

we might as well have a prohibition against the construction of such railways. Well, it is said, you cannot limit the exercise of a constitutional power. Well, if we cannot limit it, this Parliament can control the exercise of it, and if hon. gentleman had that understanding they were bound to make it public and to say: "it will be our policy to exercise the power of veto in Manitoba and Ontario, and so practically put them in the same position as the territories are in." Then the hon. gentleman reverts to the motion of the hon. member for Gloucester, and he says that the display of the vigorous action which has been made in the work at the eastern end proves that there was no foundation at all for that motion. Now, what was the motion of the hon. member for Gloucester? It was that the subsidy of land and money were wholly disproportionate to the cost of the work, and the hon. gentleman gives as an answer to that that some progress has been made on fifty miles of the railway on the eastern end. We do not know how much. That is not an answer. I say there has been too little done, and the hon. gentleman has had to make an excuse for it; and if the argument was to be affected by the operations on a single portion of the line, they are in favor of the motion of my hon. friend rather than against it. But the motion was against the iniquity of paying for the prairie section three or four times the price which it was to cost the Company to construct it. We said, what is quite true, that no doubt what the Government were doing would stimulate the construction of the prairie portion, because every twenty miles they built gave them a fortune, gave them a large estate, and of course they would earn their money fast; it would cost them nothing, the Government would pay them all the cash they required, and besides that, they would get valuable lands; but we said: "These resources which you are squandering now are the resources which you should reserve for the construction of the other parts of the road." The hon. gentlemen next referred to the motion of the hon. member for South Perth (Mr. Trow), and he said he would prove by the events of the year that that motion was altogether out of place. That motion was against the exemption from taxation of the land grant of the Company; but the hon. gentlemen took up the question of the exemption of the station buildings and the property of the Company in certain towns, and gave this as an answer to the motion of the hon. member for South Perth. That is no answer to the motion. He says: "I will prove that you are all wrong, because the city of Winnipeg, so far from taxing the Company, is willing to give \$200,000 for their railway station." No Sir, they were not willing to give it, but the Canadian Pacific Railway Company said to them: "You have offered \$200,000 to another Railway Company, and if you do not withdraw that, we will not come to your town." Well, the city of Winnipeg said: "We will not give \$200,000 to the other Company," and then the Canadian Pacific Railway approached them and said: "If you will give us \$200,000, we will put our station grounds here." So they gave the \$200,000. I do not think it was an act in which the people of Winnipeg took great heart; they were perhaps wise in their day and generation not to want to lose the station; but I wonder what man of the whole 200 of us thought when they were giving these great subsidies that one of the first acts of the Company would be to exact \$200,000 from the chief city of the Northwest as a condition of putting their station grounds there. Now, the hon. gentleman says that the Company have placed their land for sale at \$1.25 an acre. We know what they did in reference to their lands; we know that their lands were placed at \$2.50, subject to certain conditions of forfeiture. The hon. gentleman has acknowledged that these conditions were too stringent. They were undoubtedly too stringent—so stringent that they were found entirely unworkable, and practically prevented the sale of their lands in the first instance. These conditions were

relaxed, I think, three times, each change showing that the Company were disposed to adopt conditions as stringent as the public opinion of the country would allow. The hon. gentleman says this is practically an offer of the land at \$1.25 an acre. I am not disposed to agree with that view; I am disposed to believe that it would be found difficult for the average settler to apply these terms so as to get the land at \$1.25 an acre. In order to get the land at \$1.25 he has to break it, and I do not think he can break or keep within cultivation the amount of land which will enable him to obtain it at that price. Then again, many of the lands are not open for sale at all—the lands along the line of railway and other lands. I do not propose to enter into an elaborate discussion of the terms and conditions of the sale of Pacific Railway lands, but I think practical experience will show that these conditions will produce, not \$1.25, but a much larger return. Under any circumstances, however, that exemption from taxation is a condition tending to results which, as the member for Perth pointed out, gives a greater opportunity to the Company to build their lines than they would have if they were subject to municipal taxation, and rendering them free from that share of taxation, borne by other landholders, so that it is acting entirely to the prejudice of the settlement of the country. The motion of the member for Brant (Mr. Paterson) is one which the hon. gentleman said was very unfortunate, because it opposed the Government remaining so long a contractor or dealing with those railways. The motion pointed out that there was an absence of finality in the action of the Government. The argument of my hon. friend was that we did not know when the Government would cease to be connected with the railway as a good portion of the work remained to be constructed. The Minister of Railways contended that a great benefit accrued to the country from the arrangements for hastening the completion of the road—that a great evil was connected with a lengthened Government connection. But there is this evil from the present policy, we have to provide the money, and really we double the annual provision for the immediate cash construction of the work. The hon. gentleman referred to a motion of the hon. member for West Middlesex (Mr. Ross), stating that the best reply to it was that the Railway Act had been amended. But that Act was not amended when the motion was made. My hon. friend dealt with the Act as it was. I deny that the amendment of the Railway Act is an adequate answer, because it did not deal with the evil existing at the time. It is a new thing to say your amendment is useless because we were convinced by it and your arguments that our law had to be amended. Then with regard to the tolls on the Canadian Pacific Railway, the hon. gentleman made a comparison with these of a number of other railways. I am not able to analyse it because I do not know how far it applies to what is the great question at present and will be for a long time, the question of through rates. We know that through rates are very different from local rates, and that the local rates of almost all these great railway companies are practically monopolies. It has long been the complaint—almost since the first, as to local rates—that the Companies charged a great deal too much; and what I understood the hon. gentleman to be bringing forward was practically the local rates on first-class railways.

Sir CHARLES TUPPER. I had no means of dealing with anything else.

Mr. BLAKE. Why not? Does not the hon. gentleman know that there is a difference between through rates and local rates? He does not seem to know.

Sir CHARLES TUPPER. We cannot control rates all through.

Mr. BLAKE. Does he not know that there is a different rate, for through traffic from the rate for local traffic.