

Right Hon. Mr. GRAHAM: Doubts have been raised, but the law officers must have approved of the Order in Council. I know how these things are done.

If I am permitted, I should like to say a few words about both Bills. It looks to me as if they are laying the foundation for a lively row with the Province of Quebec. Up to date the Privy Council has leaned to the opinion that the bed of a river, with the water running over the bed, belongs to the province concerned. That being so, the mere fact that Parliament declared the works mentioned here to be for the general advantage of Canada would not take away the rights of the Province of Quebec.

Hon. Mr. TANNER: My honourable friend is speaking of Bill 144 now.

Right Hon. Mr. GRAHAM: I am discussing both Bills. They are so interlocked that we may proceed with them informally, I suppose. It looks to me as if the Government itself might be going into the power business. Section 2 of Bill 143 reads:

The Beauharnois Light, Heat and Power Company, Limited, its successors or assigns, is hereby granted the right to divert from Lake St. Francis up to but not exceeding 53,072 cubic second feet of water of the flow of the River St. Lawrence, to be returned to Lake St. Louis and to be used for the development of hydro-electric power between the two said points, in such manner, upon such terms and conditions and with such limitations and reservations as may be prescribed by Order of the Governor in Council.

This Bill gives the Governor in Council certain authority. I am not going to discuss whether the authority is new or not, but evidently the Government believes that power will be developed by somebody between the two points mentioned. It might appear from Bill 144 that this whole power scheme was going to be taken over by the Governor in Council. In fact, some newspapers have come out with very large headlines stating that the Bill means Government ownership. I should like to understand clearly whether it does mean that. Section 3 of the Bill says:

The Governor in Council is also hereby authorized to purchase or otherwise acquire and vest in His Majesty in the right of the Government of Canada all such lands and works as may be deemed necessary or useful for the improvement of navigation by means of said canal between Lake St. Francis and Lake St. Louis—

Hon. SMEATON WHITE: Nothing is said about power there.

Right Hon. Mr. GRAHAM:

—and to authorize in relation thereto the exercise of all or any of the powers conferred by the Expropriation Act.

While it does not say anything about power, it authorizes the taking over of lands and works; the expropriation of them, if necessary.

Hon. SMEATON WHITE: For only one purpose.

Right Hon. Mr. GRAHAM: But the point I am making, perhaps feebly, is that you cannot separate navigation from power. If you go ahead with that canal there will be certain power available. The Beauharnois project was for the development of power, and navigation was to be provided to the Federal Government free of cost, I believe.

Hon. Mr. TANNER: Does not clause 4 of Bill 144 completely protect the interests of the Province of Quebec?

Right Hon. Mr. GRAHAM: No, I think not. That raises the question whether the water belongs to the Province of Quebec or not, a question that has been practically settled.

Hon. Mr. TANNER: It belongs to Quebec now as much as it did a year ago.

Right Hon. Mr. GRAHAM: Quebec gave the charter for the development of power.

Hon. Mr. TANNER: There will be no change in ownership.

Right Hon. Mr. GRAHAM: The Government will have the authority to take away all the works on lands or lands covered with water—

Hon. Mr. TANNER: Oh, no.

Right Hon. Mr. GRAHAM: Yes. Read section 3. To my mind this is laying the foundation—whether it is intended to do so or not—for a dispute that will go to the Privy Council before it is settled.

Hon. Mr. TANNER: Not one drop of water has been diverted yet. The river is the same as it was a year ago. Bill 144 says that Quebec shall have all its rights.

Right Hon. Mr. GRAHAM: My honourable friend is not going to get me off the track, when he sees I am on the right track—the horse-sense track. Clause 4 says:

Nothing in this Act contained shall be deemed to affect the rights, if any, that may