

after to be established or by any municipal corporation therein.

Thus it happens that in 1881 the then parliament deliberately gave to the Canadian Pacific Railway Company, which it was incorporating, an absolute exemption from federal, provincial and municipal taxation. It was an extraordinary contract, but the fact stares us in the face, and it is in accordance with British precedent and British policy that contracts have to be executed whether they are good or bad, whether they are advantageous or disadvantageous. In 1884 or 1885, when the limits of the province of Manitoba were extended westward, a similar provision was introduced into the Act of that time to exempt the company from taxation by that province in the territory thus added to her limits. We have to do the same thing to-day. It is a most lamentable condition of things, but all I have to say to the provinces, is that they have to abide by the conditions which exist. In this respect, however, they are in no worse position than the Dominion government itself. We stand to-day, to use a common phrase in the same box. If the Minister of Finance were to introduce a budget wherein he thought it advantageous for the Dominion of Canada to impose taxation upon big corporations, upon the Grand Trunk Railway Company, upon the Bank of Montreal, upon all the other banks and corporations we could do so, but we could not lay a farthing of taxation on the Canadian Pacific Railway Company. That is the result of the condition of things which was enacted by this parliament twenty-four years ago. At that time the opposition led by Mr. Blake protested vigorously against that provision. Mr. Charlton moved the following amendment:—

That the contract respecting the Canadian Pacific Railway exempts perpetually the railway and all stations and station grounds, workshops, buildings, yards and other property, rolling stock and appurtenances, required for the construction and working thereof, and the capital stock of the company, from taxation by the Dominion or by any other province hereafter established, or by any municipal corporation therein. That the property of the corporation shall be in substance a gift from the public; and its exemption from taxation is unjust, 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.

Unfortunately this amendment was defeated and that clause of the contract was carried into effect. We have to deal with it to-day as we find it and the provinces as well as the Dominion have to abide by it. All I can say at this moment is that if our efforts and their efforts could rid the new provinces of this incubus, we would be only too glad to give them all the help and assistance in our power, but it is not possible to do so, except by some method that I am not able at the present time to find out. It

might be by the way of legislation, it might be through a mutual agreement, or by expropriation. There are some of these methods perhaps open to us, but I have only to say at this moment, that, regrettable as it is, the Dominion and the provinces the provinces and the Dominion must abide by it loyally until such time as it may be possible to find a remedy. That is all I have to say upon the financial clauses of the contract.

I now come to the question of education, and this question is perhaps under existing circumstances the most important of all that we have to deal with. There are evidences not a few coming to us from all directions, that the old passions which such a subject has always aroused are not, unfortunately, buried; indeed, already, before the policy of the government has been known, before the subject is fairly before the people, the government has been warned as to its duty in this matter, and not only warned but threatened as well. The government has been warned, threatened from both sides of this question, from those who believe in separate schools and from those who oppose separate schools. These violent appeals are not a surprise to me, at all events, nor do I believe they are a surprise to anybody. We have known by the experience of the past, within the short life of this confederation, that public opinion is always inflammable whenever questions arise which ever so remotely touch upon the religious convictions of the people. It behooves us therefore all the more at this solemn moment to approach this subject with care, with calmness and deliberation and with the firm purpose of dealing with it not only in accordance with the inherent principles of abstract justice, but in accordance with the spirit—the Canadian spirit of tolerance and charity, this Canadian spirit of tolerance and charity of which confederation is the essence and of which in practice it ought to be the expression and embodiment. Before I proceed further, before I pass the threshold of this question, I put at once this inquiry to the House: What are separate schools? What is the meaning of the term? Whence does it come, what was its origin and what was its object? Perhaps somebody will say: What is the use of discussing such a question? The term separate schools ought to be familiar to every one. Sir, if any one were to make such an observation and to interpose such an objection, I would tell him that never was objection taken with less ground. Mankind is ever the same. New problems and new complications will always arise, but new problems and complications, when they do arise, always revolve within the same well beaten circle of man's passions, man's prejudices and man's selfishness. History therefore should be a safe guide, and it is generally by appealing to the past, by investigating the problems with which our fathers had to deal, that we may find the solutions of the complica-