

world. We must not lose sight of the fact that if they do not find an outlet through the St. Lawrence, which is the natural way, they will find a new outlet through the New York Canal from Oswego to Albany.

Hon. Mr. CASGRAIN: That is where they belong.

Hon. Mr. BEAUBIEN: That is where they belong? Imagine how happy we in Canada should be if all the trade from the West, the enormously important trade of these fifty-seven million people, should take the route to Albany instead of the route to Montreal. What would we then say to those who had been responsible for letting this tremendous opportunity slip from our grasp? What would we do with the investment already made in our canals? Is it possible to conceive that we could run the risk of seeing the enormous trade from that western portion of the continent turned away from Montreal and directed to Albany? The risk may be regarded by certain members of this House as negligible, because it is true that the territory traversed by the New York Canal is by no means as suitable as that of the St. Lawrence route; but to make the New York Canal as useful as the St. Lawrence route would entail an increase in expenditure of but two or three hundred million dollars, and what is that to the United States with its colossal wealth?

At 6 o'clock the Senate took recess.

The Senate resumed at 8 o'clock.

Hon. Mr. BEAUBIEN: Honourable gentlemen, I want to be very careful not to go too deeply into such a vast project as the St. Lawrence waterways. I shall endeavour to keep closely to the argument which I intend to lay before the House. I am fully aware that in a matter of this importance opinions cannot be unanimous. I know perfectly well that a great many factors upon which the success or failure of the project will be determined are not now available, and will only become so in the course of time. In other words, as to the positive merit of the project we have nothing to go by but expert advice, and, as we all know, that is not necessarily infallible. But I believe we shall have to consider whether we must go on with the work sooner than we otherwise would, on account of circumstances over which we have no control. I am thinking of existing political conditions in the neighbouring republic, which are such that we may soon find it advantageous to enter now into certain negotiations.

I cannot deny that the time appears propitious for us, from that point of view. It may be that political pressure will force the United States Government to make a decision before the next presidential elections, and should that decision not be in favour of the natural route by the St. Lawrence, then of course the other available route may be adopted.

But though the present time may be appropriate for negotiations, we shall have to give very grave thought to the cost of the proposed undertaking. I know that the National Advisory Committee suggested to the former Government, led by the Right Hon. Mackenzie King, an apparently simple method for financing the entire scheme, and it seems to me that we should examine the Committee's proposal, not with a view of following it, but rather with the intention of carefully avoiding it. As all honourable members know, the Committee considered the project as comprising two sections, an international and a national one. It was suggested that the United States should pay for the entire work in the international section, including the canalization and the development of some 1,100,000 horse-power for Canada and a like amount of hydro power for the United States. So far so good, but it seems to me that the Committee's proposal as to the apportionment of the cost of developing the national section is most unjust. With your permission I shall read a couple of paragraphs from the Committee's report:

We have carefully considered the financial aspects of the project. If it were seriously suggested that Canada should undertake to finance as a public undertaking the immense outlay that would be required even in the domestic section of the St. Lawrence, or assume one-half of the fresh financial obligations involved in the project as a whole, we would unhesitatingly recommend that no action be taken until such time as the Dominion shall have had opportunity to recover from the heavy financial burdens imposed by the war, by our railway obligations growing out of the war, and by the necessity, since the war ended, to find the large sums required for needed public works throughout the Dominion.

It is for honourable members of this House to consider whether the conditions therein referred to are not even worse at the present time. The next paragraph reads:

We are of opinion, however, that an arrangement might be made which would make possible the undertaking at little, if any, public expense, so far as Canada is concerned. The St. Lawrence, between Montreal and Lake Ontario, consists of a national and an international section, and, with the exception of the Welland Canal, the international problem continues throughout to the head of the Lakes. We believe that the first concern of this Committee should be, and of the Government will be, the national aspects of the proposed undertaking,