

going off in this direction; this is the branch line which goes to Flin Flon and which formerly just went to Sherridon, and then it was extended in 1953 up to Lynn lake.

The Hudson Bay Mining and Smelting Company have been operating at Flin Flon for about 30 years, and during that period they have been exploring the area very intensively. In recent years they have located a series of base metal deposits, principally zinc, with a good deal of copper, in these areas marked here. A couple of years ago, we discussed the possibility of a branch line to serve this area and we investigated two possibilities; one of a line running straight south from Chisel lake to join the Hudson Bay Railway; the other one, the line that is shown in red and the one it is proposed to construct now which goes from Chisel lake to Optic lake on the existing Sherridon branch.

This route was chosen because, at the present time, the Hudson Bay Mining and Smelting Company intend to move the ore from Chisel lake to Flin Flon and to put it through their mill and smelter at Flin Flon. The movement will be heavy and there will be very substantial economies in the shorter mileage, about 100 miles this way rather than by the alternative route.

*By Mr. Chevrier:*

Q. What relationship is there between this line from Optic lake to Chisel lake and the line which the Canadian National Railways built some time ago from Lynn lake to Sherridon? Is there any relationship between the traffic and volume of traffic?—A. As far as volume of traffic is concerned this one will have much heavier traffic.

*By Mr. McIlraith:*

Q. Which one? For the record, name and describe the line rather than say "this one".—A. The line from Chisel lake to Optic lake will have a heavier tonnage than the line from Lynn lake because the shipment here will be of crude ore. As you were told, the minimum guarantee is 350,000 tons a year. The traffic from Lynn lake is a concentrate and consequently the tonnage is smaller.

*By Mr. Chevrier:*

Q. Is the guarantee being filled in the other line, the Lynn lake to Sherridon line?—A. Yes, it has been.

Q. Could the witness give any reason why most of these lines always go towards the north rather than towards the east and west. For instance I am thinking of the Kitimat to Terrace line, Lynn lake to Sherridon, the Chibougamau railway and one in Ontario to the south, all go up to the north rather than across east and west?—A. Well I do not know of any fundamental reason why they should except in general the northern areas are less developed than the southern ones.

Q. Perhaps there is more mineral wealth?—A. From Optic lake to Chisel lake is not far from running east, but it does go somewhat northerly. I think the explanation is that the northern areas of the country in general were not fully explored and they are the areas in which there are still major mineral deposits to be found, although the discoveries in New Brunswick give the lie to that suggestion.

Q. Will the other line that is being purchased add to the profitable aspect of the Hudson Bay Railway?—A. Yes it should substantially increase the total traffic on the Hudson Bay Railway because, as you know, apart from the grain movement in the summer, the traffic on the Hudson Bay Railway is quite light.