

Hon. CHARLES FITZPATRICK (Minister of Justice) moved that the following be substituted in lieu of section 22:

Nothing in this Act shall in any way prejudice or affect the rights or properties of the Hudson Bay Company as contained in the conditions under which that company surrendered Rupert's Land to the Crown, and all rights, privileges and properties conferred on the Canadian government by the said conditions, shall, in so far as they relate to matters within the legislative authority of the province, belong to and be vested in the government of the said province.

Mr. W. F. MACLEAN. I asked the hon. Minister of Justice last night why it was necessary to protect these rights. To my mind, if they have rights, they are protected by the original agreement and why should we go out of our way to protect these rights in this clause and especially in the clause succeeding?

Mr. FITZPATRICK. My hon. friend (Mr. Maclean) is aware that when the imperial government acquired this property from the Hudson Bay Company they acquired it subject to certain conditions which are mentioned in the title. The property was vested in the Queen in the right of the imperial parliament, and was handed over to the Dominion government subject to the same conditions as those under which the property passed from the company. The only condition of the original surrender which this section is intended to cover is the condition repeated in section 11 of the Order in Council under which the property was handed over to the Dominion and which reads as follows:

The company is to be at liberty to carry on its trade without hindrance in its corporate capacity, and no exceptional tax is to be placed on the company's land, trade or servants, nor any import duties on goods introduced by them previous to the surrender of 1870.

That last question of the import duties has ceased to be of any effect. It was merely applicable to goods imported into the country previous to the surrender of 1870.

Mr. W. F. MACLEAN. Are not these rights protected by the original agreement without any restatement in this Act?

Mr. FITZPATRICK. That may be my hon. friend's view. I do not think it is the correct view and it was not the view taken at the time that Manitoba was admitted into the Dominion as a province. This provision is adopted from the Manitoba Act.

Section as amended, agreed to.

On section 23,

The powers hereby granted to the said province shall be exercised subject to the provisions of section 16 of the contract set forth in the schedule to chapter 1 of the statutes

of 1881, being an Act respecting the Canadian Pacific Railway Company.

Mr. W. F. MACLEAN. I urge the same objection in this case with even more force. Why should we go out of our way to protect the exemption the Canadian Pacific Railway has in its original contract? This may also have been in the Manitoba Act.

Mr. FITZPATRICK. No, it is not there.

Mr. W. F. MACLEAN. Whatever rights the Canadian Pacific Railway has under the contract made with the Dominion government are set out in an Act of parliament and there is no reason why we should re-enact this legislation. It is almost emphasizing its claim. This claim, in a way, has been in the courts and the matter has caused a great deal of dissatisfaction to the people in the west. This may be reinforcing the claim and we may be abandoning something that is of interest to the public by re-enacting this clause. Whatever rights the Canadian Pacific Railway has are set out in black and white in a solemn contract which has been made an Act of parliament and they ought to rest there and not be brought into this Act. On the contrary it ought to be the duty of the government to ascertain exactly what the rights of the Canadian Pacific Railway are in regard to these exemptions, and if they are burdensome, as they appear to be burdensome to the people of the Northwest Territories, it should negotiate with the Canadian Pacific Railway for the surrender of any rights which it may have as to exemptions. We all know, because we have heard from the west year after year, about the grievance that exists there in regard to these exemptions. There is the Canadian Pacific Railway, the wealthiest corporation in this country. It is paying large dividends on its stock. It is making handsome profits every year. It is the richest corporation we have in Canada. The company has great possessions in the shape of lands in the west on which it pays no taxes. The poor settler in the west is paying his taxes while the Canadian Pacific Railway pays no taxes. Grant that the Canadian Pacific Railway has a right; if that right could be commuted and if these lands could be immediately made subject to taxation an effort should be made to abolish this exemption. In the province of Ontario we know what tax exemptions are. They are an enormous burden on the people who have to pay taxes. In the city of Toronto there are millions and millions of dollars worth of property of the most valuable kind which is increasing in value every day and which is yet untaxed. It is relieved from taxation by reason of exemptions granted years and years ago. We have had some of these exemptions removed. We have given a great deal of attention to the question of exemption from taxation in the province of Ontario.