

Kitimat has been located at the head of Douglas Channel on Kitimat Arm. That is a deep water ocean port so that they could bring material into their plant by water and they could also ship by water—but the amount they said they would give us is as I have indicated.

Mr. MOTT: Mr. Fairweather, you are not taking into consideration any other projects that may be constructed in the area?

The WITNESS: Oh, yes sir. When we examined into this matter we looked at it primarily from the point of view of the line to serve the Kitimat development of the Aluminum Company but we could not overlook the fact that this line also had broad development possibilities. Now, those may be lightly touched upon. In this valley between Terrace and Kitimat there is one of the largest stands of mature timber on the west coast, and undoubtedly with the railway in there connecting at one end with the main line of the Canadian National and at the other end the sea it will make much easier the development of all this timber in this valley. We looked into that. There is a distinct possibility that out of it a pulp mill will be established at Kitimat. There is a certainty that there will be lumbering activities in the area, and we take that into consideration in the period following the first five years. So that we expect to get a substantial implementation of traffic other than aluminum after the first five years. In addition to the resources of the forest, you also have the other interesting possibility in the development of our west coast fisheries. Kitimat being a port on sheltered water will aid Canada in her ability to land halibut from this area in here (indicating on the map). It is going to bring closer, generally speaking, the halibut grounds of British Columbia in competition with Seattle. At the present time we have Prince Rupert, and with respect to Prince Rupert there is I believe, at the present time, approximately 50 per cent of the halibut landings which are handled at that port and about 40 to 50 per cent through Seattle. Now, with another port located here at Kitimat it is going to mean that the halibut fishermen can fish more effectively in certain areas, particularly in relationship to the southern part of the grounds than they can out of Prince Rupert and the result is that it would—what I am suggesting is not that we would divert the fishing activity from Prince Rupert but that Kitimat will become more actively competitive with Seattle and greater landings of fish will be made in the Canadian ports. We looked into that very carefully. And then one must also not overlook a rather interesting phase which will arise out of this development. There is in the Skeena Valley and the Kitimat-Terrace Valley and in its extension here to the north a very substantial area of land that is suitable for agriculture development. That is not being effectively used at the present time because it hasn't got any readily available market and the things which they can grow most effectively are not things which can be shipped great distances. The development of Kitimat as an industrial town with a population initially of 8,000 and an ultimate population which may be as high as 50,000 will result in a contribution to the agriculture development in and around the Terrace area and extending down the Kitimat Valley. It is going to do for western British Columbia pretty much what the mining industry has done for the Abitibi region of Quebec where we had a very similar problem; we had great agriculture possibilities which could not be exploited until we got industry into the country and when industry had settled in the shape of mining enterprises it just rejuvenated the agriculture possibilities of the Abitibi. Something like that will take place in this area.

Then there is also something to be considered, something that I find rather attractive in the long range point of view. We notice that the outlets to the Pacific ocean are limited, we see that from the map; we can only get