

Beauharnois Power Project

possession of a charter, and as Mr. Geoffrion said charters were floating around, I might say, like thistledown on a summer day.

Mr. NEILL: Floating on water.

Mr. GARLAND (Bow River): Yes, or floating on water, as my hon. friend from Comox-Alberni (Mr. Neill) suggests. The chief reasons why I urge upon the government serious consideration of the advisability of declaring this to be a work in the national interest and expropriating it for the people of Canada are not only because of the enormous power development and the control over industry and people that this entails but also because of the gigantic profits that can be made out of it under its present financial set-up, and further because it concerns the whole question of the waterways. I submit that if the government permits the private development of the Beauharnois section, which is the richest section of the whole river for power purposes, first because of the engineering features and secondly because of the quantity of power that can be developed there, they are going to leave the Lachine section, in which the development of power is not economically profitable, requiring an enormous capital in comparison to the amount of power involved, to the government to develop. It will mean that sooner or later, in carrying out the waterways project, this government will have to undertake the development of the Lachine section itself at the expense of the taxpayers, while the Montreal crowd, the private interests, get away with gigantic profits, which would be more than sufficient to finance the entire Canadian share of the waterways project.

Let us consider that for just a moment. It is estimated by some that it will cost about \$13,000,000 to complete this power project, though as I have said, well known engineers have suggested that it will not cost more than \$9,500,000 at most. It has been estimated also that the completion of the entire power project will cost in all about \$70,000,000. The earnings on contracts already entered into will amount to about \$6,000,000 a year as soon as the power is available. The actual operating costs, on the basis of about \$2.50 per horse power, will amount to about \$750,000 a year, so there will be a net operating revenue of \$5,250,000. It is also expected, as we might have suspected from our experience with the hydro-electric in Ontario, that there will be a surplus of power over and above the estimate made on the water flow, and in this case the surplus is estimated at about 100,000 horse-power. At present there is in existence in the

[Mr. E. J. Garland.]

province of Quebec a measure which permits the exportation of part or all of this power. It will be seen that this additional 100,000 horse-power is clear velvet, and the prospective earnings on which are estimated at \$1,100,000, making a total net operating income of \$6,350,000 per year. Interest charges will amount to \$2,800,000, so the net profits may be estimated at \$3,550,000 per annum.

Now let us take the other side of the case. Let us suppose that it costs \$18,700,000 to complete the canal for navigation, and remember that work is not to be done by the Beauharnois power corporation at all. It must be done now by this government, which has taken over the canal; it has the deed in its hands and the agreement has been signed. That \$18,700,000 must be contributed by the Dominion government for the construction of locks, lights, services and so on in connection with navigation. A new development has taken place, however, and this is most extraordinary. The canal which was taken over last year amid such applause is now worthless; you cannot move a boat up it. You can barely float a light barge on that canal. Why? That is so because it has been found necessary to put in a dam, and at the present time in the Beauharnois canal, about three and a half miles from its inlet at lake St. Francis, near the location of the first railway bridge, there is a dam which cost about \$200,000, a permanent dam that cannot be removed. Let us understand the significance of that fact. It means that when the time comes for this canal to become a part of the great waterways project this government will have to build a new spur canal in order to get around this dam. A few days ago I had a conversation on this subject with one of the chief engineers of the department, and he told me that it will cost at least \$4,000,000 to build this new canal, with a check gate for the purpose of creating still water on the upper side. With regard to the feasibility of the project from this point of view, those who have studied canal propositions know that there must be a certain radius of curvature. This canal is built on the basis of a five thousand foot curvature, and if that is not maintained sea-going vessels of considerable length and weight will have difficulty negotiating the necessary turns or curves. If, therefore, the inlet or outlet of the new canal required as a result of the building of this dam does not fit in with the needs of vessels of this kind the entire canal may be ruined forever. I am really convinced that the engineer's estimates in connection with what will be required to make it navigable are conservative. I believe that the