

recommended that steps be taken to segregate, as a forest reserve, the upper portion of the drainage area of the Winnipeg river. This recommendation will doubtless be acted upon shortly, and will prevent the useless dissipation of the present facilities which this district offers for storage and conservation of run-off. This step is of particular significance, as the Winnipeg river affords the only water-powers of importance susceptible, under present conditions, of being economically developed and transmitted to the city of Winnipeg and the surrounding district, an area that will undoubtedly become thickly populated within a very few years.

Among other measures may be mentioned, also, the policy adopted by the Dominion Government, of reserving, on the recommendation of the Superintendent of the Water Power branch, all vacant Dominion lands which may be valuable for the development of water-power. The land is thus held from the hands of speculators and kept for promoters of *bona fide* power development. Reservations of this character have already been made on the Winnipeg, Saskatchewan, Bow, Elbow, Athabaska, Peace and other rivers.

All the water-powers in the Prairie Provinces come under the direct control of the Dominion Government, water-power rights being granted under special regulations. The full text of the regulations is given as Appendix VI, p. 301, from which it may be seen that all water-powers under federal control are "licensed" on strict conditions and, before the license is issued for any water-power site, or for the purpose of storing water, the application must go through three different stages:

1. The plans must be submitted to and approved by a competent staff (the Water Power branch of the Interior Department), which has been established for the purpose of investigating proposed water-power developments, from both engineering and economic standpoints, particularly from the view-point of their maximum efficiency in conjunction with other power sites on the same or tributary rivers.
2. Once the plans have been approved, construction work may proceed under Government supervision.
3. After the construction work is completed the license is granted for a limited period, the Government reserving the following, among other, rights:
 - (a) The privilege of refusing to renew the license;
 - (b) The right of demanding the development of power sufficient to satisfy public demand up to the full amount obtainable from the water-power under license;
 - (c) The right of the Board of Railway Commissioners of Canada to fix the rates for power charged to the public.