

FILE NAME: Quebec Asbestos Mining Association (QAMA)

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MINUTES OF A MEETING OF THE DIRECTORS OF THE  
QUEBEC ASBESTOS MINING ASSOCIATION HELD AT  
THE MANOR RICHMOND, MURRAY HAY, Que , ON  
TUESDAY, JULY 30th, 1957

The following Directors were present:

Messrs. J.A. Roadway  
W.J. Johnson  
E.V. Lindell  
P.A. Meyer  
A.L. Penhale  
G.W. Smith

Also present were:

Messrs. R.D. Bradford  
I.C. Campbell  
D.T. Colton  
A.E. Fisher  
C.P. Jenkins  
J.T. Kelleher  
J.J. Marotte  
M.J. Masel  
L. Morisset  
A. Sabourin  
H.A. Smith

The President, Mr. G.W. Smith, was in the chair and Mr. I.C. Campbell acted as secretary of the meeting.

Before proceeding with the regular business of the meeting the chairman welcomed Mr. R.D. Bradford and Mr. M.J. Masel of Lake Abbestos of Quebec Limited.

1. The minutes of the previous meeting were confirmed.

2. MEMBERS' CONTRIBUTION

- (a) Research - Mr. A. Sabourin reported that the fate of the Research Foundation was still undecided and consequently the question of the disposal of the association's records was still pending. Counsel is maintaining communication with the Foundation.
- (b) Symposium on Pneumoconiosis - The decision as to the time and location of the symposium is still pending. It was thought that it should not be held until the Spring of 1958. Counsel was requested to submit a report as to the expenditures made to date.

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- (c) Mineral Services - The enlargement of the Thetford Industrial Clinic has been completed and examinations are proceeding according to plan.
- (d) Mine Rescue Stations - The station building at Thetford has been completed, the equipment delivered, and the local personnel trained. The question of training the crews from Caspey Copper Mines will have to be settled after the conclusion of the strike there.
- (e) Merit Rating - Nothing new to report. The maximum rate for 1956 was \$5.00, the minimum \$0.25 and the provisional rate for 1957 has been set at \$2.00.
- (f) McIntyre Foundation - It was suggested that the association should establish closer liaison at the medical level with the McIntyre Foundation with respect to their arrangements pertaining to pneumoconiosis. In the absence of such liaison it would appear likely that their statements of either a general or a specific nature dealing with pneumoconiosis might be misconstrued and unjustly effect the objectives of the association. Regular exchange of information would obviate this difficulty.

### 3. MINE LEGISLATION

- (a) Bill 44 - Amendment to the Quebec Corporation Tax Act. - Mr. Frenchie confirmed, that although the regulations under the Act had yet to be published, the Comptroller of Provincial Revenue had assured him that taxable income would be computed in accordance with prevailing rules for the Federal Income Tax Act. If this is to be the case it will require changes in the provisions for depreciation and depletion allowances to which Mr. Shinn agreed. He also agreed that 100% of the duties payable under the Quebec Mining Act would be allowed as a deduction from taxable income which again differs from the Federal regulations. Exploration expenses will be allowed and income from new mines will be exempt from tax in the same manner as provided for under Section 63 (5) of the Income Tax Act.
- (b) Sales Tax - It was reported that Relocations Limited had been assessed the full 5% Provincial, Municipal and School Sales Taxes on its purchases instead of 20% of the tax eligible as normally applies to the taxable purchases of mining companies. The Department apparently ruled that this concession would only apply to subsidiary companies which carry out the normal operations of the parent mining company. Steps are being taken to appeal this ruling to the Comptroller of Provincial Revenue.

#### 4. TRANSPORTATION

(a) The American railroads have revived the question of establishing a higher rate on asbestos cruce and spinning fibre although they have already been defeated on this point before the I.C.C. The Official Classification Committee of the Railroads held hearings earlier this month on the subject and this Association was represented together with most of the major asbestos consumers in the United States. Strong protests against this proposal were lodged and it is hoped will prove a sufficient deterrent to publication of such new rates which would, if published, taking Charlotte, N.C., as a destination for example, mean increases from \$13.25 a ton on crude on LCL lots to \$4.40 a ton on carloads of spinning fibre. A decision from the Railroads on this matter is not likely before September, if published these rates will be protested to the I.C.C., would then be suspended and presumably become the subject of another I & S Dossier.

(b) The following reductions in ocean freight rates have been negotiated:

(1) FAR EAST (Penang, Singapore & Port Swettenham)  
per ton - 2,000 lbs.

|                 | <u>Former Rate</u> | <u>New Pr. P.</u> | <u>Rates N.Pr. P.</u> |
|-----------------|--------------------|-------------------|-----------------------|
| Groups 3, 4 & 5 | \$45.50            | \$40.50           | \$45.50               |
| Groups 6 & 7    | 41.75              | 36.75             | 41.75                 |

Rates for Bangkok - plus \$5.50

(11) FAR EAST (Calcutta, Bombay, Karachi, Colombo)  
per ton - 2,240 lbs.

|              |         |         |         |
|--------------|---------|---------|---------|
| Group 3      | \$58.00 | \$45.00 | \$50.00 |
| Groups 4 & 5 | 53.00   | 43.00   | 48.00   |
| Groups 6 & 7 | 52.00   | 40.00   | 45.00   |

It was agreed that wherever possible differential ocean freight rates on pressure packed fibre should be established without actual measurement figures being used.

#### 5. LABOUR

There was some discussion as to the effect of Aluminum Company strike and its probable settlement on members' labour contracts. It was reported that in the United States the indicated pattern of wage increase is from 5 - 6%.

6. STOCKPILING

- (a) Questionnaire on Spinning Fibre for U.S. Government - This questionnaire prepared by the U.S. Bureau of Mines was apparently designed to elicit information from which a decision could be made with respect to removing asbestos from the artificial materials list. It was agreed that a Committee composed of Messrs. J.W. Smith and J.A. Marcotte should take up this matter with the appropriate Canadian Government officials with a view to getting their recommendations as to the method of dealing with this matter.
- (b) Stockpiling Spinning Fibres - Mr. Kelleher advised that the U.S. Government had authorized a further expenditure of two million dollars for stockpiling Arizona Spinning fibre. The U.S. government are apparently in favour of encouraging the development of the asbestos deposit in the Shasta Valley of California. There is no question of stockpiling Canadian fibre at this time.

7. PUBLIC RELATIONS

A report from the Association's consultants was circulated.

8. MEMBERSHIP

Nothing new.

9. REVISION OF THE QUEBEC MINING ACT

Meetings have been held with the representatives of the Quebec Metal Mining Association and progress was reported.

10. JOINT PROVINCIAL MINING ASSOCIATION

The next meeting of the J.P.M.A. is scheduled for September 3rd in Vancouver. Messrs. Lindell and Penhale expect to attend and will represent the Association. This occasion should provide an opportunity to meet the new Federal Minister of Mines.

11. RE-ORGANIZATION Q.A.M.A.

In the absence of counsel's approval of the new draft By-laws, it was agreed that they should be adopted in principle and that the Association should operate under the new organization pending such approval.

12. DATE & PLACE OF NEXT MEETING

The next meeting will be held at the call of the chair.

13. There being no further business the meeting terminated.

100:ed.