

April 6

## \$60,000 MORE ASKED FOR THOROUGH TESTS OF ONTARIO LIGNITE

Report From Research  
Foundation Covers  
Three Years

### FINAL CONCLUSION SOON

While the Ontario Research Foundation cannot recommend any immediate commercial development of Northern Ontario lignite deposits, it feels justified in recommending a further expenditure of \$60,000 to mine and process sufficient lignite to test adequately the burning of lignite products in locomotives, and in industrial and domestic furnaces.

This recommendation is based on the results of an investigation made by the Ontario Research Foundation. The report covering the investigation which was requested by Hon. Charles McCrea, Minister of Mines, three years ago, was tabled in the Ontario Legislature yesterday.

#### Value for Emergency.

Containing, among other things, exhaustive information concerning processing, utilization and mining of the lignite, the report states that the results from tests in conjunction with the material embodied in the report would permit a final conclusion as to the possibilities or not of commercial development in the near future, and "will, in any case, establish the value of this deposit to the Province of Ontario as a contingency fuel reserve."

Technical and economic factors which have a direct bearing on any immediate commercial development are set forth, while it is pointed out that at the present time Northern Ontario is supplied with coal from points outside the Province. "Fuel famines have occurred in the past," it is stated, "and a situation might develop again in which the Onakawana deposit would be an extremely valuable economic asset. Its value as a contingency reserve will be increased if the commercial tests recommended in this report are successfully carried out."

#### Small Ceramic Industry.

"A moderate commercial development of the deposit would bring additional freight to the T. & N.O. Railway, and, provided certain technical difficulties are overcome, the railway would secure cheaper fuel. A small ceramic industry could be developed at the deposit using clays in the overburden and lignite products. The plant could produce and supply to the North country structural clay products, especially the drain tile, which is badly needed at reasonable prices by the farming community."

The report further points out that in the attempt to estimate the immediate commercial possibilities of the Onakawana lignite deposit, the Research Foundation has been compelled to restrict its attention to present economic conditions. Certain changes may take place in the future, it is stated, but in some cases, at least, those are dependent on political consideration, e.g., the Federal subsidy on Nova Scotia coal used industrially in Ontario may, in the near future, be discontinued.

#### Possible Exchange Effect.

"The exchange payable on imports of American coal may increase in the next few months and produce a price condition more favorable to lignite products," proceeds the report. "These possibilities lie outside the sphere of our inquiry."

"Near Blacksmith Rapids on the River Abitibi, sixty miles south of Moosonee, a large body of lignite exists. It lies at an average depth of sixty-five feet below the surface, and is covered with boulder clay and sand. The deposit occurs in two seams, and covers an area of approximately six square miles. The lignite in its raw state contains 50 per cent. of water, and in this condition is of no economic importance at the present time."

#### 300,000 Tons at 88 Cents.

Further findings of the foundation are that good second-hand equipment can be purchased in Canada at the present time for strip-mining operations at the deposit, and no unusual mining problems of a technical character can be foreseen. Three independent authorities, it is pointed out, have agreed in substance as to the methods and costs of mining raw lignite. "The mining costs contained in this report are on the recommendations of Dr. T. H. Hogg, and he estimates the cost of raw lignite to be

88 cents a ton on the basis of mining 300,000 tons a year," it is stated.

Several processes have been tested on a plant scale with a view to obtaining lignite products which could be transported and used by railways, industrial consumers and householders.

Two of these processes, the Fleissner process and the flue-gas drying, have been investigated to the point of estimating the cost of the products to consumers in various centres of Northern Ontario. Fleissner lignite, it is claimed, can be delivered to the T. & N.O. Railway at Onakawana for \$3.30 a ton, and at this price could compete with imported American coal. Certain technical uncertainties exist, however, with respect to its use in locomotives.

Attention is drawn to the fact that, "there are serious technical problems associated with the use of Fleissner lignite in industry, but unless the price to the consumer can be reduced by (a) an increase in total production, (b) lower freight rates or (c) economies in production costs, Fleissner lignite cannot compete in the industrial market. Greater success can be expected in the domestic field if successful trials in standard equipment are conducted."

It is emphasized that flue-gas dried lignite cannot be used as a locomotive fuel or in domestic furnaces. In furnaces burning pulverized fuel, this material might be burned with no loss in efficiency and at a considerable saving in cost to the consumer. The paper mills and the smelter operated by the Noranda Mines offer a potential market, it is claimed.

An inquiry with respect to lignite was made by D. M. Ross (Progressive, North Oxford), and Hon. Charles McCrea, in replying, referred to the report he had received. It would cost \$1,000,000 to \$1,500,000 to establish a plant to mine it, but a pilot plant might be set up for experimentation at a cost of \$60,000.

## NIXON BILL KILLED BY 62-TO-21 VOTE IN ONTARIO HOUSE

Sought to Repeal Clauses  
He Claims Were Slipped  
Through

### PRICE MAKES DEFENSE

Progressive Leader Nixon's bill, aimed, he said, "to halt the raiding of funds for injured workmen, under the Workmen's Compensation Act," went down to defeat on a straight party vote of 62 to 21 in the Ontario Legislature yesterday.

The purpose of the defeated bill was to repeal those clauses in the act which, Mr. Nixon claimed, had been slipped through the House in the dying hours of the 1932 session to enable the Workmen's Compensation Board to set up an Employees' Superannuation Fund out of moneys accumulated through assessment of firms and their employees for claims of injured workmen, or the families whom they left behind after death.

#### Says Practice Not Uncommon.

Attorney-General Price defended the clauses, which became part of the act last year, on the ground that employees of the board had a perfect right to a superannuation fund, but made no attempt to defend the policy of taking accident-fund money to build up the superannuation plan. He warmly replied to Mr. Nixon's charge that the amendments were slipped through in a rush last year, declaring that the practice was not uncommon. "I am prepared to stand by anything I put through this House," he observed, with emphasis.

After making his charges that the legislation of last year had been slipped through in a "sloppy way," Mr. Nixon said: "I state that it is my opinion that the Workmen's Compensation Board deliberately intended to slip this objectionable clause through the House, without knowledge of the members."

He continued:

"This law, which is now on the Statute Books, would take money from the Accident Fund to set up superannuation provision for overpaid members of the board, and their officials. If there is any one in this Province today who is in a preferred position, it most certainly is such as have these positions in the public service. And when industry is in the most difficult straits it has ever experienced in Canada, to suggest that assessment should be made against them to provide money for such a purpose, at this time, is almost beyond belief."

#### Fund "Almost Sacred."

"This Accident Fund is one you might almost term sacred. It is set up for the care of injured workmen, and for provision for their dependents, their wives and children should they be injured in industry. Unless I am greatly mistaken in the attitude of honorable members of this House, they will not sanction such a raid upon it. Members of this board, and their officials, have enjoyed security in their jobs through these difficult times, absolutely ideal working conditions, and, I claim, more than adequate remuneration.

"I seriously submit that we have come to the time in the experience of this Province when, if such have not enough foresight to make provision for their old age, they should come on to the Old Age Pensions Act when the time arrives, just as other people, who have served their country possibly better than these have, must do."