fixed by three valuators, or a majority of them, one valuator to be chosen by His Majesty, another by the company, and a third by the two so chosen.

You will note that it definitely excludes any payment being made under this clause for vested interest, for unexpired construction, for future profits, etc. It is a very extraordinary clause; it restricts compensation to the actual property which is there, and the actual expenditure which has been incurred. Now, this clause means this. It means that the company, if it proceeds with its work, may always be taken over if and when a comprehensive scheme of public ownership is decided on.

The charter as a whole, containing this clause, means this. It means that at the moment the Dominion of Canada, not being prepared to go on with the canalization and development of the Ottawa river itself, permits a private corporation to do so under stringent control. But in doing so, Parliament by means of this clause leaves the door open so that at any time Parliament can re-enter into complete possession and ownership of rights, authorities and works without the payment of one penny of damages and by merely the reimbursement of actual audited out-of-pocket expenditure on actual work, which the government would in any event have to do for itself.

I submit, sir, that there are many objections which could be raised against that clause by the company, but I submit there can be no objections to it from the point of view of the public interest.

Perhaps, Mr. Chairman, it would make this point more clear to the members of the committee if this present clause is compared with the clause which it repealed. That was Section 43 of the original Act. The difference is found in the end of the clause, as follows: "And the arbitrators may, in such valuation, take into account the expenditures of the company, it property, and business of the canal and other works hereby authorized, and its past, present and prospective business, with interest from time to time on the investment thereof.

There has also, Mr. Chairman, been some criticism of Clause 1 of the present Bill No. 78 which must be read in conjunction with Section 43 as it now stands, and which I have just read. The part to which I refer is found at the end of Clause 1. The trouble with Clause 1, as I understand it, and the criticism of it, is that it is suggested that in that clause:

1. The company can go to work on this great waterway.
2. Anything it has not completed by the due date, it must leave undone, and its authority to build such uncompleted work lapses.
3. What it has built can be taken over by the government
   - A. At any time.
   - B. On seven days' notice.
   - C. On payment of bare cost, with no damages whatsoever.

I submit, Mr. Chairman, that in these clauses we have established a principle in the public interest which is exceptional. Most certainly this charter does not alienate public assets in the ordinary sense of the word. I may be mistaken, but I do not think there is any such re-entry clause in the National Hydro lease of Carillon renewed as late as November last. That company's lease provides:

1. No through canal.
2. No re-entry or repossession clause and is alienation of the public domain in its accepted sense.

I submit to those members who have opposed this Bill on the grounds that it permanently alienated a portion of the public domain, that they consider these clauses carefully, and verify for themselves the fact that this charter does no such thing; verify the fact that, far from doing so, this charter is an exception to the ordinary rule, in that it is a temporary alienation subject to recovery at will, at bare cost, which no other charter or lease is, to my knowledge.

[Mr. Winfield Sifton.]