

## 10,000 Population Predicted

# New Mining Town Set For Pickle Lake Area

Natural Resources Minister Leo Bernier said Tuesday a new town with a population of up to 10,000 is slated for development in the Pickle Lake area of Northwestern Ontario.

The new community will be needed to house an expected 200 employees of the Belgian-based Union Miniere Co. (UMEX) and its estimated four million tons annual production.

Mr. Bernier said a consulting firm is considering nine townsites from a point 12 miles north of Pickle Lake to 50 miles south at a cost of \$60,000. A provincial government may change the act to permit the \$328 million project to proceed. UMEX owns a copper-nickel ore body in the Pickle Lake area. Mr. Bernier said he was

sure the company would go ahead with mine development at a cost of \$36 to \$42 million. The mine is slated for production by mid-1975. On the other hand, the future of the Steep Rock property faces two stumbling blocks. The employees of the Belgian-based company has found Canadian markets for only about half of its estimated four million tons annual production. Although company officials are seeking American buyers, section 113 of the Ontario Mining Act prevents sales of raw ore outside Canada. The minister said however that the provincial government may change the act to permit the \$328 million project to proceed. Adequate financing is also holding up the Lake St. Joseph operation, in fact Steep Rock

spokesman Larry Lamb says the project is not going ahead. Under present legislation, the province could give Steep Rock an export permit for five years. Mr. Bernier said negotiations are going on with steel

producing companies in Hamilton, Ont. for a share of which links North Bay and Moosonee was started by the Mr. Bernier said the ONR would provide transportation not durated iron pellets. This week officials of the Ontario Northland Railway are commenting on the new community. Mr. Bernier said whether a mine can be built from Savant Lake on the ONR mainline to Lake St. Joseph to provide transportation to the new area. Earlier company officials we have to move ahead, to be prepared," said Mr. Bernier. "If we go into production within the next year or so, they'll want to build an ore pipeline to carry these things," he said, referring to housing and transportation. an oil slurry to railroad.

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