

cost. That is a real example of free enterprise getting welfare. That makes the people on unemployment insurance look like amateurs. The CPR also received nearly four million acres of land in 1897 when the Crowsnest pass legislation was passed in this House, including the mineral rights. They received six square miles of proven coal land from the province of British Columbia. The coal was there. Several tens of thousands of tons were being taken out of that area in 1897. In addition to that, they obtained a little deal to buy 33 miles of rail line, including mineral rights, some small smelters and mines in Trail and the surrounding area. Consolidated Mining and Smelting Company was established as a result of the Crowsnest pass agreement. In the last 60 years they have benefited to the order of some \$300 million as part of the deal.

● (2130)

If the Canadian Pacific Railway is in fact losing money hauling grain—which I do not believe—as part of the deal, then it has been more than compensated through the profits from mineral operations and a host of other enterprises, as a direct result of what the people of Canada did in 1897. I hope the Minister of Agriculture will relate this to the minister in charge of the Wheat Board. He would have a better chance having the Ten Commandments amended than changing the Crowsnest pass agreement unless and until any increase in the Crowsnest pass rates is included in an income stabilization plan. We will have to have the income stabilization plan first and then maybe we will talk about the Crowsnest pass rates.

Certainly if the Crowsnest pass agreement is to be done away with, we will take the right-of-way, the buildings, the rails, the mines, the smelters, the profits and give them back to the people of Canada. If the deal is to be cancelled, we will cancel the whole deal. If they want to back out of an agreement which they signed which says “in perpetuity”—which is a long time—and they want to back out of the freight rates part, they can do so but they will lose all the rest of it. I think the government of Canada could have a nice time with the hundreds of millions of dollars from the mines and smelters of that area, which could be used for the benefit of the people of Canada and to provide old age pensions at age 60 from the profits.

I should like to say a little more about rail transportation, particularly as it applies to the Canadian Pacific Railway. What this company received as a result of the Crowsnest pass agreement has more than compensated it for the grain rates. In fact, the Crowsnest pass agreement provided for a rate reduction in respect of a host of other products from eastern Canada. I have yet to find out how that disappeared from the agreement, because those rates have been raised many times. That is a small matter compared to what happened in 1881. As we know, Canadian Pacific Railway received 25 million “suitable acres of land”. I shall come back to that in a moment. It also received \$25 million in cash. We thought that was the end of it.

One might read the legislation and the agreement of 1881 which appears in chapter I of the Statutes of Canada, an act respecting the Canadian Pacific Railway Company. There one will find that the CPR received many more things. They received 213 miles of railway that had already been constructed by the government of Canada

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between Selkirk and Emerson. The agreement also called for the government of Canada to construct and turn over to the Canadian Pacific Railway Company the lines required from Fort William to Selkirk and from Kamloops to Port Moody. There was not much left for the CPR to build. It received 25 million acres, including mineral rights, and \$25 million in cash and some more. In the legislation it also received from the government and the people of Canada duty free entry for all the material required for the construction of that railway—the rails, the telegraphic equipment and everything else. Then they received massive exemptions in respect of property and land taxes. The legislation reads:

The Canadian Pacific Railway, and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances required and used for the construction and working thereof, and the capital stock of the company, shall be forever free from taxation by the Dominion, or by any province hereafter to be established, or by any municipal corporation therein; and the lands of the company, in the Northwest Territories, until they are either sold or occupied, shall also be free from such taxation for 20 years after the grant thereof from the Crown.

I read some of the debates of the House of Commons for that day. I find that one, the Hon. Edward Blake, had something to say. By the way, it turned out that the Conservatives offered so much and lost, and the Liberals came in and offered more for the Crowsnest pass agreement. The Conservatives offered \$6,000 per mile, and the Liberals offered \$11,000 per mile. In 1880 in the House of Commons, the Hon. Edward Blake had this to say about what the government of Canada was doing for the Canadian Pacific Railway Company:

The great mass of railways in this country have been constructed out of resources mostly provided by private individuals. Considerable sums have, from time to time, been given by way of aid or subsidy by the government towards the construction of some lines, but the main portion of the capital of these railway companies is private capital.

He went on to say:

—but the same considerations are not at all applicable to a case in which you say to some individuals: Gentlemen, we will give you as much and half as much again as is necessary to build this railway, and we will let you own it afterwards. It is not the work of private capital at all. These men will, for a little while, until they make some land sales, invest four or five millions which will be recouped to them within a very brief space of time, and then they will have this enterprise without having sunk a dollar of their own money in it, and will have millions of acres besides.

Mr. Speaker, that is some of the background and history of the Canadian Pacific.

The Acting Speaker (Mr. Boulanger): Order, please. I regret to interrupt the hon. member, but his time has expired.

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, first of all I should like to join with other hon. members in congratulating the mover and the seconder of the address in reply to the Speech from the Throne. I think they both did a remarkable job and deserve great credit. I also wish to associate myself with the tributes paid to His Excellency the Governor General and Madame Leger. I wish them both a most happy and successful mandate at Government House.

Ever since I have been in this House, Mr. Speaker, it has always been a pleasure for me to observe the dignity and