

is the history of the mining industry on the Lake of the Woods up to a very few years ago. The period of rapid development and growth, progress in opening mines and erection of stamp mills and reduction works, has not yet passed into history. It is yet current news, and every one has heard of the Regina mine, the Mikado, the Foley, Olive and other mines with a reputation established as bullion producers, not to mention the countless properties in the development stage, yet of assured value. The future of Rat Portage as a mining camp is bright; capital has begun to move this way and results have been favorable to creating a bigger movement. Among the institutions located at Rat Portage as a result of mining development is the reduction works of the Dominion Gold Mining and Reduction Co. A. M. Hay, chairman of directorate and at present resident manager. The mill is a twenty stamp and during the past year has done a large amount of work on ores from some of the leading mines.

One of the most promising attractions of Rat Portage for the future investment of capital is the almost unlimited water power available in the Winnipeg river. A company called

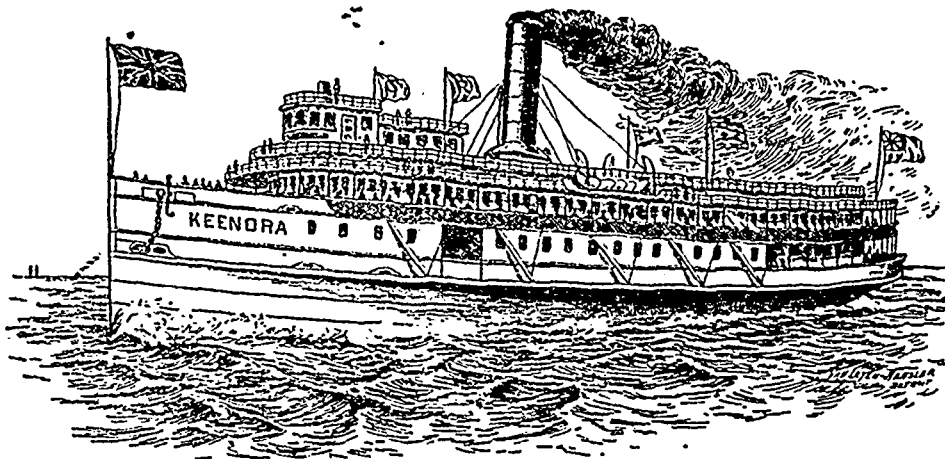
is the Rainy river, a fine navigable stream. The lake is said to contain 13,000 islands. The water is very clear. The lake is perhaps the most romantic on the continent, and with the growth of population of the west, Rat Portage is bound to become the centre of attraction for an ever increasing throng of summer visitors.

C. P. R. Annual Report.

Montreal, April 6. — The annual meeting of the Canadian Pacific Railway company was held to-day. The report was adopted, and the proceedings were unanimous throughout. In submitting his report to the directors for approval the president said in reference to the difficulties with the United States trans-continental lines: For a number of years prior to 1894 the Canadian Pacific company had, by agreement with trans-continental lines, been allowed differential rates on passenger traffic between the eastern States, eastern Canada, and the Pacific coast. The principle of differentials in rates when applied to our case was not new. It was adopted many years ago as a means of adjusting the difference of

had decided no longer to consent to differential rates on Pacific coast traffic, and asked for a meeting concerning the questions. We insisted on the restoration of the rates in the terms of the existing agreement, as a condition precedent to the meeting. They refused. We then, after notice, published open tariffs, making such rates as the provisions of the law and the interests of the Canadian Pacific seemed to require.

The question at issue this time is not whether there shall or shall not be differential rates; that question we are prepared to discuss on its merits when a meeting is held for the purpose of revising the existing agreement. The question now is whether as a condition, precedent to the meeting of the lines interested for the purpose of revising the agreement and rates conditions, ante bellum, shall be restored. We have a right to insist upon this, but in the interest of peace have been willing to leave to disinterested arbitration the question of whether the rates conditions shall be restored in whole, in part, or not at all, pending the meeting. A resolution, providing for such arbitration, was offered at a conference of the lines interested, at New



LAKE OF THE WOODS STEAMER "KEENORA."

the Keewatin Power Co., owns the land and site and have expended a large amount of money in building a dam. It is estimated that from 30,000 to 40,000 horsepower, is available. The prospect is that before long it will all be used to run various factories, which it is possible to operate here to advantage. Much speculation has been indulged in as to the possibility of generating electricity by means of the power, and transmitting it to Winnipeg. This, however, is still an untried project.

We give herewith a cut of the Keenora, one of the Lake of the Woods steamers. This fine craft is owned by the Rainy River Navigation Co., of which Geo. A. Graham is manager and W. Ross general freight and passenger agent. This is a new steel twin screw propeller, built at a cost of \$50,000. She has state room accommodation for 400 passengers, and can carry 600 or 700 passengers on day excursion trips. Steamers of this class will indicate to the stranger that the Lake of the Woods is no mere duck pond. It is in fact quite a large lake, nearly seventy miles long, and its many indentations give it a great coast line. It is said there are about 100 steamers on the lake and its tributary waters, the principal of which

conditions between competing lines; differentials are in use to-day for this purpose in various parts of America, and even between the Atlantic seaboard and Chicago, where they are accorded certain trunk lines, including the Grand Trunk. In 1894 the situation of the Canadian Pacific as regards through passenger traffic had considerably improved and a new agreement was made whereby the Canadian Pacific differentials on trans-continental passenger traffic were reduced and confined in the east to restricted territory. They applied to all points on the Pacific coast. At that time there was not much travel to Alaska; but a few months back it became apparent it would soon reach large proportions, and about the opening of the present year, just as the new stream of travel was setting in, we discovered the agreement was being violated by our competitors. Our agents bought tickets at agencies of the Great Northern, and Northern Pacific companies, not only at our differential rates, but far below. The evidence was unquestionable, and the facts as to broken rates and who broke them was not denied by anybody. We called the offending lines to account for violation of the agreement; they replied they

York three weeks ago. This resolution was supported by the Grand Trunk and all other parties interested, except the United States trans-continental lines, whose representatives asked time, and subsequently voted against it. There can, therefore, be no question where the responsibility lies for a continuance of the disturbance.

The decision of the Interstate Commerce commission at Washington, suspending the "long and short haul" clause of the Interstate Commerce act has been pointed to as showing that we were wrong, and our competitors right. It shows nothing of the kind. It was a decision on ex parte evidence, and clearly stated that the commission was in possession of evidence of cutting rates before our tariff was published, and the decision contains a distinct statement that but for a technical connection with the issue of our tariff, the action of the commission on the application of our competitors would have been different. The words of the decision in that regard were as follows: "If the Canadian Pacific made these rates with the concurrence of its American connections, observing, as it apparently now does, the rule of the fourth sec-