

still clearer in the wording of the bill, the location of the line at that point to be decided by the Commissioner of Public Works.

The deputation also pointed out that at the present time the railroads discriminated against certain ports by providing that freight at through rates should only be shipped from certain ports. At present this hurts Meaford, Thornbury and Wiarton, to the advantage of Collingwood. They asked that in connection with the clause in the Manitoulin Railway contract regarding control of the rates it should be provided that the company should not discriminate against ports in this way, but should accept freight at Meaford, Thornbury, Wiarton and other ports on a basis that would not discriminate against those ports of call in favor of the through freight terminal point.

A BIG PULP MILL.

Agreement With Keewatin Power Company—Million and a Half to be Expended.

The Commissioner of Crown Lands yesterday laid on the table a copy of an agreement made with the Keewatin Power Company. The company intends to construct and operate pulp and paper mills upon its lands, known as Tunnel Island, at the outlet of Lake of the Woods, in the Rainy River District, and has constructed water power there on the west branch of the Winnipeg River, at a cost of about \$500,000. It desires to obtain from the Government the right to cut on Crown lands pulp and other woods for the manufacture of pulp and paper. The agreement provides that the company shall, with all convenient despatch, erect a pulp and paper mill in connection with the waterpower, and thoroughly equip the same. The expenditure of these works is to amount to at least \$1,500,000; the output of pulp and paper is to be at least 40,000 tons annually, giving continuous employment to an average of 500 hands. Of the sum mentioned \$500,000 is to be spent within one year of the ratifying of the agreement; \$500,000 within two years, and the balance within three years. The erection of the mills and the establishment of the industry will form part of the consideration of the agreement for the price of the pulpwood. The Government grants to the company the right for 21 years to cut and remove spruce, poplar, white-wood and banksian or jackpine from Crown lands, on which these woods are found and which may be unlocated or unsold, along the rivers and streams tributary to the Lake of the Woods. In no case, however, will this right extend beyond a distance of five miles back from the shores of the rivers and streams indicated. The company may select 60 square miles of unoccupied and unlicensed public lands from the territory in which the woods are found, but cannot touch mere patches specially covered with spruce. The price to

be paid by the company for the timber is 40 cents a cord of 128 cubic feet for spruce, and ten cents per cord of 128 cubic feet for other woods. Failure to comply with the conditions regarding the expenditure of the sums named on the mills and other works nullifies the agreement. All pine is reserved by the Government.

The following gentlemen constitute the company:—Richard Fuller, Hamilton; John Mather, Alex Fraser, Ottawa; William Gibson, Beamsville; Henry Newell Bate, David McLaren, Ottawa; Alex. McLaren, Buckingham, Que.; Henry K. Egan, Newell Bate, Ottawa; Thomas Bate, St. Catharines; Robert A. Mather, Keewatin; Wm. H. Brouse, Toronto; John B. Fraser, Ottawa.