

Mr. SIFTON: Well, Mr. Ward, we have had to give considerable attention to the position of other interests who might be opposed to us, or who might be on our side. I deprecate discussing the private affairs of other people, but you have asked that question. I am not a director of the International Paper Company and I do not know anything about their business, except what I see in the public press. As I see it, they have a big advantage to look forward to in the long run through this charter being extended and through the construction of the canal. On the other hand, they have a balancing disadvantage, and I think I can answer your question by giving you some grounds for making up your own minds with regard to the relative merits of the advantages and disadvantages from their point of view.

According to the press, they have about a million horse-power in this area on the north side of the Ottawa River stretching from above here down nearly to Montreal. As I understand it, the price at which they sell that power is entirely in their control. They own that power, and they develop it as they like and sell it to whom they like.

Mr. HANSON: Is it not controlled by the Public Utilities of Quebec?

Mr. SIFTON: I know of no control in the province of Quebec as to the price for which they sell their power. I was not aware of that fact.

If we build this canal, they would be in this position. We will have considerable cost in connection with canalization. For instance, as the Government report shows, we have to build bigger dams than would be necessary if it were purely a power project. Our capital cost per horse-power is bound to be higher than the capital cost per horse-power of the Gatineau Power Company, for instance, or any of the other subsidiaries of the International Paper Company. Now, when the Railway Commission find what our capital cost is, and find a fair price at which we can sell our power, that price is bound to be a little bit higher than if they were investigating similar cost on the part of the International Paper Company. So that the price in this market will be pegged at a price which is more profitable to them than it will be to us. I do not see why, in the long run, it would not be very much to their advantage. I think, if they are opposing it, it is a very short-sighted view for them to take.

Mr. HANSON: I think, in justice to the International Paper Company, it should be stated here publicly that they are not opposing this Bill; they are not interested in this one way or the other.

Hon. Mr. DUNNING: Mr. Hanson, can you speak with authority for the International Paper Company?

Mr. HANSON: I am not representing them, but in conversation with Mr. Graustein, he told me they were not opposing this Bill.

Mr. LAPIERRE: Will you tell the Committee whether you would be compelled under this charter to develop the 36,000 horse-power in the French River?

Mr. SIFTON: Yes, definitely; we would have to develop it and we would have to build a canal, and we could not make a dollar for the shareholders or the promoters, or anybody else, directly or indirectly, until we did it, until we had finished it and provided navigation right up the French River and had the power for sale to the people in that area.

Mr. SPENCE (Maple Creek): Do you think you can sell power as cheaply as the Hydro?

Mr. SIFTON: That is a very large question. I have been familiar with the estimates as to the cost of developing power for quite a while, and those estimates vary. I have seen the estimates as to the cost of power, previous to the building of Chippawa; what the power was actually going to cost to build Chippawa. I think the engineers of the Hydro, as I remember it, made differ-