

MINUTES OF EVIDENCE

COMMITTEE ROOM 231,

HOUSE OF COMMONS,

WEDNESDAY, April 6th, 1927.

The Select Standing Committee on Railways, Canals and Telegraph Lines met at 11 a.m., Mr. Young (Saskatoon) presiding.

The CHAIRMAN: Mr. Sifton, will you proceed?

Mr. W. SIFTON: Mr. Chairman, yesterday morning I was dealing with the point of the principle as to the allocation between users of power and users of navigation, and the total cost of developing such a waterway as the Ottawa, river, and I was just pointing out that this charter in no way decides the question of principle, but it leaves it entirely a matter for Parliament to decide, and for the Railway Commission to apply, what principle shall apply in the case of this fixation of rates, what proportion the power shall be charged with, and what proportion the navigation shall be charged with. Under this charter, our company will create the asset; the asset will be there; there is a certain advantage in the use of power, and there is a certain advantage in the use of navigation facilities. What the proportion of the advantage between the two will be is left entirely to Parliament, and is not settled in this charter. There is another point which has been made quite a bit of, in connection with the discussion of this canal, and that is the suggestion that power is a new feature in this canal. The suggestion is that we have deliberately taken an old charter that had a subsidiary clause in it, more or less by accident, and attempted to expand the importance of this canal feature. Now, in that connection, I would like to read a short paragraph in the Georgian Bay Ship Canal survey prepared by the Public Works Department. It is found on page 291. The clause is this:—

These powers, by reason of the canal construction, and the storage created at the head waters, form one of the chief features in the building of the canal, and if properly administered, would ultimately, as industries would gradually be established, go a long way toward paying interest on the total cost of construction.

That is the government report, and it has been part and parcel of this proposition every time it has been before Parliament. There is nothing new about it in any way whatever.

Further down on the same page of the same report it says:—

By the plans for the waterway, the flow with the proposed storage, will be augmented at low water season, the number of available sites for powers increased, and in addition the navigation requires the construction of dams which are in themselves the most expensive part of the power development. But these dams in general are larger than a power company would undertake for development purposes only.

An Hon. MEMBER: What year is that?

Mr. SIFTON: 1908. I think that disposes of any suggestion that we have imported any new factors into this charter, or that the problems were altered in the slightest degree during the time it has been before Parliament. In this connection, the same problems, or another application of the same problem,

[Mr. Winfield Sifton.]