

The passage upon which my censor animadverts is the following:

"If such a statute is admitted to be invalid, the inference is unavoidable, that a Provincial Legislature has no power to pass such enactments as those by virtue of which the Hydro-Electric Commission of Ontario was authorized to enter into competition with the Electrical Development Company in the territory which the Provincial Government had stipulated not to evade." (See p. 45 of the article.)

The concluding words of this sentence are alleged to embody an erroneous theory as to the character of the contract referred to.

Before I proceed to discuss the truth of this allegation, I deem it only proper to admit that, when I wrote the words to which my correspondent objects, I had not examined the contract which I assumed to have been broken. I relied solely upon my recollection of the language used by the Minister of Justice and other members of Parliament, while the matter was being considered by the Dominion authorities. The circumstance that the transaction in question had been viewed by several responsible officials in a light which rendered it an apt illustration of my argument seems to me to have afforded a sufficient warrant for the very general reference which was made to it. The legality, expediency, righteousness of the legislation which I had in mind have been, for such a long period, treated as dead issues, that a merely academic interest now attaches to the question, whether the contract to which it related was or was not broken by the Government.

But the charge of error which my correspondent has laid against me renders it impossible for me to be satisfied with a plea of this sort. I have, therefore, examined a copy of the contract by which the rights and liabilities of the Electrical Development Company are determined. I find that the question, whether it was violated by the Government, depends mainly upon the scope and meaning of the following stipulation:—

Clause 16:—The Commissioners will not themselves engage in making use of the water to generate electric, pneu-