

Gradually we are removing these exemptions. More and more we are asking the people who are exempt to pay their taxes. Take, for instance, the situation here in Ottawa; the citizens of Ottawa find it a great grievance to have so much Dominion property exempted from taxation and the government, recognizing that condition of affairs, is making liberal concessions to the people of Ottawa in the way of the improvement of the city and in other ways. In this way the Dominion is contributing to municipal taxation. We were told in the House the other day that Wellington street in front of these grounds is to be paved at the expense of the Dominion authorities. I say much more ought the poor settler of the west to have this grievance removed whereby he is to-day paying the municipal taxation of the Canadian Pacific Railway, one of the richest corporations in the country, and whose land which was at one time valued at \$1 an acre is to-day worth \$5 an acre upwards. If that is the case some effort should be made in the interest of the settlers of the west to remove this exemption and above all things we should not by this Bill re-enact the rights of the Canadian Pacific Railway whatever they are. Leave their rights to look after themselves. The Canadian Pacific Railway can look after them in the courts. I do not think it is in the public interest that this clause should be introduced into the Bill and I would ask the government not only to withdraw this clause but to take into its serious consideration the necessity of negotiating with the Canadian Pacific Railway for the commutation of its rights in this respect, so that the lands of the Canadian Pacific Railway in the west shall pay their proper share of the municipal taxation.

Sir WILFRID LAURIER. Mr. Chairman, the argument of my hon. friend (Mr. W. F. Maclean) is not at all directed against this clause. He has ended his argument as he commenced it, by stating that the government should enter into negotiations with the Canadian Pacific Railway in order to obtain from them a commutation of their rights, improvidently granted to them, I admit, but which were granted at the time that they were organized into a company for this national undertaking. I do not dispute there may be something in that. Some day or other I have no doubt this line of action may have to be taken into consideration and acted upon. I am conscious for my part that as the country advances this burden will become intolerable to the people of the new provinces, and even to the Dominion government itself, because it is not only the provinces which have been restrained, the Dominion government has been restrained also. But if that be so, if you are to negotiate with the Canadian Pacific Railway Company, that is an admission that they have acquired a right, that they have a vested right by legislation.

Mr. W. F. MACLEAN.

Mr. W. F. MACLEAN. We do not admit anything in the law.

Sir WILFRID LAURIER. Does my hon. friend pretend that when we have passed a law—and I agree with my hon. friend that it was not proper legislation—but there it is and under it the Canadian Pacific Railway have obtained certain rights to which they are entitled. What is the contention of my hon. friend? Does he pretend that we should withdraw this clause and give to the new provinces the power to legislate and to tax the Canadian Pacific Railway? Let me call the attention of my hon. friend once more to the clause of the statute in that respect:

The Canadian Pacific Railway and all stations, and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the company, shall be for ever free from taxation by the Dominion, or by any province hereafter to be established, or by any municipal corporation therein.

Well, Sir, it is evident to me that the Dominion government not only undertook for themselves never to tax the stock and property of the Canadian Pacific Railway, but they undertook also to see and to make themselves answerable to the company that the same exclusion shall be imposed on any province which may hereafter be created, and we could not excise this clause not only without breaking faith with the Canadian Pacific Railway but without making ourselves liable for any loss they might incur by being subjected to taxation.

Mr. W. F. MACLEAN. I want to bring the matter before the right hon. gentleman in another way. Here is a copy of a petition which has been presented to this House:

Whereas in the division of the Northwest Territories into two provinces, arrangements are made for a perpetual exemption from taxation of the property of the Canadian Pacific Railway.

And whereas, such legislation is contrary to public policy and sound legislation, and inasmuch as such legislation binds the freedom of people yet unborn and forever limits the scope of legislation in matters which are by right the sole business of the people who now live or will live in the said provinces.

And whereas such legislation cannot be morally passed by men who are elected for a maximum of five years and are then trustees for the people.

And whereas, this unjust privilege has already been enjoyed by the company for nearly a whole generation, and inasmuch as one generation cannot morally dictate the terms upon which another generation may live, and use the earth, any such privilege granted them in the past must be continually renewed in order to keep it alive.

It therefore follows that this legislation is a fresh exemption and is practically an injustice.

We therefore pray that this exemption clause be struck out and the provinces be allowed to