

Supply—Transport

Macassa, which is a profitable gold producing mine but certainly is not involved in the uranium industry?

Mr. Morris: The interest of Macassa Gold Mines in the Bicroft mine at Bancroft represents the interest which the government wishes to have recognized by means of the supplementary estimate. Macassa, to the best of my knowledge, has inherited the Bicroft mine so far as this uranium matter is concerned.

Mr. Peters: That is surprising. I am curious how these things are arrived at. Bicroft has authorized capital of 4 million shares of which 3,057,475 are issued against the original capitalization. Of that amount Macassa owns only 440,000 shares and Renabie, a Macassa subsidiary, holds 360,000 shares. According to the record of issued shares it does not even have control of the company. I am still curious as to why Macassa has the contract.

Let me approach it from this angle. Is there any reason why Bicroft was not given the contract? Has it something to do with the fact that other producers in the area such as Faraday could not have been given the same kind of consideration?

Mr. Morris: The reason Faraday is not considered in this supplementary estimate is that Faraday's contract will not expire prior to the time we expect the United Kingdom negotiations to have been successfully completed.

Mr. Bourget: Can the parliamentary secretary tell us what is the price of concentrate per pound? Is the price mentioned in the contract?

Mr. Morris: The item in the supplements, \$2,400,000, is intended to cover 342,000 pounds.

Mr. Bourget: About \$8 a pound?

Mr. Morris: Yes.

Item agreed to.

The Chairman: Department of Transport, vote No. 663.

DEPARTMENT OF TRANSPORT

Railway and steamship services—

663. Construction or acquisition of auto-ferry vessels and equipment as listed in the details of the estimates, provided that treasury board may increase or decrease the amount within the vote to be expended upon individual listed projects—further amount required, \$71,885.

Mr. Pickersgill: I am sure the minister would like to tell us what this is all about. We always like to hear from the minister.

Mr. Balcer: Mr. Chairman, this vote deals with the Pelee island ferry. The vote is in the amount of \$46,860 for general alterations and additions to the ferry vessel *Pelee Islander* operating between Pelee island and the mainland in Ontario; and the remainder, \$25,025 for modifications to the ferry vessel *Lord Selkirk* operating between Wood Island, Prince Edward Island, and Caribou, Nova Scotia. The remainder, namely \$25,025, is for modifications to the ferry vessel *Lord Selkirk* operating between Wood Island, P.E.I. and Caribou, Nova Scotia.

Mr. Bourget: Can the minister tell us whether those contracts were allocated or whether they were given to the companies after tenders had been obtained in both cases?

Mr. Balcer: As far as the *Lord Selkirk* is concerned, the alterations and modifications were done at Pictou, Nova Scotia. Unfortunately, I have not here the information to tell me whether it is an allocation or whether it was done by tender. However, my recollection is that both jobs were allocated.

Mr. Pickersgill: I wonder whether I could ask the minister this question; I appreciate the fact that it is perhaps not strictly relevant to the repairs to the *Lord Selkirk*. However, is the department giving any consideration to putting a new ferry on the Wood Island-Caribou service? As the minister very well knows, the service is quite inadequate, having regard to the demand for it at the present time. There is a great deal of agitation to have improvement in that service.

Mr. Balcer: Yes, Mr. Chairman. A second ship for this service has been approved in principle by treasury board.

Mr. Pickersgill: Does the minister think the contract is likely to be let quite soon so that it might perhaps be ready for the season of 1963?

Mr. Balcer: Yes.

Item agreed to.

Air transport board—

664. Subventions for air carriers as detailed in the estimates, \$300,000.

Mr. Pickersgill: I think perhaps the minister would wish to give some explanation of this item.

Mr. Balcer: This \$300,000 is a subsidy. It represents monthly subsidies of \$25,000 being paid at the present time to Pacific Western Airlines covering operating losses on the prairie route on which are Edmonton, North Battleford, Prince Albert, Saskatoon and Regina. The committee might recall that this service was carried on for a long time by