the expense of maintaining the

mounted police force. It was suggested in their campaign literature that the reasonably generous money grants voted to the Northwest government were a proof of the gross incompetence and extravagance of the Prime Minister and the Minister of Finance; and there was the further suggestion from one of their front bench members that provincial autonomy ought to be granted to the Northwest Territories and independent legislatures should be created there and put in charge of the public resources, so that those legislatures might be able to turn hand-springs with those resources in favour of the corporations.

Mr. Speaker, there are a number of important details embodied in this provincial autonomy proposal; and different items in this collection of details gave different members who felt the seriousness of the proposals different difficulties. My hon. friend from Brandon (Mr. Sifton) explained to the House a week ago to-night that the school phase of the matter constituted the most serious difficulty for him. I have to confess that another detail constituted a very serious difficulty for me. That was with regard to the Canadian Pacific Railway tax exemption embodied in section 23 of the Bills. This is one feature in these provincial establishment proposals with regard to which I think that less than justice has been meted out to the people of those new provinces. As a matter of fact, as the Prime Minister can testify, and as my fellow Liberal members from the Northwest Territories know, in my opinion the unsettled position of that tax exemption matter was a sufficient reason to justify further delay in granting autonomy to the Territories; and if act, protest or influence of mine could have prevented the preparation and presentation of these Bills, the Bills would not be before the House. But when I found this Dominion government unanimously, together with the Northwest government and a majority of the Northwest members all determined to proceed now, I had to come to a decision which would either prevent me from exercising any influence in the details of autonomy or agree to forego my own opinion on the point, agree to action now, and take my part in obtaining a settlement of terms and conditions according to the wishes of the electors whom I represent. Even now, were I not satisfied that the financial terms as a whole are so ample and generous as to offset in a great measure the financial handicap meant by the exemption feature, I should deem it my duty to myself and the Northwest Territories to oppose the Bills. I may say further that the overturning by the Supreme Court of the decision given by the Manitoba Court in 1903, does seriously lessen the force of the position I held against creating these provinces at present, and my reluctance is also relieved in some degree by the intimation given by the premier of probable

Mr. SCOTT.