

Feb. 13th.

Says Ottawa Failed.

Mr. Ferguson observed that there was \$750,000,000 worth of metal products produced in Canada in a year, and that Ontario produces 70 per cent. of this. And yet, he declared, not a pound of iron ore is mined here to enter into competition with that from the United States. "This Government," he continued, "is endeavoring to meet the situation by making it possible that Ontario ore be used." He referred at length to the Iron Ore Committee. There was, he noted, considerable discussion as to how far a Government should go in assisting industry. Ottawa, he said, had a part to play and had failed to play it. "But this matter is too important to Ontario to allow it to lie dormant any longer," he declared.

Within 25 years, he stated, the users of steel would have to look elsewhere than the present supply. And so with this in view the Government proposed to give such aid to the industry as would put it on an equal basis with manufacturing.

More Prospecting.

He predicted that with this bonus-ing of the industry higher grade ore bodies would be found in Ontario. Now, he said, prospectors are not interested in spending money on prospecting

to find iron, because it doesn't pay. But if the ore was a paying proposition there would be an inducement for search parties.

Again emphasizing how the Government had gone into the situation, he stated that three experts were coming here in the near future to discuss the matter with the Government still further.

He referred to the Algoma Steel Corporation, Limited, at Sault Ste. Marie, and spoke of this organization as having one of the best and most strategic industrial sites in Canada, and it would be made all the more important with the aiding of the industry.

Manufacture in Ontario.

The Premier drew rounds of applause from his followers when he reiterated the statement he has made so often in the House, that "this Government is endeavoring as far as possible to complete the manufacture of resources of the Province within the Province." He referred to this policy in its relationship to the pulp and paper industry, a business that has upward of \$300,000,000 invested in Ontario.

He referred at length to the work of the Research Institute. Then he observed that if all the iron ore now used in Ontario were native ore the bounty involved would be \$700,000.

In conclusion, he pictured a linking up in Ontario of its coal and iron and cheap electric power, and hoped that in this union and as a result of the iron ore bill there would be created a new era of prosperity, in New Ontario especially, and in Ontario generally.

Might Halt Export.

It behooved the Government to look ahead, as it was doing, said Mr. Robb, for the time might easily arrive in the United States when the big steel industries there might say: "No more of our ore goes to Canada."

While it might take anywhere up to ten years to put the industry on some kind of a basis in this Province, the Government was wise, he felt, in increasing the bounty as it proposed to do. In fact, he just "had" to congratulate the Prime Minister on his boldness in proposing to take moneys out of the public treasury to make the bounty payments possible.

Mr. Waters was prone to pay particular tribute to the Ferguson Government for bringing in the measure. He spoke of it as "one of the boldest and most courageous efforts" ever made to benefit Ontario and Canada as a whole.

Hon. Mr. Lyons declared that the way to develop Ontario was to develop industry and produce new wealth to sustain the markets for the agriculturists. And so, he explained, the aiding of the iron ore industry would benefit all classes in the Province.

Millions of Tons.

Mr. Hutchinson had suggested that the Government give aid by having diamond-drilling done to determine the ore bodies. Mr. Lyons declared that this was not necessary, that private interests had already established that there were countless millions of tons of ore. He had just received a letter from the President of the Algoma Steel Company telling of drilling into an ore body that would last for 140 years, as used at the present time.

If the encouragement to the industry, as provided in the bill, was given, said Mr. Lyons, within five years the Algoma company would increase its use of low-grade ore by 1,500,000 tons. He told of an old iron mine, near the Sault, that had been in operation until the Dominion Government cut off its bonus.

The Opposition had suggested that there would not be much use in carrying this bill if it suffered the fate of the Iron Ore Bounty Act of 1924 and was not proclaimed. Well, said Mr. Lyons, he could tell the Liberals that the 1924 measure had not been proclaimed because the Dominion Government did not do its share and also give assistance.

"Just an Election."

Mr. Lyons referred to the political campaign in the Sault, which he termed "not a fight, just an election." His opponent, E. L. DeCourcy, Mr. Lyons continued, a combination Labor-Liberal, had declared that a cent a unit bounty was no use and had urged a two-cent bonus, and had also promised to get Ottawa to put up a tariff wall to protect the iron industry. Yet, said Mr. Lyons, there had been a statement from Hon. Duncan Marshall, Liberal stalwart, that the Ferguson bonus proposal was an attempt to rob the people of \$500,000. And further, he added, a wire from Mr. Sinclair had termed the Ferguson bounty offer "a silly gesture."

"Well," said Mr. Lyons, "if the one-cent bounty was a silly gesture, Mr. DeCourcy's proposal of a two-cent

bounty must have been two silly gestures."

In the opinion of Mr. Lyons, there was no more loyal, contented and cooperative a lot of people than found in the employ of the Algoma Steel Company. It was true, he said, that men may work twelve, thirteen and fourteen hours, but when they toiled those hours they were paid by the ton and not by the day or hour. He said that some suggestion of an 8-hour day at the company's plant had been proposed, but he doubted very much if the workmen themselves would accept it.

Mr. Lyons noted with pleasure that the bill before the House provided for payment of bounty on ore used in the production of "sponge iron." In this connection, he intimated, early operation of an entirely new process that would be of great value, he felt, in the utilization of low-grade ores.

The former Minister of Lands and Forests also threw out the suggestion to the Government that it might go a step farther with its law, and pay the bonus on ore produced and beneficiated in Ontario, although not actually smelted here. Such action would, he felt, lend impetus to the industry until such time as its old contracts had expired and it was able to proceed with complete mining.

Hon. Harry C. Nixon, Progressive Leader, told the House that his party was prepared to assist the Government in its effort to establish an iron ore industry, and that it would support the measure. Mr. Nixon took pains to point out that the first step in the movement was initiated as far back as 1922 by Hon. Harry Mills, the then Minister of Mines in the Drury Administration.