

veloped and sold under the terms of the supplementary agreement; and from that time \$15,000 per annum for the remainder of the term of the agreement; nor is it the sufficiency or insufficiency of the annual rentals, which have been fixed at \$1.00 per horse power for the second 10,000 and 75c. per horse power for the next 10,000 and 50c. per horse power for the remaining 95,000 horse power. It is the broad question of determining in a rational way the kind and degree of protection that should be accorded the commercial and consuming public of the Province in connection with the utilization of these great sources of wealth. Until this whole matter has received greater attention than has yet been given it the granting of additional rights is of the nature of gambling in the public heritage. For this reason, therefore, it is the policy of the Government not to ratify the agreement of the 9th of January, nor to grant any additional franchise in the meantime.

THE INTEREST AND POLICY OF THE GOVERNMENT IN THIS MATTER.

The interest of the Government may be briefly stated. It is two-fold. It has, first, an interest in the water power resources of the Province as a source of revenue to the public treasury. It has also an interest in the commercial development of the Province, and, as I have already shown, a very great influence upon the commercial development of the Province will be exercised by the furnishing of cheap power. It is the duty of the Public Interest in Niagara Falls Power—Gal. 4—Walsh —fvm Government to see that that development is not hindered by permitting a handful of people to enrich themselves out of these treasures at the expense of the general public. It is the established and inchallenge right of the Government to realize upon the timber and mineral resources of the Province for the benefit of the public treasury. The Government has the same right over the Provincial water powers to which it holds title that it has over the timber, mineral and Crown lands of the Province. Much attention has been given of late years to the terms upon which the Government disposes of its timber and mineral resources. Public attention is now being directed to the possibilities of its water powers, and if the granting of timber and mineral rights at unduly low prices cannot be justified, the granting of water power rights at unduly low prices is still harder to justify. The timber and mineral resources are limited, each parcel and each block is bound to be worked out in time, but it is hoped that under a gracious providence the waters of the Niagara River will forever flow over Niagara Falls. There is in these water powers a source of perpetual industrial development and a source of perpetual Provincial revenue. The question is so large and the effects of a wise Governmental policy are so far reaching that the most careful and exact enquiry should precede the announcement of any policy. Representative bodies and the newspaper press are all recognizing the great benefits that may accrue from a wisely administered system of public ownership; but the question is so vast that no Government can deal with it until it has had an op-