

Mr. FLEMING (*Okanagan-Revelstoke*): The only reason I am asking this question is that I should not like there to be any misunderstanding on the need to be rigid. What we are concerned with is providing for the vast requirements of change. Mr. Anderson, I have assumed you would be most concerned that no one should suffer loss when it can be avoided by the co-ordination of all these programs.

Mr. WILLOUGHBY: Mr. Chairman, on a point of order in connection with the same question, I do not think that in what Mr. Fleming has outlined there has been a suggestion of taking over the west Kootenay power.

Mr. ANDERSON: I think this question was somewhat different from Mr. Herridge's question.

Mr. WILLOUGHBY: Mr. Herridge's question was misleading, in my opinion.

Mr. HERRIDGE: I quoted from Mr. Fulton's remarks mentioned in the press.

Mr. DEACHMAN: I have a series of questions to ask the witness dealing with the question of the impact of the Columbia project upon the Kootenay area and the economy of British Columbia. I think that with his intimate knowledge of one industry in that area he would be very capable indeed of shedding some light on this. Mr. Anderson, I would like to call your attention to a sentence which appears at the foot of page one of your submission which says:

The production of steel and rolling mill products is being actively studied.

What I would like you to tell us is what is the trend in your company towards the diversification of products and towards their expansion in the field of secondary industry?

Mr. ANDERSON: The company has for some years diversified. Originally we were entirely a metal producing company. We have diversified with the production of S.O.2 and the sulphur gases into sulphuric acid for the production of fertilizer. In concentration of the Sullivan ore at Kimberley there is iron concentrate which has been stored for many years. At the present time there are 15 million tons of recoverable iron in the iron concentrate dump. That was about two or three years ago. Now, the company embarked on a program to utilize this mine of iron, you might say, and there were certain difficulties involved because this iron concentrate is involved with other impurities such as remaining lead, zinc, tin and various elements, and considerable experimentation had to be carried out to see whether a commercial product of pig iron could be produced from this iron concentrate. It started off initially by the installation of a 100 ton per day plant of pig iron. That has been in production for two or three years. This year a further 200 tons per day plant is being added. The plans under study are to further increase the pig iron production and then proceed into steel products. This takes large amounts of money, very long studies and market considerations in connection with our geographical location in Kimberley, but that is the long term planning, and I am in no position to say just when that planning might result in further expansion of iron and steel. That is an entirely new development.

Mr. DEACHMAN: Can I inquire as to how much additional employment that particular development would bring in the area?

Mr. ANDERSON: I am afraid I have no answer to that. It depends a great deal on the daily tonnages involved.

Mr. DEACHMAN: What about the development of a secondary industry in the area? I am thinking here particularly of allied industries and industries of suppliers to Cominco, perhaps in terms of packaging, handling of mill equip-