

The Premier of Ontario and the Power Problem.

Borden Club — Banquet

The most important statement made by Premier Whitney at the banquet in his honor last night was undoubtedly that which gave Mr. Whitney's side of the story that before the Electrical Development Company agreed to give up half of its common stock to Mr. Wm. Mackenzie and the Toronto Radial Railway in return for their financial support an appeal was made to the Ontario Government to rescue the company from its troubles, and that, despite the cheap rates for power offered as an inducement to take remedial action, the Government refused to help the company. Here is the Premier's statement:—

"We have been fairly treated on the power question, as a rule, by the press, but let me tell you before going any further with regard to the difficulty with the Electrical Development Company, we spent eight months of our time, hanging off and endeavoring by every possible means to induce the company to come to any reasonable terms with the Hydro-Electric Commission, and they would not. Consequently, we dealt as we had to do with the lowest bidder and lowest tenderer, and even after that was done we drew a line from somewhere near Hamilton to Collingwood and asked the Electrical Development Company if they would take the territory to the east to Toronto on the same terms as the Ontario Power Company had offered, and again they would not.

"We said that as this is a Canadian company we will do everything in our power to favor this company in every possible way. As I said, on the whole, we were very fairly treated by the press, and I am glad to have an opportunity of expressing that. I don't propose to answer the attacks and accusations which it would be unworthy of a decent man who had any regard for his self-respect to answer, or to reply to all the filthy accusations cast upon us later in reference to that great subject. Let me put something before you now, and I am somewhat curious to see on what you would decide.

"Suppose an offer like this: Take a company with \$10,000,000 of bonds—eight million dollars of these bonds having been sold; and six million dollars of common stock—fourteen million dollars of capital issued anyway. They say 'You have millions,' because there are people who think that the Ontario Government has only to snap its fingers and it can get millions; and it is true that since we have been in power we have been familiar with a great many more millions than our predecessors. These people say:

"There are \$8,000,000 of bonds consolidated, a trifle of \$6,000,000 of stock. Let the Government of Ontario guarantee a subsequent issue of \$2,500,000, which means a guarantee of \$2,500,000, and take over the \$8,000,000, and in return we give you—What? We give you power at Niagara Falls at \$10 a horsepower."

"That is the cost, the amount the Ontario Power Company gives power for at Niagara for whatever amount we take that exceeds 25,000 horsepower. They, besides, give us this—and I then understood to the full what is meant by carping newspapers and dissatisfied men when they speak of 'smooth' and 'slippery' methods of some business men in this and other countries. They said: 'We will let you control the rates to the consumers.'

"Well, now, we would have to assume \$8,000,000 of bonds and guarantee \$2,500,000. We get power at the same rate, and we are able to control rates to the consumer. Well, it would seem there was something in that to look at—something deserving public consideration. But it means this further. It means that this company has a contract which has to run for years still with the Toronto Street Railway Company, and another with the Toronto Electric Light Company, and that there were no other consumers the rates to whom we could regulate—(laughter)—so that you begin to see dimly how nicely, with modulated voice, it was said: 'Will you walk into my parlor?' Well, we didn't go, and we don't intend to go now."

From all of which it would appear that the Electrical Development Company did in some form or other make overtures to transfer the control of the corporation to Mr. Whitney's Government, and had a distinctly unfriendly reception.

LARGE INCREASE IN EXPENDITURE.

Public Accounts Laid on Table
of Legislature.

SURPLUS IS \$606,173.58.

Provincial Subsidies Add
Largely to Revenue.

How Ontario's Money Was Taken
Care of Last Year by the Whitney
Government—Disbursements Ad-
vance Nearly a Million Dollars—
Lands and Mines Department
Makes More Money.

According to the public accounts, which were laid upon the table of the Legislature yesterday afternoon by the Hon. W. J. Hanna, Provincial Secretary, the surplus of the Provincial revenues over the expenditure at the close of the last financial year was \$606,173.58. The total receipts amounted to \$8,320,419.49, an increase of \$1,180,940.80 when compared with the receipts for the previous year, and an advance of \$2,304,243 when compared with the receipts of 1905. The balance brought forward from 1906 amounted to \$3,497,239.62, making a total of \$11,817,658.81 which passed through the hands of the Government. The expenditure for the year shows an astonishing advance of \$994,066.54. The chief items which account for the added revenue are the Provincial subsidies, which amounted under the new arrangement to \$1,734,029.68, as compared with \$1,339,287.28, an increase of \$394,742.40. The income from the lands, forests, and mines of the Province has leaped from \$2,253,199.62 in 1906 to \$3,068,494.09 last year, an advance of \$815,294.47.

The financial disturbances of the latter part of last year seriously affected the lumber business, and, as a matter of fact, a large amount in timber dues has still to be collected. The income from licenses reached \$587,126.60, an advance of \$7,919.50. The sale of law stamps brought in \$94,684.75, an advance of \$8,639.15. The incorporations of new companies were largely responsible for the increase of the revenue from the Provincial Secretary's Department from \$208,023.59 to \$257,208.13. The income from mining lands was \$1,254,303.63, royalties \$207,945.06, and mining licenses and recording fees \$272,397.13. From the acreage, profit and gas taxes \$43,453.35 was received, and from woods and forests \$1,219,951.32.

Supplementary Revenue.

Under the supplementary revenue act \$672,241.76 was collected, an increase of \$28,039.75. In the income from succession duties there has been a decrease of \$184,120.25, the total amount received last year being \$821,692.99. From the public institutions of the Province \$266,391.41 was received, of which \$73,664.71 came from the Central Prison and \$50,587 from the Toronto Lunatic Asylum. The receipts from the Temiskaming & Northern Ontario Railway were \$235,090.69. The Government were able to finance the road out of revenue, and thus avoid the making of a loan at a time when money was dear.

The cost of government rose from \$428,280.46 in 1906 to \$502,083.20 last year, but the expenditure on law making increased from \$215,195.35 in 1906 to \$232,277.80. On the administration of the Province expended \$579,088.16, and on education \$1,359,105.81, an advance of \$88,184.10. The maintenance of public institutions cost \$990,379.18; colonization and immigration \$53,024.45, an advance of \$16,673.49; Central Prison, \$65,483.69; hospitals and charities, \$338,011.70; repairs and main-