QUEBEC
ASBESTOS MINING
ASSOCIATION

SPECIAL WINTER MEETING
GRAND BAHAMA HOTEL
and
COUNTRY CLUB
MARCH 27-30, 1968

W.W. Oughtred
President

Paul A. Filteau
General Manager

QUEBEC
ASBESTOS MINING
ASSOCIATION

PLAINTIFF'S EXHIBIT
tabbies
04250.00

PLAINTIFF'S EXHIBIT
tabbies
IW-001000

ASBESTOS CORPORATION LTD.,
THETFORD MINES, QUE.

BELL ASBESTOS MINES LTD.,
THETFORD MINES, QUE.

CANADIAN JOHNS-MANVILLE CO. LTD.,
ASBESTOS, QUE.

CAREY-CANADIAN MINES LTD.,
EAST BROUGHTON, QUE.

FLINKOTE MINES LTD.,
THETFORD MINES, QUE.

LAKE ASBESTOS OF QUEBEC LTD.,
BLACK LAKE, QUE.

NATIONAL ASBESTOS MINES LTD.,
THETFORD MINES, QUE.

NICOLET ASBESTOS MINES LTD.,
NORBESTOS, QUE.

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1. LIST OF OFFICERS AND DIRECTORS

OFFICERS AND DIRECTORS

Mr. W.W. Oughtred	President
Mr. K.V. Lindell	Vice-President
Mr. R.S. Coleman	Director
Mr. J.A. Main	Director
Mr. R.J. Merrill	Director
Mr. M.J. Messel	Director
Mr. P.A. Meyer	Director
Mr. F.P. Smith	Director
Mr. Ivan Sabourin	General Counsel
Mr. George Robinson	Treasurer
Mr. Paul A. Filteau	General Manager & Secretary

COMMITTEE CHAIRMEN

Mr. R. Dodds-Hebron	Technical Committee
Mr. W.H. Foster	Uniform Classification and Grading Committee
Mr. I.C. Campbell	Public Relations Committee
Mr. I.C. Campbell	Traffic Committee
Mr. J.O. Eby	Industrial Relations Committee
Mr. M.J. Messel	Legislation and Taxation Committee
Mr. K.V. Lindell	Occupational and Environmental Health Committee
Mr. J.R.M. Hutcheson	Dust Abatement Committee

2. LIST OF MEMBERS AND GUESTS

2. LIST OF MEMBERS AND GUESTS

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30,1968

MEMBERS AND GUESTS

Asbestos Corporation Limited:	Mr. W.W. Oughtred Mr. A.L. Penhale Mr. J.A.D. Marcotte Mr. I.C. Campbell Mr. W.H. Foster Mr. M.P. Carson
Bell Asbestos Mines Limited:	Mr. F.P. Smith Mr. G.W. Smith Mr. R. Dodds-Hebron
Canadian Johns-Manville Co. Ltd:	Mr. C.B. Burnett Mr. D.T. Colton Mr. A.R. Fisher Mr. D. Poutiatine Mr. K.V. Lindell Mr. J.O. Eby Mr. N.W. Hendry Mr. J.R.M. Hutcheson Mr. Y. Couture
Carey-Canadian Mines Limited:	Mr. R.J. Merrill Mr. A.H. Bagenstose
Flintkote Mines Limited:	Mr. J.A. Main
Lake Asbestos of Quebec Ltd:	Mr. R.D. Bradford Mr. M.J. Messel Mr. R.P. Gagnon Mr. L. Piuze
National Asbestos Mines Ltd:	Mr. J.W. Duncan Mr. R.N. Moore
Nicolet Asbestos Mines Ltd:	Mr. P.A. Meyer Mr. G.G. Gabrielson
Institute of Occupational and Environmental Health (QAMA):	Dr. C.W. Wright
Quebec Asbestos Mining Association:	Mr. G. Robinson Mr. I. Sabourin Mr. Paul-A. Filteau

3. AGENDA

SPECIAL MEETING OF THE

QUEBEC ASBESTOS MINING ASSOCIATION

TO BE HELD, THURSDAY, MARCH 28, 1968,

AT 9.30 a.m. IN THE GRAND BAHAMA HOTEL & COUNTRY CLUB

AGENDA

MARCH 28, 1968

1. Minutes of the Meeting of January 15, 1968.

2. Committee Reports:

   a) Technical - Copant proposition re printing of "Chrysotile" on bags
   b) Uniform Classification and Grading
   c) Industrial Relations - Resolutions re Transfer of ownership of Mine Rescue equipment.
   d) Traffic
   e) Legislation and Taxation
   f) Public Relations
   g) Dust Abatement

3. New Business:

   Amendment to By-Law No.7 governing Q.A.M.A. Pension Plan.
   CIM Annual Meeting, April 21-24, Vancouver, B.C.- Contribution.
   Provincial Mining Association Meeting, April 21.

4. Comments on General Business Conditions.

5. Revised dates and location of 1968 regular meetings.

6. Adjournment.

MARCH 29, 1968

1. Occupational and Environmental Health Committee.
   - Review of situation and work in progress.

2. Adjournment.

4. MINUTES OF MEETING OF JANUARY 15, 1968

MINUTES OF THE 104 MEETING
AND OF THE 1968 ANNUAL MEETING
OF THE QUEBEC ASBESTOS MINING ASSOCIATION
HELD ON MONDAY, JANUARY 15, 1968,
AT THE CHATEAU FRONTENAC, QUEBEC.

Present:

Messrs.	M.J. Messel	P.A. Meyer	J.R.M. Hutcheson
	R.S. Coleman	W.W. Oughtred	D. Poirier
	K.V. Lindell	F.P. Smith	Geo. Robinson
	J.A.Main	F. Bolduc	I. Sabourin
	R.J. Merrill	J.O. Eby	P.A. Filteau

Messrs. R. Dodds-Hebron, W.H. Foster, I.C. Campbell and P.H. Riordon were accidentally prevented from attending the meeting; the first two joined the group for luncheon.

Mr. Michael J. Messel was in the chair. It was pointed out that the name of Mr. J.A. Main had been left out in the minutes of the meeting of November 13th, 1967, and it was also requested that the detailed budget of the Association for 1968 be added to said minutes. Following these corrections, a motion to approve the minutes of November 13th, 1967, was adopted.

INDUSTRIAL RELATIONS COMMITTEE

The Chairman reported that the automatic dust counter had been received and that the engineer was proceeding with the corollation of the instrument against present method. The new unit can count half ($\frac{1}{2}$) micron particles as opposed to one (1) micron with the present instrument. The engineer will make regular visits to all plants.

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It is proposed to purchase a polaroid camera to take photos of special situations (good or bad) in plants; such photos will require management clearance before they can be released.

Activity of a new labour union within the Asbestos Industry has somewhat subsided following request for certification and subsequent visit of government inspector. Negotiations of the new labour agreement are about to begin with two member-companies.

Mining Fund - Meetings have been held with the Q.M.M.A. and Dr. G. Letendre to review the findings of the latter as to policies and practices applied in other provinces and other countries concerning mine closures or curtailement of operations and benefits granted employees affected. The review also covered policies of provincial and federal governments in the reclassification of workers. Mr. Letendre will soon be in a position to submit a preliminary report and recommendations to our two (2) Associations.

At a subsequent meeting with the Deputy Minister of Labour, Mr. Donat Quimper and two of his assistants it was revealed that the government was contemplating for the moment to require that a 6 months notice be given in the case of shut-down of mining operations because of ore exhaustion.

No action, however, will be taken by the Minister of Labour pending the submission of our Association on the question of a Mining Fund.

Mine Rescue Station Expenses for 1968 -

Resolved that the allocation of costs of the Thetford Mines Rescue Station during 1968 be calculated on the following basis:

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Thetford Mines Rescue Station:

a) Building and Equipment (Capital cost, rent, maintenance, etc.)

QMMAPA (Solbec & Cupra)	162 men	33%
QAMA	331 men	67%
	493 men	100%

b) Superintendent's Salary:

QMMAPA (South Shore)	542 men	62%
QAMA	331 men	38%
	873 men	100%

c) Superintendent's Travel Expenses -

To Gaspé, Solbec, Cupra, New Calumet and Oka:

QMMAPA	100%
QAMA	nil

General Superintendent (Mine Rescue Training Plan)

Salary and Travel Expenses:

QMMAPA	4959 men	94%
QAMA	331 men	6%
	5290 men	100%

ADOPTED.

A proposed resolution in connection with the transfer of the mine rescue buildings and equipment of Thetford Mines to the Department of Natural Resources was tabled, but its adoption was deferred till next meeting pending a letter from Asbestos Corporation Limited granting the rights of occupation on Lot No. 25-126 to Q.A.M.A. ; said letter to be attached to the proposed resolution in favor of the Department of Natural Resources.

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A letter from the President of the Q.M.M.A. to the Minister of Labour concerning amendments to the labour code was tabled. It was agreed that the Q.A.M.A. would support the stand of Q.M.M A. and would join in making representations at the appropriate time.

LEGISLATION AND TAXATION COMMITTEE

It was pointed out that the passing of the recent mini-budget by the Federal Minister of Finance calls for an increase in personal income tax. As to the federal corporation tax, a plan on a " pay as you go basis " is being suggested.

INSTITUTE OF OCCUPATIONAL AND ENVIRONMENTAL HEALTH

Budget - A meeting of the executive committee was held on January 14 with respect to the budget of the Institute left opened at the last meeting; it was proposed that an amount of $250,000.00 for 1968 be approved.

ADOPTED.

Antigua Meeting - Most doctors attending the Conference were favorably impressed, specially those who participated for the first time. As a result of a well prepared program the speakers had excellent presentations. One doctor (Dr.Selikoff) objected that too much time had been wasted on the discussion of carcinogenesis, whereas more time should have been devoted to the problem of occupational and environmental exposure (community at large) not in the vicinity of an asbestos plant but resulting from the use of asbestos products. On the whole, a valuable relationship, according to the chairman has been achieved with the doctors. The outcome of the Antigua Conference will not be known until several months. It is hoped that the results of the discussions and exhanges will guide the scientific committee and advise the industry on a program for the immediate future.

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It was mentioned that Johns-Manville was sponsoring research projects on its own, with Dr. George W. Wright as a medical consultant to the President of the Company. This move should accelerate interest among U.S. Asbestos Producers and Manufacturers, thus relieving Q.A.M.A. from providing assistance to various projects. Johns-Manville has also prepared a "position paper" on asbestos and health, specially designed to answer questions of customers to sales personel. A copy to be sent to all Directors.

DUST ABATEMENT COMMITTEE

The Chairman tabled a detailed report on the activities of his committee, pointing to negative and positive results. It reviews the status of Dryer Dust Collection Projects, Wet Collection Systems, Cloth Collector Installation presently under study at Lake Asbestos, Quebec, Electrostatic Precipitation Method to be investigated by Asbestos Corporation and the Rotoclone Wet Dust Collector being tested at Johns-Manville. The Committee has also agreed to investigate the problems associated with dust generated from the handling and stacking of tailings.

ASTM D-30 Sub-Committee 111 - 7th Copant Meeting - A report has been sent by Mr. Hutcheson to all member-companies. Mr. Hutcheson was alone to represent U.S.A. at this meeting and had to be vigilant.

Mr. Hutcheson was successful:

a) In having all other fibres excluded but chrysotile, crocidolite and amosite, for use in asbestos-cement products;

b) In having the word "dust" replaced by the word "fines";

c) In heading off an attempt to set a maximum limit of fifty percent (50%) fines by Bauer-McNett;

d) In objecting that the measurement of mechanical strength be performed by a method in the Manual applicable only in the Textile Industry.

The U.S.A. delegation had to register a negative vote for the first time concerning the compulsory printing of the word "chrysotile" on fibre bags.

The next meeting will be held in Santiago, Chili, September 23rd-28th, 1968. It is moved that Mr. Hutcheson continue to represent Q.A.M.A. and that action be taken to have larger representation from the U.S.A.

ADOPTED.

VISIT OF RUSSIAN MISSION

A letter was received from Mr. H.M. Woodrooffe of the Department of Energy, Mines and Resources, proposing a return visit of a Russian delegation to the Canadian Asbestos Industry during the weeks of February the 12th and 19th. (The schedule was later moved back to the weeks of February 19th and 26th). The group would include 6 engineers and 1 interpreter.

There was no objection on the part of member-companies except as to the wish expressed by the Russian delegation to visit Advocate Mines and Cassiar; it was felt that at this time of the year weather conditions could disrupt the program of the visit. Mr. Woodrooffe and the General Manager to prepare an itinerary accordingly.

Visit of the Minister of Natural Resources - The itinerary of a visit of Hon. Paul Allard and party scheduled for January 23rd and 24th was reviewed briefly. Although the program is very tight it was hoped that the timetable could be adhered to.

DATE AND LOCATION OF FUTURE MEETINGS

It was proposed to hold the next Summer (or Fall) Meeting at the Seigniory Club from September 19th to 22nd 1968, and the 1969 Winter Meeting in Bermuda April 9th to 12th, 1969.

ADOPTED.

It was agreed to hold the next regular meetings on May 27, July 29, November 25, in Quebec City.

It was also moved and adopted that the salary of the General Manager be increased $100.00 per month.

At this point, the regular meeting was adjourned and was immediately followed by the Annual Meeting of the Association.

ADDENDA

The following committees reports (4) would have been submitted, had not the Chairmen of the respective committees been accidentally prevented from doing so.

TECHNICAL COMMITTEE

a) Submission for approval by the Directors of a schedule of rates for Q.A.M.A. drawings associated with testing procedures for chrysotile fibre under tests A1, B3, D1, D7, E1, and F2, in the manual.
b) The text of the oil penetration testing procedure to be submitted for the directors' approval at next meeting.
c) Work of sub-committees progressing normally.

UNIFORM CLASSIFICATION AND GRADING COMMITTEE

The Chairman intended to report as follows:-

a) Ottawa method of measuring length - the Sherbrooke Lab. Director has visited Ottawa and gone over procedure. Girls for counting could be hired at $45.00 per week and this has been cleared with the University Technician's Union.

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b) An increase for the Fibre Inspector from $719.00 per month to $754.00 per month, effective Jan. 1, 1968, is requested. This coincides with 1968 Budget and with salary increases by Asbestos Corporation Limited. To be submitted for Directors' approval at next meeting.

c) The Senior Sherbrooke Lab. Technician is leaving January 24. The Director is looking for another junior technician.

d) Random Q.S. production sampling will be carried out in January and February.

TRAFFIC

Meetings with the three(3) major conferences, namely the Canada-U.K. Conference, the Canadian Continental Conference and Canada-Australia-New Zealand Conference were scheduled for the week of January 24. A meeting of the Traffic Committee to be held prior to discussions with representatives of the shipping Conferences.

PUBLIC RELATIONS

A meeting of the Committee was held on December the 12th to consider two proposals:

a) Participation in a publicity program sponsored by the Provincial Chamber of Commerce.
b) A review of the budget estimates with respect to the "Asbestos Producer", in an attempt to achieve certain savings, either by changing the format, producing it all in French and possibly reducing the number of issues. A report by the P.R. Counsel was tabled at the Meeting. This report indicated that savings in the amount of $5,000.00 were possible.

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Accordingly, it was to be the recommendation of the Committee that a contribution of $4,000.00 be made by the Association towards the Provincial Chamber of Commerce Publicity Program, provided this amount could be absorbed by the P.R. budget, as approved at the meeting of November 13th. In the absence of the Chairman, such a proposal was made by the General Manager and adopted by the Directors at the meeting.

Furthermore, at luncheon meeting on January 12th with representatives of the Q.M.M.A. and Chamber of Commerce, certain details, such as consultation as to topics, speakers and time of broadcasts were ironed out.

1968 ANNUAL MEETING

OF THE

QUEBEC ASBESTOS MINING ASSOCIATION

In bringing the meeting to order, the President called on the Chairman of the Nominating Committee.

Election of Officers for 1968 - The report of the Nominating Committee proposed the following slate of Officers and Committee Chairmen for 1968:

OFFICERS AND DIRECTORS

Mr. W.W. Oughtred	President
Mr. K.V. Lindell	Vice-President
Mr. R.S. Coleman	Director
Mr. J.A. Main	Director
Mr. R.J. Merrill	Director

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Mr. M.J. Messel	Director
Mr. P.A. Meyer	Director
Mr. F.P. Smith	Director
Mr. Ivan Sabourin	General Counsel
Mr. George Robinson	Treasurer
Mr. Paul-A. Filteau	General Manager & Secretary

COMMITTEE CHAIRMEN

Mr. R. Dodds-Hebron	Technical Committee
Mr. H.W. Foster	Uniform Classification and Grading Committee
Mr. I.C. Campbell	Public Relations Committee
Mr. I.C. Campbell	Traffic Committee
Mr. J.D. Eby	Industrial Relations Committee
Mr. M.J. Messel	Legislation and Taxation Committee
Mr. K.V. Lindell	Occupational and Environmental Health Committee
Mr. J.R.M. Hutcheson	Dust Abatement Committee

ADOPTED.

It was also proposed that the present members of the Executive Committee of the Institute of Occupational and Environmental Health remain in office for an other year.

ADOPTED.

It was moved that the same firm of Riddell, Stead, Graham and Hutchison be appointed as auditors for 1968.

ADOPTED.

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Before leaving the chair, Mr. Messel expressed his thanks to all for their support during his tenure of office and specially to the Committee Chairmen for the time and efforts devoted to the efficient functionning of their respective committees. He also thanked Counsel for his assistance. Mr. Messel assured the incoming President and the Officers of the Association of his continued cooperation. It's been a privilege to serve, he added.

A vote of thanks to Mr. Messel was proposed and seconded unanimously.

ADJOURNMENT

There being no further business, the meeting was terminated.

Paul A. Filteau,
General Manager
and
Secretary.

5. TECHNICAL COMMITTEE REPORT

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30, 1968

TECHNICAL COMMITTEE REPORT

Since the last report on the activities of this committee was made to the Directors, two meetings have been held.

1. The first point for your attention is the Penetration Index Test which has been three years in development. A measure of the amenability of a sample of asbestos fibre to absorb oil is measured by this procedure by the ease of a ball to descend through a mixture of oil and fibre. As Chairman I recommend the adoption of this test.

2. A request by the Directors was received for a scale of rates for drawings of apparatus, developed by Q.A.M.A. member companies. Although the scale is modest, it is understood this covers the expenses of our Quebec Office. No recommendation can be offered on this scale as divergent views were expressed by the committee. - See Appendix attached.

3. When the sampling procedure was tried by all parties(vendor and buyer) it was found inconvenient. A large pile of bags in storage could not be sampled without moving all the bags at an expense. To cover this condition a less rigorous method has been added to the procedure. There is however emphasis that for referee purposes, the original procedure be used.

This Committee wishes to suggest the additional method stay with the Q.A.M.A. and not go to A.S.T.M. or other associations.

The Technical Committee is enjoying the co-operation of all Q.A.M.A. member companies and hence is able to continue the full program in progress on the part of the Sub-Committees which are ten (10) at this time.

R. Dodds-Hebron,
Chairman.

APPENDIX

SUGGESTED RATE SCHEDULE

Q.A.M.A. DRAWINGS ASSOCIATED WITH "TESTING PROCEDURES FOR CHRYSOTILE FIBRE"

TEST: A-1	Dwg. No.	Cost	Charge Ind. Dwgs	Charge for Set
Sampling & Preparation	A-1-1	$ .60	$1.00	
	A-1-2	.60	1.00	
	A-1-3	.40	1.00	
	A-1-4	.60	1.00	
		$2.20	$4.00	$3.50
TEST: B-3				
Air Classification	B-3-1	$ .40	$1.00	
	B-3-2	.15	.50	
	B-3-3	.15	.50	
		$ .70	$2.00	$1.50
TEST: D-1				
Wet Volume	D-1-1	$ .60	$1.00	
	D-1-2	.15	.50	
	D-1-3	.15	.50	
	D-1-4	.15	.50	
	D-1-5	.15	.50	
	D-1-6	.15	.50	
	D-1-7	.40	1.00	
	D-1-8	.40	1.00	
	D-1-9	.40	1.00	
	D-1-10	.40	1.00	
		$2.95	$7.50	$7.00
TEST: D-7				
Freeness	D-7-1	$ .15	$ .50	$ .50

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Suggested Rate Schedule
QAMA Drawings
For Testing Procedures for Chrysotile Fibre

TEST: E-1	Dwg. No.	Cost	Charge Ind. Dwgs.	Charge for Set
Crudy Content	E-1-1	$ .40	$1.00	
	E-1-2	.40	1.00	
	E-1-3	.15	.50	
	E-1-4	.15	.50	
	E-1-5	.15	.50	
	E-1-6	.15	.50	
		$1.40	$4.00	$3.50
TEST: F-2				
Fibre Strength Unit Test	F-2-1	$ .50	$1.00	
	F-2-2	.50	1.00	
	F-2-3	.50	1.00	
	F-2-4	.25	.50	
	F-2-5	.25	.50	
	F-2-6	.25	.50	
	F-2-7	.25	.50	
	F-2-8	.25	.50	
	F-2-9	.50	1.00	
	F-2-10	.50	1.00	
	F-2-11	.50	1.00	
	F-2-12	.25	.50	
	F-2-13	.15	.50	
	F-2-14	.15	.50	
	F-2-15	.15	.50	
		$4.95	$10.50	$10.00

6. UNIFORM CLASSIFICATION AND GRADING COMMITTEE REPORT

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30,1968

REPORT OF THE UNIFORM CLASSIFICATION & GRADING COMMITTEE

1. Sherbrooke Laboratory

1.0 The senior lab. technician (R. Nadeau) left for other employment on January 24th. This left the lab. with only three technicians. A temporary employee is being hired until a school graduate, of suitable qualifications, can be found.

1.1 The Committee, at a meeting on March 7th, authorized the purchase of a T.& N. Rapid Surface Area Tester.

1.2 The purchase of equipment to carry out measuring of fibre length and diameters, using the method developed by the Department of Mines, will be completed by April 1st. Cost of equipment will be $1,740. Mr. Winer has sent details of procedure and we will soon have his initial proposed test program. Two girls will be required to carry out the counting and measuring.

1.3 At this Committee's request the lab. has investigated and reported on an evaluation of the F.S.U. of anthophyllite. The results confirmed that anthophyllite did not give unrealistically high values but just the contrary. Members have a copy of the report.

2. Fibre Inspector

2.1 Random Q.S. samples were collected on 13 visits to various companies' plants in January. Results will be reported by Sherbrooke in March.

2.2 Some misunderstandings in regards to Q.S. Sampling were settled at a Committee meeting on March 7. These were: -

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(a) Experimental grades are to be sampled with the understanding that only a Q.S. test is to be performed.

(b) Only J.M. 4T-30 is to be hand pressed three times before conditioning, as normal, in the Asbestos Fibre Conditioner.

3. The need for reporting individual grades and tonnages of 7 Group fibres, on the "Monthly Shipping Report" made by all companies each month, was again discussed on March 7th. As, apparently, the request was approved by Q.A.M.A. Directors (in 1959), the past minutes are being investigated.

4. The reporting and testing of fibres containing additives was again discussed at a Committee meeting but a decision was not forthcoming. Discussion will continue.

W.H. Foster,
Chairman.

7. INDUSTRIAL RELATIONS COMMITTEE REPORT

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30, 1968

INDUSTRIAL RELATIONS COMMITTEE REPORT

A meeting of the Committee was held on March 15. The report on Bausch and Lomb Dust Counter comparison tests was reviewed. The November correlation tests were excellent, however the January tests show very poor results. The machine has been returned for a check-up to the manufacturer. It may be that cold and humidity affect the results. However, the engineer is very hopeful that the instrument will greatly assist in dust evaluations. Copy of report has been sent to all companies.

The noise surveys are continuing and the engineer is encouraged by the corrective steps. He suggests that we take further action on high frequency noises.

I propose an increase in salary for our engineer. Present salary $800/mo. Sept. 1966. Suggest $850/mo. as of May 1, 1968. This is included in the budget.

Hall and Henshaw have proposed a safety engineer - a Mr. Murray. However the cost if $16,400. versus a budget of $12,468. There is some doubt that he will fill the qualifications. I suggest we look further.

Workmen's Compensation rates were distributed by G. Robinson on March 14/68. You will be pleased to note that our mutual has dropped from 80¢ to 40¢ and changed from a deficit to a surplus of $262,000. P. Filteau and Chairman will visit Workmen's Compensation for further information. We are in a much better position, and possibly the mutual should be reduced next year.

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A copy of the progress report given by Dr. Letendre at the Joint Meeting of the QMMA and QAMA on the subject of a "Provincial Minind Fund" has been forwarded to all members. It is encouraging. He considers the federal regulations cover all angles except severance pay. Representatives attended three meetings with the Q.M.M.A. on this subject.

Mr. Filteau reported on the suggestion of Q.M.M.A. as to the possibility of an employer's group in Class 5 for W.C.C. submissions. There is some merit in this suggestion. Details have been forwarded to members.

Labor negotiations at locations concerned are progressing somewhat slowly.

J.O. Eby,
Chairman.

8. TRAFFIC COMMITTEE REPORT

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30,1968

TRAFFIC COMMITTEE REPORT

1. OCEAN RATES

The Traffic Committee has been very active in the past few months endeavouring to settle rates for the ocean carriage of asbestos in the major trading areas for the coming season and several meetings have taken place.

Our efforts have been complicated by the stevedoring situation which exists at St. Lawrence River Ports where there is currently no labour contract and the prospects for a reasonable solution to this problem being found before the opening of navigation seem doubtful.

Faced with unpredictable labour costs the lines serving Canada are suspending service to the St. Lawrence until the situation is clarified and at the same time demanding increases in rates for the coming year which will compensate them for the anticipated increase in loading and unloading charges when a contract has been concluded.

As of the time of writing, increases had been negotiated with the following conferences for the period April 1, 1968-March 31, 1969:

(1) Canada UK Conference - $1.25 plus emergency surcharge if warranted;

(2) Canada - Baltic Conference - as for U.K.;

(3) Canada - Australia-New Zealand Conference - $1.75 plus emergency surcharge if warranted.

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Negotiations with the Canada Continental Conference have been protracted and difficult and it seems doubtful whether any settlement can be reached with them for less than $2.00 per ton accompanied by some deterioration in service, particularly to France.

2. INLAND RATES

(1) The agreed charge rate to St. Lawrence River Ports was due to expire on March 31st, but by taking a firm stand we were successful in renewing the agreement for a period of one more year without any increase in the rate.

(2) In anticipation of the shut down of St. Lawrence River Ports and the possibility of having to ship out of East Atlantic ports, a reduction in the rail rate of $2.10 per ton to Halifax and St. John has been negotiated with both the CNR and CPR on a temporary emergency basis.

(3) The question of the establishment of 120,000 lb. rates to Official Territory is being carried on our agenda, until a comparable proposal emanating from Canadian west coast origins has been approved at which time it is felt our own proposal will have more prospect of success.

I.C. Campbell,
Chairman.

9. LEGISLATION AND TAXATION COMMITTEE REPORT

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30,1968

LEGISLATION AND TAXATION COMMITTEE REPORT

SUBMISSION re TAX ON DIESEL FUEL OIL

A meeting of the Joint CMMA-QAMA Tax Committee was called for March 6, 1968, to review a proposed submission to the Quebec Government on Gasoline Tax Application on Diesel Fuel Oil consumed in off-highway mining vehicles and equipment. The brief tries to demonstrate that the Quebec Mining Industry is certainly one of the most heavily affected with the present fuel tax situation, where the full 22¢ rate applies to Diesel Oil consumed by trucks, loaders, graders, shovels used in mining operations. It applies also to other vehicles used exclusively on private roads. For your information the amount paid in 1966 by the Quebec Asbestos Mining Companies as tax on Diesel Oil consumed in the mines was more than $1,250,000. and for the whole Quebec Mining Industry the figure was $2,345,000.

In the submission, it is pointed out that the Quebec Mining Industry contributes more than its fair share to the municipal, school and provincial revenues. In addition, the industry is required to support community and public services which are normally provided by the public sector elsewhere, such as roads, schools, hospitals, recreation centers, etc. Figures on tax data for the Quebec Mining Industry as a whole will be given in an Appendix attached to the submission.

NON-REIMBURSEMENT OF SALES TAX ON DIESEL OIL USED IN PREPARATION OF EXPLOSIVES.

Representations were made to the Provincial Department of Revenue in this connection, pointing to the fact that in recent months no payments had been made against claims by mining companies to this effect. Such exemption had heretofore been granted on fuel used as an ingredient, as per Chapter 74 of the RSQ 1964. The administrator is to advise on decision taken by the Department at an early date.

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FEDERAL BILL C-208

The 3% surcharge on corporation profits as part of the Federal Government's new tax measures was met with some dissatisfaction. Coming at a time when company earnings are being subjected to increasing pressures, the tax increase is unfortunate. The surcharge comes into force on April 1. Starting in June, however, corporations will receive one month's refund of the 5% cash flow tax introduced in the Spring budget of 1966 and thereafter every other month.

Personal income tax surcharge will drop to 3% on April 1. The extra 2% collected in January, February and March will be credited as overpayments and refunded when taxpayers complete their returns next year.

PRICE AND WAGE FREEZE

In a recent statement before the House of Commons in Ottawa, the Minister of Finance, Honorable M. Sharp, indicated that the Government might be forced, as a means to combat inflation, to impose a "ceiling" on prices and salaries. It is not intended however, in the words of the Minister, to freeze prices and wages by coercive measures but rather through the application of rules, measures and sufficient pressure to incite moderation. Requests could be submitted to an "arbitration board" whose decisions, however, would not necessarily be binding.

It will up to the next Prime Minister - the new Leader of the liberal party to be elected at the coming April convention - to determine the advisability and probable success of such a formula in a concerted effort to find a solution to the inflationary trends in the present economic context.

Michael J. Messel,
Chairman.

10. PUBLIC RELATIONS REPORT

PUBLIC RELATIONS REPORT
RAPPORT SUR LES RELATIONS PUBLIQUES

EDITAS
1255 UNIVERSITY, MONTREAL 2
TEL: 866-9394

CONFIDENTIAL/CONFIDENTIEL

TO: Quebec Asbestos Mining Association

March 15th, 1968

Public Relations climate

Economic, political and sociological conditions in Quebec Province are creating new and unpredictable public relations situations almost every day. The asbestos mining industry is inevitably affected by this constant change and will find it increasingly necessary to adapt its public relations policies to the challenges which will occur.

1. In Quebec, in spite of what one reads in the English-language press, the Separatist movement is gaining ground. The adherence of René Lévesque to an independence policy has tended to make the movement "respectable" and other representatives of the "political intelligentsia" may be expected to follow. Included will be some of the "technocrats" who formed the civil service advisers to Premier Lesage and who have remained - so far - in a similar capacity with the Union Nationale.

   At long last, opponents of separatism are becoming active in Quebec and will be seeking heavy support from industry. For obvious reasons, the leaders of these new movements will be French-speaking but their prime supporters are English Canadians and U.S.-owned industries.

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Two such organizations are now emerging under reasonably strong auspices. The first is the organization of Vigilantes which claims to have some 40,000 members and the second is a committee headed by Mayor Séguin of Pointe Claire who has the support of industries located in Pointe Claire industrial park.

Concentrated drives for funds - and what is in many ways more important for all-out support, including membership of company executives on boards, are soon to be launched and the asbestos mining companies will not be overlooked.

The industry's attitude, both private and public, towards these groups which are bound to be highly controversial organizations should be determined before a call is made upon individual companies for commitment.

This is a suitable subject for consideration by the public relations committee of the Q.A.M.A. with, it is suggested, a comprehensive report to individual managements.

2. The second major problem developing is an economic one with inevitable political overtones.

The immediate economic outlook in Quebec is not a happy one. Whatever the cause, there is a definite slowdown and this is creating large pockets of unemployment and will inevitably lead to extensive labor unrest.

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For a time, at least, every lay-off, however small, will be regarded by workers as another threat to wage earners' security. Unions will be especially alert to possible threats of increased automation and will insist, if necessary, upon additional "make-work" measures.

There is little doubt, too, that the recent power-plays of rival unions in the Thetford Mines area have contributed to a feeling of unrest, of "change is in the air" on the part of many rank-and-file members and their families.

While the influence of the federal government in this area may be slight - particularly if Quebec widens even further its sovereignty program - the industry must be aware that should Pierre Elliot Trudeau be named Liberal leader, and consequently Prime Minister, Jean Marchand, his principal backer, will occupy an extremely strong position in the federal cabinet and the industry will have difficulty in securing a friendly hearing in Ottawa.

In such a situation, Daniel Johnson will also seek to improve his position with Quebec labor - threatened as that position will be by having Trudeau and Marchand in Ottawa - and will not hesitate, when necessary, to make the mining industry or any other industry pay the cost of his efforts.

It is unfortunate therefore that just at this time, when efforts may be made to direct labor activities against the industry, a play based on the asbestos strike has been published and circulated.

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Even though it is available in English only and has been the subject of very mixed reviews in the English-language press, Charbonneau and the Chief is nevertheless suited for amateur stage or professional TV production. It is possible that it could be adapted into French for TV drama purposes. Should it be the subject of a major presentation on the French-language TV network, the quantity of factual inaccuracies and distortions that it contains, its gross oversimplication of the issues involved and the controversy surrounding its author, who recently resigned his orders, could make the play a powerful anti-industry instrument, even though its prime targets are the political and Catholic Church establishments.

It is also significant that after a lapse of six or eight years, increasing references to the asbestos strike are again appearing on television and in the press. While the strike is a legitimate subject for historical treatment, it is also recent enough to be used by those who wish to put it to inflammatory purposes.

This subject - the economic situation - too, is one about which the public relations committee should be given company and industry policies.

The tools available

To implement most effectively the policies determined by the Q.A.M.A. executive, the public relations committee has available -

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1. The Asbestos Producer which is again being improved in both appearance and content to meet today's "propaganda" requirements. It has been the policy of the association's public relations committee and its professional counsel to maintain The Producer as an information medium which would be welcomed and respected by asbestos workers.

   To accomplish this, the publication has been redesigned and its editorial policies have been examined and altered on several occasions since it was first published in 1954. Comparing an issue of today with one published fourteen years ago, one would hardly realize that it was the same publication.

   Most of the changes have been gradual ones. This year, we are incorporating some improvements which will be more apparent. First; the paper was studied and assessed by one of the foremost newspaper designers in the country - Professor Arthur Gladu, of the Quebec Government Fine Art Schools in Montreal, who designed the daily newspaper le Nouveau Journal when it first appeared in Montreal a few years ago.

   He found the inside pages lively, alert, well designed and eye-appealing and suggested no changes. However, he was less content with the front cover which he felt lacked movement and reader interest. He was consequently engaged to redesign the cover; his new design will appear for the first time on the April issue.

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A second major change in the April issue concerns a new and, we think, more logical method of news gathering and presentation. Since by far the greater number of readers is French-speaking, copy for The Producer is now gathered by a competent and thoroughly experienced French-language reporter and translated into English for the minority group.

While this may not seem to be a major change, it is likely to be significant. More than just a matter of language is concerned. French reporters and editors have a style and a manner of presentation quite unlike that used in the English-language press. While, up to now, we have been gathering and printing information in the English manner and then adapting this for French readers, the method will now be reversed.

2. The Information Service established for the industry and employed frequently and with very good results during the fifties and less frequently since then is now being reactivated.

Information from the industry is well received by all the media as has been often demonstrated. This is true largely because we have resisted the temptation to distribute information of no significance or with no news value.

Under today's conditions, however, news of a Quebec resource industry is of continuing interest. If the right kind of news is not supplied through the industry's own information facilities, the wrong kind of news will inevitably flow from other sources.

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3. Industry literature is now available with copies of the new booklet "This is Asbestos" being distributed on request to schools and universities, libraries and trade associations and to media, government representatives and civil servants throughout the province. The reaction has been uniformly good with the booklet being accepted as a thoroughly modern portrayal of a thoroughly modern industry.

   We also continue to receive requests for copies of the leaflet "Facts about Asbestos" and for "Asbestos around the World".

   The association might consider if it would not be a useful gesture to distribute among employees copies of the booklet - accompanied by a letter - possibly on the Asbestos Information Bureau letterhead - containing the kind of message which would be most valuable at this time.

4. Press visits at one time were a regular part of the public relations program. They were dropped only because it was felt that they were no longer serving any useful purpose because no fresh information was available. Now, however, there has been a considerable lapse of time since the last press visit and it is possible that a substantial interest could be aroused in the asbestos mining industry as it is today.

Finally, there is the medical research program and the possibilities that exist there for important public relations values for the industry. Here again,

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preparedness is perhaps the immediate concern. No such important program can be carried on indefinitely without public knowledge about it developing somewhere. When news about this research project is available, it is important that it emanate from the industry, rather than from those sources which might be antagonistic to the industry or merely unconcerned about the industry's relationship to the medical program.

Once the initiative is lost in such a situation it is seldom regained.

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11. DUST ABATEMENT COMMITTEE REPORT

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30,1968

DUST ABATEMENT COMMITTEE REPORT

A complete report on the status of the several areas of investigation on dryer stack dust control was tabled on January 15th. Progress since that report has been modest but encouraging.

1. The stainless steel rotor has just recently been installed in the Roto-Clone Scrubber under test at C.J-M. This type of rotor will, we believe, eliminate, or at least reduce to a tolerate level, the corrosion problems encountered with the conventional mild steel rotor. A test program is now well under way. Results may be expected within a month at which time they will be submitted for committee examination.

2. The cloth collector is being installed at C.J-M. with completion scheduled for May 1st. A test program will be immediately embarked upon and the results made available for committee study.

3. The new drying unit being installed at C.J-M. will be equipped with either the Roto-Clone or the Wheelabrator dust collecting unit, depending on results of the current tests. The engineering facts obtained from this installation will be made available to the committee.

4. The Krebs cyclone for possible use in de-watering the Roto-Clone slimes has been investigated. Unfortunately, the manufacturers consider the particle size of materials in the slimes to be too fine for this application. They can not recommend their cyclone as a solution to this recovery problem.

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The handling of slimes will now be studied on the basis of using thickners or filters, or a combination.

5. Progress has been made at Asbestos Corporation Limited with their work on the electrostatic precipitation method. A definite proposal for a 120,000 cfm plant is under serious study. Efficiencies of separation of 97% are expected by the manufacturer with a possibility of a guarantee of 95% being given.

6. Nothing further to report on the subject of tailings dust control at this time.

J.R.M. Hutcheson,
Chairman.

12. ADDENDUM FROM GENERAL MANAGER

QUEBEC ASBESTOS MINING ASSOCIATION

SPECIAL WINTER MEETING - GRAND BAHAMA HOTEL & COUNTRY CLUB

MARCH 27-30,1968

ADDENDUM FROM THE GENERAL MANAGER

VISIT OF THE ASBESTOS INDUSTRY BY HONORABLE P. ALLARD

In spite of very tight scheduling, the tour of the Asbestos Industry conducted for the new Provincial Minister of Natural Resources, Hon. P. Allard, on January 23 and 24 last seems to have been quite successful. In his letter of thanks, Hon. Allard stated that the visit had been of the utmost interest to him. In his comments during the return trip to Quebec, he acknowledged in no uncertain terms the cordial courtesy extended by all during his brief trip.

VISITOF RUSSIAN DELEGATION

This was indeed a detailed inspection of the asbestos operations in Quebec and also in British Columbia. A great deal of appreciation was expressed by the members of the delegation for the unrestricted and very special attention given during their visit. Thanks to the assistance and cooperation of member company officials, the briefings and meetings held at various points of the program resulted in frank discussions and exchanges of information no doubt mutually beneficial and well worthwhile.

PROVINCIAL ACCIDENT PREVENTION COMMISSION

The Provincial Labour Department and the Workmen's Compensation Commission, as a result of renewed representations from the Steelworkers Union, are again building pressure on industry in favor of a provincial accident prevention commission. A meeting of industrial accident prevention associations was called recently by the Minister of Labour for the object of discussing the future of said associations and the role of an eventual "Accident Prevention Commission", a new Board which the Workmen's Compensation proposes and wishes the Government to establish.

The Minister declared that he intended to bring down a Bill in the House during the next session (present one) which would call for the establishing of an Accident Prevention Commission formed of 12 members, 4 representing the employees, 4 representing the unions and 4 independent experts in safety or industrial hygiene. The proposed legislation to be submitted for perusal at a later date.

Numerous comments were aired by association representatives, indicating their doubts as to the efficient performance of the proposed body. Such would require the liquidation of present safety asso-

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ciations, resulting in the gradual abandonment of "education in safety" among the employees, which is at present one of the main functions of safety associations.

The department claims that the regrouping of all inspection services under one head, would eliminate duplication of investigations, reports and time consuming discussions with employers. On the other hand, it was pointed out that the present quality of Mine Inspection Services could be diluted as a result of integration with other groups of inspectors and their loss of contact with the Department of Natural Resources.

It was hoped that the arguments submitted may have soften the position of the Department of Labour in respect to his avowed wish to establish such a Commission. The latest news is that the Government is going ahead with the project.

ASBESTOS IN ASPHALT PAVING

Following an article published in "Le Soleil", Quebec City, which stated that nothing was to be gained from the use of asbestos in asphalt paving, representations were made to the Deputy-Minister of Roads and his assistant, since the information originated from the Roads Department Laboratory. It was admitted that the information was unfounded, contradictory and based on hypothetical projections. The Deputy-Minister agreed to review the matter with the director of the Laboratory (absent on a diplomatic illness?) and to make sure that the use of asoestos in asphalt paving be further experimented and properly tested.

PUBLICITY PROGRAM - PROVINCIAL CHAMBER OF COMMERCE

Meetings have been held to prepare and sift very meticulously a list of topics related to the Mining Industry, which could be presented as "spot messages" on Radio and T.V. in the weekly series of the publicity program of the Provincial Chamber of Commerce. Once the format is more or less agreed, the contents will be submitted for your perusal as confidential material. It seems that the impact of present "spots" on the general public is producing a favorable reaction.

BROCHURE ON CAREERS IN THE MINING INDUSTRY

In cooperation with the Mining Associations and the Association of Vocational Directors, the Department of Natural Resources is sponsoring the printing of a publication on careers and opportunities

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in the mining industry. Several meetings have been held so far and the material is almost ready to go to the printers. The brochure will be distributed in all high schools, secondary and technical schools, as well as in engineering faculties of universities of the Province of Quebec.

BILINGUALISM

A quote from an address given at a recent seminar on "Bilingual Communications in Industry" held in Montreal:

"To the French-Canadian, it is important for his own personal future and satisfaction to know English. It provides him with a scope the unilinguals do not have. The young English-Canadian should, in his case, realize that he is surrounded by French culture, and will be increasingly so. Aside from the obvious business advantages, a thorough knowledge of French will allow him to live more fully in his own community."

Paul A. Filteau,
General Manager.

13. ASBESTOS IN 1967

ASBESTOS IN 1967

Although Canada achieved many "firsts" in its Centennial Year, it did not establish any new record in the production of asbestos for the Canadian and export markets. Based on preliminary figures for the year, Canadian asbestos production in 1967 amounted to some 1,444,885 tons, as compared to 1,491,916 tons in 1966, a drop of 47,000 tons. This slight dip in overall asbestos production tonnage in 1967 reflects the general trend in the international economic situation and the levelling off of industrial development at large in U.S.A. and Western Europe.

During 1967, a lower demand for asbestos for use in asbestos-cement products was apparent in the United Kingdom, Germany and the United States. This situation was brought about by generally slower business conditions and various economic problems in the first two countries and "tight money" in the U.S.

This decline is thought to be of a temporary nature and industry officials forecast that the growth pattern of the past decade should resume its upward trend in 1968.

WORLD REVIEW

Mother nature has been most generous in providing asbestos resources; orebodies are found in a great many countries and in a wide variety of forms. Chrysotile, however,

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is the most abundant variety and constitutes 90% of the world's asbestos production. It is the only type mined in Canada.

First commercial production in Canada was recorded in 1878 from the Johnson property in Thetford Mines, Province of Quebec, with 50 tons of fibre shipped. Production has been continuous from that year and today in Canada ten (10) companies mine asbestos for an annual production of 1,444,885 tons in 1967 worth $165 million. 89% of the production comes from Quebec, 6.6 % from British Columbia and Yukon, and 4.4 % from Newfoundland. Ontario will join the producing ranks in 1968 with Canadian Johns-Manville operations in Reeves Township, Ontario; Cassiar's Clinton Creek Mine, Yukon Territory, began production in December 1967.

Although Canada is generally known as the free world's chief asbestos producer, Russia has been for the last few years the largest global producer. In 1966, the U.S.S.R. production of asbestos was actually 1,564,930 metric tons, and recent exchanges with officials of the Russian asbestos producing industry indicate that 1967 production may reach 1,832,000 metric tons. Some confusion has developed in the reporting of Russian asbestos production. This results from the fact that fiber grades production figures and shorts production figures are listed under separate headings. However, a growing proportion of Russian production is consumed within U.S.S.R. and the Soviet bloc countries, as a result of a strong building boom which is expected to last for several years.

Production of asbestos in the United States was expected to reach some 130,000 (?) tons in 1967, California being the leading producer. The main producers in the State of California were

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Atlas Mineral Corporation, Pacific Asbestos Corporation, Coalinga Asbestos Company Inc., and Union Carbide Corporation. Output of chrysotile asbestos in 1967 at the Lowell Mine, near Hyde Park, Vermont, was to vary very little from 1966.

Estimates for the other asbestos producing countries in 1967 are 280,000 tons for the Republic of South Africa, 150,000 tons for Rhodesia, 100,000 tons for Italy and 250,000 tons for China, Japan and others. In brief, world output of asbestos of all types should reach approximately 4,300 million tons in 1967, an increase of almost 4% over 1966.

GROWING WORLD DEMAND

Asbestos usage did not decline in all countries in the world in 1967 as compared to 1966. For example, Japan, India and some of the European countries enjoyed improved economic health or, received greater monetary assistance under "Aid" plans, such that additional quantities of asbestos were ordered.

In fact, asbestos consumption in the Free World markets is forecast to grow according to economists at an average of 5% per annum (in Japan only, an 8% increase in demand is predicted for 1968) for the next four years or to an estimated 2,950,000 tons in 1971. If Canada' share holds at 60%, this would mean that an expansion of 300,000 tons in Canadian asbestos production would be required in the early 1970's. Present ore reserves are considered sufficient to meet such an increasing demand on Canadian operations for the next 30 years and more.

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It is significant that a number of the Communist Bloc countries, such as Poland, Rumania, Bulgaria and Yugoslavia have been ordering greater quantities of Canadian fibre, thereby indicating the inability of Russia to fulfill all their requirements. The considerable expansion of asbestos cement manufacturing facilities in Russia is of sufficient proportions to absorb a major portion of Russian asbestos production for some years in the future. However, it is known that the U.S.S.R. continues to sell annually approximately 270,000 tons of asbestos to the Common Market countries, the Scandinavian countries, India and Japan.

CANADIAN DEVELOPMENTS

Well aware of the prospects for the future, Canada's asbestos producers are involved in expansion. A number of companies are improving their mining and milling facilities through the introduction of more productive equipment in the form of larger capacity trucks, automated processing control systems in the mill circuits, and improved beneficiation, all of which are major capital investments. As the industry's continuing expansion depends on its ability to meet specific manufacturer needs, it is heavily involved in research aimed at improving the quality of fibres.

As previously mentioned, two new producers are presently tuning-up for full scale production in 1968. Clinton Creek Mine of Cassiar Asbestos Corporation has been geared for an initial production rate of 60,000 tons per year, and Reeves Mine of Canadian Johns-Manville is designed to operate at a rate of 25,000 tons

per year. Meanwhile this same company is engaged in a five-year program of expansion of its Jeffrey Mine, Asbestos, Prov. of Quebec, which will ultimately provide for a further 100,000 tons of fibre per year by 1970. This additional capacity puts Canada in a very favorable position as a supplier of fibre to the free world.

Due to an escalation in costs, development by Asbestos Corporation Limited of its Asbestos Hill project in Northern Quebec has been delayed. Clarification of the income tax structure in the light of the Carter Report on Federal Taxation, and financing by the federal and provincial governments of non-productive facilities are important factors in determining the future of this project which was originally scheduled to come into production by 1970 at an initial rate of 100,000 tons per year. Meanwhile, this company is expected to take full advantage of the potential of its Thetford Mines operations.

The cost squeeze continues to plague asbestos producers in Canada. Very significant increases in taxes, wages, salaries, bags, explosives, maintenance materials over the past five years have outpaced price increases or cost reduction measures. As a result, certain asbestos mining companies have announced a rise in fibre prices averaging 2% on all grades of asbestos, effective April 1, 1968.

FOREIGN DEVELOPMENTS

With the completion of Mill No.6 in 1968 at Asbiest, 90 miles from Sverdlovsk, the beginning of full scale operations in 1969 at Aktrovsk, West of Lake Baikal and at Kiembi Kazakhastan, the U.S.S.R. is aiming at an objective of 2,200,000 metric tons by 1970 as its annual production of asbestos fibre for domestic needs and exports.

Another major development is the new mill complex nearing completion at Penge Asbestos Mine, South Africa, operated by Cape Asbestos Company Limited and designed to produce some 100,000 tons of the shorter grades of amosite per year.

In Italy, the Balangero Mine near Turin, as a reulst of expanded mining and milling facilities in 1967, will be in a position to produce more than 100,000 metric tons of asbestos per year. Italy now ranks seventh among the asbestos producing countries in the world.

One asbestos property not reported in 1966 but discovered prior to that year is located in Brazil. It is to be placed in production by the Pont-à-Mousson group from France. The property is located several hundred miles north of Brasilia and promises to be a small but significant producer of asbestos cement grade fibre.

OUTLOOK

Based on existing forecasts, the Free World market for asbestos should remain strong for at least a decade. The effects of the temporary decline in the U.S. market and Western Europe in 1967 have been partly offset by the high rate of growth experienced by the so-called developing countries, which have become increasingly more important as consumers of asbestos, particularly asbestos cement grade fibres. This situation could be further strengthened if, as predicted for 1968, construction activity and the automotive industry in U.S.A. resume the upward trend which prevailed in the first half of this decade. In that country, a gain of 8% is predicted in the construction industry and the output in the automotive industry is expected to rise to 8.5 million from 7.4 million in 1967.

1968 looks promising for increased asbestos consumption in the Far East. In the Middle East, as a result of the continuing crisis between Egypt and Israel, no improvement is expected. In Europe a somewhat better market is forecast especially in Germany, U.K., the Scandinavian and "grey curtain" countries. The market in "the emerging" and Latin-American countries should in the long term expand quite substantially. In general, the upward demand for asbestos-cement products in most countries of the world is expected to continue and associated with thisincrease will be the consumption of asbestos fibre.

Presently, Canada exports asbestos fibre to more than 80 countries. This vast export market is expected to continue to expand despite intensified competition from non-mineral materials, new products and new techniques. 10 years ago Canadian mines shipped $100 million worth of fibre; in 1967 asbestos shipments will have soared to $165 million. With rising standards of living and large scale economic developments in many countries of the world, Canada's asbestos mining industry faces a challenging future. In meeting successfully such a challenge, the Canadian Asbestos industry will contribute to maintaining the leading position of Canada's mineral industry as third largest in the world, ranking immediately after that of U.S.A. and U.S.S. R.

RESEARCH IN OCCUPATIONAL AND ENVIRONMENTAL HEALTH

Elimination of airborne dust and asbestos fibre particles is a problem that the Canadian asbestos industry has seriously studied over a number of years and has combatted with a considerable amount of success. Because there is universal use of asbestos products, and as there are few aspects of modern life that do not make use of asbestos to some degree, the Quebec Asbestos Mining Association established an Institute of Occupational and Environmental Health to conduct or sponsor research into all facets of

the production, manufacturing and use of asbestos and asbestos products in relation to health.

Arising from recent press publicity, sometimes ill informed and exaggerated, widespread concern has been expressed, suggesting that the use of certain asbestos products might result in hazards to public health, such as lung cancer. These implications are naturally of great concern to the asbestos industry and it would seem somewhat premature, to say the least, to accept theories of this sort, when not corroborated by unequivocal scientific evidence.

So far, in studies of asbestos exposure and human health, research has not shown evidence of any risk to the general public from the use of finished asbestos products. There is no scientific evidence that anyone has ever contracted any disease from exposure to products containing asbestos.

Scientific research to identify and reduce the health risk from asbestos dust exposure is being conducted in many places throughout the world. The asbestos industry both sponsor such research and cooperates in work being done by government agencies and private medical investigators all over the world.

In Canada, medical research teams are presently carrying out extensive epidemiological surveys of past and present employees of all asbestos mines in the Province of Quebec. Preceeding studies have shown that the health situation at the centers of asbestos production was as good as in other industrial towns of equal population located in various parts of the Province. It is hoped that the results of the present epidemiological survey will substantiate this fact.

In cooperation and in conjunction with other agencies, the asbestos industry will continue to seek new information about the biological effects of asbestos fiber and to develop ways of assuring maximum possible protection from occupational hazards, for its employees in asbestos mines, mills and plants.

A NOTE OF OPTIMISM

Despite current underlying difficulties the industry is confident that it has not reached its full potential as yet. By keeping abreast of and contributing to technological developments in many countries, the Canadian asbestos producers firmly believe that they are associated with an adaptable industry in a dramatically changing world, with a growing industry in a developing world economy and with a dynamic industry in the increasingly automated world of today and tomorrow.

Paul A. Filteau,
General Manager.
Quebec Asbestos Mining Association.

January 31, 1968.

1967 ASBESTOS SHIPMENTS

by

CANADIAN PRODUCERS

Asbestos Corporation Limited	253,032	tons
Bell Asbestos Mines Limited	54,976	tons
Canadian Johns-Manville Co. Ltd.	579,304	tons
Carey Canadian Mines Limited	177,043	tons
Flintkote Mines Limited	36,618	tons
Lake Asbestos of Quebec Limited	124,146	tons
National Asbestos Mines Limited	40,522	tons
Nicolet Asbestos Mines Limited	20,925	tons
QAMA SHIPMENTS =	1,286,566	tons
Advocate Mines Limited	63,666	tons
Cassiar Asbestos Corporation Limited	92,093	tons*
Clinton Creek	2,560	tons
TOTAL (Prel.)	1,444,885	tons

* Tons produced.

Quebec, February 15, 1968.

WORLD PRODUCTION OF ASBESTOS 1965-67

(Short Tons)

Country	1965	1966	1967 *
North America:			
Canada	1,387,555	1,491,916	1,442,850
United States	118,275	125,928	130,000
Europe:			
Finland	13,307	13,250	13,500
France	7,716	7,720	--
Italy	79,214	90,460	100,000
U.S.S.R.	1,500,000 *	1,721,400	2,015,000
Asia:			
China*	140,000	140,000	140,000
Cyprus	17,622	24,449	25,000
Japan	16,451	17,067	17,500
Africa:			
Southern Rhodesia	176,149	150,000*	150,000
South Africa	240,750	276,597	280,000
Swaziland	40,884	36,141	40,000
Oceania:			
Australia	11,647	13,472	--
Others*	25,430	26,600	26,150
World total (estimate)	3,775,000	4,135,000	4,380,000

* - Estimate