

out 450,000 feet of sawn lumber every twenty-four hours, all of which must find its way over the road to Winnipeg and further west.

The pine grown in the vicinity of the Lake of the Woods is principally of the red Norway species which is equal if not superior to the Georgian Bay or Ottawa pine for dimension lumber, but inferior for finishing purposes. It is besides comparatively of smaller growth and much more knotted.

On the whole, the disputed territory is estimated to contain 20,000 square miles of limits, equal to 12,800,000 acres. Lumbermen generally calculate that an acre will cut about 2,000 feet, which would give for this territory 25,600,000,000 feet, or say twenty-five billions, worth to this Province, at six dollars per thousand stumpage, one hundred and fifty millions of dollars. According to a well-known and recognized authority this sum, is rather an under than an over-estimate. In addition to red and white pine, there is found all over the territory, oak, tamarac, birch, spruce, hemlock and poplar, all of exceptional value owing to the proximity of the western prairies in process of settlement, where no timber is grown. Poplar will be especially valuable for paper-making, and the supply is practically inexhaustible. It will shortly be utilized for that purpose in a water-power mill now being built near Keewatin. It may be added in this connection that an excellent grass not unlike the esparto grass, largely exported from Spain to England and other parts of Europe for paper making, is found in abundance in the Rainy River region.

On the Big and Little Forks Rivers, which flow into the Rainy River near Fort Frances on the American side, some magnificent pine limits have lately been secured by St. Paul and Minneapolis lumberers. The timber on those limits cannot be utilized for the American markets owing to lack of railway communication. It must be rafted on the Rainy River and towed to Rat Portage, where it will probably be converted into sawn lumber and despatched over the Canada Pacific to Western Markets.

The Section B. contractors were granted possession by the Dominion Government of a mill privilege at Eagle River on the 15th May, 1881, "on the understanding that in case of the property remaining in the ownership of the Dominion on the settlement of the Western Boundary of Ontario, they would be confirmed in possession of the said privilege, with a reasonable portion of land in connection therewith, on such terms and at such price as might be fixed by the Governor in Council." This firm has not only been furnishing timber for railroad construction, but has been supplying sawn lumber to the Winnipeg market, the proceeds accruing therefrom going into the pockets of Manning, McDonald, McLaren & Co. Last fall they offered to sell a lumbering firm in Winnipeg one million feet of logs and one million feet of sawn lumber approximating in value to thirty thousand dollars. The offer was declined but a sale was subsequently effected to other parties. As the firm only had permission to cut for purposes of railroad construction, it must be assumed that the Crown Timber Agent was not in a position to exact dues on behalf of the Government for timber otherwise appropriated; so that no record is likely to exist by which any portion of those dues can be placed to the credit of Ontario.

It is, besides, a well-known fact, that since the award, a well-known lumber firm who had been cutting for years on limits properly assigned to them had procured from the First Minister more productive limits in various parts of the Lake of the Woods other