

federal board of transport commissioners. My contention is that this would be contrary to the constitution. That is why I have an amendment to move, seconded by the hon. member for Quebec-Montmorency (Mr. LaCroix). I move:

That all the words after "collect rates and charges therefor" in line 36, be struck out and that the words:

"Provided however that the exercise of the powers conferred on the company by this section shall be subject to all provincial and municipal enactments and the provincial regulations of general application to highways, the regulation of highway traffic, rates and charges, and the operation of motor vehicles thereon." be substituted therefor.

Amendment agreed to.

Mr. MacNICOL: This section refers only to Canadian territory? It would not refer to Labrador at all.

Mr. RINFRET: I would remind the hon. member that we are asking only for the power to do it. Before we can come to any arrangement with either the provincial authorities or the authorities of Labrador we must have the power.

Mr. MacINNIS: I have not the legal training which would enable me to answer this question for myself. Has this parliament the jurisdiction to pass a law that no rate or charge shall be demanded or taken until it has been approved by the provincial board? I believe our powers are confined to rates charged under the jurisdiction of this parliament.

Mr. RINFRET: The amendment does not say that. The amendment says that it shall be subject to all provincial and municipal enactments. The board of transport commissioners remains the deciding board.

Mr. MacINNIS: Did not the hon. member say that his amendment was striking out all the words after "therefor"?

Mr. RINFRET: Then we come clearly under the Railway Act, under section 368 and various other sections of that act. The board of transport commissioners is the appropriate authority in the matter.

Section as amended agreed to.

Sections 16 to 18 inclusive agreed to.

On section 19—Commencement date.

Mr. HERRIDGE: This section says:

The company may, within five years after the passing of this act, commence to construct the line of railway, and may within ten years after the passing of this act complete the said line of railway.

Should not the word "may" be "shall"?

[Mr. Dorion.]

Mr. RINFRET: I think it comes to exactly the same thing because, if the hon. member continues to read the section, he will see that it says that, unless it is started within the five years, the power becomes null and void. It means the same thing.

Mr. MacNICOL: Before the bill passes, I have one question to ask of the hon. member who is piloting the bill. If he cannot answer it now it will be quite all right. Anybody who knows anything about the area knows that Grand falls are not far east of this area, perhaps 150 to 200 miles down the river. Is the hon. member in a position to tell the committee whether the company has been visualizing the acquiring or endeavouring to acquire the power rights on Grand falls and, if so, will there be development of power there?

Mr. RINFRET: As I understand it, Grand falls is not in Canadian territory but in Labrador. Some research has been made but there is no definite information on it. Various power sites have been surveyed but no decision has been arrived at. I think the hon. member for Davenport has in mind that at some time it might be possible to develop Grand falls with a view to smelting ore on the spot. The company has examined that feature of the matter but no decision has been arrived at. At the moment the idea is to move the ore to the furnace rather than coal to the mine, because there is no coal in the vicinity and it would be less expensive to move the ore to the furnace than to move the coal to the ore.

Mr. MacNICOL: What I had in mind is that Grand falls are very high and have a great volume of water. These are the two principal facts in the development of power. If the company ever did acquire Grand falls I imagine it would be possible to smelt the ore there. It is being done in Sweden, but we have not done it anywhere in Canada. I hope that in the not too distant future we shall do it.

Mr. RINFRET: I shall pass the information on to the company.

Section agreed to.

On section 20—General advantage of Canada.

Mr. MacINNIS: Would somebody enlighten me as to the reason for this section? What is the meaning of it? Is it a standard section which is found in such bills? How much of the company's property is included in the words: "The works and undertakings of the company. . . ." I understand that a large share of the undertakings of the company had to do with provincial resources and was there-