

Sheritt-Gordon mining interests. The re-establishment of the mining community at Lynn Lake will start a flow of ore concentrates to a refining plant in Alberta, eventually resulting in the production of 17 million pounds of refined nickel, 9 million pounds of copper, and a quarter of a million pounds of cobalt each year. The value of but one year's production of metals and by-products will nearly equal the total cost of constructing the railway.

Consideration is being given to the requirements of the newly-discovered copper deposits near the St. Lawrence village of Gaspé. Full exploitation will require an extension of the Canadian National line in this area. There is also reason to believe that the promising lead-zinc deposits of the Pine Point district, located on the south shore of Great Slave Lake will, when proved, necessitate improved means of transportation.

I would not like to give the impression that progress in our railway facilities is confined to the two major railway systems. On the contrary, some of the most impressive developments underway are the responsibility of interest not normally associated with this type of undertaking. As I stated previously, the economic value of the vast iron ore deposits of northern Quebec is entirely dependent on facilities to move the ore from its present remote location to the industrial centers of this continent. The mining interests concerned have undertaken the construction of a 358-mile railway from the north shore of Seven Islands to Knob Lake in the Ungava region as a major part of a \$200,000,000 investment. The railway should be completed in 1954. By the end of 1955 iron ore should be flowing southward at the rate of 10 million tons per year.

In this connection it is also worth noting that the ilmenite development at Allard Lake on the north shore near Havre St. Pierre is a miniature duplication of the iron ore development. Here a 25-mile railway was required to bring the ore to tidewater.

The other major railway undertaking I had in mind was the extension of the provincially-owned Pacific Great Eastern Railway of British Columbia northward some 82 miles from Quesnel to Prince George and southward about 42 miles from Squamish to Vancouver. The northward extension is well underway. When plans for the southern extension materialize direct rail movements from Vancouver through territory rich in forest and mineral resources to the thriving town of Prince George will be possible for the first time.

This necessarily brief summary of post-war developments clearly indicates that rail transport is proving capable of meeting its obligations respecting both the economic growth of this nation and the present international situation.

I turn now to some consideration of the ocean shipping industry during the past six years. In spite of the impressive maritime position assumed by this country during the last war and the fact that Canada's stature as a trading nation had become increasingly important, the shipping industry found difficulty in adapting itself to a peacetime economy. In large measure, the difficulty reflected severe competition of foreign carriers better able to adjust operating costs to a lower revenue level. The