

from taxation for all time to come. We are inviting immigrants to settle our boundless prairies and then tell them they must pay taxes to keep up the provincial and local governments, they must build the roads and construct the bridges, but the poor syndicate must pay nothing—they are altogether exempt from taxation. Every December the tax collector will call on the farmer there, but he dare not call on the syndicate. And so we are building up a gigantic monopoly, we are giving them huge privileges that no company should get; we are doing more than that, we are giving them all these privileges and advantages so that they may be in position to harass and oppress the people we are settling there. . . . I say, sir, that this is no small matter; I say that parliament should not, even if it had the power, deprive the people of that country—formed into provinces as it will be—of the power of exacting from this company taxes upon lands which they will hold for the purpose of making the most of, and thus throw the burden of local improvements on the actual settler. Sir, I never heard a proposition so monstrous as this one; I never heard one justified upon such grounds as have been advanced to support this proposition and no such proposition was ever before submitted to a free parliament.

Mr. John Charlton, on the 27th of January, moved an amendment on behalf of the Liberal opposition as follows:

That the contract respecting the Canadian Pacific Railway exempts perpetually the railway and all stations, &c., from taxation by the Dominion, &c.; that the property of the corporation will be in substance a gift from the public and its exemption from taxation is unjust; it creates an unfair incidence of taxation and gives an undue advantage to the company over other railway companies calculated to prevent the construction of competing lines; and the contract is in this respect objectionable.

In support of that amendment Mr. Charlton said in part:

It is not a principle which can be controverted that for the payment of the expenses necessary to be incurred in the maintenance of law and order all property should bear its equitable and due proportion; that no property whatever should be exempt from payment of its share of the expenses of maintaining law and order. . . . A settler in addition to paying the railway tax must pay a portion of the debt created for the benefit of the railway. The first item is the \$31,000,000 incurred in building the portion of the line to be handed over to the company and cost of surveys, that amounts to \$7 per head for every man, woman and child in the Dominion; in the next place he must pay a proportion of the taxes for the \$25,000,000 to be paid over to the company, which amounts to over \$6 per head for every man, woman and child in the Dominion; in other words the amount per capita is over \$13 in addition to a fair proportionate share of the ordinary taxes of the country which should be borne by the company. In addition to all this a settler on the alternate blocks is to labour for the benefit not merely of himself but for the benefit of this company who will be enabled by the advantages given them in this contract to withhold their lands from the market as long as they please. For every two blows that he strikes he is to feel

that he is striking one blow for a soulless corporation which quietly awaits his efforts, knowing that it has only to wait to realize results to which they do not contribute in the slightest degree.

It is 25 years ago that these words were uttered in this House with rare prophetic insight. I have quoted them here to establish my proposition that section 23 involves a limitation upon provincial autonomy of no trivial character. I trust that I have said enough now to show the House clearly my own position in the matter in its relation to the Autonomy Bills and as well the intrinsic importance of the subject. I propose next to show particularly why I think my amendment should be adopted. Probably it is not necessary for me at this stage to say that I am not proposing repudiation. I am not proposing to take away from the company any of its contract rights. I stand in that regard just as my hon. friend from Qu'Appelle (Mr. Lake) who when referring to this subject some weeks ago said that no right thinking person would propose to deprive this company of any rights which the parliament and people of Canada 25 years ago with their eyes open gave to them. I admit, as any right-thinking person must admit, that the contract must be respected. But I ask, whose was the contract? Was it not a contract made between the Dominion of Canada and the company? The Canadian Pacific Railway was and is a federal undertaking. These exemptions were and are a part of the cost of the undertaking. Then, why shift part of such cost upon these new provinces more than upon the province of Nova Scotia or any of the other provinces of the Dominion? The new provinces are, without these exemptions, bearing their fair share of the undertaking with the other provinces of Canada. Then, why place them under a double burden? Let me quote a little further from the debates of 1881, when the contract was first before parliament. I will quote from a gentleman whose name is fairly well known and respected throughout the Dominion of Canada, the Hon. George W. Ross, who was a member of this House in 1881. He spoke as follows:

What does it mean? It means that the people of the Northwest as far as the railway company is concerned must tax themselves extra to the extent from which the company is relieved in order to procure such advantages as schools, highways, sidewalks, and other advantages of civilization. . . . There is another grievance to which I must refer and that is when a new province is erected and we come to confer upon it those advantages which it can claim under our confederation we will be bound to consider the exemption from taxation of the lands and property of this company; this will mean that the whole Dominion must be taxed in order to provide a larger subsidy for the maintenance of local institutions of such new province or provinces. We pay Manitoba already 80 cents a head and