

PROVINCE OF ONTARIO

of money in erecting mills and manufacture into pulp all the wood cut upon this territory, with a guaranteed number of hands to be employed, the Government also collecting from the concessionaires dues representing the value of the wood when cut. Formerly the dues on spruce was 20 cents per cord, but with its increasing value the dues was, on March 20th, 1900, increased to 40 cents per cord.

The export of pulpwood in a non-manufactured condition has also been prohibited by a bill introduced by the Commissioner of Crown Lands on March 7th, 1900, so that the law now provides that all pulpwood cut on Crown Lands in the Province must be manufactured in Canada, the same as pine saw logs, thereby giving employment to home industry and in a practical way aiding in the development of New Ontario and building up the trade of the Province.

In accordance with this policy, concessions have been granted to various companies, some of which have already erected mills and are in active operation, others of which have not yet completed their part of the agreements. The following is a list of agreements entered into with different companies and the amount agreed to be invested.

<i>Pulpwood Concessions.</i>	Capital to be invested.	Employees.
Sault Ste. Marie Pulp and Paper Co.....	\$ 400,000	400
Sturgeon Falls Pulp and Paper Co.....	1,000,000	240
Spanish River Pulp and Paper Co.....	500,000	250
Blanche River Pulp and Paper Co.....	750,000	300
Nepigon Pulp, Paper and Mfg. Co.....	200,000	200
Keewatin Power Co.....	1,500,000	500
	\$4,350,000	1,890

The above sums required to be invested under the agreements are minimum amounts only. Some of the enterprises mentioned have already expended sums largely in excess of those called for by their agreements, and instead of the \$4,350,000 demanded the capital invested will ultimately reach many millions, necessitating the employment of several thousand men.

These mills will undoubtedly find it to their advantage to further manufacture this pulp into paper before sending it abroad, thus requiring a further expenditure of capital and the employment of additional labor.

Not only has Ontario an almost limitless supply of the right kind of raw material, but she has also extensive water powers and suitable labour, both important factors in the successful manufacture of pulp.

The growing importance of water powers in industrial development, especially their use in generating electricity, has been recognized by the Government; which in 1898 deemed the time had come to do away with the old system by which valuable water privileges were granted in fee without re-