

the ordinary charges for water and the taxes to the city under an agreement they have made with the city. That is a matter between the company and the city with which the government has nothing to do. We do not profess to give—we do not give any right of exemption so far as the company is concerned.

Mr. LENNOX. That is all right if it is all right, but there is nothing in this order in council which defines the matter one way or the other.

Mr. PUGSLEY. Does not the hon. gentleman know that the moment we part with the land it becomes private property and is subject to ordinary civic liabilities?

Mr. LENNOX. I do not know that and I am not sure the minister knows it, and I would like him to explain the contract between the government and the city with reference to Major's Hill park.

Mr. PUGSLEY. In what way?

Mr. LENNOX. The government undertook to pay certain moneys to the city for improvements and they got certain water and other rights in return. Is the minister prepared to say that the condition with regard to the hotel site on Major's Hill park being watered free by the city will go out of force as soon as this property is passed to the railway company.

Mr. PUGSLEY. I have no doubt whatever about it. The moment this piece of property is sold it ceases to be Major's Hill park and the title passes to the railway company who have to put up an hotel upon it, and that property would be subject to the ordinary civic liabilities and any water they use must be paid for. The city is not bound to supply water to private individuals and the company must make arrangements with the city in regard to that matter. The company will become liable for the civic taxation the same as ordinary individuals and ordinary companies.

Mr. LENNOX. I have great respect for the opinion of the minister as an able counsel but I am not quite prepared to agree—

Mr. PUGSLEY. You would not like to deny that proposition.

Mr. LENNOX. I am not going to admit or deny but I am not prepared to agree that the moment that property passes over to the company it ceases to be a portion of Major's Hill park any more than I am prepared to admit that if the city undertook to supply water free for No. 12 on Bank street when it belonged to the government, if sold by the government it would cease to be No. 12 Bank street. I call the attention of the minister to section 15, chapter 10 of the Act of 1899, which deals with this matter of supplying water free by the city among other

things, and I think it would be very desirable to have some understanding as to that.

Mr. STEWART. I may say that the rights of the corporation of the city of Ottawa to exact taxation and water rates have already been recognized as between the Grand Trunk Railway Company and the city. After some considerable discussion an agreement has been drawn up under which the city agrees to give the Grand Trunk Company exemption from taxation for a certain number of years in consideration of the company expending a certain amount of money on the erection of the hotel and central station. The first arrangement made was for an expenditure of \$3,000,000 by the Grand Trunk on the two buildings. There were suggestions made regarding the construction of the building which might have reduced the cost below \$3,000,000, and there was some discussion as to that, but there is now a distinct agreement signed between the city and the Grand Trunk Railway Company as to the amount of money that shall be expended on the hotel. Among the conditions ceded to the company by the city were exemption from taxation for a certain number of years and the purchase of certain property on Nicholas street so as to widen the street leading to the station and make easier access. The recognition of the rights of the city to exact taxes is all settled in the agreement that has been signed by both parties.

Mr. LENNOX. That probably changes the situation, but the minister did not seem to know anything about it.

Mr. R. L. BORDEN. The order in council in connection with this matter was passed on the 26th of September; parliament opened on the 28th of November, and some time afterwards this proposal was submitted to it. It has stood on the Order Paper for five and a half months without any attempt on the part of the government to advance this legislation, which demonstrates in the most unmistakable manner the absence of necessity for the haste with which the government rushed into this proposal without consulting parliament. Judging from the long delay which has elapsed between the introduction of this measure and its present stage I was in hopes that the government had receded from their position and that they had made up their minds not to perpetrate this most outrageous piece of vandalism that was ever perpetrated against public property. This proposal to thrust an hotel into the grounds of parliament is so incongruous and unnecessary that I cannot understand how the government ever came to accede to it. I have already said, and I repeat it, that it would be just as well for the government to have authorized the building of that hotel on one of the lawns in front of this building. There are to be large