

mission making themselves the retailers for the great power trust of the province of Quebec and the city of Montreal, and at the Gatineau they will retail a great deal of the power of the Gatineau Power Company at a price which will pay interest and sinking fund on the cost of the plant, and eventually leave the plant free for the present owners. Some such arrangement might be made at the Carillon and half of that work might be done by the Hydro Commission, but under this arrangement, it is proposed to contribute nothing to the cost of improvement of navigation, or the construction of the canal to the Ottawa River. I would like to suggest that you consider this, with an eye to the future. This is just an answer to one of the most difficult problems that this country—and not this country alone—but the United States, our neighbours—will also have to settle.

In the course of the next few years, the Dominion of Canada will be asked to take her place beside the United States in the construction of the greatest bit of practical statesmanship ever attempted on the North American continent. I refer to the waterway of the St. Lawrence. That will be the greatest piece of business ever done in America. Canada will be asked to join with the United States in its construction. If the Federal government abdicates its rights as to water-power of navigable rivers, that is the greatest problem which public utilities have ever raised, and when the St. Lawrence river project comes up, the same principles will have to be applied to the St. Lawrence river. If you attempt that, then these two governments will get their money from the citizens of the whole country who have no private interests to serve; these two governments will use public funds for the improvement of the navigation of the Ottawa river, and the construction of the canal. In the development of the St. Lawrence river, by the time the canals are completed sixty per cent of the work necessary for the development of the water-power shall have been completed under the head of "Navigation Improvements." These power companies would have a perfect right to make a case of it—that is, Federal authority; now, provincial rights come in, and by an expenditure of the balance of forty per cent of the cost, they will take the power. Then the Federal authorities could lose as much money as they liked on the canal, and the provincial authorities would make a great profit from the power development. That would carry with it certain implications which I think we should very carefully scrutinize before we attempt them. It means this; that these great private companies where owned by private individuals, would become of enormous size; their profits would be tremendous. They are in a legitimate business, but it is questionable how big we want them to get. In the case of the Hydro Electric Commission of Ontario, they would take the same position exactly as the private companies, and you would have then the great natural resource of this country as represented by water-power, being used for the exclusive benefit of the people who happened to live within a transmission distance of the falls. It does not make any difference whether it is the Ontario Hydro Commission or the Quebec Power Commission, or anything else. This power would be used for the exclusive benefit of people who lived within transmission distance of the falls, but all the people of this country from one end to the other would be investing in the canals, which would not pay in cash, as I understand we are not to charge tolls.

That is a condition which, in my opinion, the Federal House of Commons should not stand for, if I may be allowed to use such a word. It is the duty of the members of the House of Commons of Canada to look upon the interests of the people of Canada as a whole, from one end to the other, and if a great enterprise, comprising \$1,000,000 on the Ottawa, or \$4,000,000 or more on the St. Lawrence, is to be developed, the profits from that development must pay a certain charge, and that charge can only properly be used by constructing the canalization, and improvement of the rivers, out of profits, before they make any profits for themselves.

[Mr. Harry Sifton.]