

*Private Bills*

maintain and operate aircraft and other aerial equipment. The section of that original act which is pertinent to the discussion today is section 19, which reads as follows:

The company may, within five years after the passing of this act—

The act was assented to on May 14, 1947. —commence to construct the line of railway, and may within 10 years after the passing of this act—

That would be at any time up to May 14, 1957.

—complete the said line of railway, and if within the said periods respectively the said line of railway is not commenced or is not completed and put in operation, the power of construction conferred upon the company by the parliament of Canada shall cease and be null and void as respects so much of the said line of railway as then remains uncompleted.

I might point out that the shareholders of this railway company consist of certain individuals most of whom are Canadians. Among them they hold 140 shares. The balance of the issued shares, numbering 19,860, are held by the Iron Ore Company of Canada Limited, so that in effect this railway company is owned exclusively, with the exception of a certain number of qualifying shares, by the Iron Ore Company of Canada Limited. That company is owned by various groups amongst which, I believe, there are three Canadian companies: the Hollinger North Shore Exploration Company, the Labrador Mining and Exploration Company and the Hollinger Consolidated Gold Mines. Between them these companies hold 25 per cent of the issued shares of Iron Ore Company of Canada Limited.

**Mr. Marler:** Are we talking about the Iron Ore Company?

**Mr. Green:** Yes. This company is the owner of the railway company. The remaining 75 per cent of the shares of the Iron Ore Company of Canada Limited are owned by M. A. Hanna Company, Hanna Coal and Ore Company, National Steel Corporation, Republic Steel Corporation, Armco Steel Corporation, Wheeling Steel Corporation and Youngstown Sheet and Tube Company, all of which are United States companies and are, I believe, centred in the city of Cleveland. In any event the control is centred there.

The bill which comes before the house today seeks to extend the time within which the company can build to Ungava bay for a further period of ten years. If the bill becomes law this railway company will in effect have been given the franchise for 20 years to build this line from Seven Islands to Ungava bay. They have already completed the line into Schefferville which is, I believe about 375 miles. That is where their huge

iron ore deposits are located, and of course it was for the purpose of getting at these iron ore deposits that the railway was built. They are now asking for an extension for a further period of ten years during which time they can complete the line from Schefferville up north of Ungava bay.

The questions which came up in the standing committee on railways, canals and telegraph lines had to do with the wisdom of granting an extension for that length of time. I do not think there was anyone on the committee who felt it would be unreasonable to give this company some extension, but some of us believe that it should not be given an extension, of 10 years at this time. We suggested that it be given an extension of five years. Mind you, that would commence from the year 1957 so that in effect the result would amount to an extension of six years from the present time. But if the company is given a 10-year period it would mean that for 10 years they could, if they saw fit, simply hold this power and yet not take any steps to extend the railway to Ungava bay.

Actually their main objective was to get at the iron ore deposits at Schefferville. I would doubt that their main object was to extend the line to Ungava bay. Extending the line to Ungava bay is not the main business of this company at all. It is simply an additional prospect of business.

Those of us who questioned this long extension felt that it was unwise under the circumstances to give this company what might amount to a stranglehold over the country north of Schefferville for a period of ten years. Why should the company not be content with an extension of five years, and then if they had any idea of extending the line, let them come back to parliament? Parliament would at least have the right to review the situation.

This is not like a Canadian National Railways extension. There have been different bills put through in recent years permitting the Canadian National Railways to construct branch lines. In each case this has been done in the national interest. Take for example the extension from Sherridon to Lynn Lake in northern Manitoba, the extension from Terrace to Kitimat in British Columbia, and the extension which is now being built into the Chibougamau country in Quebec.

These extensions were all made in the national interest, but in the case of the Quebec North Shore and Labrador Railway Company you have a corporation whose main interest is to get at its own iron ore deposits. The company is not motivated by the national interest at all; in fact it is controlled in