

Mr. O'KEEFE: And what were the conclusions?

Mr. CONVEY: The conclusions were that, unfortunately, competition by better grade ores has taken the market away from them, and the cost of bringing the Wabana ore into a category which could compete would be too uneconomical at the present time. There is a possibility that in the future, when the steel industry has to go to leaner and leaner ore, that the Belle Island mine would be opened again. It is a good resource.

Mr. O'KEEFE: Thank you very much.

Mr. SALTSMAN: Mr. Chairman, I wonder if I might ask Dr Convey why there has been a reduction of \$200,000 on net salaries and wages? Are you having trouble in getting properly qualified people in your department? Are you losing them because you are not matching the wage scales of universities and private industry?

Mr. CONVEY: I think one of the main reasons for that reduction is that part of the staff of the mines branch went over into the water resources group. However, I could enlarge on your question, and that is that the mines branch staff today, as compared to 1959, shows a net increase of one. We were hurt by the freeze which came about a few years ago, and we have never managed to recoup the losses which we had at that time.

On the other hand, with regard to the hiring of staff we are in quite a competitive field at the present time with industry and universities. There is an attempt on the part of the Civil Service Commission to upgrade the salaries, and so on. But although we can compete at the lower echelons, we are losing staff in the higher echelons every year.

Mr. REID: Do you take graduate students in for summer training?

Mr. CONVEY: Yes, we take in a total of 39 students, of which about 8 are post-graduates, and we have tried to increase that number without success. We just have not been able to obtain the positions.

Mr. REID: There is a general shortage of mining engineers and technical people going into this mining industry?

Mr. CONVEY: Yes, and in order to encourage students to go into mining engineering, so that the mining profession will give a better image to students who are going into university, we have initiated a grant of \$100,000 to universities in the fields of mining and mineral processing.

Mr. REID: Where is this money going; what universities are getting it?

Mr. CONVEY: There is a total of about 10 universities sharing in it.

Mr. REID: This has been doubled from \$50,000 last year. That is not very much, really, if you break it down on a pro rata basis; that is \$10,000 per university.

Mr. CONVEY: The answer to that is that we had requests for just under \$400,000 worth of grants, and we only had \$100,000 to give away.

Mr. REID: Do you anticipate increasing this amount next year?