

As the charter stands to-day, we cannot distribute the power; we cannot go into the business of the distribution of power in competition with either the Ontario Hydro or with the private company on the Quebec side of the river. But it does raise this question. Suppose, for instance, that we develop power at the Chats Falls. The town of Brockville is about 65 or 70 miles away from the Chats Falls. The city of Toronto wants power from the Chats Falls, which is three times as far away. If a manufacturer in Brockville wants some large power, does he have to move his plant up to Toronto in order to get it, or is he just as fairly entitled to say, "I have a right to have power; I live closer than Toronto." But, Mr. Young, that is not a matter for this company, that is a matter for Parliament. It does not affect the charter; nothing in the charter makes any ruling in regard to that problem, it is left quite open.

Mr. YOUNG (Weyburn): One other question. Is it true, as the Minister of Railways stated, that the Carillon Falls is the real bone of contention to your interests?

Mr. SIFTON: Mr. Young, I do not think it is. I can see a lot more opposition to our charter than the National Hydro at Carillon, although I will say this; I think the primary opposition to our bill was the Carillon Falls having, as I understand, negotiations and some kind of understanding with the Ontario Hydro. That was the primary thing. There is no row about Chats Falls, for instance. There is not much row farther up the river where the market is farther away. I think to this extent you could say that the company would agree there is a lot in that statement; that the leadership of the opposition, the driving power of the opposition came from the people who wanted something which was a small part of what would be controlled by our company in case this charter went through. I think that is a correct statement.

Hon. Mr. DUNNING: Mr. Sifton, could you finance and build the Georgian Bay Canal if the power at Carillon Falls was controlled by someone else?

Mr. SIFTON: That is a big problem. I discussed that particular question with the late Sir Adam Beck for about six months. There are many aspects in connection with it. I think it is possible that an arrangement might be worked out, but it would be an unbalanced arrangement.

Hon. Mr. DUNNING: It would be very difficult.

Mr. SIFTON: We would be flat up against the finding of the International Board, which says that an independent power company, no matter how it is operated independently, would operate to the detriment of the water levels in the harbour of Montreal and the lower St. Lawrence. I doubt if you could work it out on any basis which would be satisfactory to the levels in the harbour of Montreal.

Mr. YOUNG (Toronto, North East): Have you not got power under Section 17 of the Act to take over any section?

Mr. SIFTON: No difficulty whatsoever. I believe that as it stands at present, under that clause, if this charter is continued we could file expropriation notices with the Railway Commission and walk in and take possession and pay the compensation which the Railway Commission decides is the proper price for us to pay.

An Hon. MEMBER: You mean the Exchequer Court?

Mr. SIFTON: Yes.

Mr. WARD: In reference to this bone of contention, mention was made in the House, I think, by the sponsor of the Bill, of opposition on the part of the International Paper people against the passage of this legislation. Can you give to the Committee any reason why the International Paper people, a private corporation like yourselves, should oppose this Bill?