

individual that eminent domain which the province desires to retain for itself? In that paragraph there is another clause to which I wish to call the Prime Minister's attention, as to the formal policy of the Ontario government with reference to the development of power. This clause is concluded in these words :

The province desires to retain this river in its integrity for purposes of its own.

When it says for purposes of its own, it has made it manifest by its action that these are for the purposes of the people of the province of Ontario, by lightening the taxes on them. They have entered on that policy vigorously, and have brought it already into successful operation.

It forms an important factor in the general policy of the government of the province of Ontario in connection with the generation of electrical power, and the parliament of Canada should not, it is submitted, interfere with it.

I think I am right in saying that the First Minister was impressed in the very early discussion of this Bill with the importance of that aspect of the case, and I hope that as the discussion has gone on, it has not served to eliminate that impression from his mind, but that he has become more impressed with the importance of letting not only the province of Ontario but all the provinces act on the line, of developing as far as possible all the resources within their control for the benefit of their people. There is no doubt in any part of Canada about the wisdom of the policy the Ontario government has so successfully initiated in this regard. Probably a brief expression from the Prime Minister might facilitate dealing with this Bill in whatever way it is to be dealt with. I will, if necessary, call the attention of the Prime Minister later to other matters that arise in connection with the Waterways and Boundary Commission. That commission a few years ago dealt with a matter very similar to the one now before us. A company called the Minnesota Canal and Power Company, or having a similar name, applied a few years ago for powers in connection with the waters that flow into the Rainy river, the Lake of the Woods and on to the Hudson bay. The matter of diverting those waters southward and emptying them into Lake Superior at Duluth has been taken up by that commission and referred to this government. That matter has not been settled, but as far as it has gone I understand that the government and the commission have recognized that it rests upon certain treaty rights defined and governed by the Webster-Ashburton treaty, and neither the parliament of Canada nor the parliament of the United States, but the Waterways Commission, ought to deal with it in the first instance, and that until a satisfactory

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arrangement has been come to between the two governments, no private right should be granted. I need not dwell on that aspect of the case; probably the Prime Minister is familiar with it.

Sir WILFRID LAURIER. What is its connection with this question?

Mr. LENNOX. In that case the Minnesota Power and Canal Company applied to the United States legislature to grant them the power to dam up the waters of certain lakes, so that instead of allowing them to flow into the Rainy river and its tributaries, contributing to the volume of water flowing into the Lake of the Woods, the government of the United States represented that they should not be allowed to do so, because by reason of treaty rights between the Canadian government and the United States, those rivers on that chain of lakes were made an international boundary, and neither the Dominion of Canada nor the province of Ontario alone had successful jurisdiction over the matter, and so it has been left in abeyance. In the same way, in the case of the Pigeon river, which is a part of the same chain of boundary waters, this parliament should not attempt to deal with the matters as a private matter at all. These rights between the two countries should be ascertained and defined, either directly or through the commission to which I have referred, before we grant any rights to private companies.

Sir WILFRID LAURIER. I do not see any parity at all between the case in hand and the case to which my hon. friend has alluded. He states rightly that a certain company has obtained permission from the state of Minnesota to divert some waters which flow into the Rainy river, and cause them to flow into Lake Superior at Duluth. These are altogether within the state of Minnesota. But the commission to which my hon. friend has referred has objected to this as being contrary to the provisions of the Webster-Ashburton treaty. In this case power is sought simply to develop water power on the Pigeon river. It is admitted on all sides that this power could not be exercised unless there were concurrent legislation on the other side of the river, either by Minnesota or by the United States; and therefore the exercise of this power would be on a parity with the exercise of the power of which my hon. friend has just spoken, which according to the Waterways Commission, could not be exercised except by the joint authority of Canada and the United States. But I think it would be well in this matter to proceed regularly, and decide whether the preamble of this Bill should be accepted or not. This involves a question of jurisdiction, and I shall say no more on that