

Sir SAM HUGHES: Does this \$800 horsepower include the cost to Montreal?

Mr. CARVELL: No, that is the cost of the development of the French River.

Mr. KEEFER: I have not studied the question, but I would be surprised to find the cost of development on a drop of seventy feet—

Mr. CARVELL: Sixty-four feet. I can give you the figures.

Mr. KEEFER: That includes the canal system also?

Hon. Mr. CARVELL: Certainly.

Mr. KEEFER: Then we must consider what will be the benefits of a canal system. Look at the immense national resources of that country: the timber, the pulpwood, the minerals, the Sudbury mines, pronounced by Professor Coleman as inexhaustible so far as present actual demands upon it are concerned.

The output of gold and silver or precious metals is represented by over two hundred million dollars of which ninety millions have been paid out in dividends. Of the vulgar metals the supply of nickel is inexhaustible and there are large quantities of iron ore.

Mr. LEMIEUX: Will my hon. friend explain why the nickel refinery has been transferred from that district to Hull?

Mr. KEEFER: I do not know why it was transferred. As I understand it there are two nickel refineries, one built and operated at Port Colborne by an American company—I do not know the name of it—and the other operated by the British American Nickel Company.

Mr. DEVLIN: The nickel plant in Hull is of new construction. There was no transfer.

Mr. KEEFER: I am not familiar with what is being done here. I did hear of the projected construction down here and I did my utmost on behalf of my town to get the company to locate there, but we could not induce them to do so.

Mr. LEMIEUX: Have they not come to Hull because they found cheap power there?

Mr. KEEFER: I imagine that the question of cheap power would be an important factor in the matter.

Sir SAM HUGHES: And labour.

Mr. KEEFER: The labour question would also be a consideration. The point I want

to make is that irrespective of the question of water-power, and as a navigation scheme only into lake Nipissing, the matter is worthy of most serious consideration.

The transportation of other natural products out of that district by water would cheapen the rates of carriage. Lumber would be cheapened, paper would be cheapened. The newspapers are always asking for cheaper paper; the best way to get it is to reduce the freight. The freight rate by rail out of that district is two or three times what it would be by water. This applies also to agricultural products. There is a large and very valuable clay belt in that district to be opened up where splendid crops could be grown. To my mind, all these points are worthy of consideration. To-day the settlers in that country cannot send their pulpwood out because of the high freight rates; they cannot ship their wood to the Niagara Peninsula, right beside the Welland canal—to St. Catharines, Thorold or Niagara—because of the prohibitive freight rates. They cannot even ship to the American ports. I do not want to see our wood going out of the country, but the opening up of water transportation would enable these settlers to engage in competition with other Canadian pulp and paper mills and put them in a position where they would not be at the mercy of the mills situated only in their own local district, as they now are. They now have to sell to the local mills in that country, whereas they should be enabled to get out into the open market.

I look forward to the day when our national railways will stop using coal bought from the United States, thereby increasing the difficulties of exchange, and will commence to use our own white coal.

There is no country in the world so richly endowed with water-power as is Canada, and those water-powers seem to be scattered all along the national railways, because the railways follow the river valleys. The day is practically at hand when these railways should be operated by electricity, thus saving the importation of coal. This power phase is, therefore, also a national question apart altogether from the local phase thereof. I have brought these points up for the consideration of the House simply for the purpose of helping out my hon. friend from Nipissing (Mr. Harrison), and also my other friends in that North country. We in the North country are fighting against the difficulties of nature, and I feel that in this matter we should receive the most sympathetic consideration.