

Every other authority in the charter is definitely ancillary to and subsidiary to this main object to create a continuous waterway. It is perfectly clear legally that the company was not created with two objects. It did not have two heads. It has been mistakenly stated many times that that was the fact. It was, on the contrary, created with one main object, the canal, and a number of subsidiary authorities, amongst which is power, but all of them only to be utilized in connection with and for the purposes of the canal. There are a large number of them, designed to authorize and regulate the many activities inherent in such a large enterprise.

The most inherent authority, of course, is the power clause, and that is contained only in one clause in this Act. It is Section 5 of the Act of 1912, and is as follows:

To produce, lease and supply, or otherwise dispose of surplus hydraulic, electric and other kinds of power developed in connection with and for the purposes of the works hereby authorized, the rates or prices at or for which such hydraulic and electric power may be disposed of by the company to be fixed or determined by the Board of Railway Commissioners for Canada in accordance with Section 360A of the Railway Act.

This is the clause which has caused most of the discussion and most of the objection.

It is perfectly clear that on a river such as the Ottawa the navigation and creation of heads of water from which power results are so physically intermixed that they cannot be separated.

I would like to ask Sir George Perley, if he is here, how they could be separated, since the question was asked him in the House?

SIR GEORGE PERLEY: If you call on me, I would say that I would treat it as being a fairly simple engineering problem. Take the Chaudiere Falls; these falls are already developed. If you are going to build a canal you have got to build it with the power already being developed in the hands of private interests.

MR. SIFTON: At this particular site we would go around it.

SIR GEORGE PERLEY: If you are able to build a canal here at Ottawa when the power is being developed by private interests—

MR. SIFTON: At this particular site it could be done, because the location goes around it.

SIR GEORGE PERLEY: They could be separated in any site without too much trouble.

MR. SIFTON: But the dam must be built to raise the level, that is, the power dam; it is the same dam, the same lump of concrete that creates the water power.

SIR GEORGE PERLEY: The fact of your arguing that you are able to go around the Chaudiere Falls demonstrates that you yourself believe that the power development and the canal development can be separated.

MR. SIFTON: In the case of the Chaudiere, the whole head is not developed. We would have to build another dam and develop more power at the Chaudiere, which is not developed at the present time, in order to get around it.

SIR GEORGE PERLEY: You might do the same at the others?

MR. SIFTON: The whole head is not there without putting in the dam which produces the head of water.

SIR GEORGE PERLEY: Certainly not, you must put up the dam.

MR. SIFTON: That is my statement.

SIR GEORGE PERLEY: But you asked me to separate the powers from the canal development.

[Mr. Wynne-Sifton.]