

By Mr. Hatfield:

Q. What is your estimated revenue from the forest and what is your estimated revenue from agriculture?—A. Of the gross revenues that we estimate will result from the line in the period of the guarantee, which amount to about \$3,000,000—\$3,007,000, to be exact—68·5 per cent of that will come from pulp-wood; other outward freight,—and that would represent agricultural commodities and specialties of one kind and another—7·3 per cent; inbound freight—and that would be supplies for the settlers and the lumber camps, machinery and stuff like that—14·2 per cent; passenger, mail and express, 10 per cent. That makes up the total. So you can see that roughly two-thirds of the revenues in the first 6-year period will come from the exploitation of the forest resources.

By Mr. Campbell:

Q. How soon do you expect the line to pay its own way? It will not pay its own way the first two or three years, will it?—A. Of course, that is the purpose of the guarantee. You cannot expect a branch line to pay in the first few years. You have to take a wider point of view, and we consider that the development period to test out an area is from 5 to 10 years. In this case, we settled with the Canada Paper Company on a 6-year spread; and in that period we demanded from them a traffic guarantee which would be sufficient to make the line pay—that is, it would break even. The C.N.R., under the guarantee, is bound to break even; and by breaking even I mean that is after paying all the operating costs, all the maintenance costs, all rental on equipment and interest on the cost of construction.

Q. How far north is that? In what township would the end of the line be?—A. The end of the line is in Laas township.

Q. I do not know where that is. What township would it be?

Hon. Mr. CHEVRIER: It is in Laas township. That is the township.

By Mr. Campbell:

Q. What county?—A. It is in Abitibi county, Laas township.

Q. What parallel would that be?—A. Well, it is the 49th parallel almost exactly.

Q. It would be about the same as Edmonton, then. How far north, or on what parallel is Edmonton?—A. Edmonton is farther north than that.

By Mr. Mutch:

Q. That is on the 49th?—A. Yes. Edmonton is on the 54th.

Q. The 49th parallel is the boundary in the west.—A. The 49th parallel is the international boundary in the west.

Q. That is south of Winnipeg. The boundary is the 49th parallel.—A. The 49th parallel constitutes the boundary between Canada and the United States in the west and it continues through this area (indicating). You see, we are just about there (indicating). So that you are south of Winnipeg and about the international boundary.

Q. The 49th parallel is as far south as you can get in the west?—A. You cannot get any further south in the west, no. But from the point of view of geography, of course, we must remember that the Hudson Bay dominates the climate in the east.

By the Chairman:

Q. Considering the timber limits that have been purchased by the Canada Paper Company up there, how long will that last, with the present capacity of the Windsor mills plant? Of course, they are augmenting that, I understand. They are enlarging that, are they not?—A. I am glad that point has been