

there is nothing up there to encourage investment in this type of thing because we do not have anything of a long term nature with which to encourage growth industries that would get away from the problem of Elliott Lake which you mentioned. This is what we must do in some way.

I do not care whether you call it designation or what you call it, but we have to end up with something that will look at what will happen—you may suggest the planning board—twenty years from now in a town that starts up as Elliott Lake die. Kirkland Lake are now faced with it, Timmins nearly was, Larder Lake is and Cobalt is in the middle of it. The housing people wanted to bring them in there to look at some small housing developments and both the federal and provincial governments sent people in and they said, "Well, how are people going to pay for these houses? There is no hope here." Mind you, in 1903 and 1905 they did not think about it that way, but this is what happens. If Texas Gulf had not been beside Timmins it probably would have happened there as well. They were lucky because they found it on the doorstep of a mine that was already closing down, so they had the people and the facilities. If not, Mr. DelVillano's councilmen up there would have been saddled with this problem. That is why they were designated. Then Texas Gulf came out of the blue and took them off the hook, but we are not going to have them all off the hook unless we plan for the future.

The CHAIRMAN: Are you finished, Mr. Legault?

Mr. LEGAULT: A further study, Mr. Cram, refers also to the statement made by Mr. Kilgour, which I believe was quite appropriate, about subsidizing the south. In order to justify this exploitation, do you think that something could be done about the price of our resources so that they would perhaps be more in line?

Mr. CRAM: I do not quite know what you mean.

Mr. LEGAULT: Well, could I just mention this one. We talked about transportation and we always refer back to this. I am referring to the lumber industry. I believe you can go down to Toronto and buy lumber just as cheaply as you can buy it right where it is cut.

Mr. CRAM: Of course, this comes into quantity buying, yes. It is cheaper in certain places than if you go next door and buy in the mill, but this is because of large contract buying, and it costs a particular big operator a lot less to sell it to a man down here than it does to bother selling a few sticks up north, which he has to put through the same amount of administration. I do not know how you can legislate that any more than you can legislate that people move up there.

Mr. MARTIN (*Timmins*): You can go to Toronto and buy your lumber and hire Star Transfer—who have already hauled it from the mill in Timmins down to Toronto—to haul it back to Timmins and save \$8 a thousand over buying it at the mill in Timmins.

Mr. CRAM: This is ridiculous. I thought you meant products such as pellets. We cannot change the price, even though Arnold and Murdo in their election campaign intimated they could. This is a captive organization. You cannot change the price of pellets because it is the owner that is mining them. They had a feasibility study and they went to the railway and said, "Now, we can do such and such with this ore. It is going to cost us so much at the end to put it through our smelters to make steel. It is going to cost us so much to mine it, to mill it, and so on. We have a 25 or 30 year