

Scotia. I believe that by this means we would have better transportation for coal, and more opportunity to supply the needs of Central Canada.

The proposed St. Lawrence waterway scheme is, I think, essential to the development of the nation. This is a young country that is bound to grow, and it will need more facilities. As its facilities expand more employment will be created, and the result will be better conditions for all.

**Hon. Mr. McLean:** Hear, hear.

**Hon. Mr. Kinley:** What is good for us in the national sense will be good for the outlying parts of the country. I believe this project is a great step forward. The Prime Minister of Canada and the Premier of Ontario are to be congratulated on the harmonious manner in which they have worked out the details in the interest of Canada generally. While the United States is at the moment divided in its opinions, we must remember that the St. Lawrence River enters the sea from our country. We, a nation of 14 million people will have our own shipping facilities, and also will be serving the millions in the western United States, although the people of the eastern United States may very well feel that the transportation channel through Canada will be detrimental to their own shipping interests.

I do not think that the St. Lawrence waterways scheme will be detrimental to our port of Halifax. It is a winter port, and the St. Lawrence is closed up for five months of the year. If the trade flows through the St. Lawrence waterway system in the summer months, it may well result in the railways through the Maritimes getting a little more traffic during the winter months. What some now think may be detrimental to Saint John and Halifax, may well work to the advantage of all concerned.

**Hon. R. B. Horner:** Honourable senators, I have a few remarks to make before the bill is given second reading.

Coming as I do from the Province of Saskatchewan, I am not really convinced that the seaway project will be of any great benefit to my part of the country. Indeed, I am somewhat alarmed that it may slacken the development and enlargement of our shipping through Churchill, a route by which we can reach our chief markets and save a thousand miles. I notice that according to a report, a ship that left Churchill two weeks ago saw no sign of ice in the river or harbour. I am one of those who is firmly convinced that Churchill can handle not 7 million but 40 million bushels of our grain.

I understand that there is to come before the house next a companion bill to this one, having to do with tariffs and tolls. We have in the past heard about the wicked toll gates on the Rhine. This bill, I understand, is for the purpose of collecting tolls to pay for the construction costs of the seaway project and to cover interest on borrowed money. It should be pointed out that the greater part of the produce from Ontario will not make use of the St. Lawrence facilities but will be consumed by the large domestic market. But when the products of the West pass through the seaway, my province, with its small population, will be paying a larger proportion of the cost than will Ontario, and will receive no benefits whatever.

We often hear men of considerable experience remark that without the development of electric power this whole scheme is uneconomic, and that the main object of deepening the St. Lawrence is to secure power. This power will be available and useful chiefly for the development of the Province of Ontario. I do not wish to appear sectional, but this development should be for the betterment of all Canada.

There is a suggestion that the project will be useful in our national defence program. For my part, I hope that long before the development is completed the nations of the world will have come to their senses, and that we will have no need for such facilities for defence purposes.

In conclusion, I just wish to make my position quite clear. I do not think the seaway project will be of any great benefit to the province of Saskatchewan; Manitoba may get some advantages from it; the railways will likely lose some business to the larger ships, and to that extent we in the West will be faced with increased freight rates to make up the loss. That, honourable senators, is the way I feel about the measure before us.

The motion was agreed to, and the bill was read the second time.

#### REFERRED TO COMMITTEE

**Hon. Mr. Robertson** moved that the bill be referred to the Standing Committee on Transport and Communications.

The motion was agreed to.

#### INTERNATIONAL RAPIDS POWER DEVELOPMENT BILL

##### SECOND READING

**Hon. Wishart McL. Robertson** moved the second reading of Bill 34, an Act respecting