

made at the proper time, according as the necessity of clearances for railways and settlement arose, or when it was evident that if allowed to stand the timber would be destroyed by fire. He did not agree with the argument that receipts from timber bonuses should be treated as capital account. Hon. gentlemen had not produced anything to substantiate that contention, and their proposed practice was not followed in other countries or Provinces. (Ministerial applause.)

The Saw-log Policy.

Mr. Davis spoke of the "saw-log" policy, for which the Opposition claimed so much credit. On this he took issue with them, and read from the records of the House in support of his argument. The Government as far back as 1890 had a manufacturing clause in timber limit sales in the Rainy River District, while the records did not show that the Opposition had moved any resolution dealing directly with the subject prior to 1893. (Ministerial applause.) In 1892 the Dominion Government, under the leadership of Sir John Macdonald, and the United States Government agreed not to impose a duty on saw-logs in consideration of the American Government reducing the duty to \$1 per thousand feet. Under these circumstances the Ontario Government were not able to continue the line adopted in 1890. But when the Dingley tariff was put into effect in 1896 action was necessary. Dingley not only laid down a tariff for his own country, but attempted to do the same for Canada. That they could not submit to—(Ministerial applause)—and an order in Council was passed, containing a manufacturing clause, and this was brought down as a measure in the session of 1897 and passed by the House. During the summer preceding that session, and while the question was agitating the public mind, the leader of the Opposition had made a tour of the Province, but, looking over the reports of his speeches, he (Mr. Davis) had been unable to find a single reference to the question upon which the Opposition now made such great claims. (Ministerial applause.)

The advantages offered to settlers in the Province were then referred to, and after combatting some statements made by the Opposition in this connection, Mr. Davis expressed the opinion that the advantages and opportunities were greater than in any State of the Union or any other Province in Canada.

He then dealt with the financial administration of the Province, and during this portion of his address he pointed out that Ontario's only debt was \$3,135,030 in outstanding railway liabilities and annuities, while the debt of the City of Toronto, which was \$6,853,000 in 1878, had risen to \$23,853,973 in 1898.

Summary 11/10/2

The Opposition Amendment.

The concluding portion of his address was devoted to the Opposition's amendment, particularly that part relating to the suggestion that the Government enter upon the development of water-power for the purpose of generating heat, light and power, and furnishing the same to municipalities at cost.

In his speech on the amendment the member for East Simcoe (Mr. Miscampbell) had referred to settlers' rights, and had made the statement that if there were 10,000 feet of pine on the locations he would give it to the settlers, with all the other timber they were entitled to, and without payment of dues. Mr. Davis did not agree that such a wide power should be given, but he pointed out that on free Crown lands the settlers had the right to all the timber other than pine, and had the right to all the pine required for buildings and fences, free of charge. (Ministerial applause.) They had also the right to cut down all pine trees which required to be removed for actual clearance, and to dispose of the same, subject to a small fee. In the Rainy River district, where circumstances were somewhat different and pine not so plentiful, the settler had the right to all the timber. (Renewed Ministerial applause.) Referring then to the latter part of the resolution, Mr. Davis said that even in the case of the agreement with the Niagara Power Company, made when no one perhaps realized the wonderful development which was to take place in a few years with reference to electric power, the right had been retained to require the company to supply for users in Canada one-half of the power generated, and at a price not exceeding that charged to consumers across the line. (Ministerial applause.) In the negotiations regarding the development of the power at Fort Frances, on the boundary line of Ontario and Minnesota, it had been found that in order to attain proper development united effort was necessary, and that a larger proportion of work would have to be done on the American than on the Ontario side. In spite of that, the Government, with a desire to conserve the public interests, had stipulated that one-half of the power developed should be on the Canadian side. (Ministerial applause.)

Public Rights Safeguarded.

In another case, on the boundaries of Ontario and Quebec, the Government had gone even further in their desire to preserve Provincial rights and aid in Ontario's progress, and had stipulated that all the power should be on this side of the line. (Renewed Ministerial applause.) Not only was this the case, but

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