

I come back now to where I left off. In the Atikokan area there is what is known as Steep Rock lake. This lake consists of three parallel arms. If I hold up my first three fingers, finger No. 1 would represent the east arm; the middle finger would represent the centre arm and the third finger would represent the west arm. This lake is connected to a river which flows into and out of a lake lying immediately north of the east arm called Marmion lake. This latter lake is two miles north.

Steep Rock lake is 1,262 feet above sea level, while Marmion lake is 1,363 feet above sea level, or 101 feet higher. There was a power plant situated on the river between the two lakes, but the hydro had to wipe that out in order to prevent the water from flowing into Steep Rock lake. They dammed off the lower end of Marmion lake, and they cut a canal west from Marmion lake to a small lake called Raft lake and then into Finlayson lake, which is directly north of the west arm of Steep Rock lake. Then, by a brilliant piece of engineering they lowered the level of Finlayson lake from 1,398 feet to less than 1,363 feet, so that the water would flow out of Marmion lake through Raft lake into Finlayson lake. Then they cut a canal from Finlayson lake into the west arm of Steep Rock lake. Then they dammed off the centre arm of Steep Rock lake, from the east and west arms.

It is in the centre arm of the lake that two ore beds are found. As I say, they dammed off this arm and pumped it dry. It would be worth any hon. member's time to read of the engineering problems that our Canadian engineers overcame in draining out a lake that had a river flowing into it at the average rate of over 1,000 cubic feet per second. I take my hat off to the Canadian engineers who did that. They dried out the bottom of the centre lake.

In the centre arm of Steep Rock lake are two fine beds of iron ore. The one at the south end, which is within three miles of Atikokan station on one of our great main lines of railway, is called B ore bed. I have here a piece of ore from B ore bed, at the north end of what is called A ore bed. When the overburden is taken off over both these ore beds the ore can be taken out by steam shovel. The week I was there they were taking out ore from B ore bed by steam shovel at the rate of five to six thousand tons a day and taking it out to Atikokan by rail from where it was shipped to the United States.

This is fine business. There were a lot of men working there, and anything we can do to increase the amount of tonnage to be taken out of that lake is all to the good for Canada. When I was there the engineers told me that they can take by steam shovel, open pit

[Mr. MacNicol.]

method 15,000,000 tons or more of ore out of B ore bed at the south end of the centre arm by steam shovel, and another 15,000,000 or more tons from A ore bed at the north end of the centre arm. Better still, they tell me that as far as the drills went they found the same grade of ore which can be taken out later by regular mining methods.

I believe that Canada has something wonderful in that high-grade Steep Rock ore. Canada has something that will help to push this country along. One pound of gold at the rate of about \$35 an ounce is worth about \$560, but a pound of steel watchsprings is worth \$1,600. In other words, a pound of steel made into watchsprings is worth more than three times as much as a pound of gold. In this ore this country has a treasury that will permit us to advance to heights never dreamed of before.

We have in this country many iron and steel mills. I see my good friend, the hon. member for Hamilton East (Mr. Ross), looking at me. He has two great steel mills in his riding, Dominion Foundries and Steel, and Steel Company of Canada. I shall speak of that a little later, of the expansion that is possible there. We have in Algoma a vast quantity of low-grade iron ore. We have, I am told, upwards of a billion tons high grade iron ore in the three ore bodies, A, B and C, at Atikokan. I suggest that we make every effort to develop these iron ore bodies. We should have steel plants in Winnipeg and in Vancouver. We have them in Hamilton. We should have them in Ojibway, where two or three unused blast furnaces have stood for I do not know how many years, but ever since my hon. friend (Mr. Croll) was mayor of that city. I want to see those blast furnaces put to work. We should have a blast furnace in Toronto. I do not see why we should not have these developments because this iron ore body lies along the great railway highway, the Canadian National Railways, and it is only 140 miles from the St. Lawrence waterway at Port Arthur. There is no reason why, if we developed these mines to the extent they should be developed, we should not be shipping high-grade ore both east and west, from Fort William and Port Arthur. I am sure the hon. member for that district would like to see a mill there, and that will come some day. Some day you will have a big smelting plant in Port Arthur and Fort William and you will be shipping your product east.

Mr. REID: Is it haematite ore?

Mr. MacNICOL: This is haematite. The red proves that, to start with. I said at the beginning, red iron ore. Magnetite is not red