

MAJOR BELL: The Department of Railways did not consider the plans that Mr. Sifton filed as location plans, therefore we did not deal with them.

Mr. SIFTON: You never informed us to that effect.

MAJOR BELL: I cannot answer that.

Mr. SIFTON: You know you did not.

This company, through no fault of its own, has been forced to apply to Parliament for relief by way of extension of time to commence construction, and the occasion has been taken to discuss what it is that the company possesses in the way of rights, and whether, due to the changes of time, such rights should be modified or altered, and whether additional safeguards should be imposed in the public interest.

This is a natural matter to anticipate in the circumstances and the company had given it very serious consideration before it introduced this Bill. We certainly knew that we would have to face it and we gave the matter very considerable consideration.

The result of that consideration has been that we suggest to this Committee that they carefully consider the advisability of including amendments. The first one is as follows:

Until through navigation is established from the navigable waters of the Georgian Bay to a point on the River St. Lawrence at or near the city of Montreal, all the revenues of the company derived from falls or heads for water-powers and otherwise shall be devoted exclusively, after service and payment of charges on the company's debts and the maintenance and operation of company's works, to the completion of the works hereby authorized.

Mr. Chairman, that suggested amendment means that by no method can the company make one dollar of profit for either its shareholders or its promoters until the Georgian Bay Canal is completed, and until the people of Canada have that water-way at their disposal.

Mr. YOUNG (Toronto-North East): In a financial deal of this size, is there not a tremendous amount of money to be made out of the mere handling of the bonds or the securities of the company?

Mr. SIFTON: I should think, sir, if we were a banking house and engaged in that business.

Mr. YOUNG (Toronto-North East): Is there not a large amount of money to be made out of that?

Mr. SIFTON: That depends entirely upon the price at which the company sells the securities to the banking house. No banking house distributes securities without payment. I understand even the Government has been in the habit of paying commissions to bond houses for the distribution of its securities. That is not a company profit, and so far as the present directors, or shareholders, or promoters are concerned, we are not in the bond business, we do not sell securities and we would not participate to the slightest degree in such a profit.

Mr. POULIOT: What price was paid to the previous company before you took over the charter?

Mr. SIFTON: That has just been answered. We became associated with the original holders and we owe them nothing and we have paid them nothing.

Mr. POULIOT: The profit would be greater?

Mr. SIFTON: There is no profit.

The second amendment which we would suggest is that a clause, which now appears in the Bank Act, which was in the Bank Act of 1913 and is now in the Bank Act of 1923, a clause under which the chartered banks of Canada have been kept under exclusive Canadian control, and which has been found