

*Supply—Transport*

**Mr. Pickersgill:** Could the minister throw any light on it?

**Mr. Fleming (Eglinton):** I think nothing new. The hon. gentleman is aware of the situation. No decision can be expected on this matter until, I think, the month of May.

**Mr. Pickersgill:** Since this is an exhibitions item, perhaps I may make a slight exhibition of myself and ask the minister if he would do something which I tried to get his predecessor to do, which I think he said he would consider but never did, and that is to put the numbers of the votes in the details as well as in the votes so that it is possible quickly to look from one to the other? The minister would not have to answer half as many questions if he did that.

**Mr. Fleming (Eglinton):** That suggestion was made five minutes ago by the hon. member for Skeena, and I told him I would be pleased to look into it.

**Mr. Pickersgill:** Would the minister tell me if he will do this, now that he has looked into it?

**Mr. Fleming (Eglinton):** I will tell the hon. member, as I told the hon. member for Skeena, that I will look into it.

**Mr. Pickersgill:** Could the minister not commit himself for once to something?

Item agreed to.

## DEPARTMENT OF TRANSPORT

A—Department—  
Canal services—

689. Payment to the Canada Starch Company, in accordance with terms and conditions approved by the governor in council, as part of the cost of construction of dikes and other works erected as a result of the St. Lawrence seaway and power development, to prevent flooding of land owned by the crown and leased to the company, and in lieu of compensation otherwise payable by the crown to the company on cancellation of the lease, \$955,048.

**Mr. Chevrier:** Mr. Chairman, may I ask the minister for an explanation of this item.

**Mr. Fleming (Eglinton):** Yes, Mr. Chairman. This is an item to pay compensation to the Canada Starch company for property damage the result of flooding of land owned by the crown and leased to the company.

**Mr. Chevrier:** Why is this not a payment by Ontario Hydro?

**Mr. Fleming (Eglinton):** This whole aspect of the matter was carefully considered in the light of the agreement between the federal government and the government of Ontario in respect of the hydroelectric power development in the international rapids section of the St. Lawrence river. However, in order that the lease be not

[Mr. Fleming (Eglinton).]

cancelled and that the premises be not transferred to Ontario for flooding purposes in connection with power development, Canada Starch Company Limited constructed dikes and other remedial works preventing the flooding of the leased land and adjoining land owned by the company to a total cost in excess of \$2,500,000, for which the Hydro-Electric Commission of Ontario agreed to pay the sum of \$1,326,000 in round figures. The construction of the dikes and remedial works permits Canada Starch Company Limited to carry on its business on the leased premises following the raising of the water level in the St. Lawrence river upon completion of the power development works.

**Mr. Chevrier:** Just another question or two. My understanding of the agreement between Ontario and Canada was that all the works having to do with power were to be performed by the Ontario Hydro-Electric Power Commission and that they would pay the damages occasioned thereby. What I am inquiring about now is why this was considered as part of a navigation expenditure rather than a power expenditure. I presume that is what it is, since we are required to pay a portion of it.

**Mr. Fleming (Eglinton):** Yes. It will be seen in the proportions in which the cost has been shared. The Hydro-Electric Power Commission of Ontario is bearing close to 60 per cent of the total.

**Mr. Chevrier:** Why should they not pay it all?

**Mr. Fleming (Eglinton):** First of all, let me point out that under the lease in question, which goes back to 1937, between the Department of Transport and Canada Starch Company, the company was granted the use of a parcel on the canal reserve land on the St. Lawrence, with the use of 280 horsepower of surplus water from the canal. The lease ran from 1937 to 1944 and was renewable in 10-year terms in perpetuity.

I have referred to article five of the agreement of December 3, 1951, between the government of Canada and the government of Ontario, under which Canada agreed to transfer to Ontario the administration of such lands belonging to Canada as are required for the purpose of the said development, and in accordance with the said provisions the lease is required to be cancelled in order that the leased premises be transferred to Ontario.

This, obviously, was not a simple situation at all. There are three interests involved here. There is the interest of the Ontario government in respect of the Hydro-Electric