

be, at the earliest possible time resumed and carried to completion.

Hon. FRANK B. CARVELL (Minister of Public Works): Mr. Speaker, I have listened with a great deal of attention to the hon. gentleman (Mr. Harrison) this afternoon presenting the claims of his portion of Canada. Some two months ago I had the pleasure of listening to a delegation of over 200 members from North Bay and vicinity who presented the claims of that portion of Canada on the Government for the construction of the French River section of the Georgian Bay canal. I do not think it was put forward as a part of the Georgian Bay canal; it practically is a claim by itself. However, I think we might as well make up our minds that if we start upon the construction of the French river end of it we are adopting the policy of constructing the Georgian Bay canal and that this will only be the first link in the chain.

I have listened to the argument put forward by the hon. gentleman (Mr. Harrison) this afternoon, as I listened to the argument presented by the delegation that appeared before a committee of the council two months ago. They certainly made out a very strong case from the local standpoint. The case that was presented by them was put forward purely from the local standpoint. About the same arguments were presented then as have been presented to-day, the first being the amount of power that could be developed, the second the great saving which there would be on the importation of coal required by the industries of that portion of Canada and the third, the bearing it would have on the general transportation interests of the country.

I am not in a position to entirely harmonize the figures with the claims put forward by the advocates of the scheme. I have before me a statement furnished to-day by Mr. St. Laurent, the Assistant Deputy Minister, who is perhaps one of the most competent engineers in Canada. From the data which we have available, it would appear that there would not be more than 25,000 electrical horse-power developed and that would require some storage work in order to carry out the scheme. Taking the ordinary flow of the river, it gets down as low as 3,500 cubic feet per second, the average being 5,000 cubic feet per second. The total fall of the French river from lake Nipissing to the Georgian bay is only 64 feet divided into three different falls. It would require three different developments and theoretically you would only get about 20,000 or 22,000 electrical horse-power as the river is to-

[Mr. Harrison.]

day. But, with certain storage dams built, it might be brought up to 25,000 horse-power. If you take that at \$12 per horse-power at the works you will only have \$300,000 revenue. You may say that is too little. I presume it is. Possibly it would not be considered good business to sell power in that north country, developed at tremendous expense, as cheaply as you would sell it at Niagara Falls, but if you put it as \$20 a horse-power, which would be maximum figure, you would have only half a million dollars of revenue, assuming that every available horse-power were sold.

When the scheme was under discussion some nine or ten years ago, and when the estimates were made, between fourteen and fifteen million dollars was figured as the cost of the development. To-day that development could not be made for twenty million dollars, and I imagine the cost would probably go above that. But if you put the cost at \$20,000,000, at six per cent you would have interest charges amounting to \$1,200,000 a year, and if you sold every ounce of horse power developed you would have only \$500,000 of revenue and a deficit of \$700,000 a year. So that the power scheme does not appeal to me as a good business proposition.

I realize there would be some saving on coal and on transportation charges generally, but we do not want to forget the fact that three railways go through North Bay and the territory that would be served and it is hoped benefited by this water transportation. One of these railways now belongs to the Government of Canada. It is not now a money maker, and I do not see very much prospect of the Government making any money out of it for a good many years to come. I am afraid another railway will also be the property of the Government before very long, and these railways will simply add to our deficits. If we shall have to pay millions of dollars of deficits on the operation of Government railways, I am at a loss to know wherein lies the good business in adding another deficit of \$700,000 for the purpose of building this canal. This, Mr. Speaker, is the other side of the case, and in speaking as I do I am only trying to point out to the House, and to my hon. friend, the real situation from the financial standpoint.

I realize that water-borne transportation is a wonderful asset to any country, and that this Government, or any other Government, ought to do all it can in order to provide water-borne transportation if the cost is not prohibitive. I realize that, and I also realize that if the Georgian Bay