

pile them up like tailings at a mine; you must get some process, some way of disposing of them, of getting them out of your way. I would point out that all these items are factors in the costs in the final determination of whether the project can be successfully developed or not.

Mr. JOHNSTON (Bow River): What is the total expenditure by the government up to date?

Mr. CRERAR: I am advised that up to the present time we have advanced about \$800,000. In addition there is what is estimated in this vote.

Mr. JOHNSTON (Bow River): Has all the \$800,000 been spent?

Mr. CRERAR: No, about \$766,000 has been spent to March 31 last. I have no hesitation in asking the committee to support this vote. There may be differences of opinion among hon. members whether we have dealt wisely with the project up to the present time. I have endeavoured to inform the committee of some of the difficulties we encountered. I feel assured that this asset is worth a fair test to determine its commercial possibilities. I repeat that the plant on which we are expending this money and the work which is being done at the present time should be looked upon as experimental. It is test work at a pilot plant. Doubtless when you start operating a plant through which several hundred tons will go every day, changes and improvements will be made. But the end to which we are working is the most complete and economical test which can be made, having in mind the possibility of the development of this area.

Mr. JOHNSTON (Bow River): What check has the minister or his department to ensure that there is no wastage of money at the plant?

Mr. CRERAR: All expenditures must be approved by the director of the mines and geology branch, and he has his technical advisers in the department. Also there is a treasury officer who sees to it that the money is spent in accordance with the purposes for which it is allocated. I think there is a very complete check.

Mr. JOHNSTON (Bow River): What check is there down at the plant?

Mr. CRERAR: The accounts of the plant comprising the operations of the superintendent are audited regularly, and can be checked against the allocations of money.

Mr. JOHNSTON (Bow River): But the government has no superintendent right there to see that moneys are properly spent and the

[Mr. Crerar.]

work is properly performed. They just take the estimates sent in by the officials, and they are checked here by the minister's department.

Mr. CRERAR: I omitted to say that when it was decided practically to reconstruct the plant, that job was entrusted to the General Engineering Company of Canada. That company has a long and honourable record and a very wide experience. I believe it is associated with companies of a similar kind in Great Britain. They have built and installed the equipment of many of our successful mines.

Mr. JOHNSTON (Bow River): Are they still in operation there?

Mr. CRERAR: They are supervising the construction. Once the construction is completed their task is finished. We engaged them because of their experience; we believed they would build this plant in accordance with the best principles of successful operations, and do it more economically than anyone else could do.

Mr. JOHNSTON (Bow River): Are they on a contract basis, on a day basis, or on salary?

Mr. CRERAR: I am advised that they are on a contract basis.

Mr. JOHNSTON (Bow River): Every building which they put up is on a contract basis?

Mr. CRERAR: They do it on a management fee basis. We check the costs and pay them a certain management fee. That is the basis on which a great deal of construction work done by the Department of Munitions and Supply for war purposes has been carried on.

Mr. McDONALD (Pontiac): What is the daily capacity of this experimental plant which it is intended to build?

Mr. CRERAR: About 600 tons a day of twenty-four hours' continuous operation.

Mr. MacNICOL: I want to thank the minister for his courtesy to me on Monday evening last when I had to leave the city to give an address on the following day in connection with western matters. It was kind of him, because I did want to have something to say about this vote. I am going to support the vote, not oppose it. Apart from the hon. member for Athabaska (Mr. Dechene), who I am glad to see in his place, I do not know of anyone in this house who has been to Fort McMurray. There may be others but I do not know of them. I have been there on several occasions.

An hon. MEMBER: You are forgetting the member for Bow River (Mr. Johnston).