

PRIVATE BILL
SECOND READING

Hon. Mr. GOUIN: Honourable senators, in the absence of the honourable senator from Rougemont (Hon. Mr. Beaugard) I have the honour to move the second reading of Bill B, an Act to incorporate General Security Insurance Company of Canada.

Hon. Mr. COTE: Would the honourable senator explain the Bill?

Hon. Mr. GOUIN: Its purpose is the creation of an insurance company to which the Canadian and British Insurance Companies Act of 1932 will apply. The activities of the company, as indicated, are the ordinary activities of such a company—fire, accident and aviation insurance, and so on. The capital stock is to be \$2,000,000, and the amount to be subscribed will be at least \$400,000. The head office of the company is to be situated in Montreal.

Hon. Mr. DANDURAND: I heard the honourable senator from Rougemont (Hon. Mr. Beaugard) state yesterday or the day before that the Bill was on standard lines and had been approved by the Superintendent of Insurance. I think the Bill should go to the Standing Committee on Banking and Commerce.

The motion was agreed to, and the Bill was read the second time.

REFERRED TO COMMITTEE

On motion of Hon. Mr. Gouin, the Bill was referred to the Standing Committee on Banking and Commerce.

GREAT LAKES-ST. LAWRENCE
DEVELOPMENT

STATEMENT BY THE PRIME MINISTER

Hon. RAOUL DANDURAND: Honourable senators, I desire to read a statement which was read by the Prime Minister in the other House this afternoon. The reading will bring us to six o'clock, at which time we shall rise, to return at eight. No motion is needed for that procedure.

I have noted the important message which the President of the United States issued yesterday through Mr. Berle in connection with a Great Lakes Seaway and Power Conference which is being held in Detroit. The House has already been advised through the correspondence tabled on November 12 of the agreement reached between the Government of Canada and the Government of the United States, regarding additional diversion of water for power purposes at Niagara and the appointment of committees to carry on the necessary additional engineering investigations in the International Rapids section of the St. Lawrence. The diversion has been made at Niagara and the power development is being utilized for Canadian industry. The committees ap-

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pointed by the two Governments have been actively at work in the study and analysis of the engineering problems in the International section.

As regards the wider questions involved in the Great Lakes-St. Lawrence development, it will be recalled that the Niagara Convention of 1929 and the St. Lawrence Treaty of 1932 failed to obtain the approval of the United States Senate, and that negotiations were later resumed with a view to the possibility of combining the projects in a revised single agreement. Delegations of officials appointed by the two Governments met in Ottawa and in Washington last January and the problems involved have continued to receive consideration by both Governments. Those negotiations will be continued. Any agreement resulting from the negotiations will, of course, be submitted to this House for approval in due course. I have earlier indicated that any such agreement on this subject would not be brought before the Canadian Parliament until it had received the approval of the appropriate United States authorities.

The Prime Minister added the following remarks, which may be found in the Commons Hansard:

As I have already indicated, the committees appointed by the two Governments are continuing their study of the engineering problems in the International section. They have not yet completed or reported upon their work, and no final decision has therefore been taken as to the details of the development in this section. The project under consideration, as I stated a few days ago, is a controlled single-stage development, which differs from either the single-stage development or the double-stage development that was under consideration some ten years ago. On January 25 last the following statement as to the character of the project under discussion was issued after the conference of officials of the two Governments:

"The engineering advisers of the two Governments have reached substantial agreement on the feasibility and desirability of a project in the International Rapids section of the St. Lawrence river which would involve a main dam in the vicinity of Barnhart island, with a power house in each country, and a control dam upstream. This project is based upon a plan which was discussed in some detail in the 1926 report of the Joint Board of Engineers. The engineers of the two countries are in agreement that such a project is sound from an engineering standpoint, cheaper in cost than the project on which the 1932 Treaty was based, and affords full protection for all the interests in the various sections of the St. Lawrence river."

Right Hon. ARTHUR MEIGHEN: Honourable senators, I am going to take occasion to say a few words as respects the statement just read. The purpose of my remarks will be, not to discuss the wisdom of undertaking the St. Lawrence development at another time, but to mark with an interrogation point, as bold and as visible as I can make it, the decision to enter upon such an undertaking at this time. So far as one can observe, the President of the United States is the power behind the throne in respect of this whole venture, and according to dispatches from that