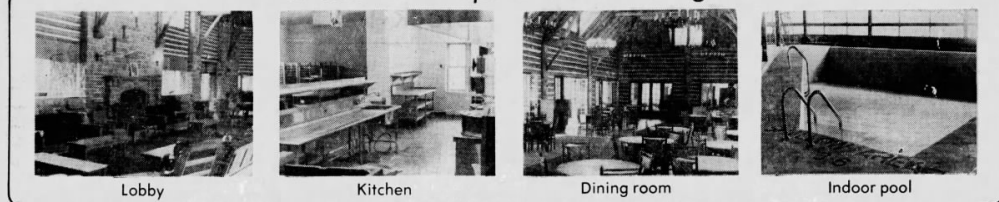


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Interior of majestic Minaki Lodge



Lodge was 'jewel of the wilderness'

Changing times, perhaps more than any single factor, have transformed Minaki Lodge from the "jewel of the wilderness" into a political and financial headache for the Ontario government.

The government, which took over the lodge in 1974 when its operator was on the verge of bankruptcy, is about halfway through a multi-million dollar renovation and construction program it hopes will restore Minaki to its former status among Canadian resorts.

The lodge has had a place in the headlines only since the government takeover, but its history as a resort goes back another 60 years.

Minaki Lodge was created for railway passengers, thrived with the popularity of rail excursions, and began its slide from prominence when the railways lost their lock on transcontinental passenger traffic.

The Grand Trunk Pacific Railway, built to link the west with the east, and in 1912, the integration of the Grand Trunk system into the national carrier's system.

Known then as Minaki Inn, and consisting of a small main building and a staff annex, the hotel was built and run by Canada Railway News under an agreement with the railway.

It was successful from the start. The busy transcontinental rail line, which later became the main east-west link of Canadian National Railways, provided a steady stream of potential customers.

The area's natural attractions did the rest. The owners thought enough of the line's potential to spend \$1 million to buy an entire section of Manitoba farmland, strip off the topsoil and ship it to Minaki by rail to create a golf course in the rocky terrain.

Construction of the nine-hole course began in 1919.

The same year, the Grand Trunk Pacific company effectively ceased to exist, having plunged disastrously into debt during construction.

The company went into receivership, and the debts of the Pacific venture also dragged the parent Grand Trunk Railway Company into government hands.



MINAKI LODGE — In its heyday it attracted tourists by the thousands, but although its golf course is still used, the lodge itself sits idle and empty.

Protracted negotiations resulted in the creation of Canadian National Railways, and, in 1912, the integration of the Grand Trunk system into the national carrier's system.

Canadian National evidently thought highly of Minaki's tourist potential, because it quickly took advantage of the inn operator's agreement with Grand Trunk Pacific and acquired the resort at cost.

The original inn burned to the ground June 11, 1925, and CN operated the nearby staff annex as a guest house for that year and again in 1926.

But the railway had grander plans for Minaki. Almost immediately after the fire, construction began on the imposing, main lodge building that stands today.

The lodge had some lean times, closing during the depression years of 1932 and 1933 and during the war years 1942 to 1944.

But CN reports that the operation was a commercial success through most of its early years when the railways were about the only practical way to see Canada.

The post-war era brought a rapid increase in the use of automobiles and air travel, and left the railway hotels without much of their built-in clientele.

The decline of the rail passenger business was a major factor in CN's decision to sell Minaki Lodge to a private-based firm in 1950 as part of a four-hotel package.

That firm, A.T. Hotels Ltd., took official possession in 1952 and continued the operation much as CN had, except that the construction of a road to Kenora in 1959 opened up the area to motoring travelers.

In 1966, the property was purchased by F. W. Griswold, a Minneapolis businessman who had plans to spruce up

the old hotel and winterize it for year-round use.

He kept it only until 1970, when widespread publicity about mercury pollution in the nearby English-Wabigoon River system seriously damaged the tourist industry throughout northeastern Ontario.

Mercury was found to be considerably less concentrated in fish from the Winnipeg River at Minaki, but subtle publicity about the problem.

That area was dragged into it, said John Rhodes, Ontario's minister of industry and tourism. He said the area is recovering from the mercury scare now.

The prospects were not encouraging, and Mr. Griswold sold the lodge to H. Rod Carey, a northeastern Ontario investor. Mr. Griswold held a \$500,000 mortgage on the property.

Mr. Carey launched an ambitious upgrading program, borrowing \$300,000

in 1971 from the Ontario Development Corporation to replace the 1926-vintage utility and heating systems and to winterize the lodge for year-round operation.

A new swimming pool was part of the package, but the owner had to borrow a further \$100,000 in 1972 to complete it.

The next year, ODK advanced another \$100,000 in operating assistance.

Meanwhile, the 200-foot Mount Minaki ski hill, with its day-use chalet, two T-bar tows and snowmaking facilities, was developed in 1971 and 1972 with the aid of a federal provincial loan under the Agricultural Rehabilitation and Development Act.

Merv Reed, who managed the resort for 2½ years for Mr. Carey, said summer business was good, but the operation could not begin to support its costs.

"The hills couldn't be paid, and the government took over," he said.

Residents upset over pollution charges

MINAKI — Residents of Minaki don't deny that there is mercury in the waters that border their community, but they get upset with news reports that tie it into the Wabigoon-English River system.

The Wabigoon-English system, one of the most polluted in the province, does hook up with the Winnipeg River, but it is at White Dog Falls, 20 miles downstream.

The Winnipeg River flows from Lake of the Woods and widens at Minaki to form Gunn Lake.

"They have found mercury to be bad here," says CN station agent Phil Moser, "but there was also a case where they tested two people and the one who didn't eat fish had more mercury in him than the one who did."

Berry Gibson, who co-authored a brief to the provincial government with resident Peter Barber, said he is sick and tired of the "one-hour worders who would solve the mercury and Minaki Lodge problems," obviously referring to Warner Troyer of the CBC's Fifth Estate TV documentary program.

In their brief, Mr. Gibson and Mr. Barber said that citizens "don't believe pollution is as bad as it is made out to be." They said American visitors come for the total experience, and would never suffer harm from eating fish because they didn't eat all that many while in the area and could only take a few home.

Mr. Mills said the mercury in the Winnipeg system is probably associated with the pulp and paper mill in Kenora because it at one time used mercury compounds in its process. It hasn't used mercury since 1970.

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Reopening of lodge means boom, but also problems

MINAKI — Bill Madigan is president of the community club but in this quiet little northwestern Ontario town of 300 people the title goes much further than that.

It could just as easily be mayor or reeve.

The community club happens to be the only organization in town.

"The community club is getting to be too many things, too political," Mr. Madigan said. "Anything anybody wants to be goes to the community club. We're getting away from the community club idea."

He said an attempt was being made to get a business association started so businessmen could relate to community problems.

Minaki is an unorganized district and as such has no local bylaws. The department of highways handles road maintenance, the few miles of which are mostly hard-surfaced, and Ontario

Hydro has put up some street lights.

"The road into the area is winding and although hard-surfaced, is in very bad condition. The main line of the Canadian National Railways runs through the town and it has a station there."

Mr. Madigan said, "and if Minaki Lodge goes ahead as planned, this will probably come with it. Some of the people here won't like it, though, because it will mean they will pay more taxes."

It would, however, allow some standards to be set for the community. At present, Mr. Madigan says, if someone wants to put up and live in a fat paper shack in the community he can outshine anyone else, as long as they comply with ministry of environment standards.

garage, feels the reopening of Minaki Lodge would be a great boon for the community, but he also foresees a problem.

He feels the town might grow too quickly and housing would not be available. And if housing were to be provided, servicing would become a major problem as most of the area around and on which the townsite sits is rock.

But in his estimation the area is bound to boom.

"People are leaving away from the big cities. Falcon Lake and the White Shell are well-to-do cottages now. It's going to happen here."

If Minaki Lodge opens and the area booms, it will mean more than higher taxes for the people of Minaki. It will mean the loss of some amenities that they have had to pay little for.

The golf course and tennis court at Minaki Lodge are maintained and

staffed by the government while it is closed but they are operated by the Minaki Community Club. A season's membership for golfing is \$20 with daily green fees set at \$1. There are 72 members. It would be about \$2,000 less in revenue, which it turned over to the community club.

A pool has been constructed inside the main lodge and the community association did have the use of it one winter. A problem over insurance, however, has prevented further use.

Darling is a big event in winter, but it is in doubt this year. The quest-type building housing two sheets of ice has been condemned by the ministry of labor and funds are not available to rebuild it.

The reopening of Minaki Lodge may be the savior here, as Mr. Madigan feels that it could also be tied to the operation of the lodge.

Mr. Madigan admits things are "pretty quiet" around the town in

winter but there is a community hall and dances are held at least once a month. The association holds an annual sports day with canoe races, tag-of-wars, etc., each summer.

One of Mr. Madigan's major concerns is the return of a drinking problem the community faced at one time. A referendum in March returned a liquor outlet to the community.

"We were without an outlet for a couple of years," Mr. Madigan said. "The agent who operated it along with his store retired and forfeited his licence. We requested it stay closed."

"There was a drop in the police case load, children's and work, child abandonment, damage to Ontario Housing Corporation units. Now we have the store back and it's had again."

Getting an education means being for students from Grade 5 up. In Minaki there is a one-room schoolhouse, two trailers and three teachers.

1907 start for Holst Point

MINAKI — The history of Holst Point Lodge goes back to 1907 and it remained a separate entity until 1966, when it was purchased by the group that then owned Minaki Lodge.

It accompanied Minaki Lodge into the hands of the provincial government in 1974, but unlike Minaki Lodge, it has continued to operate.

Beautifully appointed, it sits alongside the Winnipeg River at the edge of a 45 kilometre north of the town of Kenora and Kewatin.

It has 10 rooms in the main lodge and nine cabins, some of which will accommodate as few as three people and others which will handle groups of up to 12. American, European and housekeeping plans are offered.

It has a licensed dining room, a snack bar and a cocktail lounge.

course that still is in operation at Minaki Lodge. Winter activities include downhill and cross-country skiing, snowmobiling and ice fishing.

There is a 3,000-foot alpine three miles from the lodge, which is also under the control of Minaki Lodge Resort Ltd., the body that oversees affairs at Minaki Lodge and Holst Point Lodge for the provincial government. A museum is maintained in the Holst Point Lodge lobby for guests can be picked up at the airport.

Peter Barber is the manager of Holst Point Lodge, which also, in effect, puts him in charge of the ski hill, the golf course, the airport and the impressive Minaki Lodge.

He claims Holst Point is a viable operation, pointing out that the lodge is already 90 per cent booked for next June and predicting that May and June will be fully booked by January.

"We're open year-round and are close to capacity from May through September," he said. "In the fall we work on maintenance and the ski hill and in

December begin making snow for the hill. We've always looked solid over Christmas and New Year's."

He said he had budgeted for a longer ad campaign for skiing this season, hoping to increase the already good response from the fall days of the Winnipeg area.

During spring and fall Holst Point caters mostly to small meetings and seminars. It can handle up to 70 people.

European (just accommodation): \$18 single, \$26 double.

Full American (includes accommodation, all meals, boat, motor, guide, bus, etc.): \$60 per person per day.

grandfather, a Winnipeg doctor, spent his summers there.

The beginnings of Holst Point Lodge go back to about the same time. Leonard (Skipper) Holst originally prospected in the Kenora district but when this didn't pan out, he turned to guiding.

He began to bring guests down the Winnipeg River from Kenora but after the Canadian National rail line went through the area in 1910, Mr. Holst built the first lodge in the Minaki area, a building that is still standing as part of the larger lodge as it exists today.

Mr. Barber spent most of his summers in the area but became a full-time resident along with his wife in 1974, when he handled marine and fishing activities for Holst Point and Minaki Lodges in the summer. He became manager of Holst Point Lodge in the fall and then in the summer of 1975, also took over administrative duties for Minaki Lodge.

The ski hill, etc., to a board of directors, who in turn report to the minister of industry and tourism, John Rhodes.



Holst Point Lodge still operates