I have been satisfied accordingly that this proposal, so protected, should improve the net operating position of the Canadian National. It would obviously also make a significant contribution to the productive capacity and the economy of northwestern Ontario and to Canada generally, and would provide regular productive work to about 500 men in this vital industry. I know it is quite wrong to refer to a previous debate, but in this area, where there is a considerable Indian population, I would hope that it could provide some employment for Indians.

Mr. Churchill: May I ask the minister a question at this point?

Mr. Pickersgill: Yes.

Mr. Churchill: Does the minister have the support of the hon. member for Vancouver Quadra (Mr. Deachman), who has just opposed a bill which would provide assistance to the Indians?

Mr. Pickersgill: It is usual to make proposals to the house and then allow the house to decide, after hearing the proposal, whether it intends to support it or not. I must confess I have not asked the hon. member for Vancouver Quadra whether he will support this proposal, but knowing how progressive he is, I feel sure he will give it ardent support.

Mr. Starr: Can the minister tell the house who the developers of this mining property are and whether they are Canadians or of some other nationality?

Mr. Pickersgill: The mine is owned by the Steel Company of Canada and it is to be managed for them by the people who manage the Wabush mine in Labrador, Pickands Mather. It is expected that most of the output of this mine will go to the Steel Company, though naturally it would expect to make the best possible use of the ore and the pellets.

Mr. Starr: Will these pellets be shipped out of the country or processed here in Canada?

Mr. Pickersgill: They will be processed right at the mine, and that is one of the great advantages of this particular project. An open pit mining project would not employ anything like that number of men.

Mr. Starr: What will happen to the pellets; are they to be shipped out of the country for processing?

• (7:30 p.m.)

Mr. Pickersgill: I expect that most of them will go to the Steel Company of Canada's plant at Hamilton. Of course, that company is not going to restrict itself as to where it will sell them. As all hon. members know, over the years the Steel Company has bought a great deal of ore from the Mesabi range in Minnesota. We are now producing more and more of the ore for our steel mills here in Canada, and the provision of this line will provide much more of the same. If there is a surplus for export, I presume it will be exported to the advantage of our balance of payments.

The operator plans to put the mine into operation about the end of next year and desires rail service for that time. If this deadline is to be met, a very early start on the construction of the railway line would be essential, and the management of Canadian National have made representations to me repeatedly, and as recently as this morning, in this regard. I may say that representations were also made to me a day or two ago by the chairman of the board of the Steel Company pointing out that the season is now pretty well advanced, even in northwestern Ontario, and the sooner the contracts can be called for beginning the construction of the line, the sooner it will be possible, of course, to go on with the other capital expenditures.

Mr. Starr: What is the time estimated for the complete construction of the line?

Mr. Pickersgill: If they can make a good start in 1966, they hope to have it completed in the autumn of 1967 so it will be available for use by that time. It is possible that the actual ouput of the mine will not begin to be available for shipment until 1968, but there would be some ingoing traffic—not to the same extent, of course—in order to set up the operation.

I unreservedly commend the bill to the house as being one beneficial to all interests concerned, including the national interest, and deserving of encouragement and support. As long as we assume that the Steel Company is likely to be—and I think most of us feel it is pretty likely to be—a viable and profitable industry, there is absolutely no prospect of any loss by Canadian National, but instead a substantial net addition to its profit position. That will be very welcome indeed, I am sure, not only to the management of Canadian National but to everyone in this house which has to provide for the