

APPENDIX No. 5

An hon. MEMBER.—Does the New Caledonia ore carry as much iron as the other?

Mr. WILSON.—No, it has only the one element of economic value, that is nickel. But in Sudbury district you have the copper and iron and sulphur in addition to the nickel. The world's production of nickel is 36,000,000 pounds a year, of which probably two-thirds is used in nickel steel and one-third in white metal manufacture, nickel coinage, nickel plating and various other purposes. The two-thirds used for nickel steel is used principally for the manufacture of government material, namely, armour plates, turrets and heavy guns—that is, on account of the high price that nickel is maintained at in the market, it is only a government that can afford to pay for nickel steel. The International Nickel Company work in agreement with the French Nickel Company, who have the large mines in New Caledonia, and with Mond's at Sudbury. The maintenance of the high price absolutely forbids its being used for an infinite number of purposes for which it is essentially adapted.

An hon. MEMBER.—What about the prices?

Mr. WILSON.—Some years ago the large consumers in Europe began to grumble about the high price and combined for the purpose of securing a reduction. As soon as this came to the knowledge of the monopolists they came to terms and ever since then the large government material manufacturers of Europe have enjoyed special terms—they pay about twenty-five cents a pound, but in other steel trades they have to pay thirty-five cents and white metal manufacturers and platers pay from forty to seventy cents according to the quantities consumed. That precludes its use for many purposes. It might be used in many other trades, as for example the manufacture of locomotive parts, railway tires, ship plates, boiler plates—in fact you could not name the many needs for which people want it.

An hon. MEMBER.—What about railway iron?

Mr. WILSON.—As to steel rails it has been stated by one of the largest steel rail manufacturers in England that if they could secure nickel at such a price as would enable them to produce a steel rail at a cost not exceeding 50 per cent more than the cost of ordinary steel rail there would be an unlimited demand. Now, it is possible to do that, but the prices are maintained so high that it cannot be done at present prices. The prices at which it is sold now are out of all proportion to the cost of manufacture, which certainly does not exceed 15 cents a pound. The average price at which it is sold is 33 cents a pound, so that they make 18 cents a pound.

An hon. MEMBER.—Who controls our Canadian production?

Mr. WILSON.—The Canadian Copper Company which is really the International Nickel Company.

An hon. MEMBER.—Is that an English or American concern?

Mr. WILSON.—An American concern with approximately \$30,000,000 capital—a very powerful concern, so powerful that it is impossible to get any one to go against them. It is principally a United States corporation.

An hon. MEMBER.—Do they control all the available deposits in the north?

Mr. WILSON.—No. That is just one of the peculiar features of the industry—it is unique in mining experience. There are tens of millions of tons of valuable and proved ores lying idle, not because it is inaccessible, or because of the want of a market or the lack of any process of treating it, but simply that it is impossible to induce capital to embark in the enterprise against such a powerful combination.

An hon. MEMBER.—These deposits are in Ontario?

Mr. WILSON.—Yes.

An hon. MEMBER.—And the provincial government has disposed of all the mines?

Mr. WILSON.—I suppose so.

The CHAIRMAN.—There are thousands of mining locations in which the owners hold titles in fee simple without any restriction whatever.

An hon. MEMBER.—As minerals they went with the land?

The CHAIRMAN.—Yes.

An hon. MEMBER.—What would you suggest, Mr. Wilson, in the way of a remedy?