

MAY 25, 1928.

The Honourable Senator W. McDUGALD,
Room 405, 145 St. James Street,
Montreal.

MY DEAR DOCTOR:—

Re Beauharnois

Our application, on its face, is the ordinary application by a grantee from a province of water rights in a navigable river, to the Dominion Executive for approval of the plans under the Navigable Waters Act. These come up every day and are dealt with by the Public Works Department every day.

It is suggested that this should have a special treatment and be delayed until the Senate is more fully informed and can advise the Government on the navigation canal project from the Great Lakes to the sea, or until the jurisdiction question as between the Dominion and the Province now pending before the courts is decided.

Our plan can be carried on as proposed, subject to such additional remedial works, if any, that the Public Works engineers may think required, whether there is now, or later, or never, such a navigation canal.

Therefore, there is no reason for delay until a decision is arrived at by the Government, the Commons or the Senate, on that canal question.

It seems unreasonable to delay a development that the Province of Quebec emphatically wants, as the action of the Quebec Legislature and the Quebec Government shows; that will give a large amount of power to Montreal and Ontario; that will fit in with the recommendation of the Government's Advisory Board, should canalization be decided on, by developing in advance the Quebec end, merely because on the bigger question, no decision has been arrived at, when this development may be carried on without interfering with the freedom of the Government to decide later on the bigger project.

This is obviously but a pretext put forward by the Montreal Light, Heat and Power Company and the Shawinigan crowd to perpetuate their monopoly, and it seems that should the Senate Committee report that everything should be suspended, the leader of the Senate should say, or the Senate be told otherwise; that the Government cannot agree to delay desirable power developments that do not interfere with its freedom of action in respect of navigation canalization.

The only suggestion that can be made against that is that the approval of the Beauharnois plans involves an adoption, should there be canalization of the southern route in preference to the northern one, between Lake St. Francis and Lake St. Louis.

The answers are: First, the choice can be made now and be made easily, because the case in favour of the southern route is clear and the Government can, without deciding that the canal will be built, or when it will be built, or how it will be built, altogether say that, if built, it will be built south. This would be preferable to retarding a development of that importance.

Further, it is not even correct that the approval of these plans commits the Government to the southern route. The Government is no more committed to the southern route by this development on the southern side than it is committed to the northern route by the existing developments on the northern side.