tion composed of business interests from all parts of Ontario met the Government a short time ago in connection with this scheme.

The French river is not a small contracted stream, but a great natural waterway, with wide and deep channels, capable of accommodating the largest of lake carriers, with but little improvement. Breaks in navigation occur at but three points; here three locks will be required. At these locks it is proposed to erect dams capable of maintaining the water level at a uniform height for navigation, and to provide for electrical power.

According to the engineer's report, over 35,000 horse-power will he produced. There has been offered by mining plants from the nickel area $26 per horse-power, and they consider that a generous figure. At even $25 per horse-power, it will net $875,000 per annum in revenue, which will meet the interest on the cost of the entire waterway construction. The figures in the booklet are taken direct from the report of the Government engineers, and though 25 per cent was added to allow for increased cost of material and labour, the revenue from power would still meet the total interest and leave a substantial balance. Therefore it is really not an expenditure, but an investment which will net a revenue from the day it is in operation.

The Sudbury nickel area has already developed and has in use 37,500 horsepower. The International Nickel Company is now adding 12,000 horse-power, but this will be utilized by their own plant. Other industries are springing up, such as the British American Nickel Corporation, and it is well to note that 80 per cent of its capital is subscribed by the British Government; it is therefore a purely British corporation. Already it has been forced to locate its refineries elsewhere, as it could find no power available in that locality.

Mr. MURPHY: Where have these refineries been located?

Mr. HARRISON: They wished to locate the plant in Sudbury, but were unable to do so, as they could not get the necessary power. The refinery is now in Hull. We have lost this plant, and we do not wish to go on handicapping our industrial development.

The only large power undeveloped in this section of the country is the French river, and it is entirely in the hands of the Federal Government, as it is bound up with waterway construction. New Ontario has not hesitated to spend money freely in developing power. Already private capital has invested $37,000,000, and wherever power is available it is prepared to invest still further. Since, however, this power is not open to development by either the Hydro-Electric Commission or by private capital, and as present plants are suffering and new plants are prevented from locating, we feel that the Federal Government should take action at once. It is due to the territory to place this power at its disposal, and at the same time open the waterway to navigation, both of which are urgently needed by this section of Ontario.

The savings to this territory by waterway improvement would be enormous. New Ontario has been condemned to suffer the limitations of a single line rail haul of some hundreds of miles from the supply centres of the south. Older Ontario has a network of competing railways, and the advantage, besides, of waterways surrounding her which tend to reduce the cost of carriage. But New Ontario has been forced to struggle on with no such advantage.

The most important item is the import of coal. The freight charges on this commodity range from $2.40 to $3.50 per ton. Freight adds almost half to the original price at the border. This section of Ontario tributary to the waterway uses over 600,000 tons of coal per year, at the most conservative estimate. The average saving would be more than $2 per ton, so that on coal alone the water-borne traffic would save the country a net sum of over $1,200,000 per annum. Thus, in less than 15 years, the entire cost of the waterway would be saved to the country. It can be conceived how much saving there would be to our large pulp and paper plants, some of which use from 40,000 to 60,000 tons of coal per annum.

If our Ontario pulp and paper plants are going to be able to compete in the open markets with the great mills of the United States, which secure their pulpwood in their own vicinity, they must be protected by affording them water-borne traffic for import and export. At present they may find no trouble, but should paper prices fall and competition become keen, they may find it impossible to compete. It is a striking fact that as things stand, the paper plants of the south contract with Anticosti, Norway, and even Sweden, in preference to our Northern Ontario. The reason is obvious. Rail haul is expensive, and New Ontario should be furnished relief at once.