

a local manner but in a national manner. We have to-day the Canadian Northern railway and we have to make it pay. The Canadian Northern railway has no outlet on Georgian Bay. If it wants to haul the grain of the West in the summer time it can only do it from Key Harbour down to Toronto, and then east, which is out of the question. It will have to build a line paralleling this canal route just as the Canadian Pacific Railway did.

The member for Nipissing (Mr. Harrison) and his constituents are to be congratulated on the excellent manner in which they have dealt with this question in a booklet issued, which contains many interesting facts. Lord Shaughnessy's letter, written in 1913, quoted in this booklet, shows what will happen if we do not build this canal. At page 39, Lord Shaughnessy is quoted as follows:

The subject mentioned in yours of yesterday is not a new one to me by any means, as I pressed the project on the Government as forcibly as I could, upwards of ten years ago.

If the French River route had been opened to North Bay, as it should have been, we would not have built our line from Pt. McNichol east, because it would have been better to have double-tracked the line between North Bay and Montreal.

If this branch line has to be built across to the Georgian Bay ports, it will cost some money, and without the French River canal, that is the only way the Canadian Northern railway can haul the wheat that comes down by the lakes in the summer time. Port McNichol is a Canadian Pacific Railway port; Midland and other Georgian Bay ports, the Canadian Northern railway from the West to Montreal, does not touch. But if we build this canal, as we can do at less cost than would be involved in the construction of a branch line of railway, we can at once bring this wheat down within three hundred and some odd miles of Montreal. In fact, it would be the shortest rail haul into Montreal, as is very interestingly set forth in this booklet. If we get the wheat into Lake Nipissing, we are within three hundred and thirty-one miles by rail of Montreal, and this is a shorter haul than by any other railway. The Canadian National railways can therefore haul that wheat at a better profit and a less cost per ton per mile than the other competing railways, though charging the same rate. Aside, therefore, from the local phase of the question, considering it only from the standpoint of a Government proposition, the suggestion that the member for Nipissing has put forth deserves very serious consideration.

[Mr. Keefer.]

In addition, there would be a saving to the Canadian National railway on coal. The Canadian National railways use a large quantity of coal, and if that coal is brought in by water to Lake Nipissing and there fed to the Canadian Northern railway at North Bay, it could be got in from Lake Erie ports at fifty cents a ton,—forty cents to Georgian Bay ports,—whereas the cost of the rail haul is something like two or three dollars a ton. A considerable saving could be effected, therefore, by the Government of Canada in the matter of coal if this proposal be carried into effect.

I think that Canada ought to awaken to the immediate necessity of developing her white coal. Last year and the year before we found ourselves in a rather serious predicament owing to our absolute dependence—at least, so far as Ontario is concerned—upon our cousins to the south in the matter of coal supply. But their supply of coal is limited to the supply that is in sight, and soon they will begin to conserve their coal, and in order to do that they will have to stop exportation. The production of white coal would be the result of this

3 p.m. canal development. One horse-power is equal to ten tons of coal on an efficient engine, and by using white coal we save that quantity of ordinary coal for every horse-power; we avoid sending that much money out of the country and we help to prevent the rate of exchange from being against Canada. Last year and the year before we imported fifteen million tons of soft coal and three million tons of anthracite, in addition to some slack. The more we can reduce the amount of coal imported the better, and the 25 or 35 thousand estimated horse-power involved in the canal scheme would save 250 or 350 thousand tons of coal consumption.

Mr. CARVELL: My hon. friend is an authority on water-power development; would he, if he were putting up his own money, develop a water-power at \$800 per horse-power?

Mr. KEEFER: Water-power is often developed at \$100 per horse-power. The development of water-power at \$800, of course, is an impossible proposition.

Mr. CARVELL: That is what this proposition is.

Mr. KEEFER: I cannot say as to the figures. I am talking of this not as a water-power proposition, but as a national canal system into Lake Nipissing, even if it never went on to Montreal.