

Mr. JAMES ARTHURS (Parry Sound): I think the hon. member for Nipissing (Mr. Harrison) is in the unfortunate position of being damned by some of his friends and misunderstood by others. The proposition which the hon. member brings before the House to-day is not the Georgian Bay canal scheme, nor is it a power scheme pure and simple. It is quite true that when the delegation came down here some months ago, they brought forward the argument that the power which would be developed in the construction of the Georgian Bay canal could be sold immediately at a price of, I think, \$26 per horse-power, and that they could get contracts for it as soon as the power was ready to be delivered. These arguments were put before the Minister of Public Works and apparently he has let slip, at least partially from his mind, the fact that this waterway was not being constructed simply for the purpose of developing electrical power, but that this power would be created incidentally.

As a matter of fact, the name "French river" is a misnomer, because there is really no river there, but a succession of very long, wide and deep lakes. Occasionally, the channel is blocked by groups of islands, which cause what is known as a fall or rapids, but at only one place are there any real rapids, and that is at the end of Lake Nipissing. This scheme is being brought forward not as part of the Georgian Bay canal system at all. As a matter of fact, its construction has been delayed by the very fact of its association with the Georgian Bay canal. The first complete survey of the French river was made by the Canadian Pacific Railway many years ago, and their estimate of the cost of the water-way, if my memory serves me right, was from \$7,000,000 to \$8,000,000. Of course, at that time they intended to construct only a fifteen instead of a twenty-two-foot channel; so the cost would be considerable higher now. But if this work is considered as part of the Georgian Bay canal, it is a part as to the desirability and feasibility of which there can be no question. There is no question whatever as to the sufficiency for navigation purposes of the water going down the French river, nor is there any question as to the desirability of building up that portion of Ontario, which at the present time is the most important to us.

The Minister of Public Works (Mr. Carvell) has stated that grave liabilities face us at the present time. That is only a reason why we should open up a section

of the country like the one under discussion, because it will furnish the means by which we can pay the interest on our debt. We must produce wealth and enlarge our foreign trade through some one or more of these four means—the mine, the farm, the forest, the fisheries. This important work would benefit the country in every one of these ways. For instance, there are pulp mills up there using annually from 60,000 to 80,000 tons of coal. The estimated saving upon that coal is between \$2 and \$2.25 per ton—I will not detain the House by quoting the exact figures. There is thus an unnecessary overhead charge upon the operations of that mill of \$100,000. It would be much better for the country if that overhead charge was wiped out by allowing the mill to get its coal at a reasonable price. Not only that, but the amount of available pulp in that country is absolutely unlimited. We have four pulp mills there now, when we should have forty. The raw material is there, the power is there, and we have the world's market. And it is only by encouraging industries of this kind that we shall be able to meet our interest charges.

Take the case of the mines, for instance. A poor prospector with experience in that part of the country, discovers a mine; at least it is a mine to him, although just a prospect in the meantime. He is most anxious to develop it, but is up against the proposition of paying a very high price for coal. He not only has to pay for the rail haul from Cobalt or North Bay, as the case may be, but he has also to draw the coal many miles on sleighs or wagons back to his mine. He cannot finance that proposition. Now if we can help that man to develop his mine—and we have not seen one-quarter of the mines that will ultimately be developed in Northern Ontario—we should do it in our own interest.

As to railways, the minister has stated that we own one system touching North Bay at the present time. As a matter of fact, there are two which we own at present effected by the coal rates, the Canadian Northern railway and the National Transcontinental. Whatever effect the construction of this work might have on the Canadian Pacific railway, it could have only a beneficial effect on the Canadian National Railway system. The Government system of railways, as the hon. member for Port Arthur (Mr. Keefer) has said, has no lake port, but by the opening up of this water-way at a reasonably small expense, the system would have a first-class port, or more than