

Hon. Mr. SCOTT—For grazing?

Hon. Mr. LOUGHEED—Yes. I remember how the Liberal party, previous to 1896, attacked most violently the leasing policy of the old government; but the policy of granting closed leases, particularly in settled districts, for 21 years and thus keeping out settlers, is to my mind most pernicious. I simply point out this objection, and while clause 33 would give power to the Governor in Council to continue those regulations, I hope that will not be the case.

The clause was adopted.

On clause 39, proviso in subclause 2 :

Provided that if it is established to the satisfaction of the minister, either by report or order of the Lieutenant Governor in Council for the province in which any section, half-section or quarter-section of school lands is situate, or by the request in writing over the signature of the minister or deputy minister of the department which has charge of education in such province, that it is desirable to take or reserve out of such section, half-section or quarter-section of school lands a small portion thereof as a site for a school and for purposes properly connected therewith, the minister may, forthwith, sell to the board of school trustees for the district for which the same is required, at a minimum price of ten dollars per acre, such portion of school lands, in no case to exceed an area of four acres, which must front on a road allowance, at such price as he may consider fair and reasonable, and may forthwith, upon payment of such price, cause letters-patent to be issued for the portion of school lands so required as a site for a school and for purposes properly connected therewith.

Hon. Sir MACKENZIE BOWELL—If four acres of land were required by the trustees of a school section, you compel them to pay ten dollars an acre.

Hon. Mr. SCOTT—Not less than that.

Hon. Sir MACKENZIE BOWELL—But in the other case we discussed a short time ago, the minister could dispose of fractions of land less than quarter sections at a minimum of not less than \$3 an acre. You compel the school trustees to pay \$10 for land which, under ordinary circumstances, might be given them without charge. I do not see why there should be this discrimination. If there is any discrimination, it should be in favour of the school trustees.

Hon. Mr. WATSON—This only applies to school lands. The school lands are held

in trust for the provinces, and they charge the highest possible price for school lands.

Hon. Sir MACKENZIE BOWELL—They are held in trust by the Dominion for the provinces, and they cannot dispose of them, only in special cases such as are contained in this clause, except by public auction. You take power to dispose of not more than four acres of land if it is required upon which to build a school house and the minimum charge must be ten dollars. I am not objecting to the power of disposing of lands under the circumstances.

Hon. Mr. LANDRY—Is this a new clause?

Hon. Mr. DANDURAND—Yes, it is a new clause.

The clause was adopted.

On clause 42,

42. All moneys from time to time realized from the sale of school lands shall be invested in securities of Canada to form a school fund, and the interest arising therefrom, after deducting the cost of management, shall be paid annually to the government of the province within which such lands are situate, towards the support of schools organized and carried on in accordance with the law of such province; and the moneys so paid shall be distributed for the purpose by the said government in such manner as it deems expedient.

Hon. Mr. LOUGHEED—This is a very serious departure from the old Act. The word 'public' has been left out in the sixth line of section 42. I move that the language of the old Act be restored so that it will read 'towards the support of public schools.'

Hon. Mr. SCOTT—I hope the hon. gentleman will not raise a controversy on that subject.

Hon. Mr. LOUGHEED—I will. You are departing from a well established trust. This fund has been provided for in the statute-book for over 30 odd years, in fact since confederation, and you are leaving out the word to describe the class of schools, so that this money could be distributed among private and other classes of schools.

Hon. Mr. SCOTT—I hope the hon. gentleman will not press the proposition. It