

Supply—Finance

I should like, if I have the permission of the house, to table this communication in English and in French and ask that it be appended to today's *Hansard*.

Mr. Deputy Speaker: Order. Does the minister have consent to have this document made an appendix to *Hansard*?

Some hon. Members: Agreed.

Mr. Pickersgill: If I could just say a word in explanation of the way in which this has to be done, I may say it appears from the best legal advice the government is able to attain that this perpetual exemption from taxation enjoyed by Canadian Pacific on its main line is part of the constitution of Canada and also part of the constitutions of Manitoba, Saskatchewan and Alberta. It is not competent for this parliament by a simple act of parliament, under the constitution as it now stands, to make this change. An amendment would be required also to the constitutions of those provinces. For that reason it is not possible for this parliament to make the Canadian Pacific main line subject to taxation, nor is it possible for the provincial legislatures to do so.

This is just one more good reason why we should tidy up our constitution so we can do these things ourselves in the proper way. In effect what Canadian Pacific is doing is to say that over the three years after this legislation comes into force they will give up the perpetual immunity they were given under very different circumstances in the 1880's. I am sure that all members, whatever their views may be about some of the other things which the Canadian Pacific has done, will agree with me that this particular act is an act of good corporate citizenship.

• (5:10 p.m.)

Now, sir, I just want to conclude in a few words by thanking hon. members for listening to me for so long and to express the hope that in committee we will give this legislation the most searching examination that is required in the national interest but that we will seek to do that without undue delay having regard also to the importance, through this legislation, of putting the railways in a position to conduct their operations in a more businesslike way to make them more competitive with other forms of transport and therefore better able to rely upon their own resources in dealing with the public, their employees and everyone else. In doing so, it would be my hope, Mr. Speaker, that among

other things this legislation would make collective bargaining between the railways and their employees more meaningful than it has been in recent years.

[Translation]

Mr. Maurice Allard (Sherbrooke): Mr. Speaker, before he introduced this bill, last Tuesday, the minister stated in the house that the government or himself had written to the ten provincial governments and that replies had been received.

Now, here is my question. In those replies, has any provincial government expressed concern or reservations over the establishment of a Canadian transport commission, and what was Quebec's reaction?

[English]

Mr. Pickersgill: Mr. Speaker, I will be very glad to table tomorrow all the correspondence. I would do it today only I have not got it with me.

Mr. Deputy Speaker: Is it the pleasure of the house to adopt the said motion?

Mr. Horner (Acadia): On division.

Motion agreed to on division, bill read the second time and referred to the standing committee on transport and communications.

SUPPLY

The house in committee of supply, Mr. Batten in the chair.

DEPARTMENT OF FINANCE

1. Departmental Administration including administration of the Guaranteed Loans Acts and the Inspector General of Banks' Office, and payments to provinces and grants as detailed in the Estimates, \$4,332,900.

Mr. Knowles: Mr. Chairman, before the minister begins and in order that his speech will not be interrupted, in fact, in order that this debate will not necessarily be interrupted, I wonder whether we could have one or two understandings?

In the first place, I think the committee would not want to go to private members' hour in the midst of this important discussion. In the second place, I wonder whether we could have an understanding that we would take an hour off for supper?

Some hon. Members: Agreed.

Mr. Pickersgill: Let us fix the time now.