

Hon. Mr. Roebuck: Today there are 100-car trains.

Hon. Mr. Thorvaldson: Yes. I had not completed that. I cited one example. In those days I think there were 20-car trains or 30-car trains. Later on we had 50-car trains, and today we have 100-car trains, and perhaps longer. These are all factors in the present situation, and they are all factors that were fully discussed by experts and others before the MacPherson Royal Commission.

Hon. Mr. Roebuck: I should like to ask another question—and I hope the honourable senator will pardon me if I am embarrassing him, although I do not think I am. I am tremendously interested in what he has been telling us. I have learned more about the Crowsnest Pass Agreement in the course of this address than I knew previously.

Hon. Mr. Connolly (Ottawa West): Hear, hear. We all have.

Hon. Mr. Roebuck: I assure the honourable senator that it is not my intention to embarrass him. But, could he give us any information as to the principles upon which the courts have considered perpetual contracts or agreements, because there is, I am sure, a considerable body of jurisprudence in this connection. The courts on the equity side have always considered perpetual agreements as having a reasonable period of termination, and which they have written into them a number of times. I wonder if my honourable friend has looked into that aspect at all.

Hon. Mr. Thorvaldson: I really do not think the pursuit of that subject would have any great value just now. However, I do repeat that the statute or statutes of Canada which gave the Canadian Pacific Railway Company this perpetual exemption from municipal taxes in western Canada was found legal and valid by the Privy Council.

I believe I recall reading somewhere in the report of the MacPherson Royal Commission that the statutes or statutes of Canada which to the Privy Council and found valid. I must say that I intended to pursue this fully, and find out for sure, in the last few minutes before entering the chamber, but unfortunately a visitor came to my room and I did not have a chance to do it. However, I am pretty certain that the validity of the agreement and statute has been considered by the Privy Council and has been confirmed.

Hon. Mr. O'Leary (Carleton): For all eternity?

Hon. Mr. Thorvaldson: Yes, for all eternity, and so were the tax exemptions granted to the C.P.R.

Hon. Mr. O'Leary (Carleton): You could amend the Constitution, but you could not amend this statute at that time?

Hon. Mr. Thorvaldson: Oh yes, Parliament can amend the statute but the point is that the courts cannot. I do not wish to get into the complicated details regarding the history of the Crowsnest agreement. However, I believe that at various times in the early years of this century rates on grain were actually lower than those provided in the agreement. Then in the early 1920's they were abrogated completely, I believe for about a year or so, and then reinstated.

Hon. Mr. Aseltine: In 1919.

Hon. Mr. Thorvaldson: 1919. I am not quite certain of those dates, but Senator Aseltine delivered a speech on the subject a few years ago, and he will probably be more conversant with those dates than I am.

Hon. Mr. Connolly (Ottawa West): I think Senator Aseltine's date of 1919 is correct, and I believe the reinstatement year was 1925. One must of course be conscious of the fact that so far as western Canada is concerned there are probably political considerations that make these rates sacrosanct.

Hon. Mr. McDonald: They still are.

Hon. Mr. Thorvaldson: No, I would say there are political considerations which—

Hon. Mr. Connolly (Ottawa West): Let us call them practical considerations.

Hon. Mr. Thorvaldson: Yes, practical considerations.

Hon. Mr. Aseltine: In 1919 the Senate of Canada saved the day for the West. Senator Lougheed and Senator Watson refused to accept the bill passed by the House of Commons.

Hon. Mr. Thorvaldson: As a result of which, I understand, the Crowsnest Pass agreement was preserved by the Senate of Canada.

Hon. Mr. McDonald: Hear, hear.