

Supply—Trade and Commerce

payment of benefits to his widow as if he had taken and passed the medical examination so required, \$1.

Mr. Pickersgill: I think we should have some explanation of this vote.

Mr. Fulton: Mr. Chairman, the explanation of this vote is rather complicated. We have endeavoured in the explanatory note on page 7 of the supplementary estimates to reduce it to as short a compass as possible. What we are asking for is the authority of a dollar item, which I myself am very reluctant indeed to use but I think it is a proper case, to give authority to pay a pension to a widow who by virtue of a long and complicated series of administrative misfortunes and misunderstandings, coinciding as the events did with a change from the Royal Canadian Mounted Police Superannuation Act to the Royal Canadian Mounted Police Superannuation Continuation Act, would otherwise be deprived of her right to a pension.

Item agreed to.

The Chairman: The next item is vote No. 662, Department of Trade and Commerce.

DEPARTMENT OF TRADE AND COMMERCE

Eldorado Mining and Refining Limited—

662. Payments in the 1961-62 and 1962-63 fiscal years under the contract that was entered into on the 24th day of November, 1961 between Eldorado Mining and Refining Limited on behalf of Her Majesty and Macassa Gold Mines Limited for the purchase by Her Majesty of uranium concentrates, \$2,400,000.

Mr. Pickersgill: Mr. Chairman, could we have with us the Minister of Trade and Commerce whose genial personality always contributes something to the committee, or is he, like the Minister of Public Works, off politicking somewhere?

Mr. Balcer: He never does that.

Mr. Churchill: I might just explain as Acting Minister of Trade and Commerce in the unavoidable absence of the Minister of Trade and Commerce that the parliamentary secretary has all the information here which the committee could desire and I myself will be present in the event there are some items which require further exploration.

Mr. Pickersgill: The first question I should like to put to the learned parliamentary secretary, and I hope he will be able to answer it more effectively than his principal has ever been able to, is when the British contract is going to be completed?

Mr. Morris: Mr. Chairman, perhaps I could introduce this item in a meaningful way by giving a very brief statement which will include an indication of the answer to the hon. gentleman's question.

[Mr. Pickersgill.]

The contract between Her Majesty, as represented by Eldorado Mining and Refining Limited, and Macassa Gold Mines limited for the purchase of uranium concentrates was entered into as a stopgap arrangement to enable Macassa to continue production of uranium for a period of six months after it had produced all the concentrates for delivery under its original contract. In this way, the closing of the mine, with its consequent effect on employment in the area, was prevented and the mine will be able to continue production until late in April, by which time it is expected that negotiations will have been completed with the United Kingdom for the purchase of 12,000 tons of uranium. When these negotiations are completed, the quantity of 342,000 pounds covered by the stopgap contract will form a part of Macassa's allocation under the United Kingdom contract.

The price to be paid Macassa for the 342,000 pounds is Macassa's actual cost of production, without profit, as established by the cost inspection services of the office of the comptroller of the treasury, unless it becomes a part of Macassa's allocation under the United Kingdom contract, in which case it will take the price applicable to Macassa's allocation.

Mr. Pickersgill: I thank the parliamentary secretary for that very lucid explanation, but I did not catch the date by which he anticipated the negotiations with the British would be completed. I think in giving that date he has gone a lot further than the minister ever has and I am sure we would like to have it right. Perhaps he would repeat the date.

Mr. Morris: Yes, Mr. Chairman. The item in the supplementary estimates covers a period until late April by which time, as I said earlier, it is expected that the negotiations with the United Kingdom will have been completed for the purchase of 12,000 tons of uranium.

Mr. Peters: I know that the people connected with the Bicroft Uranium Mines Limited will be pleased to know there is a possibility that the United Kingdom contract will be completed in time to furnish a carry-on from the temporary arrangements that have been made. In my view the stockpiling arrangement made in this case was advantageous not only because it saved the government considerable expense but it provided a continuity.

Why is the agreement between Macassa and Eldorado rather than the principal mine, Bicroft. It is true that Macassa owns considerable shares and is a registered company in its own right. Why is the agreement with