

finished, but our mining force amounts to 1,400 men. These are permanent, steady workers. That will explain the fluctuation. These are seasonal workers, who only take the ore from the stock-piles and ship it.

**Mr. Smallwood** Thanks very much. I am not sure that I still understand it. On page 8, staff and mining employees for 1945, total 1,427; and for the years 1934 to 1945 the peak totals for the years were given, which averages 1,575 men. That's peak for the year, but in 1946 it is 2,800 men. You see?

**Mr. Higgins** Obviously that's the peak permanently employed on page 8. Yes, that's peak permanent.

**Mr. Smallwood** Was there any hour in 1946 when the company at Bell Island was employing 2,800 men?

**Mr. Higgins** I don't think so.

**Mr. Jackman** That's an error.

**Mr. Smallwood** One final point, and it is this, on page 12: "The Gander area was leased to the Nova Scotia Steel and Coal Company ... 50 years." Does that mean Crown land on which they were given outright grants for 50 years?

**Mr. Higgins** Yes.

**Mr. Smallwood** Do they pay anything for that?

**Mr. Higgins** They have to pay rental.

**Mr. Cashin** \$2 a year.

**Mr. Higgins** As you know they are not operating that themselves at all. They are getting their timber entirely apart from these leased areas and we...

**Mr. Smallwood** Should that be allowed?

**Mr. Higgins** Why not? It gives more employment.

**Mr. Smallwood** What about the way in which the country's timber is being denuded?

**Mr. Higgins** One part is leased, and is not being used by them at all.

**Mr. Smallwood** The country has reached the point where the timber should be conserved.

**Mr. Fogwill** In looking over the next section of the report I notice the committee...

**Mr. Chairman** Mr. Fogwill, will you please let us finish this question?

**Mr. Fogwill** Well it is relevant to this question. There is a difference of 3.45 cents....

**Mr. Cashin** I think I might be able to clear that. The Labrador ore is a higher grade, about 60 - 65%, while that of Bell Island is about 50 - 52%.

The price of ore is based on 50% iron, and for any units over 50% iron they get 10 cents a unit. If the ore averages 50% iron for \$5 a ton, another 20 units would make it \$6.50. I take it that that Labrador ore is based on that. The value of the ore on Labrador would be \$6 a ton because it is a higher grade ore. The ore on Bell Island is not more than 52%.

**Mr. Higgins** The cost of smelting is very much cheaper.

**Mr. Fogwill** Would that make a difference of \$3.50 per ton?

**Mr. Higgins** The figures may not be accurate, but the reason for the present deal with the government was on that basis.

**Mr. Vardy** Without holding up the motion at all it has been stated that on the basis of the production of one million tons, which was last year's figure, we could not seem to reconcile the fact that the company would be paying out this year \$4 million in wages, when it was stated that the export value of the ore was \$2.55. The facts are that they contemplated exporting to Sydney 750,000 tons and to the United Kingdom from 750,000 to 1 million tons. That is anywhere from 1.5 million tons up. If you take it and multiply it by \$2.55 you will get \$3.8 million, they will be in the position to be able to pay out \$4 million to the workers. I would remind the chairman of our last interview with Mr. Anson, there was some mention made of the fact that they would be losing a considerable amount owing to adverse conditions of the exchange on ore going to the United Kingdom. I think Mr. Anson covered that ground in our last interview....

**Mr. Hollett** I thought that was fairly well cleared up until we get specific information on it. I was on Bell Island for five years. They don't take out the ore and weigh it on scales; they take it out and put it in the ship until she has enough. It is never weighed. When the government got after the company to find out the export value, they agreed on a set export value to be placed on the ore so that they would come pretty near the export value of the ore. That is the explanation I am sure, but we could see if that's right or not for Monday. As to whether we can get the actual money credited to the company for the ore exported, that remains in the hands of the company on Bell Island. We cannot force them to give it to us, but we will try to get it.