

*Private Bills*

Cleveland. This is a United States corporation controlled in Cleveland, and it is under no obligation to develop this particular part of the country in the national interest.

Mr. Durrell is the vice president and general manager of the Iron Ore Company of Canada, and when he appeared before the committee I asked him whether I was right in suggesting that the company could just sit and hold this right to extend the line during the next 10 years and do nothing. The question and answer, to be found on page 17, were as follows:

Q. If you had an extension for 10 years, from 1957, not from 1956, really for 11 years, then you would not necessarily have to do anything whatever about seeing to that railway for 11 years; yet your right would exist. Isn't that correct?

A. That could be right if there was no traffic.

Mr. Carrick: Would the hon. member read the next question and answer in order to get a clear picture. On a point of order, my submission is that by reading only the part he has read the hon. member has not given a complete picture. Read the next question and answer.

Mr. Green: I am reading from this evidence the part which is pertinent to my argument. If hon. members wish to read other questions and answers they are at perfect liberty to do so. The point of order raised by the hon. member for Trinity is ridiculous. It is not a point of order at all.

Mr. Rowe: Just a point of opinion.

Mr. Green: The hon. member for Dufferin-Simcoe suggests it is just a point of opinion. The reason this matter is important is that there are great prospective developments in the area north of Schefferville. Mr. Durrell explained to the committee that there is an iron ore-bearing strip running in a north-westerly direction right up to Ungava bay, and to the east and running parallel to it is a base metal strip.

Other companies are now exploring in this district. A press despatch just four days ago reported that Lake Shore and associates were planning an exploration program in this portion of northern Quebec. When the bill was under discussion in the Senate, Hon. Mr. Power had this to say, and I quote from page 135 of the Senate *Hansard*:

Perhaps a line there would not be a very remunerative proposition at the present time, but things are moving so rapidly in that section of Canada that there is no reason why construction should not proceed rapidly.

The section north of Schefferville may very well become one of the most important mining areas in the country. If we are to have the position that this Iron Ore Company, controlled from Cleveland, Ohio, and having a right of way into its own iron ore deposits,

[Mr. Green.]

has the right at any time during the next 10 years to build further, then I suggest to the committee that there is a great danger that the Iron Ore Company may have a stranglehold upon any potential competitor in the area north of Schefferville.

I submit that it should not be given that right, certainly not for a period longer than five years. No one is objecting to them being given an extension for that length of time. I do not say they would stop other iron ore development to the north by other interests—they might be only too glad to have traffic for the railroad, and I hope that would be the case—but why should this parliament hand them a blank cheque for a period of ten years?

There is no rhyme or reason in granting an extension for that length of time. It was said in the committee that I was trying to compel them to start construction at once, but there was nothing of the sort. I am simply saying that if they are given an extension of five years it will mean that they will have had 15 years in which to build this line. If toward the end of that time they indicated that they were intending to go ahead and complete the extension of the line they would have no difficulty getting the right to do so from this parliament. In the meantime other people who were carrying on development work in that area would not be under the handicap of having to go hat in hand to the Iron Ore Company of Canada in order to be sure they would be able to get out their minerals.

I think we should keep in mind that this Iron Ore Company of Canada is not doing any processing of this ore. They are simply taking it out of the Canadian ground and shipping it away. I inquired about this of Mr. Durrell, and I should like to quote the questions and answers to be found on page 26, as follows:

Q. What is your total production for this year?

A. For 1956, 12 million tons. We hope to establish 12 million. But that is problematical. It depends upon too many other factors.

Q. Out of 12 million tons, between 8 million and 9 million will go to the United States?

A. Yes. We also import quite a bit of ore from the United States into Canada. At present the Steel Company of Canada has an interest in a mine in the United States and they get a lot from there.

Previously Mr. Durrell had said they would probably sell 2 million tons this year in Europe and 1 million or 2 million tons in Canada. I then asked:

Q. Is the ore which you sell smelted by your company in any way?

A. The ore we sell is just raw ore.

Q. You are merchants of raw iron ore?

A. That is right.